



Exane BNPP European CEO Conference

June 8th, 2021



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Key messages

Clear recent volume acceleration after COVID-19 3rd wave

- Continued strong performance in Basic consumption sector
- Fast recovery in Discretionary consumption sector
- Visible signals of initial recovery in travel/leisure sectors

Growth performance in Q1 ahead of expectations

- Revenues +4.1% vs 1Q20 (+5.3% vs 1Q19)
- EBITDA +2.0% vs 1Q20 (+9.2% vs 1Q19)

Continued progress in creating the European PayTech leader

- Strong Nets and SIA standalone performances
- Nexi-Nets closing confirmed in 2Q21
- Nexi- SIA closing expected in 3Q21
- Strong progress on 'Go-Live' and transformation initiatives
- Extended ISP Merchant Services partnership to UBI book



2021 Ambition raised to high single digit /double digit Revenue growth

Executive Summary

Covid-19 update

- **Transaction volumes** (acquiring + issuing) at 99 €B in 1Q21, **+1.1% vs 1Q20** and **-7.0% vs 1Q19**, despite difficult comparison with strong January and February 2020 and non-expected Covid-19 third wave from March 2021. Steady recovery in transaction volumes since mid-January until mid-March when additional restrictions went into force in Italy
- **Double digit growth in the Basic consumption category in 1Q21, +21% vs 1Q20** and **+40% vs 1Q19¹** and **fast recovery in Discretionary spending**. Travel/tourism and International travelers contribution still suffering. **Strong performance of Italian Cards** after a slow-down in mid-March due to Covid-19 third wave related restrictions
- **Strong E-commerce acceleration in 1Q21 net of high impact consumption sectors: +30% vs 1Q20** and **+63% vs 1Q19¹**. Confirmed Overall 1Q21 E-commerce performance less impacted by Covid-19 compared to physical sales (transaction value +4% vs 1Q19)
- **From mid-April easing of restrictions with new progressive reopening plan announced by the Government, coupled with accelerated roll out of vaccination plan**
- **Rapid recovery of acquiring volumes from mid-April** after easing of the restrictions, with total volumes in the last week rolling (24th – 30th May) at +12% vs 2019¹ :
 - Positive growth vs 2019 for Italian Cards (+28% vs 2019)
 - Confirmed double digit growth in Basic consumption category
 - Continued strong recovery in Discretionary consumption category
 - Visible signals of High impact consumption category recovery, especially for Restaurants and Bars
- **Continued signs of acceleration from cash to digital transactions**, in particular in sectors and Regions less affected by Covid-19 related restrictions

Executive Summary

Results highlights

- **Revenues** at 258.6 €M, **+4.1% y/y in 1Q21**, better than expected, and +5.3% vs 1Q19
- **EBITDA** at 139.8 €M, **+2.0% y/y in 1Q21**, better than expected, and +9.2% vs 1Q19

Key business update

- **Merchant Services & Solutions** (50% of Revenues): confirmed strong demand of advanced solutions by merchants, acceleration on mPOS proposition and continued strong e-commerce sales performance
- **Cards and Digital Payments** (38% of Revenues): sustained growth of cards customer base, continued growth in C-less transactions and mobile payments transaction volumes and good traction on Government Cash-back program
- **Digital Banking Solutions** (12% of Revenues): good progress on new customers/VAS in Self-banking, innovative Digital Banking offer and on go-to-market for Open Banking proposition; important project activity for banks, including banks' M&A
- **Costs +6.6% y/y in 1Q21 and +1.2% vs 1Q19.** Yearly comparison mainly impacted by 2020 cash cost extraordinary containment plan. **Total costs at -0.9% y/y on a like-for-like comparison**
- **1Q21 Net financial Debt/EBITDA down at 3.2x. Refinancing for Nets and SIA mergers successfully executed:** debt tenor extension and significant reduction in the weighted average cash cost of debt

2021 Ambition raised to high single digit/double digit Revenue growth

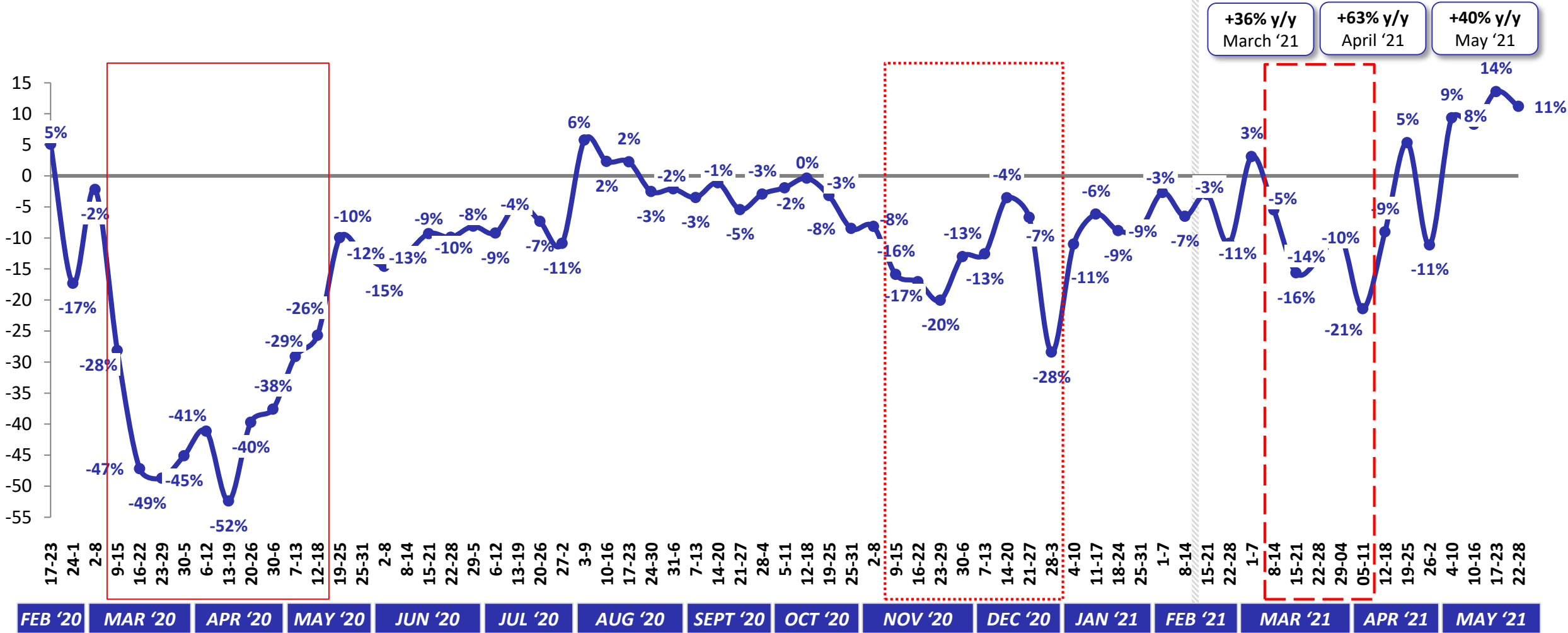
M&A update

- **Nets results¹:** Revenues at 230 €M, -3% y/y in 1Q21, and EBITDA at 60 €M, -10% y/y in 1Q21, better than expected
- **SIA results:** Revenues at 182 €M, +9% y/y in 1Q21, and EBITDA at 63 €M, +9% y/y in 1Q21, better than expected
- Closing confirmed in 2Q21 for Nets and expected in 3Q21 for SIA
- **UBI Merchant acquiring book acquisition signed.** Incremental 2021E EBITDA ~16 €M; implied multiple of 10.5x EV/EBITDA 2021E

Transaction volumes rapidly recovering since mid-April after the easing of restrictions for Covid-19 third wave

