



1Q 2021 Results Presentation

May 13th, 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 (4th – 10th May) at +7% vs 2019¹ :
 - Positive growth vs 2019 for Italian Cards (+21% 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

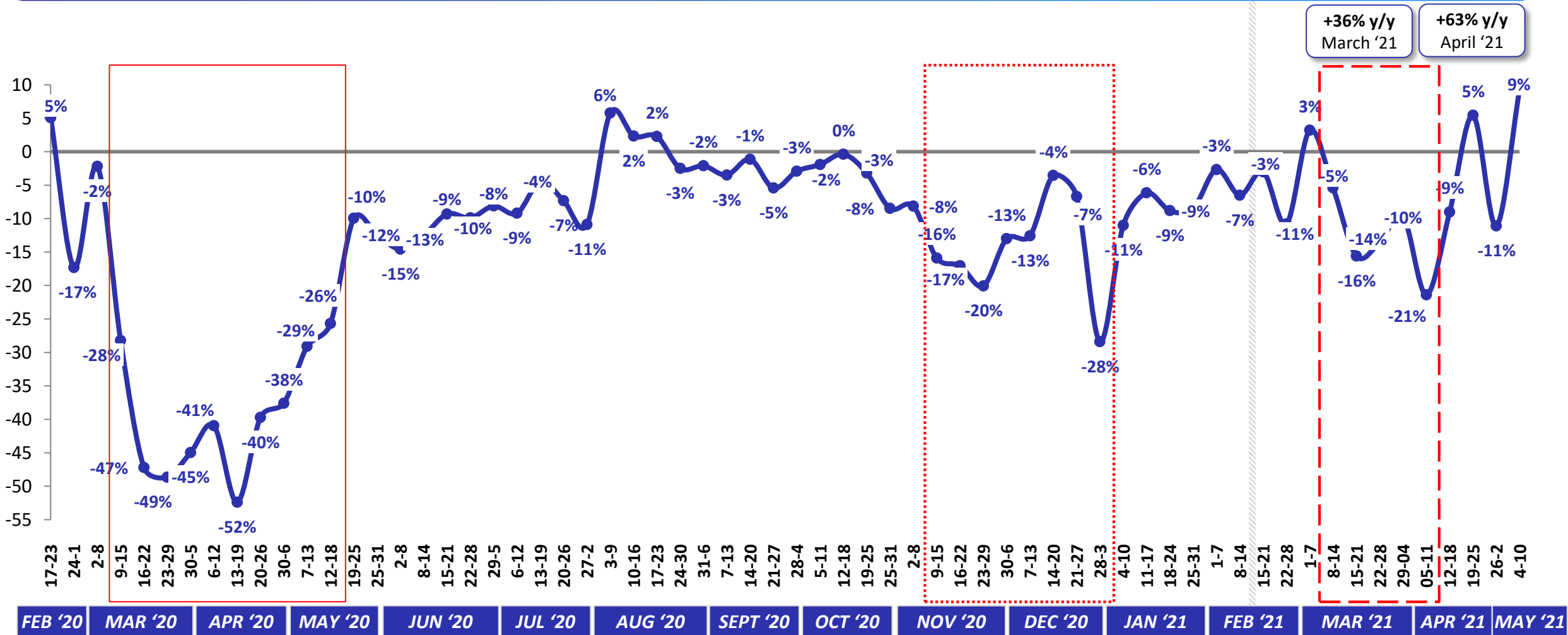
2021 Ambition raised to high single digit/double digit Revenue growth

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

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



Covid-19 first wave in Italy

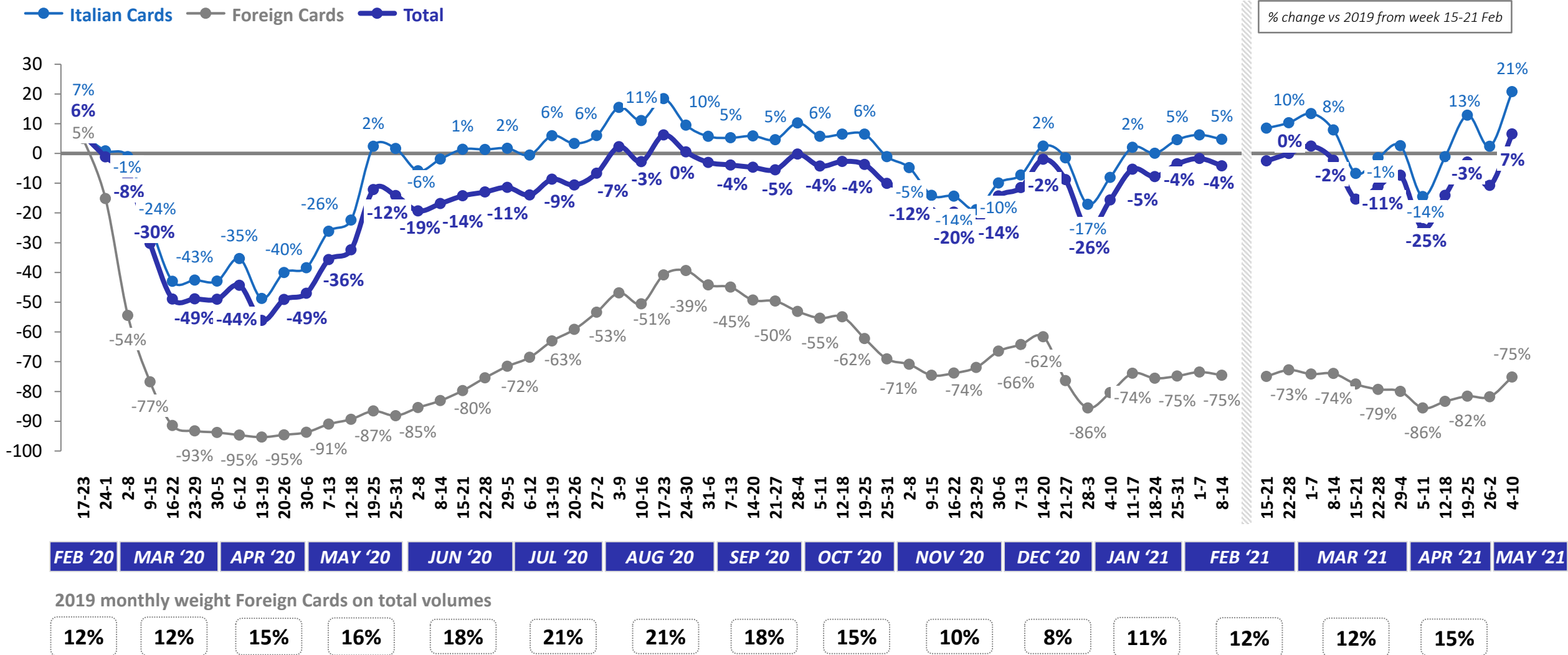
Covid-19 second wave in Italy

Covid-19 third wave in Italy

% change vs 2019 from week 15-21 Feb

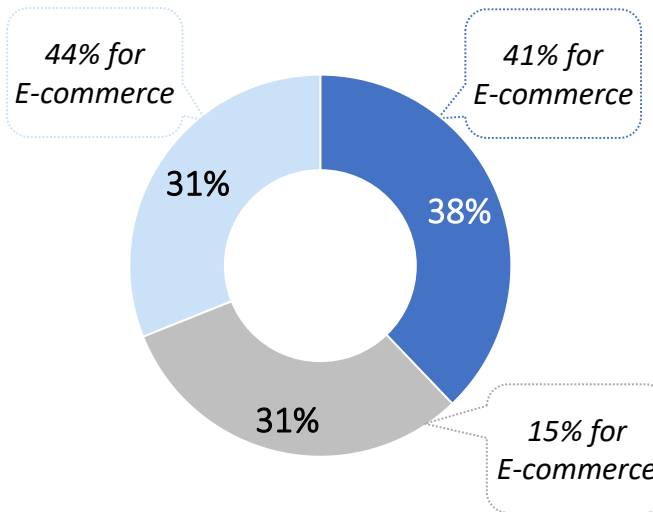
Visible acceleration of Italian Cards acquiring volumes after the slow-down in mid-March due to restrictions for Covid-19 third wave

