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9M22 Results Presentation

November 10th, 2022

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Key messages

Continued volume growth in 3Q22 across all geographies

- **Double-digit volume growth in all geographies¹ in 3Q22 despite tougher Y/Y comparison** given easing of Covid restrictions in summer last year
- Continued **strong foreign cards volumes in Italy** during the summer period; sustained **double-digit Y/Y growth** in **basic consumptions** in the **Nordics** and **DACH region**
- **SMEs value of transactions at +29% Y/Y in 9M22, faster than LAKAs**

Solid financial performance in 9M22

- **Revenue growth at +7% vs 3Q21 and +8% vs 9M21**
- **MS&S revenues at +10% vs 3Q21 and +13% vs 9M21**
- **EBITDA growth of +12% vs 3Q21 and +17% vs 9M21 with ~+4 p.p. EBITDA margin expansion**

Continued progress in creating the European PayTech leader

- **Group strategy and medium-long term financial ambition presented at Capital Markets Day on September 27th**
- **Integration workstreams fully on track with confirmed ~105 €M of cash synergies to be delivered in 2022**
- **~68 €M of cash synergies already achieved in 9M22**

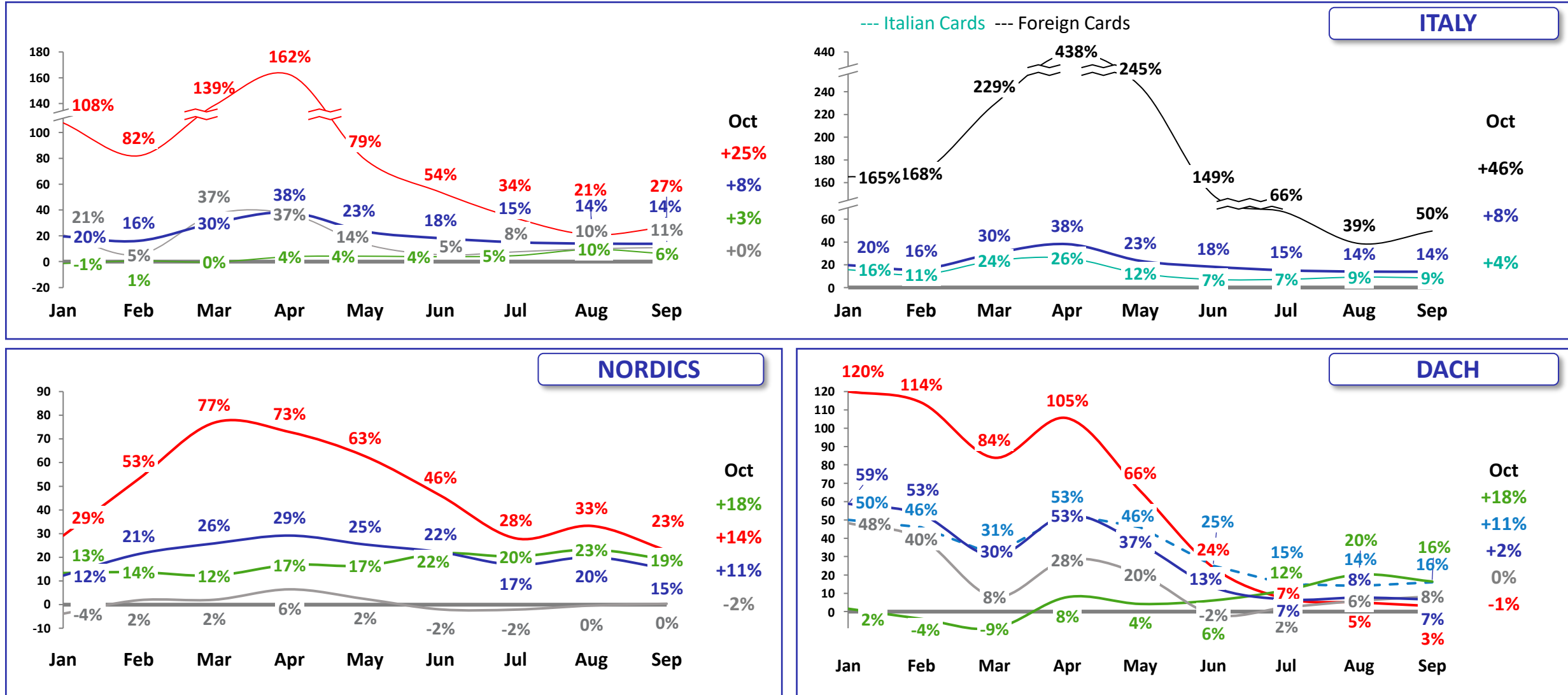
Confirmed 2022 Ambition

- **Revenues +7% to +9% y/y**
- **EBITDA +13% to +16% y/y**

Strong double-digit volume growth in 3Q22

Trend vs 2021

— High impact consumption — Basic consumption — Discretionary consumption — Total — Net of discontinued clients due to optimised risk profile