LATEST UPDATE

Total Acquiring and Issuing volumes - 7-days rolling % change Y/Y



Covid-19 first wave in Italy

Covid-19 second wave in Italy

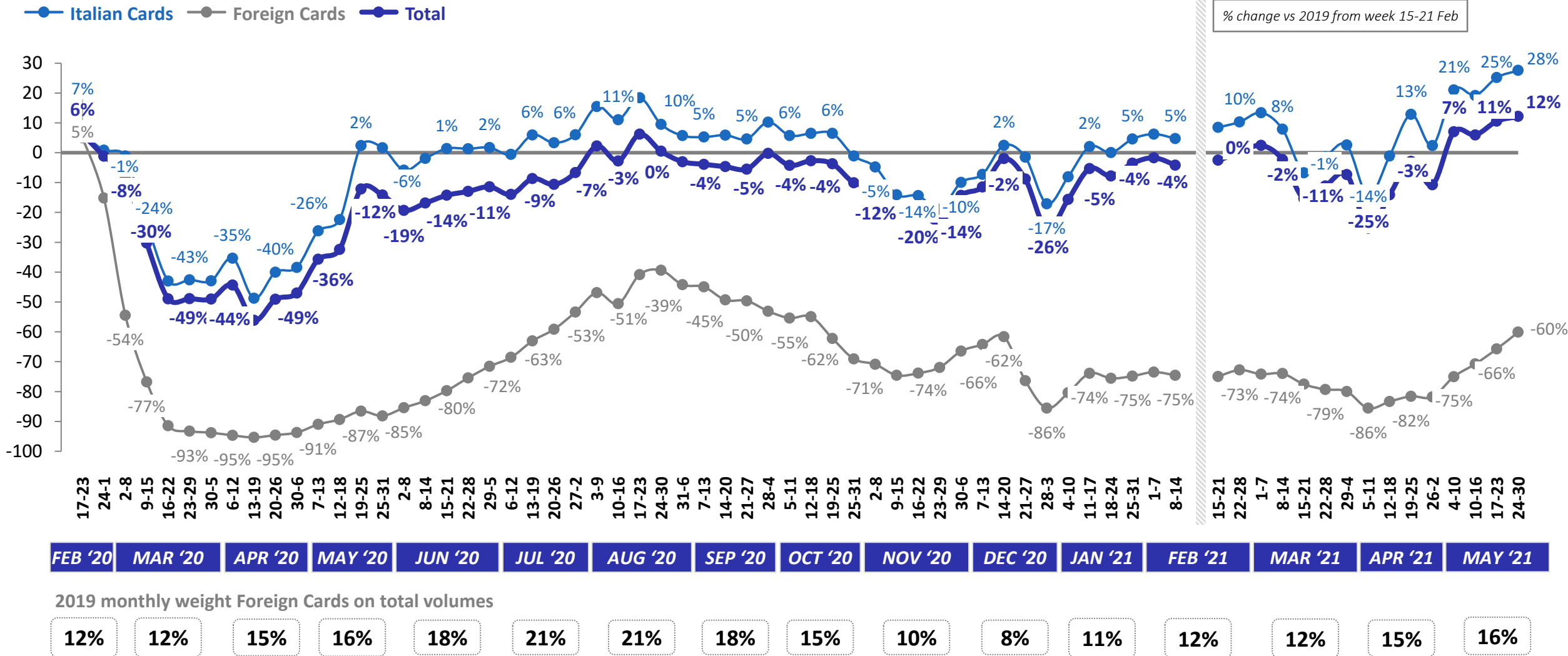
Covid-19 third wave in Italy

% change vs 2019 from week 15-21 Feb

Visible acceleration of Italian Cards acquiring volumes after the slow-down in mid-March due to restrictions for Covid-19 third wave

LATEST UPDATE

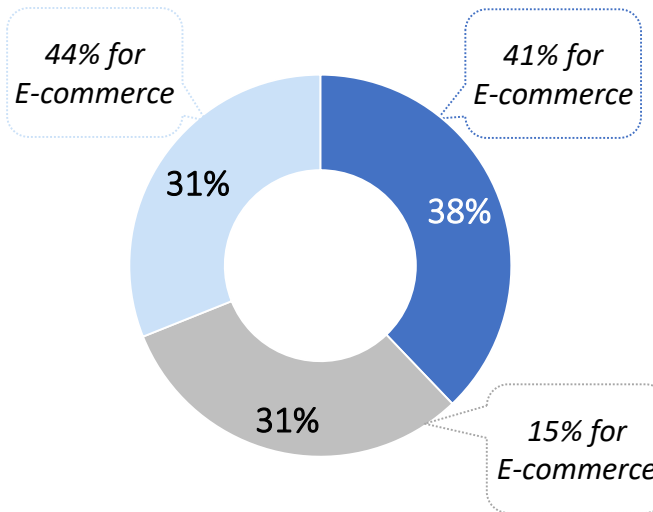
Acquiring sales volumes – Italian Cards vs Foreign Cards – Y/Y trend



Double digit growth and acceleration in Basic consumption and strong recovery in Discretionary spending and signals of recovery in high impact category

LATEST UPDATE

Acquiring volumes by category¹



Basic consumption

Groceries, medical retail, utilities and services (e.g. insurance, bank services)

Discretionary consumption

Clothing, household, other non-alimentary retail and other services (e.g. laundries, beauty)

High-impact consumption

Hotels and restaurants, travel and transports, entertainment, etc.

Product category		% change Y/Y			% change vs 2019				
		FY20	Jan	Feb	Mar	1Q21	Apr	May	LWR ²
Basic consumption		16%	25%	14%	42%	40%	33%	33%	40% +42%
	of which Physical	14%	24%	13%	40%	38%	31%	33%	41%
	of which E-commerce	36%	29%	24%	70%	67%	60%	33%	27%
Generic/discretionary consumption		-21%	-25%	-4%	-25%	-16%	-22%	6%	11% +26%
	of which Physical	-23%	-26%	-5%	-28%	-19%	-24%	5%	10%
	of which E-commerce	39%	26%	25%	70%	54%	65%	42%	40%
High-impact consumption		-38%	-58%	-44%	-52%	-49%	-53%	-25%	-19% +4%
	of which Physical	-37%	-56%	-42%	-49%	-46%	-52%	-24%	-19%
	of which E-commerce	-50%	-73%	-66%	-71%	-69%	-62%	-32%	-21%
Total		-12%	-14%	-8%	-6%	-3%	-10%	7%	12% +28%
	of which Physical	-13%	-14%	-8%	-7%	-4%	-11%	7%	12%
	of which E-commerce	-1%	-12%	-11%	6%	5%	5%	7%	8%

○ % change vs 2019 on Italian Cards

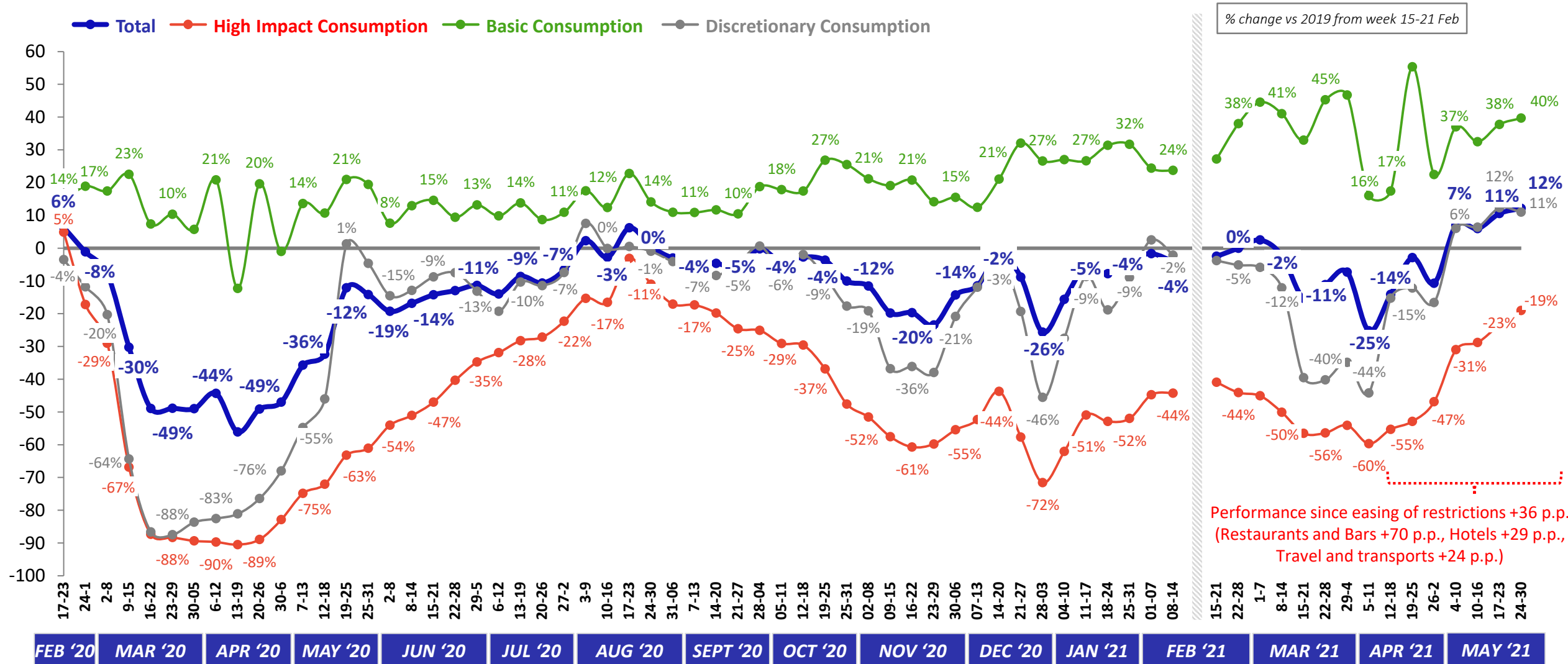
Acquiring volumes: split between Physical and E-commerce

	FY20	Jan	Feb	Mar	1Q21	Apr	May	LWR ²
Physical	93%	93%	93%	92%	93%	93%	93%	93%
E-commerce	7%	7%	7%	8%	7%	7%	7%	7%

Continued strong trend in Basic category and fast recovery in Discretionary spend until mid-March and after the easing of restrictions for Covid-19 third wave