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. Strong E-Commerce growth net of high impact category

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

Basic consumption

of which Physical
of which E-commerce

FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²
16%	25%	14%	42%	40%	33%	37% +39%
14%	24%	13%	40%	38%	31%	37%
36%	29%	24%	70%	67%	60%	36%

Generic/discretionary

of which Physical
of which E-commerce

FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²
-21%	-25%	-4%	-25%	-16%	-22%	6% +21%
-23%	-26%	-5%	-28%	-19%	-24%	4%
39%	26%	25%	70%	54%	65%	76%

High-impact consumption

of which Physical
of which E-commerce

FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²
-38%	-58%	-44%	-52%	-49%	-53%	-31% -10%
-37%	-56%	-42%	-49%	-46%	-52%	-29%
-50%	-73%	-66%	-71%	-69%	-62%	-46%

Total

of which Physical
of which E-commerce

FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²
-12%	-14%	-8%	-6%	-3%	-10%	7% +21%
-13%	-14%	-8%	-7%	-4%	-11%	7%
-1%	-12%	-11%	6%	5%	5%	5%

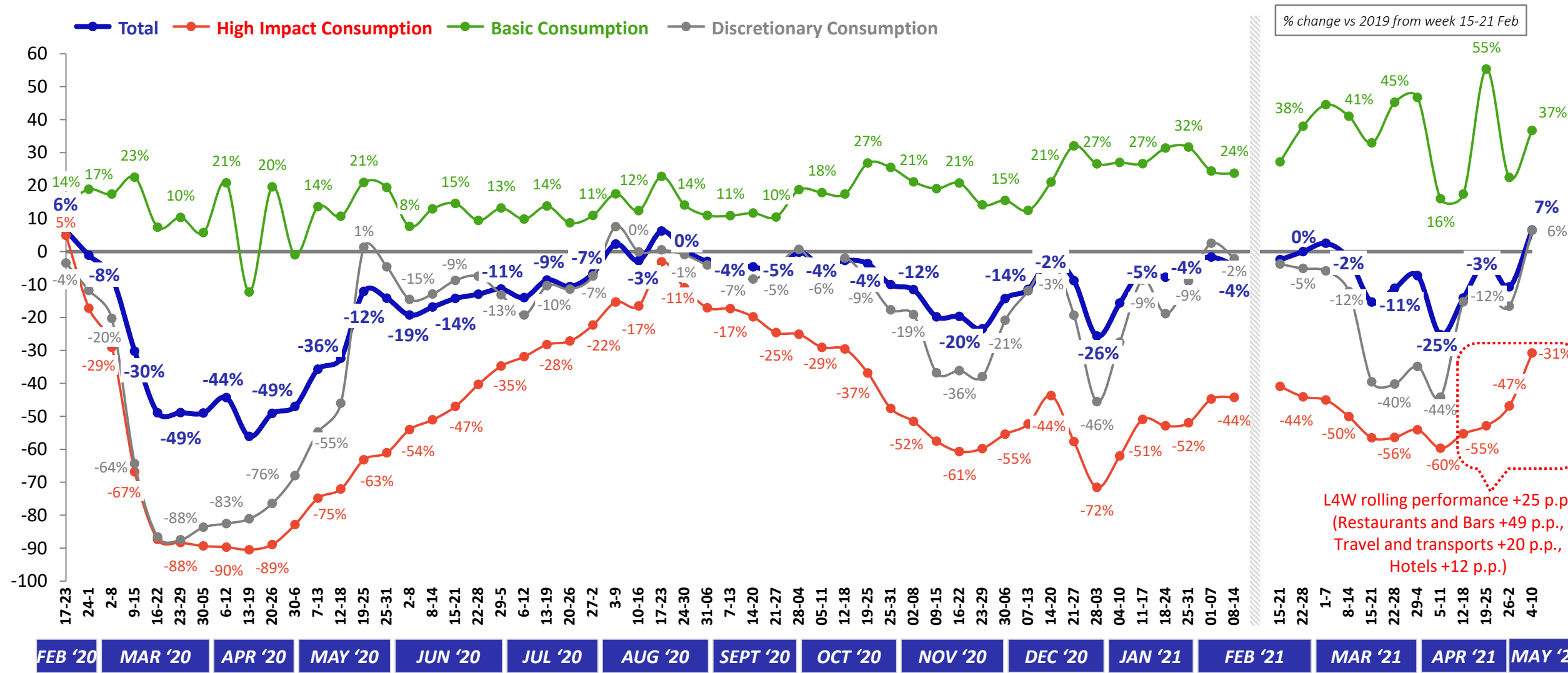
○ % change vs 2019 on Italian Cards

Acquiring volumes: split between Physical and E-commerce

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

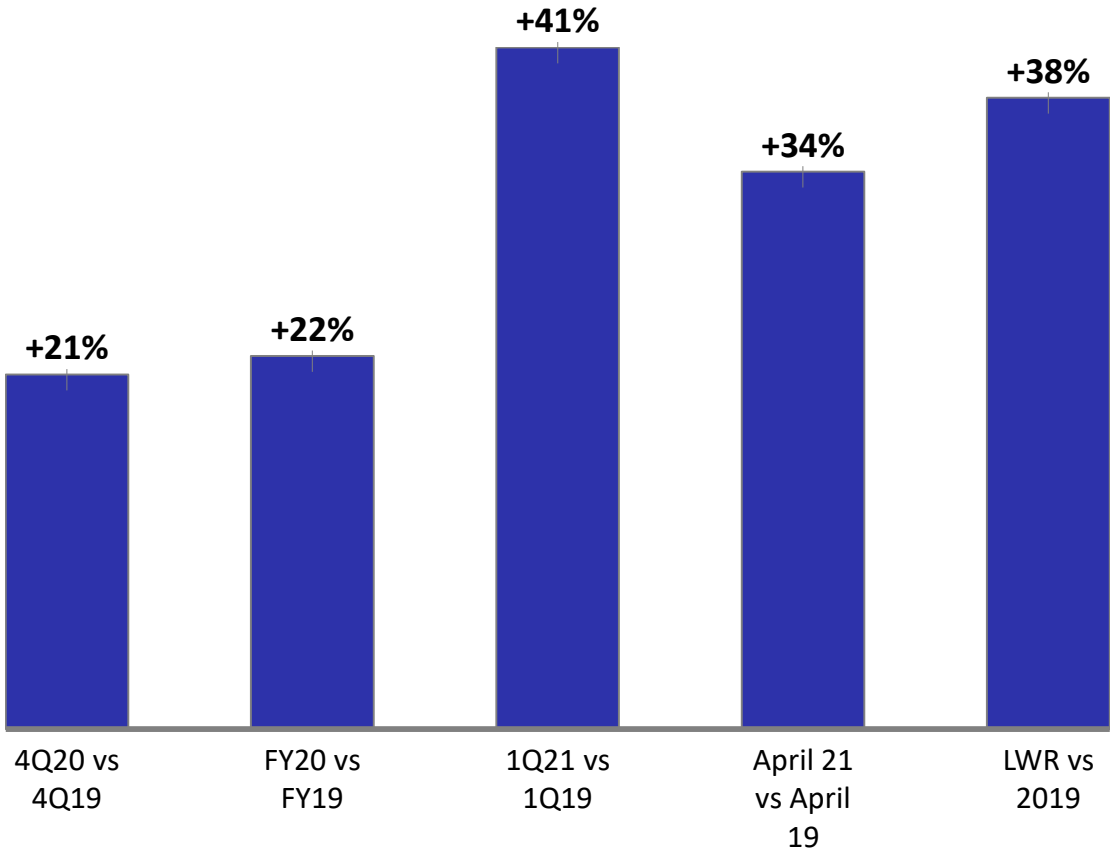
Continued strong trend in Basic category and fast recovery in Discretionary spend until mid-March and after the easing of restrictions for Covid-19 third wave