Merchant Solutions: key business update

9M22 TRX Value Key Business Highlights

54%¹

SME

+29%
vs. 9M21

- **Continued strong sales performance across all geographies** vs last year, especially in Switzerland and Poland. Terminals installed base growing by ~200k² in the last twelve months
- **Continued acceleration** of digital propositions in Italy with **mPOS** and **SmartPOS**
- Sustained performance of **complementary & digital channels**, with **x3 y/y sales** in online & retail in Italy
- Good early commercial traction for **SoftPOS tap-on-phone proposition** in Denmark, Greece and Hungary; preparing Italian and further markets launches
- Continued progress of **ISV partnerships** with market leaders and vertical specialists **across all geographies**, including key wins on smart mobility and retail

17%¹

eCom

+16%
vs. 9M21

- Continued **strong performance of Easy collecting PSP proposition** in the Nordics, accelerating in Germany
- Sustained **commercial traction on mid-market**, with key wins also against Neo PayTechs in **financial services, retail, mobility**
- **Strong growth of owned A2A in Poland & Finland**; extending PSP partnerships
- Continued third-party **APM and BNPL enablement across markets** (i.e. AfterPay in Germany, Trustly in the Nordics)

10%¹

LAKA

+17%
vs. 9M21

- **Good portfolio of commercial wins in omni-channel & vertical solutions**, across markets and on multiple industries such as grocery, retail, petrol/EV charging and hospitality
- **Strong commercial progress on SoftPOS also on LAKA** especially in retail, apparel and mobility (i.e. Danish Railways)
- Further expansion of **omni-channel & vertical capabilities** across markets (i.e. surcharge fees in the Nordics, pay@Table in Italy)
- Continue **entrenchment with enabling platforms (CRM/ERP/PMS)** via direct integrations and strategic partnerships (i.e. Oracle through partnership with Global Blue)

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Note: SME and LAKA data referring to physical channel only.

Value of trx: Sales volumes only. For Italy: International schemes plus National schemes for ISP merchant book. Nordics and DACH: Regular business, e.g. excl. Thomas Cook volumes. International schemes only, non-card based transactions from e-commerce not included. (1) Weight on total 9M22 Merchant Solutions revenues. Remaining 18% includes cash acquiring revenues not attributable. (2) Total Group # POS.

Examples of recent customer wins & upsells

evoli

facile.it

8a.pl
800 000 000

T Dantaxi 4x48

QSTAR

Sibylla

il gigante
Cafè Specialist del Fiesco

OLD WILD WEST

ISVs/Platforms Partnerships

ORACLE

H-FARM

LASERSOFT
touch a better tomorrow

FROGNE
- Part of the KFA Group

Curoflow

Solution360

Kliffa

Global Blue

flowbird.

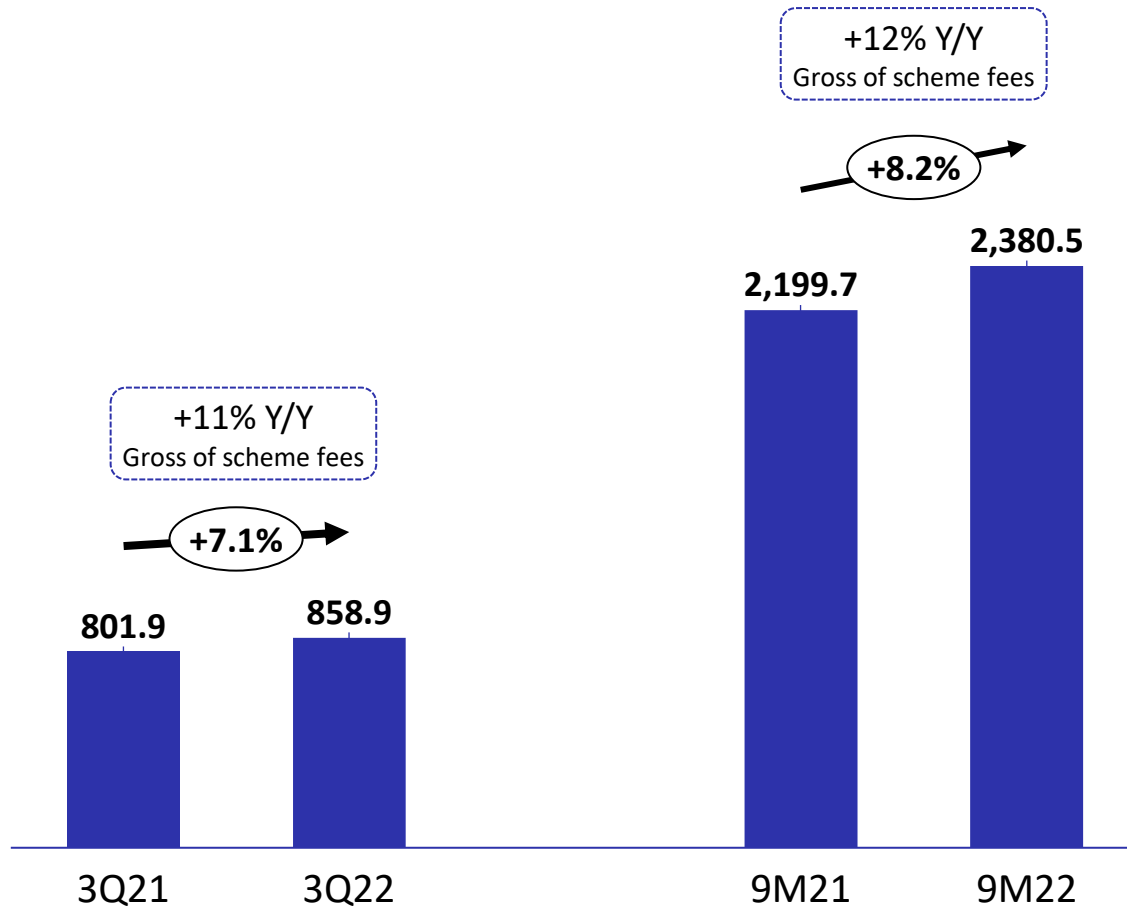
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Focus on 9M22 results