LATEST UPDATE

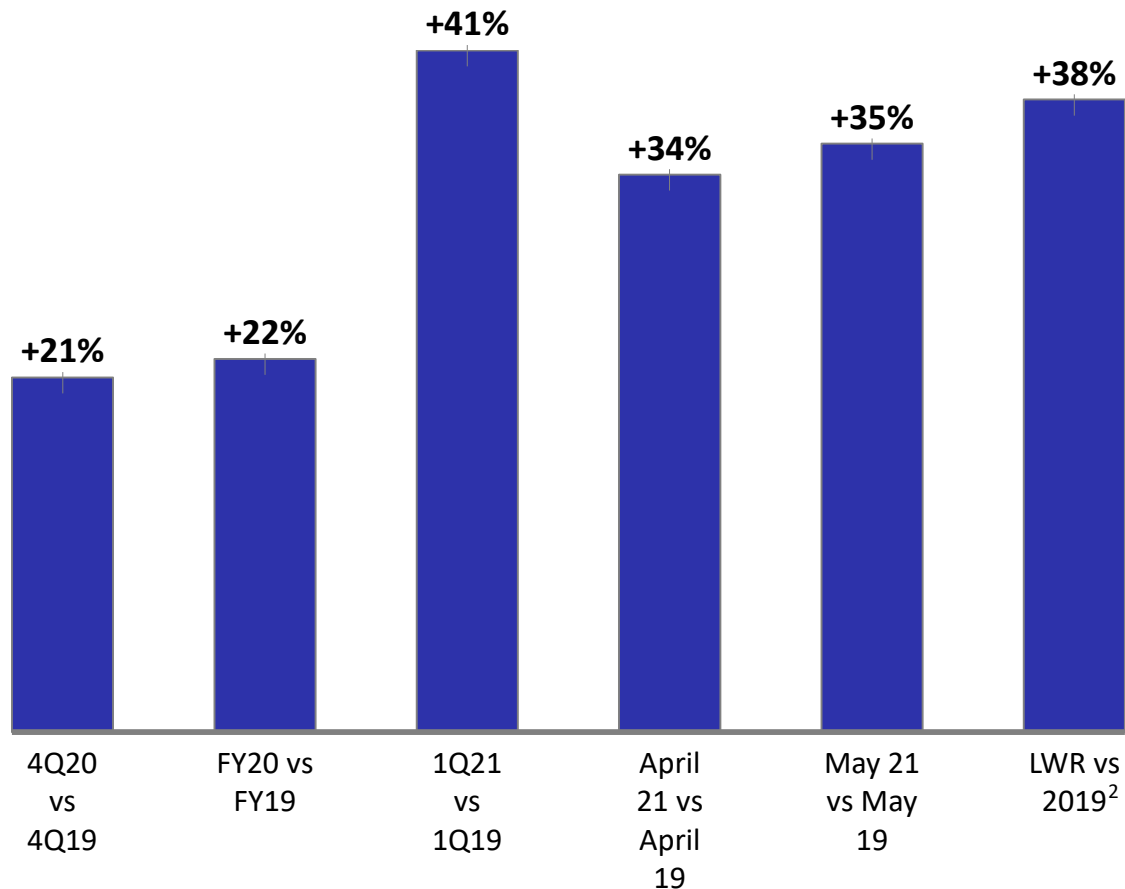
Acquiring sales volumes trend by consumption category – Y/Y trend



Visible signals of acceleration of digital payments penetration in non-COVID affected sectors and less affected areas in the Country

LATEST UPDATE

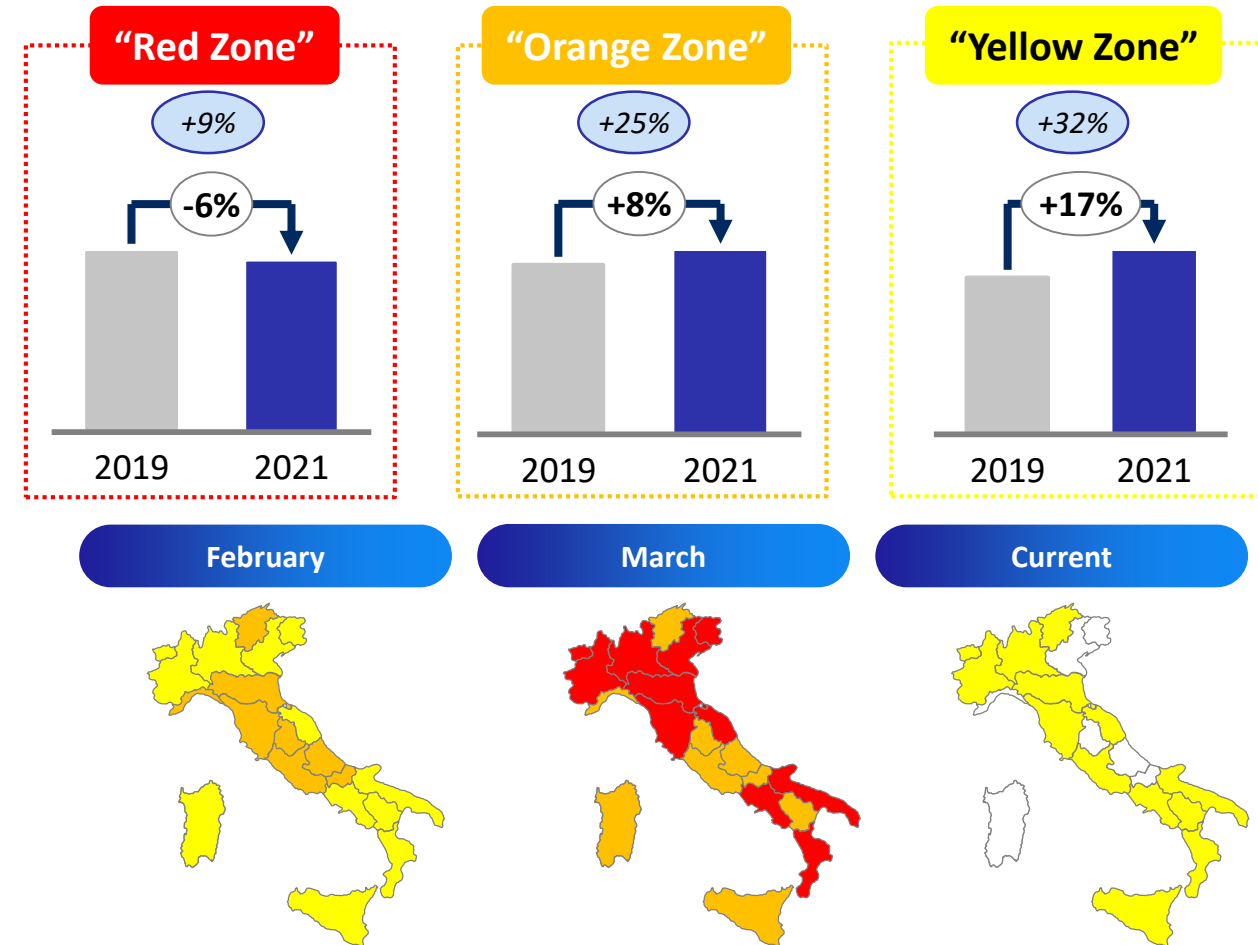
Digital payments Y/Y volumes for Italian cards: Focus on Grocery category



Italian cards volumes trend by “Covid areas”¹

From January 11th
to March 28th

Net of high impact consumption sectors



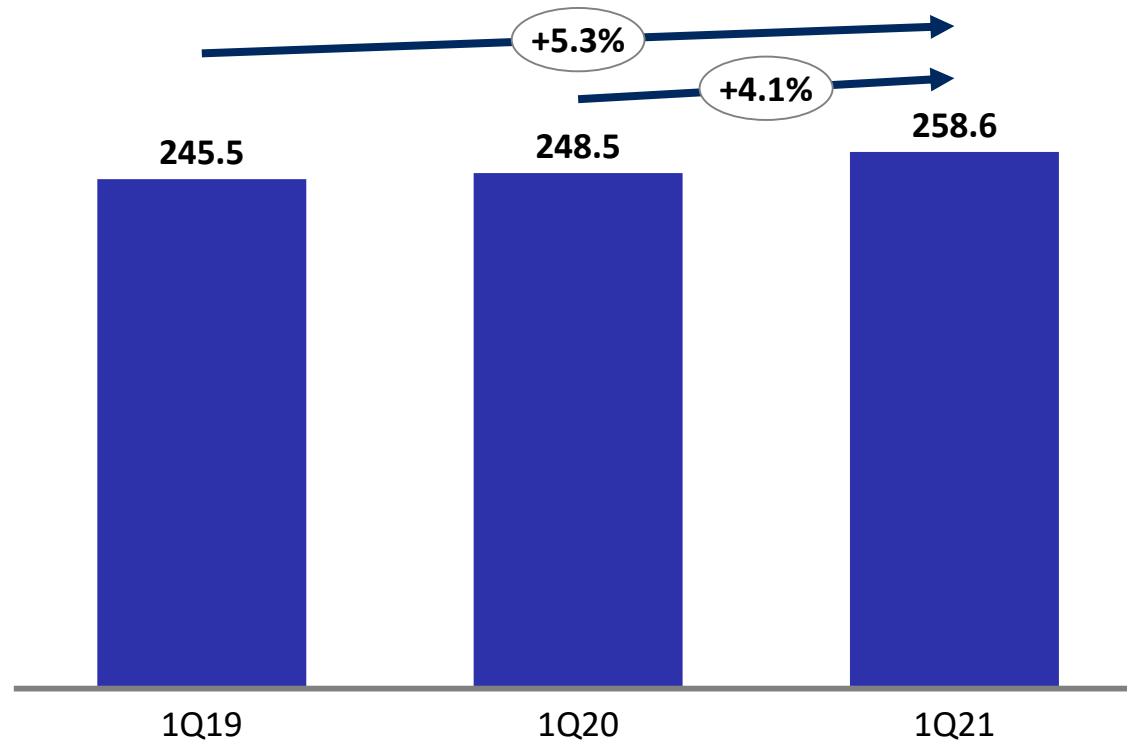
Focus on 1Q21 Results



Revenue and EBITDA growth better than expected.