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

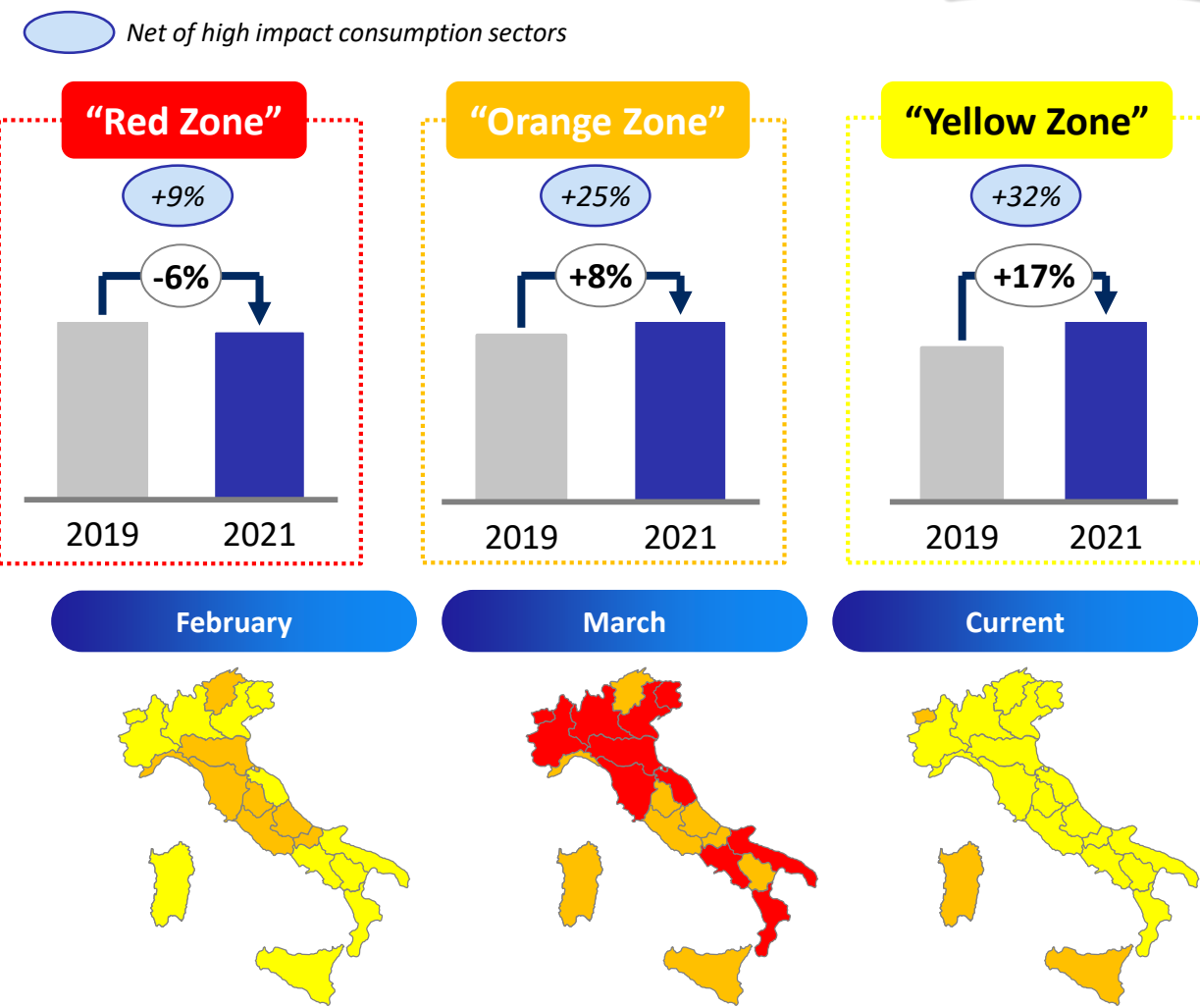


Visible signals of acceleration of digital payments penetration in non-COVID affected sectors and less affected areas in the Country

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



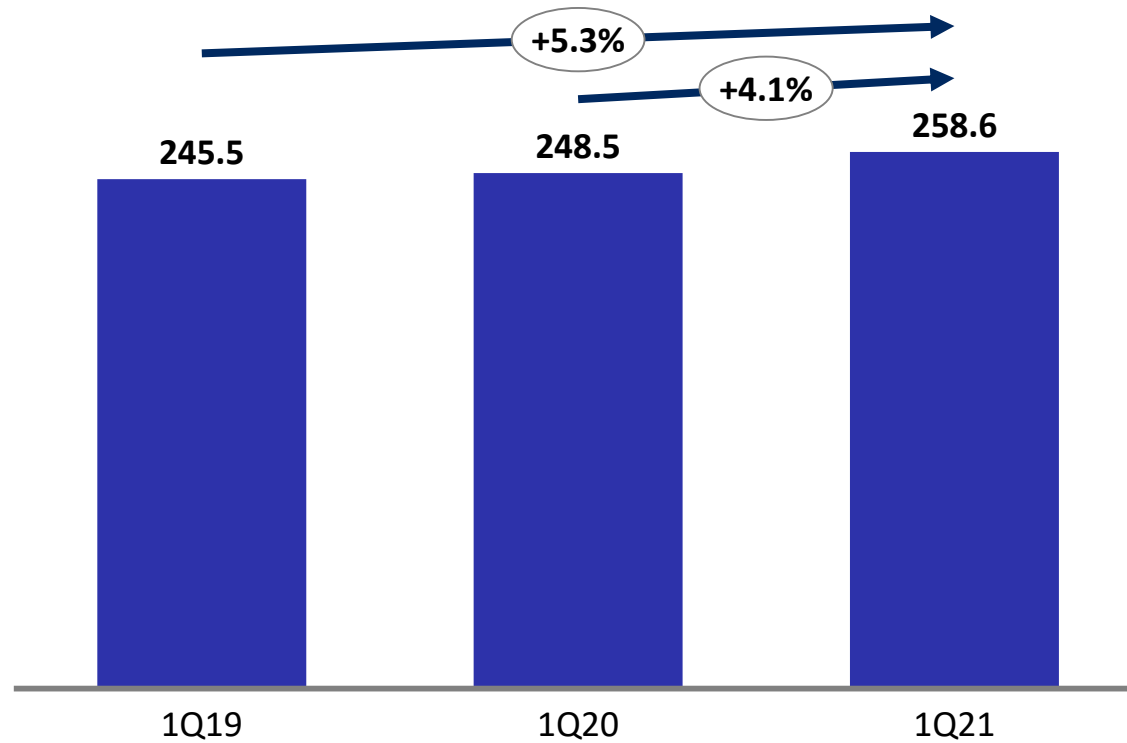
Focus on 1Q21 Results



Revenue and EBITDA growth better than expected.

Continued Operating leverage highlighted by performance versus 2019

Net Revenues (€M)