Continued Operating leverage highlighted by performance versus 2019

Net Revenues (€M)



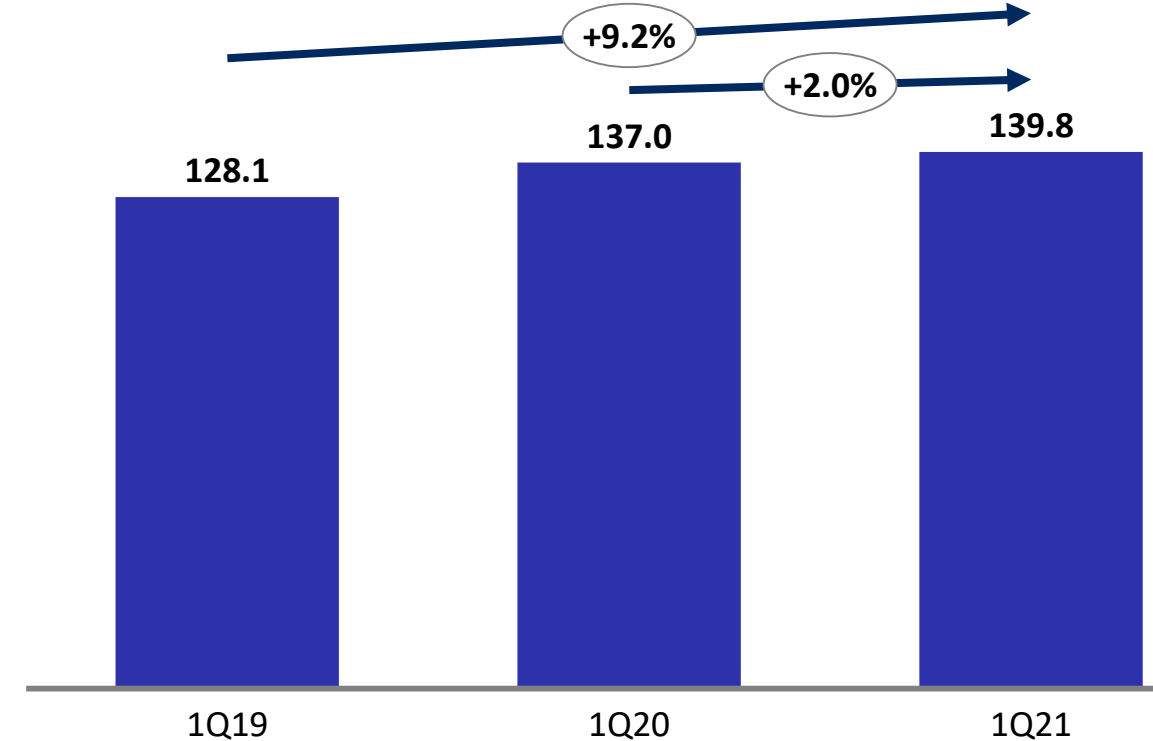
EBITDA (€M)

Margin

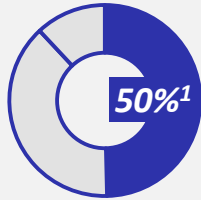
52%

55%

54%



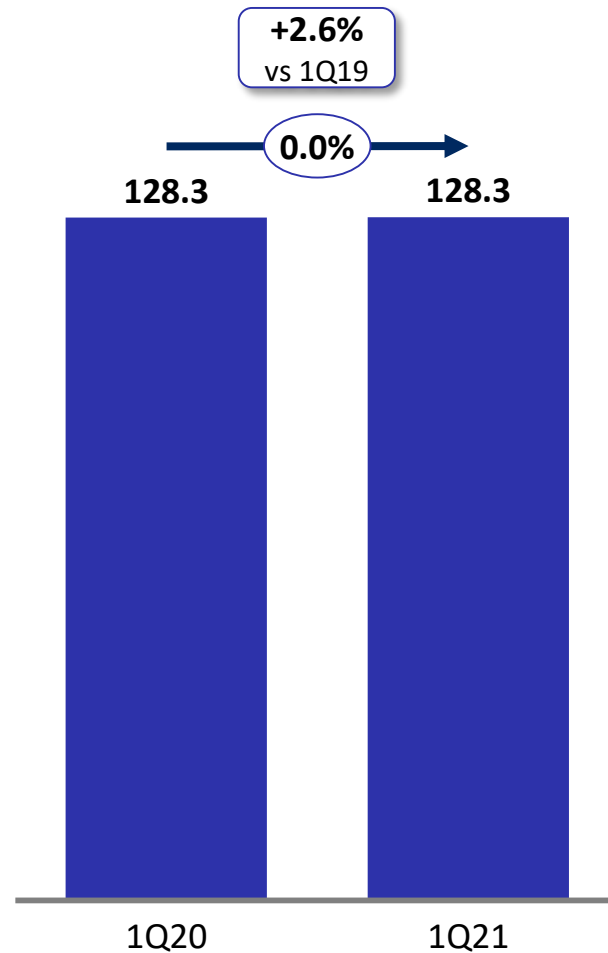
Merchant Services & Solutions: resilient Revenue performance despite comparison with strong January-February 2020 and Covid-19 third wave



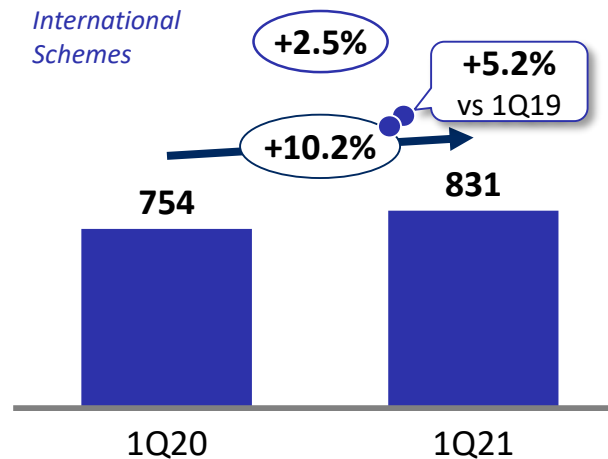
Merchant
Services &
Solutions



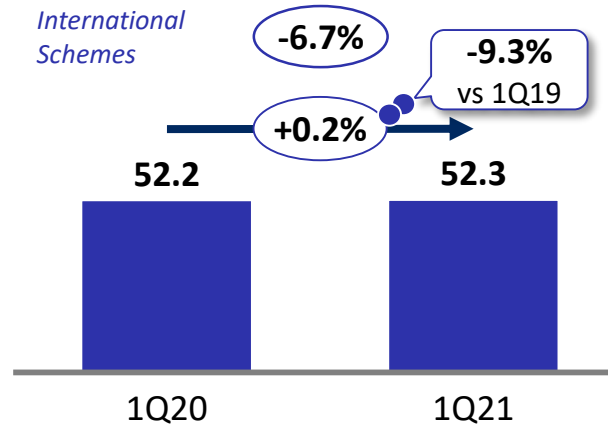
Net Revenues (€M)



Managed Transactions (#M)



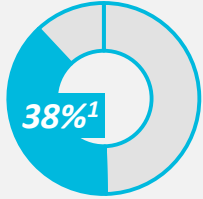
Value of Managed Transactions (€B)



Key Highlights

- Continued growth of large merchants' demand for omnichannel solutions
- Acceleration on mPOS proposition and complementary channels offer on specific verticals
- Strong E-commerce volume performance in 1Q21 net of high impact consumption sectors +30% vs 1Q20, +63% vs 1Q19)²; overall performance less impacted by Covid-19 compared to physical sales (transaction value +4% vs 1Q19)
- Accelerated E-commerce revenue growth well supported by technology/gateway (gateway activations x2 vs 1Q20)
- PSD2/SCA regulation successfully implemented

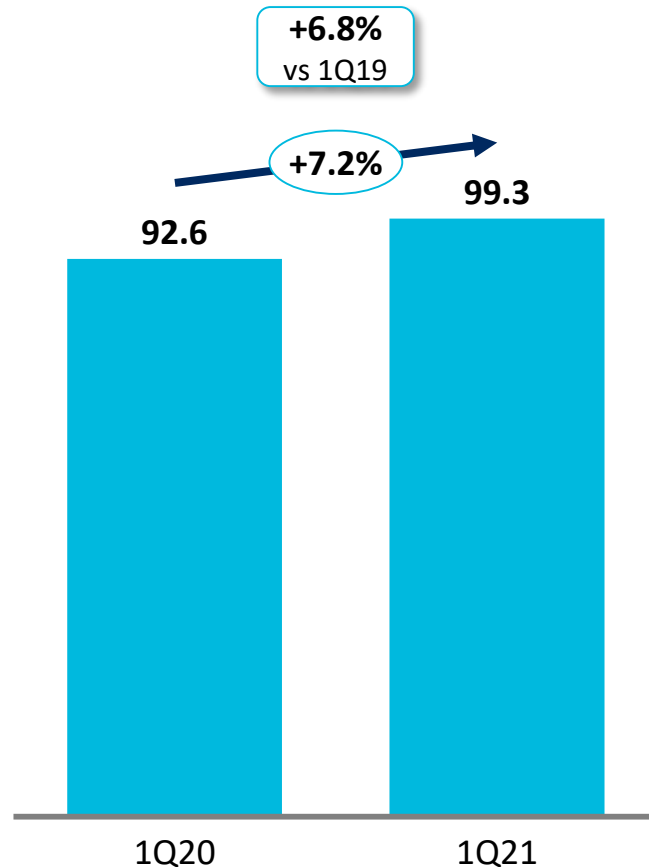
Cards & Digital Payments: strong Revenue performance sustained by installed base growth and volumes, despite Covid-19 third wave



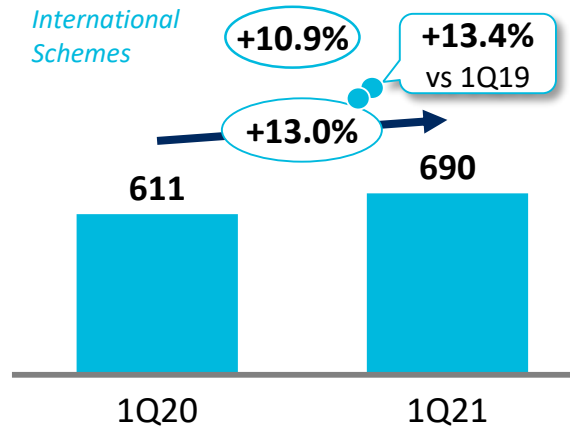
Cards & Digital Payments



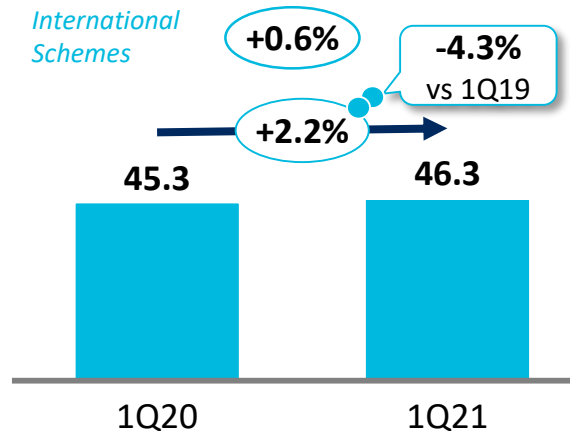
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)

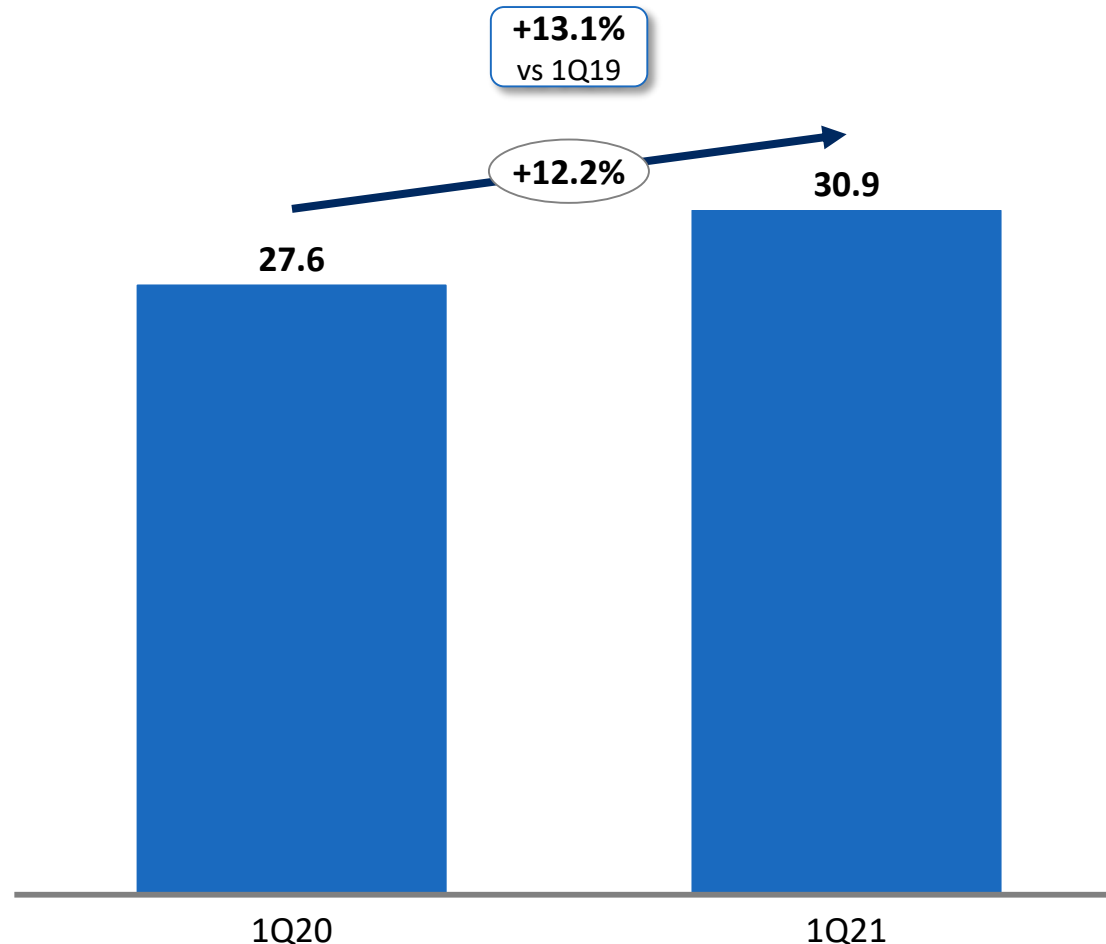


Key Highlights

- ~+8% y/y revenues from installed base (>60% of total revenues)
- Continued growth on international debit, with increasing card stock and value of managed transactions (+8% vs 1Q20; +15% vs 1Q19)
- Continued evolution on National Debit digital capabilities
- Confirmed growth of c-less transactions (from 38% pre-lockdown to 43% in April)
- Continued growth in mobile payments transaction volumes +57% y/y
- Continued promotion of Government cash-back initiative
- Some contribution from specific projects related to banks' M&A

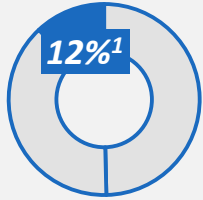
Digital Banking Solutions: Revenue acceleration supported by banks' M&A related projects, on top of underlying confirmed business growth trend

Net Revenues (€M)



Key Highlights

- **Self banking:** completed roll-out of new platform on all existing customers. Good progress on new customers/VAS acquisition, confirmed growth of advanced ATMs (+5% y/y in 1Q21)
- **Digital Corporate Banking:** continued growth of installed workstations (+3% y/y in 1Q21)
- **Corporate payments:** confirmed strong commercial pipeline for new Pay-by-account solution and IP-IMELs platforms
- **Open Banking:** good progress on go-to-market for CBI Globe TPP gateway and Nexi Open solutions
- Positive contribution from specific projects related to banks' M&A

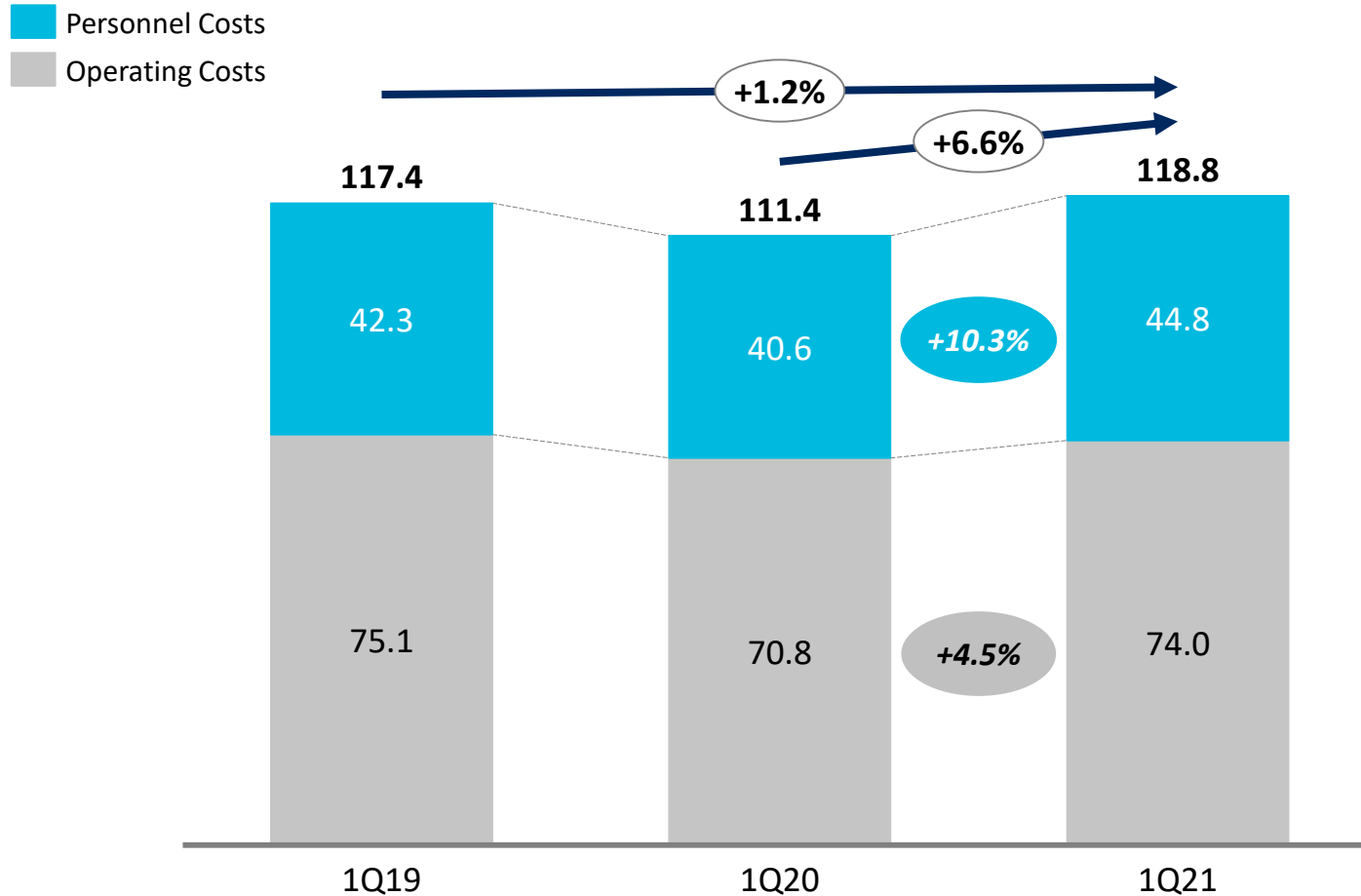


Digital
Banking
Solutions



Continued strong cost control with total costs substantially flat versus 2019 despite one off project-related costs

Total Costs (€M)