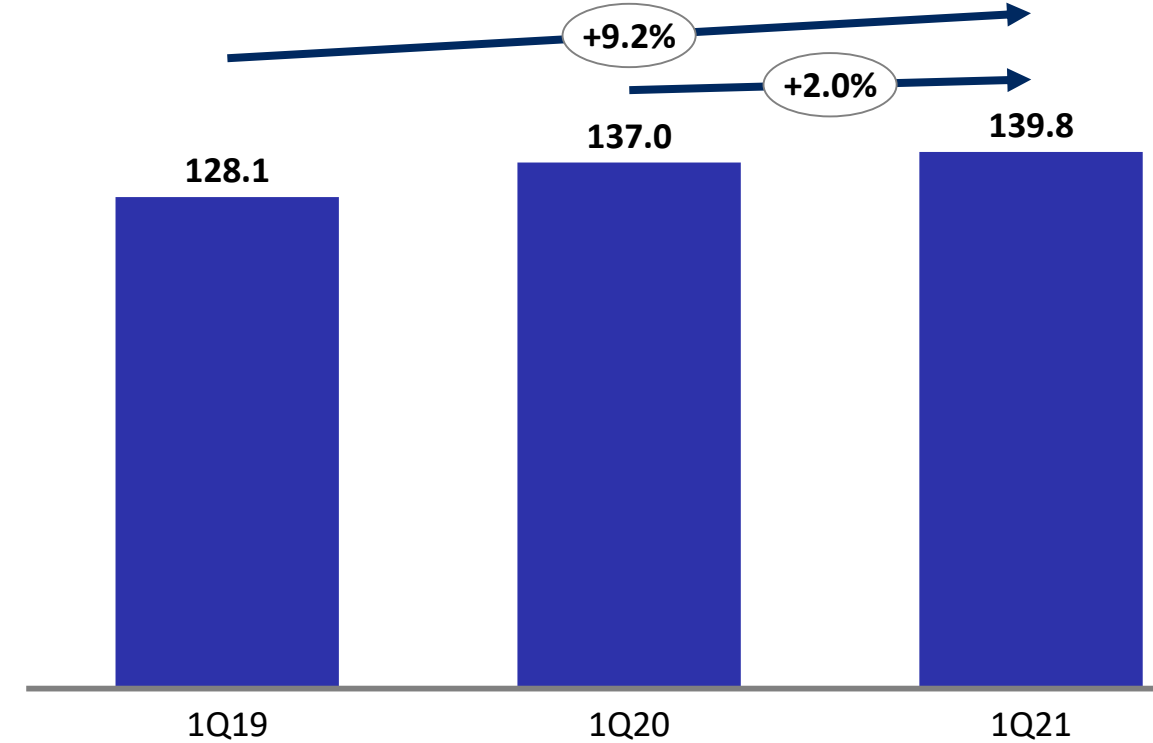
EBITDA (€M)

Margin

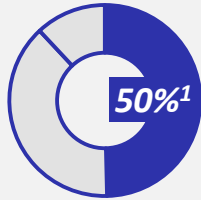
52%

55%

54%



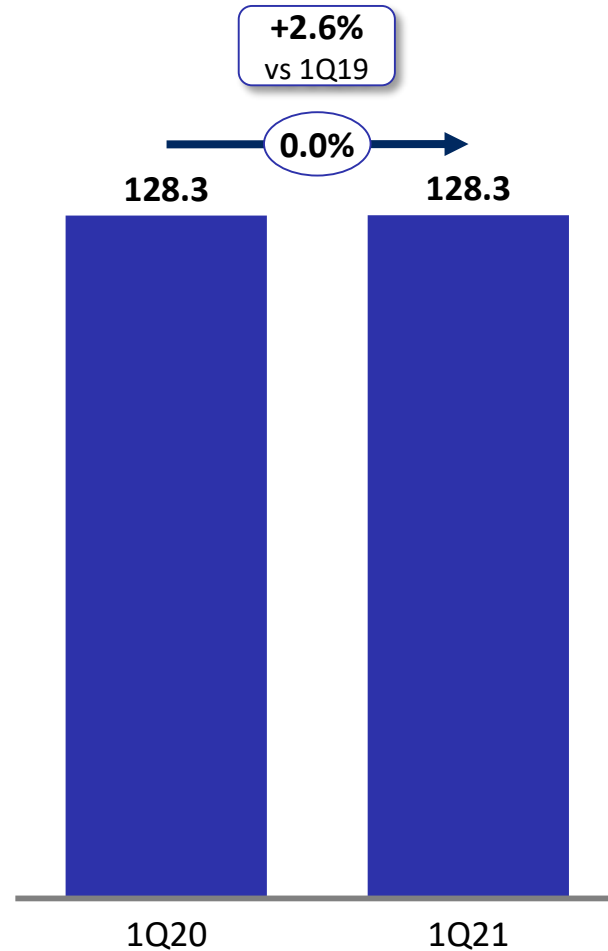
Merchant Services & Solutions: resilient Revenue performance despite comparison with strong January-February 2020 and Covid-19 third wave



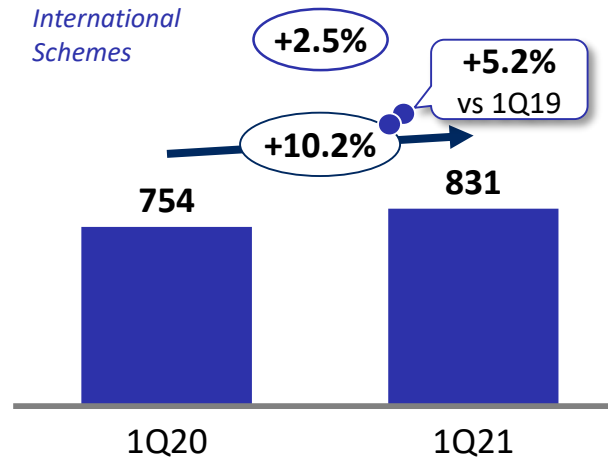
Merchant
Services &
Solutions



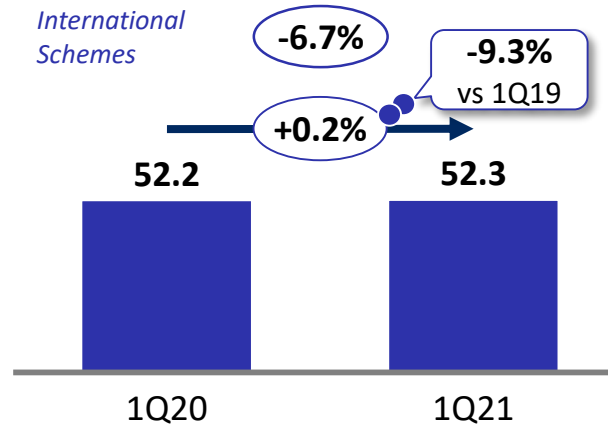
Net Revenues (€M)



Managed Transactions (#M)



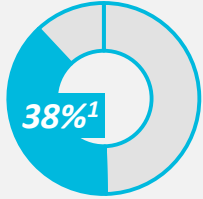
Value of Managed Transactions (€B)



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

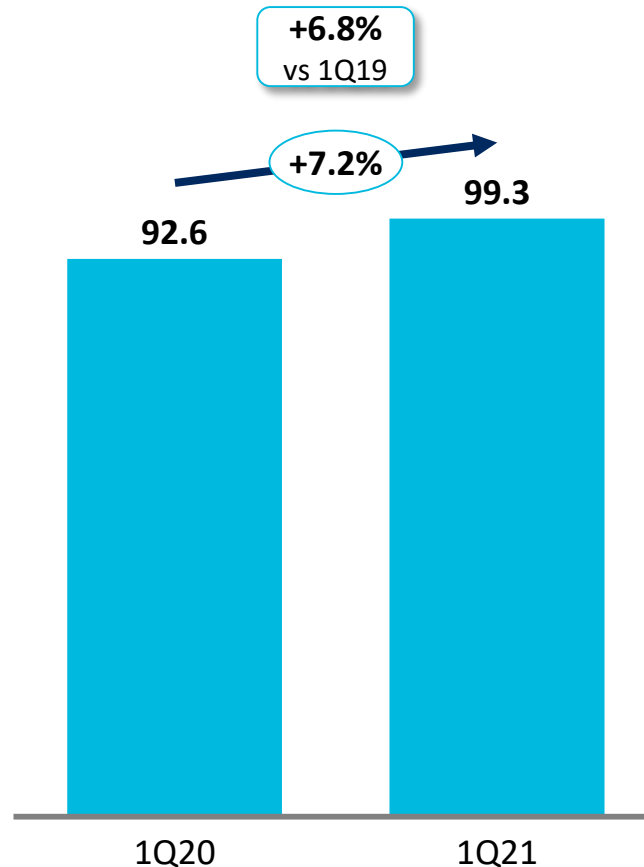
Cards & Digital Payments: strong Revenue performance sustained by installed base growth and volumes, despite Covid-19 third wave