Key Highlights

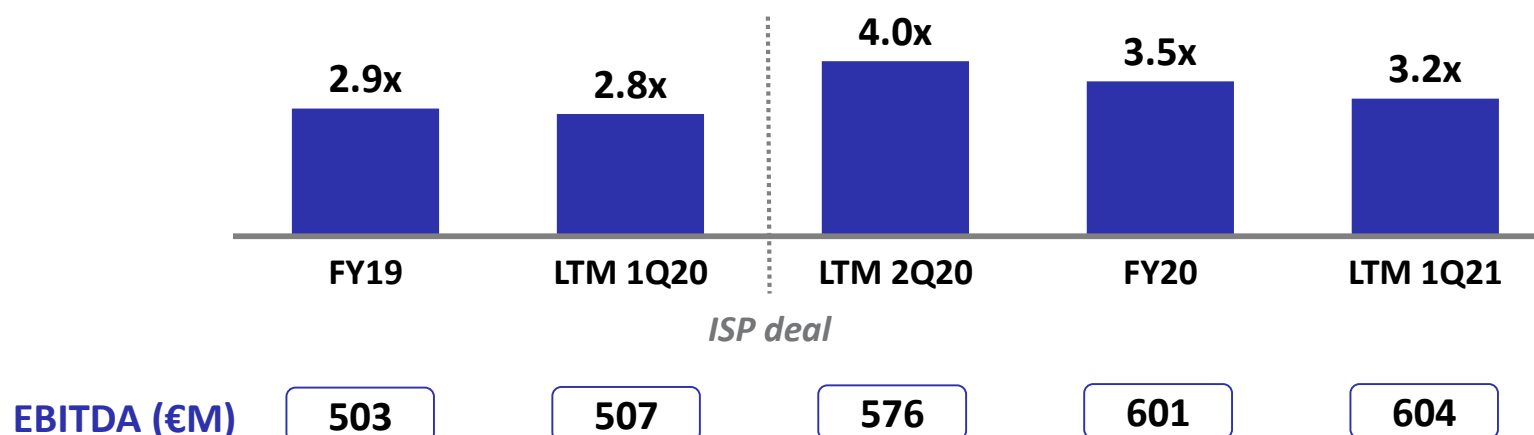
- Comparison with 2020 affected by 100+ €M cash cost containment plan in place in 2020 to mitigate Covid-19 effects and project-related costs connected to banks' M&A in 1Q21
- Increase in total costs (+7.4 €M) versus 2020 mainly driven by:
 - Personnel costs mainly related to variable compensation accruals
 - Project-related costs connected to banking consolidation
- On a like-for-like comparison (i.e. neutralizing 1Q20 lower MBOs and 1Q21 project-related costs connected to banking consolidation) total costs at -0.9% y/y

Net Financial Debt / EBITDA down at 3.2x

Net Financial Debt (€M)

	Dec 19	Mar 20	June 20	Dec 20	Mar 21
Gross Financial Debt	1,840	1,843	2,741	2,781	3,648
Cash	248	307	316	499	1,591
Cash Equivalents ¹	123	116	118	149	154
Net Financial Debt	1,470	1,420	2,307	2,133	1,904

Net Financial Debt / EBITDA (€M)

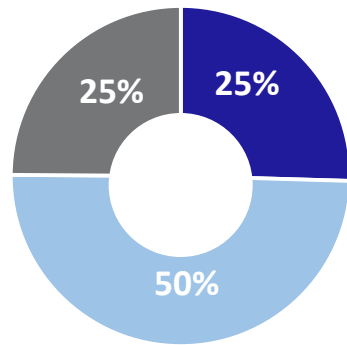


Refinancing of Nets and SIA debt already successfully executed.

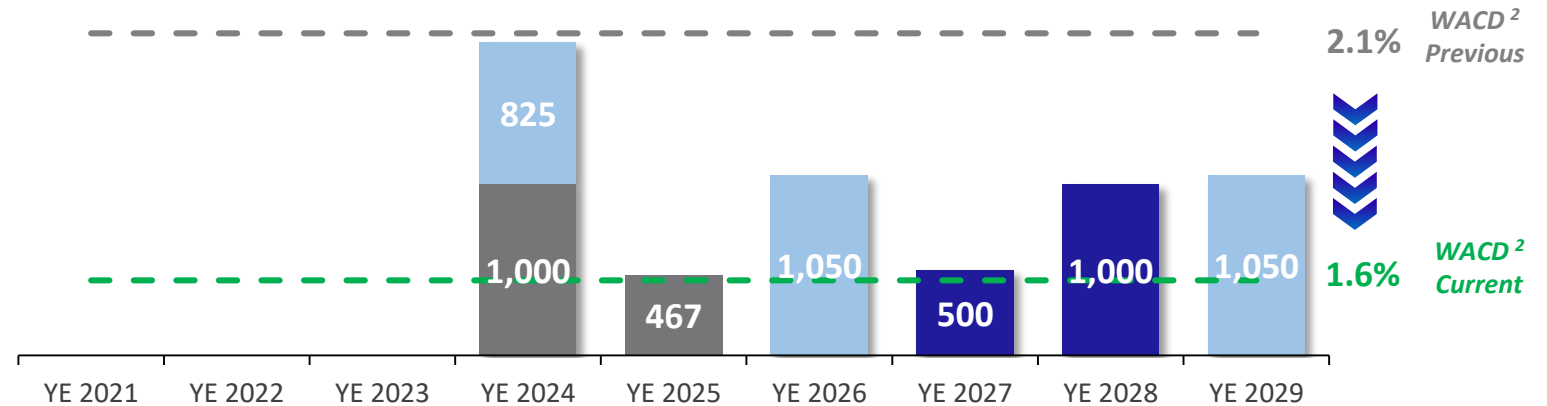
Overall debt tenor extension and significant reduction in the cost of debt

Senior Notes Term Loan Convertible Notes

Debt Structure¹



New Debt maturity schedule (€M)¹



- Successfully refinancing of Nets and SIA existing indebtedness
- Group's debt tenor extension, cost of debt reduction and well diversified capital structure
- Nexi also benefits of an undrawn 350 €M Revolving Credit Facility, committed to 2024, that further supports its liquidity profile
- Rating Agencies confirmed their views on Nexi in light of the envisaged mergers
 - S&P: Credit Watch Positive
 - Fitch: Rating Watch Positive
 - Moody's: Positive Outlook

ISP Merchant Services partnership extended to former UBI book

Key components of the partnership extension

- Acquisition of UBI Merchant acquiring business incorporated in Intesa Sanpaolo after the acquisition of UBI by Intesa Sanpaolo and post carve-out of UBI's branches to BPER and BPPB
- Extension of Nexi-ISP merchant acquiring partnership to former UBI merchants, as envisaged by 2020 agreement for M&A
- Processing activities related to the book already performed by Nexi
- 170 €M cash consideration (plus potential earn-out payable in 2025)
- Implied multiple: 10.5x EV/EBITDA 2021E, in line with the implied valuation of the ISP Merchant Acquiring book acquired in 2020
- Closing expected in 2H21, consistently with the technological implementation and subject to necessary approvals
- Cash flow generated by the acquiring book from Jan 1st 2021 to closing date to be transferred to Nexi at closing
- Contractual protection mechanisms for Nexi in line with ISP Merchant acquiring book's acquisition

Key Figures

KPIs	2020
Number of merchants	~47k
Transaction volumes	~6 €B

Key P&L Items	Incremental 2021E
Net Revenues ¹	~17 €M
EBITDA	~16 €M



ISP Merchant Services partnership extended to former UBI book

Continued progress in creating the European PayTech leader

1Q21 Standalone performance

Closing Agenda

Transformation Plan

Nets

- **Underlying Revenues¹** at 230 €M, -3.0% y/y
- **Underlying EBITDA¹** at 60 €M, -10.3% y/y

- **EGM approval obtained** on March 3rd, 2021
- **Antitrust clearance obtained** on March 8th, 2021
- **Remaining regulatory approvals in progress**
- **Closing confirmed in 2Q21**

- **Transformation program fully operational**, with 10 workstreams
- **Go-live initiatives mostly finalized**
- **All value-creation workstreams** working on operational plans **to achieve synergies** post closing, **with clear quick wins already identified**

SIA

- **Revenues** at 182 €M, +9.0% y/y
- **EBITDA** at 63 €M, +8.6% y/y

- **Filing to Italian Antitrust Authority submitted** on May 12th, 2021
- **Remaining regulatory approvals in progress**
- **Closing expected in 3Q21**

- **Transformation program fully operational**, with 12 workstreams
- **Go-live initiatives in progress**
- **All value-creation workstreams** started and progressing according to plan

2021 Ambition raised to high single digit/double digit Revenue growth, despite unexpected Covid-19 third wave

2021 Ambition (Feb '21)

Assuming gradual recovery from Covid-19 in 1H21 broadly in line with the current trajectory:

- **Mid-high single digit Revenue growth**
- **Broadly stable EBITDA margin, +3 p.p. vs 2019**
- **Broadly stable Capex intensity ratio**, anticipating M&A synergies
- **Continued strong organic cash flow generation and de-leveraging profile**



2021 Revised Ambition

Assuming accelerated recovery from Covid-19 and current vaccination plans execution:

- **High single digit/double digit Revenue growth**
- **Broadly stable EBITDA margin, +3 p.p. vs 2019.**
Potential upside
- **Broadly stable Capex intensity ratio**, anticipating M&A synergies
- **Continued strong organic cash flow generation and de-leveraging profile**

Key messages

Clear recent volume acceleration after COVID-19 3rd wave

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- Fast recovery in Discretionary consumption sector
- Visible signals of initial recovery in travel/leisure sectors

Growth performance in Q1 ahead of expectations

- Revenues +4.1% vs 1Q20 (+5.3% vs 1Q19)
- EBITDA +2.0% vs 1Q20 (+9.2% vs 1Q19)

Continued progress in creating the European PayTech leader

- Strong Nets and SIA standalone performances
- Nexi-Nets closing confirmed in 2Q21
- Nexi- SIA closing expected in 3Q21
- Strong progress on 'Go-Live' and transformation initiatives
- Extended ISP Merchant Services partnership to UBI book