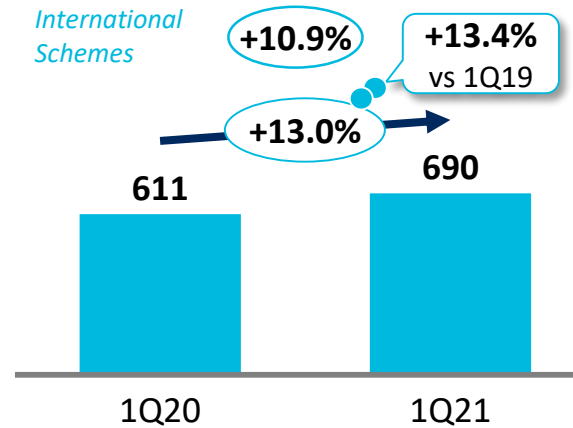
Cards & Digital Payments



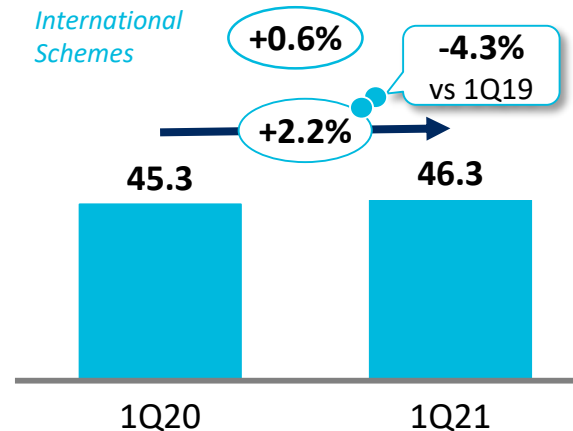
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)

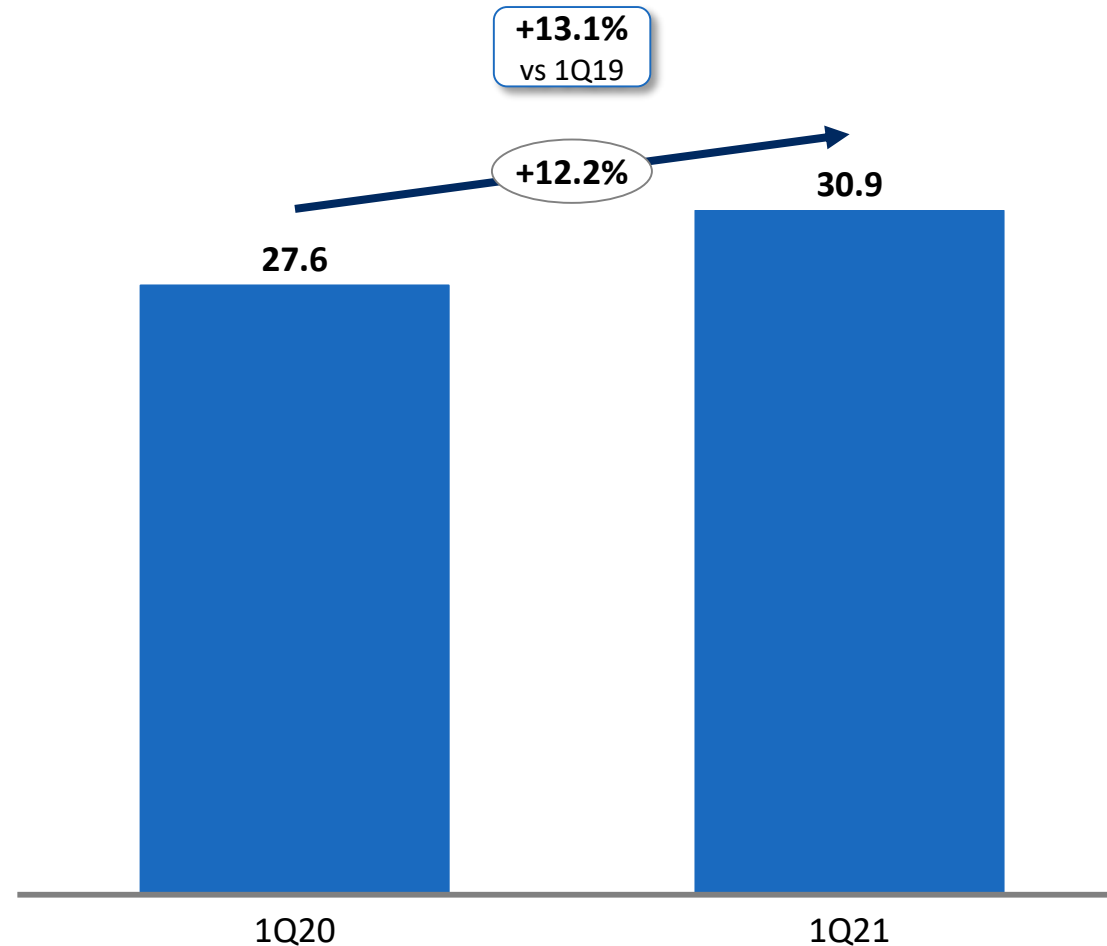


Key Highlights

- ~+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

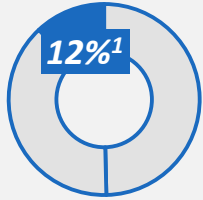
Digital Banking Solutions: Revenue acceleration supported by banks' M&A related projects, on top of underlying confirmed business growth trend

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

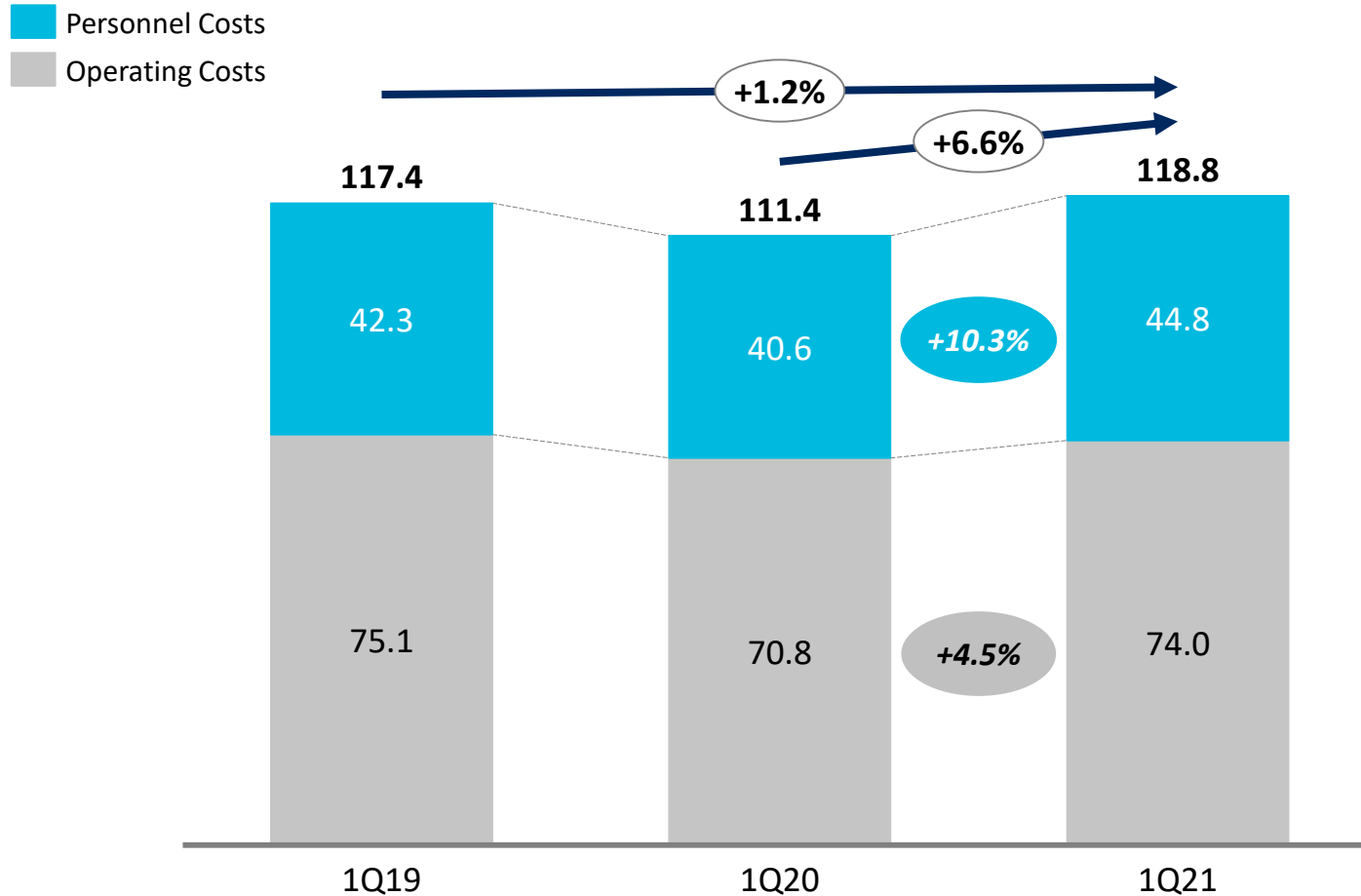


Digital
Banking
Solutions



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

Total Costs (€M)



Key Highlights

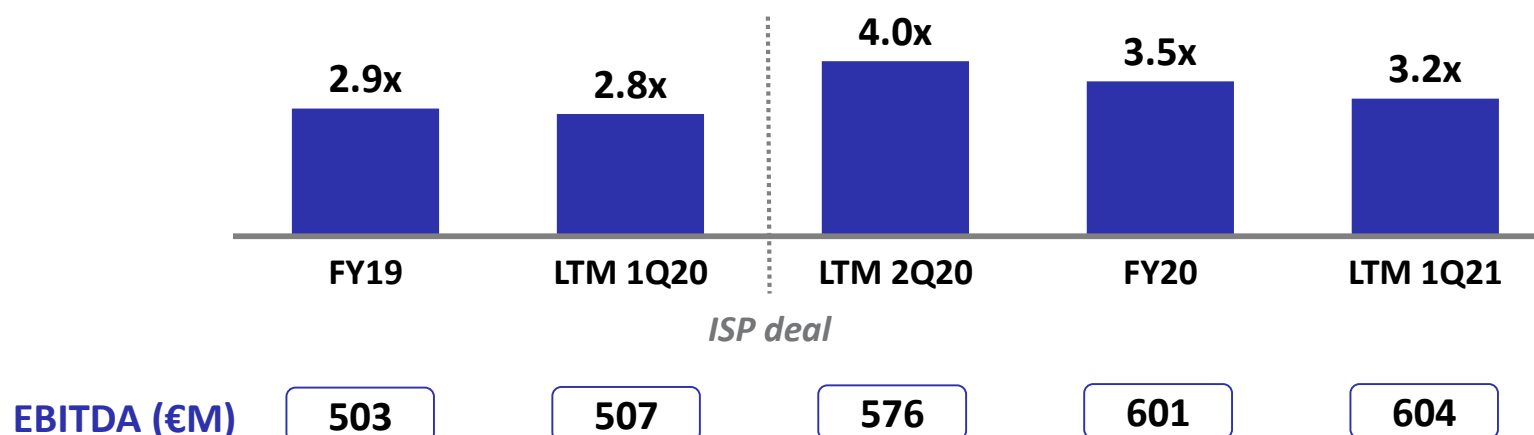
- Comparison with 2020 affected by 100+ €M cash cost containment plan in place in 2020 to mitigate Covid-19 effects and project-related costs connected to banks' M&A in 1Q21
- Increase in total costs (+7.4 €M) versus 2020 mainly driven by:
 - Personnel costs mainly related to variable compensation accruals
 - 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)

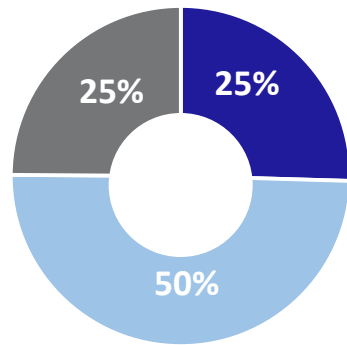


Refinancing of Nets and SIA debt already successfully executed.

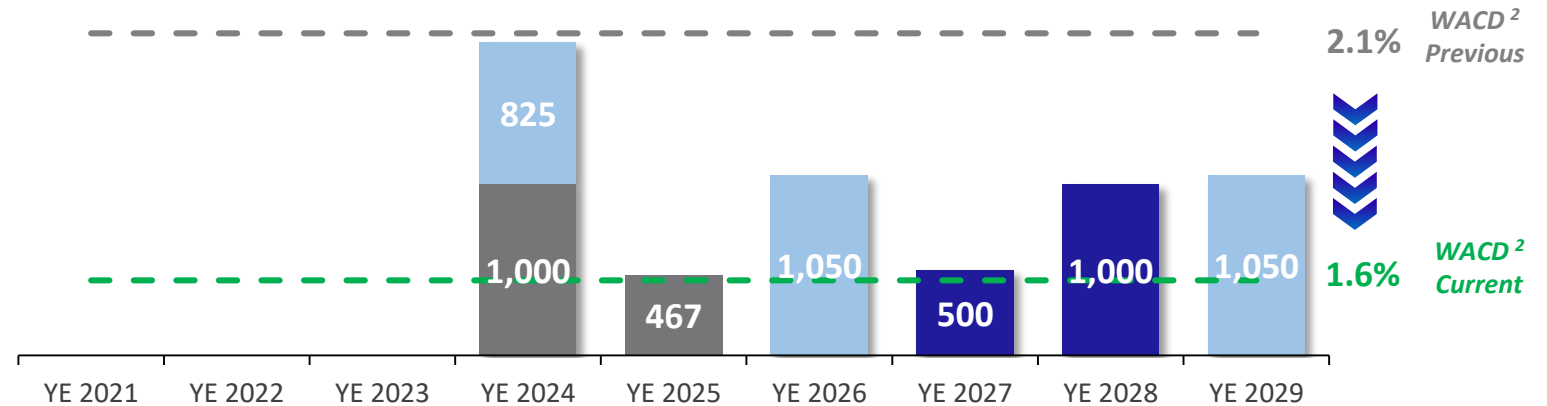
Overall debt tenor extension and significant reduction in the cost of debt