2021 Ambition raised to high single digit /double digit Revenue growth

Q&A



Annex



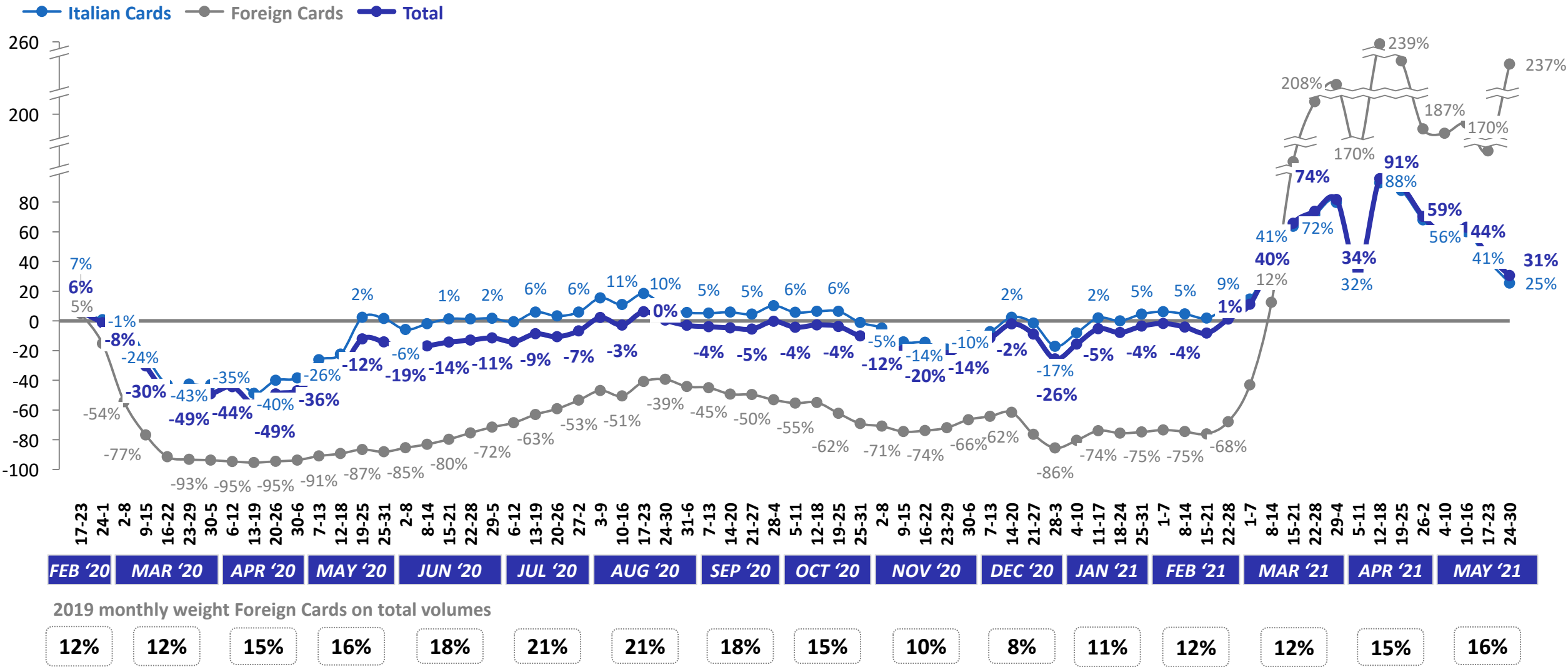
P&L

€M	1Q20	1Q21	Δ% vs. 1Q20	Δ% vs. 1Q19
Merchant Services & Solutions	128.3	128.3	+0.0%	+2.6%
Cards & Digital Payments	92.6	99.3	+7.2%	+6.8%
Digital Banking Solutions	27.6	30.9	+12.2%	+13.1%
Revenues	248.5	258.6	+4.1%	+5.3%
Personnel & related expenses	(40.6)	(44.8)	+10.3%	+5.8%
Operating Costs	(70.8)	(74.0)	+4.5%	-1.4%
Total Costs	(111.4)	(118.8)	+6.6%	+1.2%
EBITDA	137.0	139.8	+2.0%	+9.2%

Acquiring sales volumes – Italian Cards vs Foreign Cards

Y/Y % Change
LATEST UPDATE

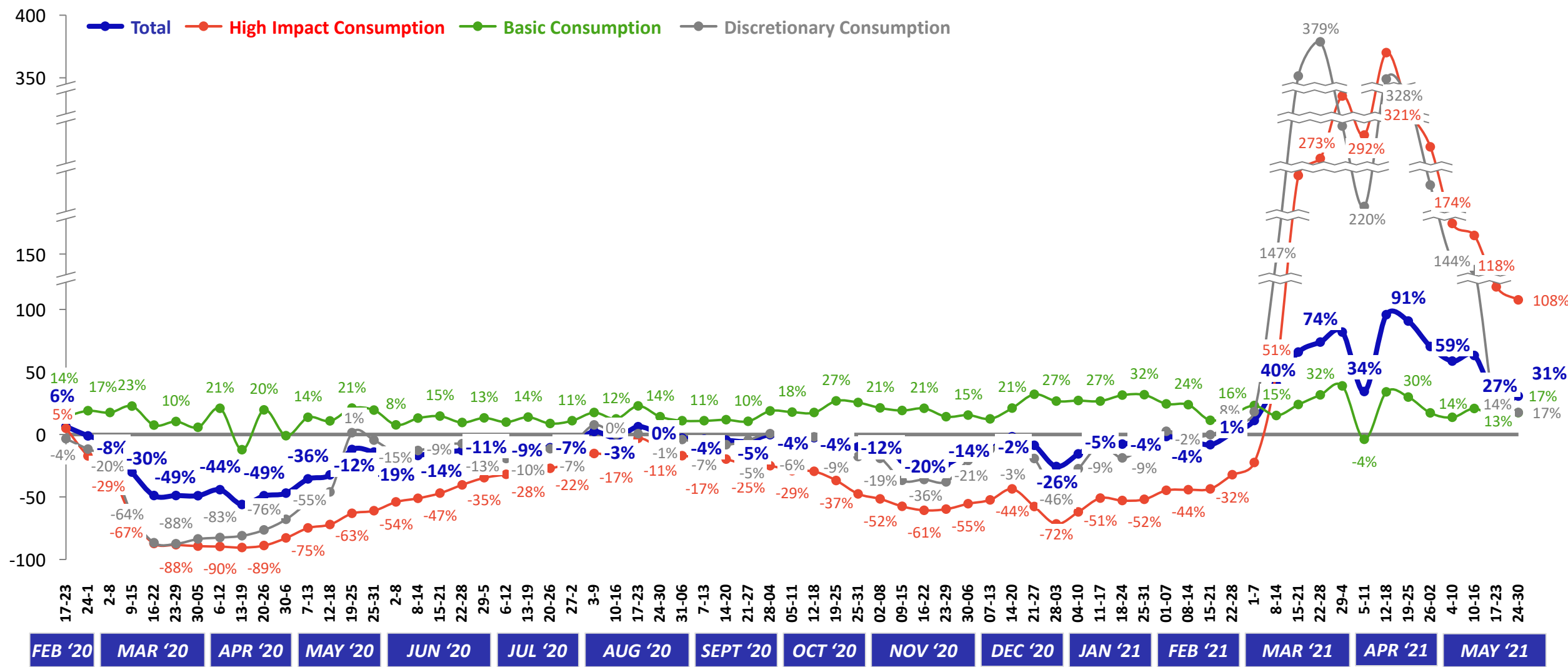
Acquiring sales volumes – Italian Cards vs Foreign Cards – Y/Y trend



Acquiring sales volumes trend by consumption category

Y/Y % Change
LATEST UPDATE

Acquiring sales volumes trend by consumption category – Y/Y trend

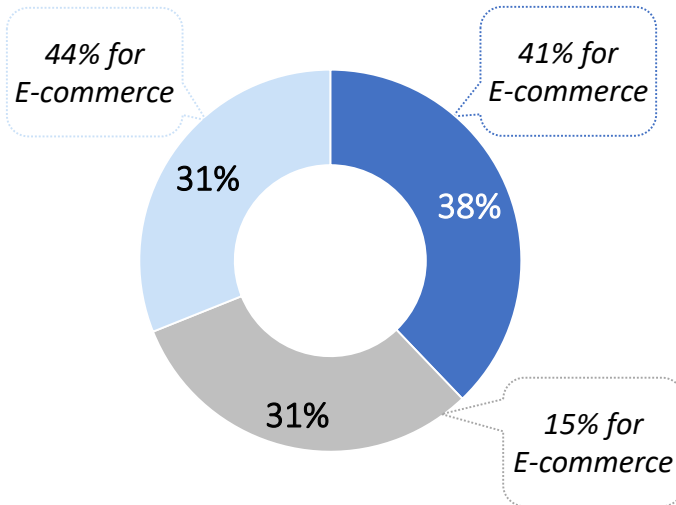


Acquiring sales volumes trend by consumption category

Y/Y % Change

LATEST UPDATE

Acquiring volumes by category¹



Basic consumption

Groceries, medical retail, utilities and services (e.g. insurance, bank services)

Discretionary consumption

Clothing, household, other non-alimentary retail and other services (e.g. laundries, beauty)

High-impact consumption

Hotels and restaurants, travel and transports, entertainment, etc.

Product category

% change Y/Y

Basic consumption

of which Physical
of which E-commerce

Generic/discretionary consumption

of which Physical
of which E-commerce

High-impact consumption

of which Physical
of which E-commerce

Total

of which Physical
of which E-commerce

FY20	Jan	Feb	Mar	1Q21	Apr	May	LWR ²	
16%	25%	14%	26%	21%	20%	18%	17%	+16%
14%	24%	13%	25%	21%	21%	19%	19%	
36%	29%	24%	33%	29%	18%	7%	0%	
-21%	-25%	-4%	114%	4%	286%	65%	17%	+13%
-23%	-26%	-5%	121%	2%	373%	72%	19%	
39%	26%	25%	52%	35%	-1%	-16%	-14%	
-38%	-58%	-44%	52%	-37%	313%	153%	108%	+89%
-37%	-56%	-42%	55%	-34%	319%	147%	103%	
-50%	-73%	-66%	15%	-59%	255%	251%	177%	
-12%	-14%	-8%	44%	2%	72%	48%	31%	+25%
-13%	-14%	-8%	45%	2%	76%	50%	31%	
-1%	-12%	-11%	34%	1%	27%	24%	20%	

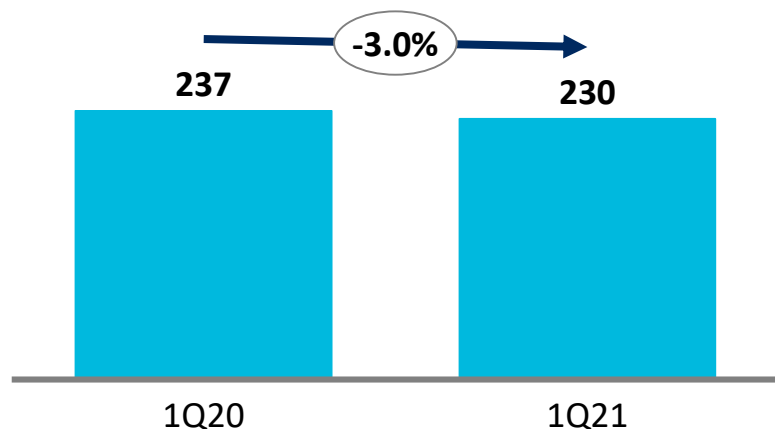
○ % change Y/Y on Italian Cards

Acquiring volumes: split between Physical and E-commerce

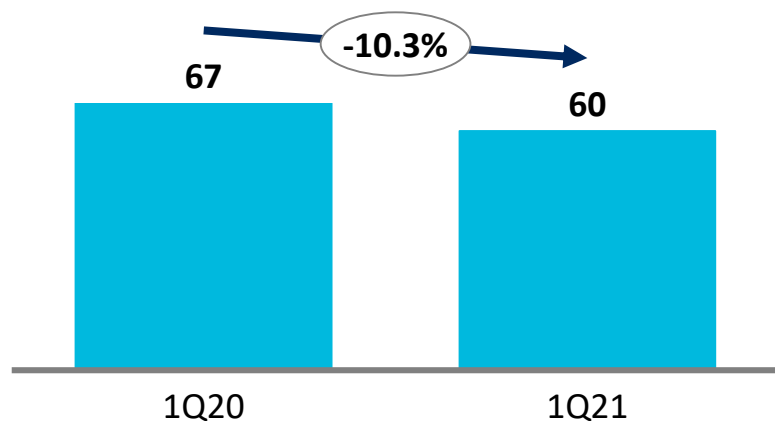
	FY20	Jan	Feb	Mar	1Q21	Apr	May	LWR ²
Physical	93%	93%	93%	92%	93%	93%	93%	93%
E-commerce	7%	7%	7%	8%	7%	7%	7%	7%

Nets performance

Underlying Revenues (€M)¹

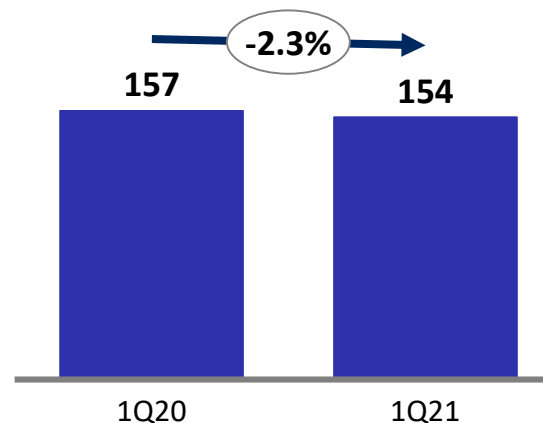


Underlying EBITDA (€M)¹



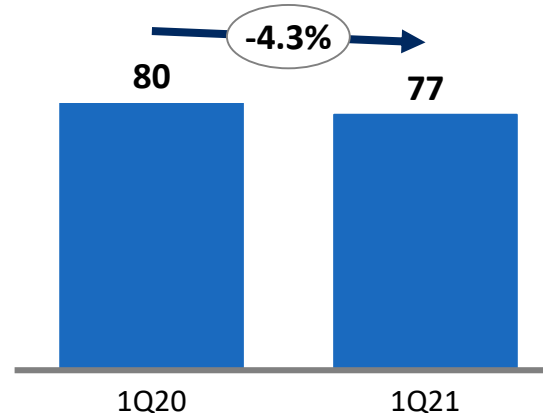
Merchant Services

Revenues, €M



Issuer & eSecurity Services

Underlying revenues¹, €M



67%²

Key Highlights

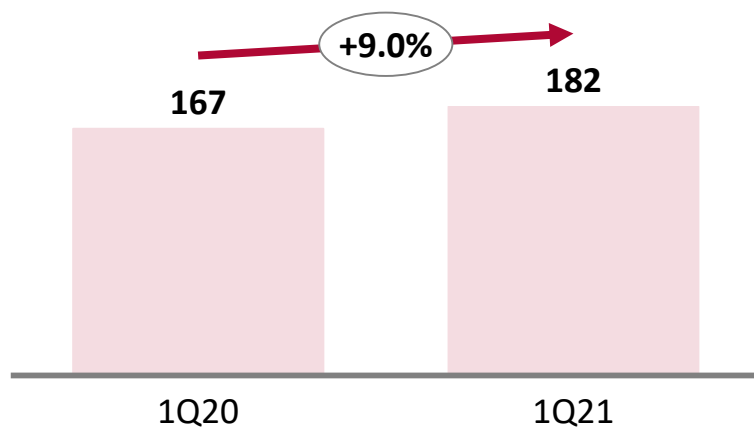
- Better than expected Revenue and EBITDA performance, despite Covid-19 restrictions in 1Q21 and limited lockdown in 1Q20, sustained by accelerated growth in E-Commerce (+40% y/y revenue performance)

33%²

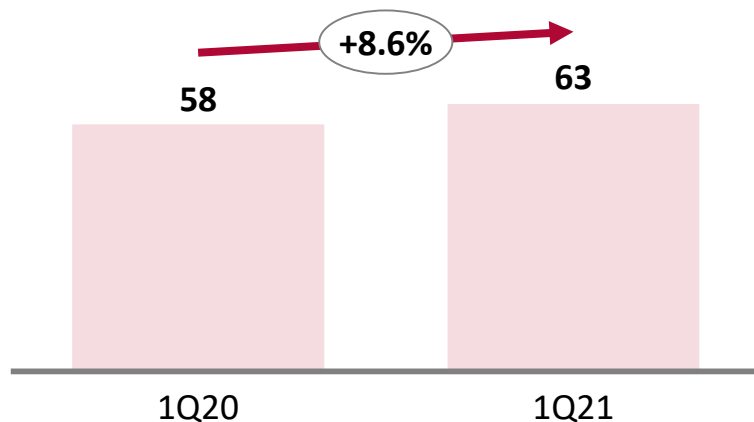
For further details, please refer to <https://www.nets.eu/about-nets/bondholders>

SIA performance

Revenues (€M)



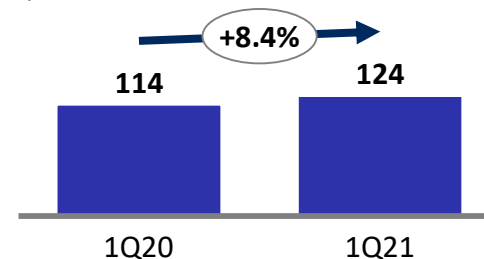
EBITDA (€M)



Cards & Merchant Solutions

68%¹

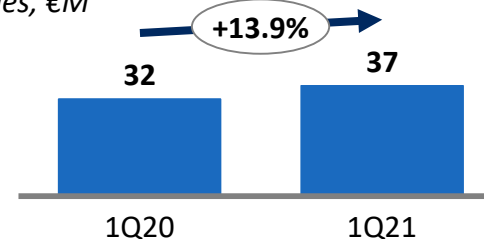
Revenues, €M



Digital Payment Solutions

20%¹

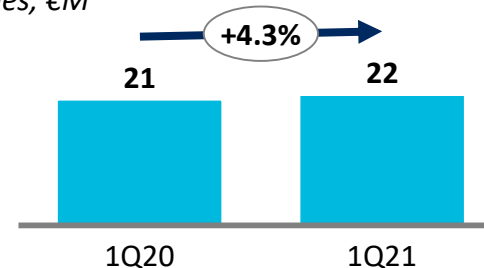
Revenues, €M



Capital Market & Network Solutions

12%¹

Revenues, €M



Key Highlights

- **Resilient and diversified business model**
- **1Q21 Revenue growth** mainly driven by a strong increase in number of transactions
- **1Q21 EBITDA growth** due to a strong March result reflecting the softening of the restrictions

For further details, please refer to <https://www.sia.eu/en/media-events/news-press-releases>

The background of the slide features a large, three-dimensional Nexi logo in a lighter shade of blue. The logo is composed of the letters 'N', 'E', and 'X' in a bold, sans-serif font, with a stylized 'i' integrated into the 'X'. The letters have a slight shadow, giving them a 3D appearance as if they are floating or resting on a surface.

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