■ 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

- 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

Q&A



Annex



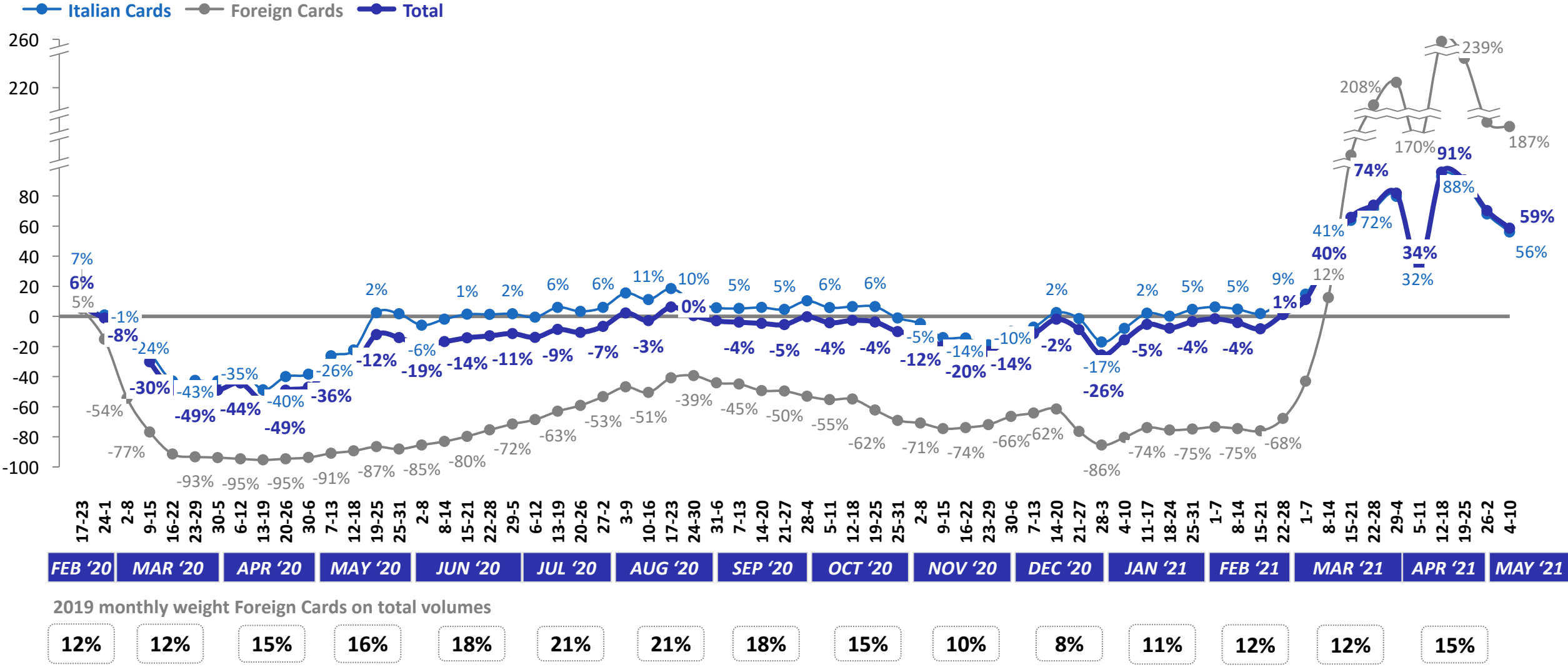
P&L

€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

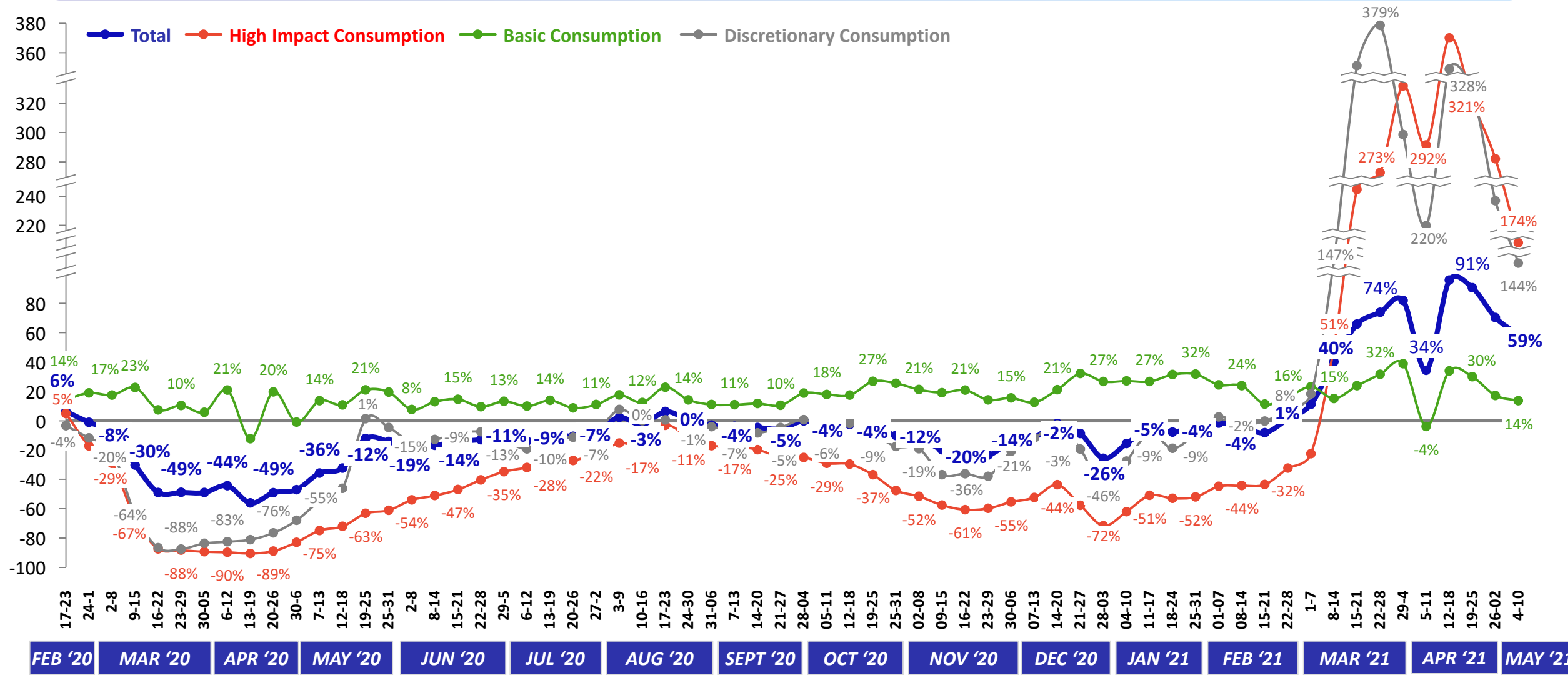
Acquiring sales volumes – Italian Cards vs Foreign Cards – Y/Y trend



Acquiring sales volumes trend by consumption category

Y/Y % Change

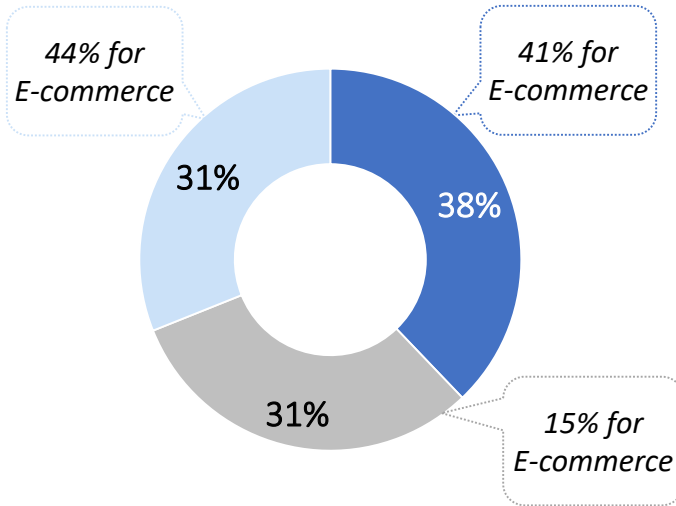
Acquiring sales volumes trend by consumption category – Y/Y trend



Acquiring sales volumes trend by consumption category

Y/Y % Change

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

Basic consumption

of which Physical
of which E-commerce

Generic/discretionary

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

% change Y/Y

FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²	
16%	25%	14%	26%	21%	20%	14%	+13%
14%	24%	13%	25%	21%	21%	15%	
36%	29%	24%	33%	29%	18%	3%	
-21%	-25%	-4%	114%	4%	286%	144%	+142%
-23%	-26%	-5%	121%	2%	373%	170%	
39%	26%	25%	52%	35%	-1%	-17%	
-38%	-58%	-44%	52%	-37%	313%	174%	+165%
-37%	-56%	-42%	55%	-34%	319%	168%	
-50%	-73%	-66%	15%	-59%	255%	288%	
-12%	-14%	-8%	44%	2%	72%	59%	+56%
-13%	-14%	-8%	45%	2%	76%	63%	
-1%	-12%	-11%	34%	1%	27%	16%	

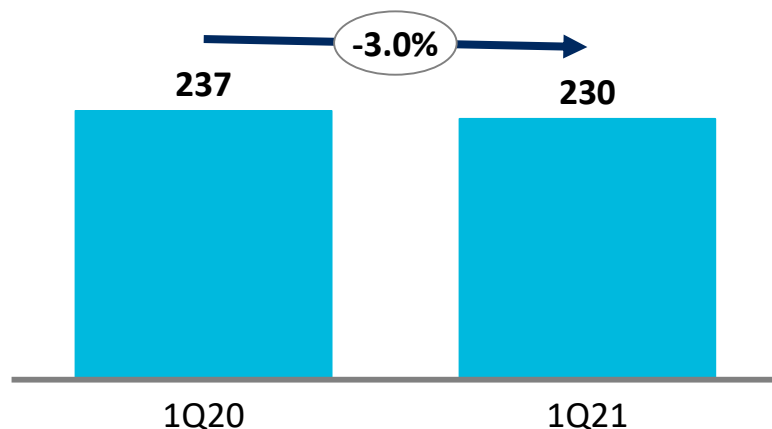
○ % change Y/Y on Italian Cards

Acquiring volumes: split between Physical and E-commerce

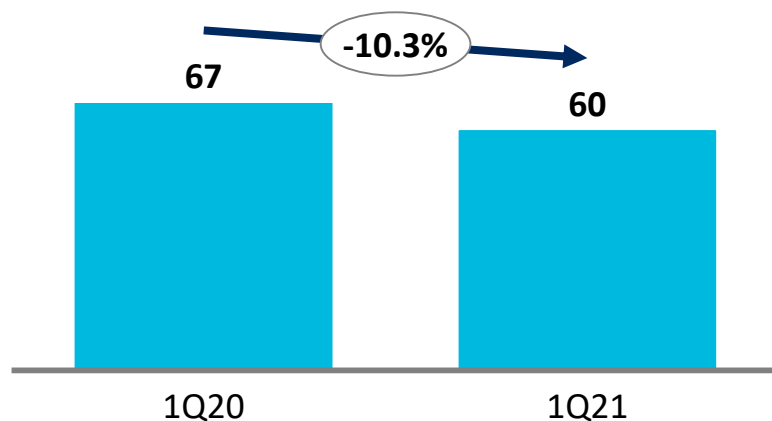
	FY20	Jan	Feb	Mar	1Q21	Apr	LWR ²
Physical	93%	93%	93%	92%	93%	93%	93%
E-commerce	7%	7%	7%	8%	7%	7%	7%

Nets performance

Underlying Revenues (€M)¹

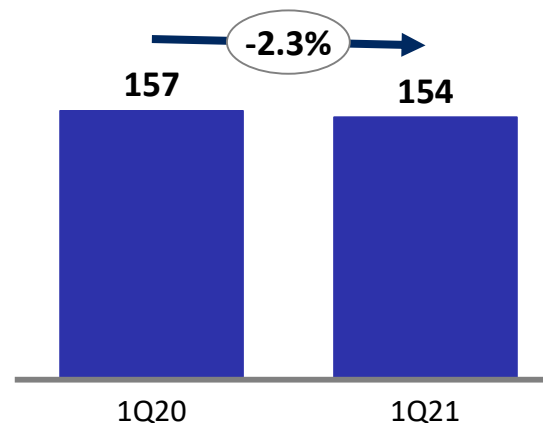


Underlying EBITDA (€M)¹



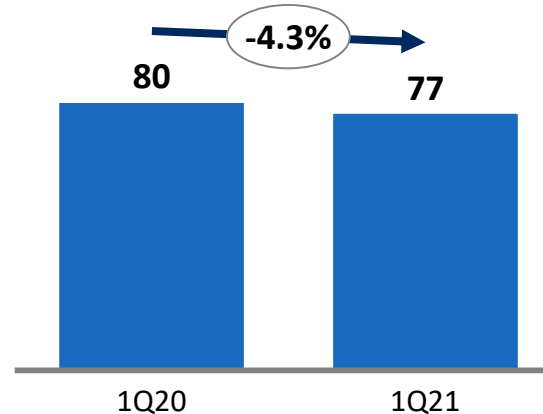
Merchant Services

Revenues, €M



Issuer & eSecurity Services

Underlying revenues¹, €M



67%²

Key Highlights

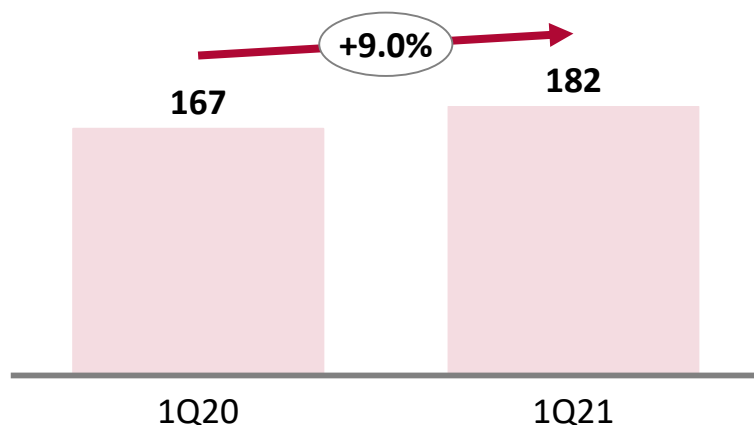
- Better than expected Revenue and EBITDA performance, despite Covid-19 restrictions in 1Q21 and limited lockdown in 1Q20, sustained by accelerated growth in E-Commerce (+40% y/y revenue performance)

33%²

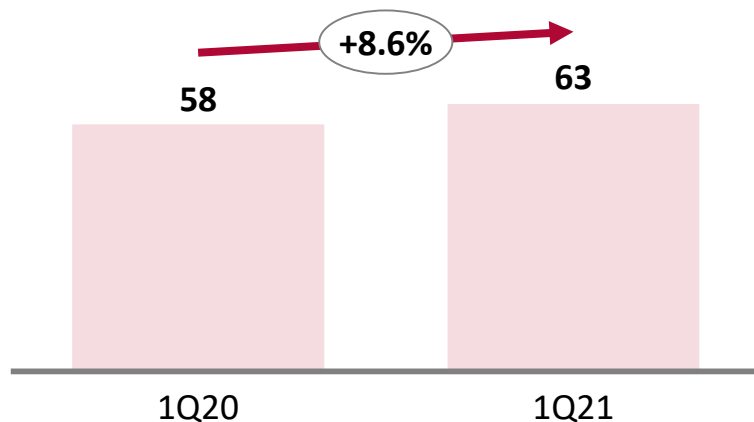
For further details, please refer to <https://www.nets.eu/about-nets/bondholders>

SIA performance

Revenues (€M)



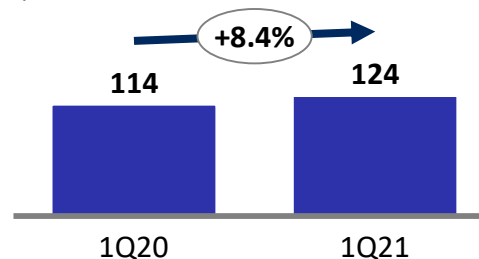
EBITDA (€M)



Cards & Merchant Solutions

68%¹

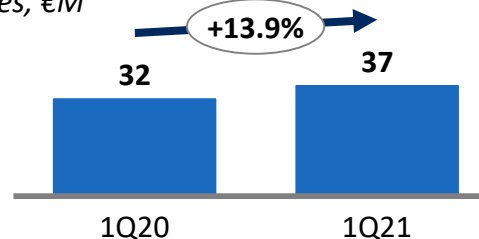
Revenues, €M



Digital Payment Solutions

20%¹

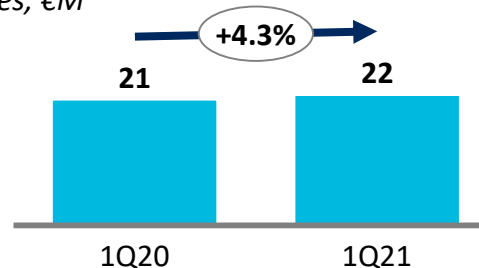
Revenues, €M



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 light blue color. The logo is composed of the letters 'N', 'E', and 'X' in a stylized, blocky font. The 'N' is on the left, the 'E' is in the center, and the 'X' is on the right. The letters have a slight shadow, giving them a 3D appearance as if they are floating above or resting on a surface.

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