Solid Revenue and EBITDA growth, despite tougher Y/Y comparison.

Confirmed strong EBITDA margin expansion

Net Revenues (€M)



EBITDA (€M)

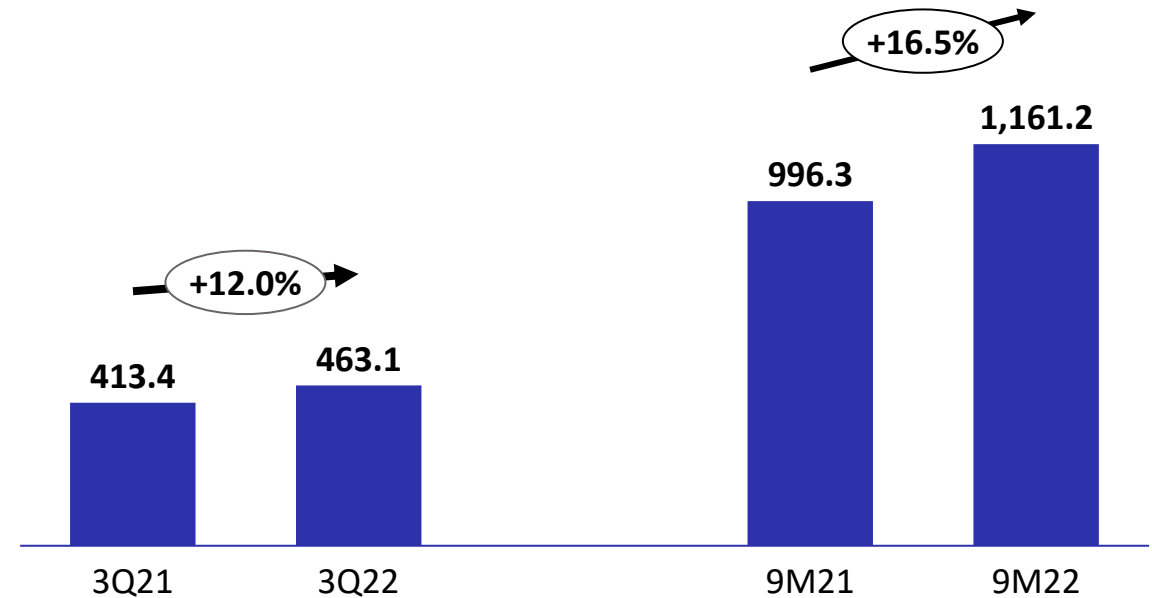
EBITDA margin

52%

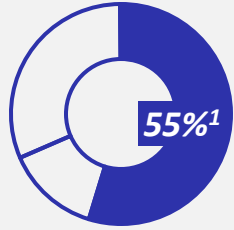
54%

45%

49%



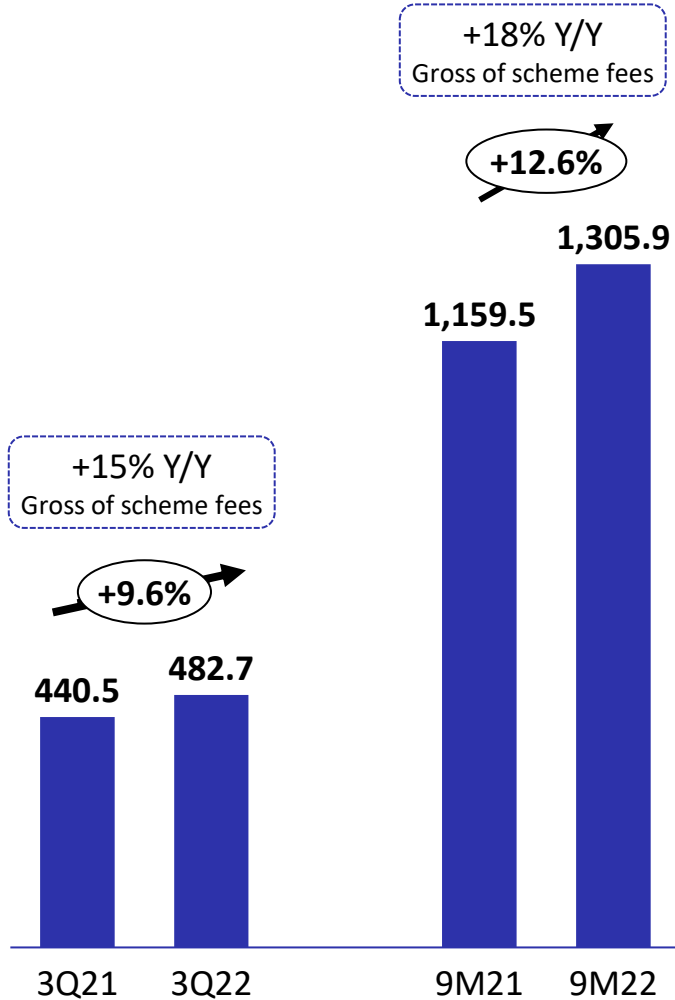
Merchant Solutions: solid revenue growth supported by strong volumes and installed base expansion



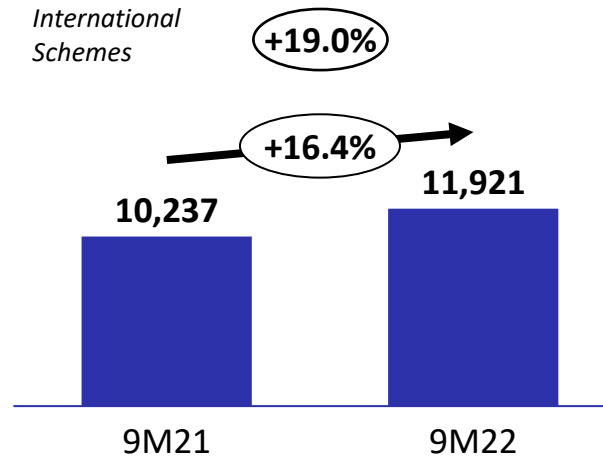
Merchant Solutions



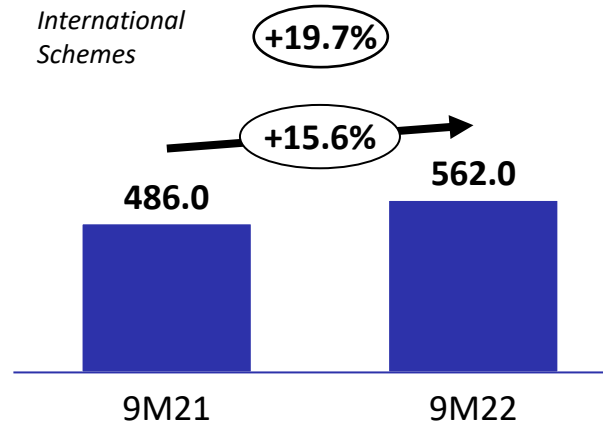
Net Revenues (€M)



Managed Transactions (#M)



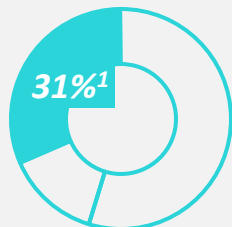
Value of Managed Transactions (€B)



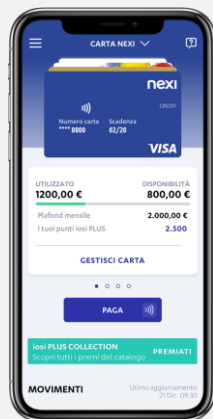
Key Highlights

- Solid Revenue growth, despite tougher Y/Y comparison in 3Q22
- Continued value of transactions growth across the Group, driven by International schemes
- Positive contribution from installed-base growth (~200k increase in #POS in the last twelve months)
- SME value of transactions at +29% y/y in 9M22, faster than large merchants and positively contributing to revenue growth

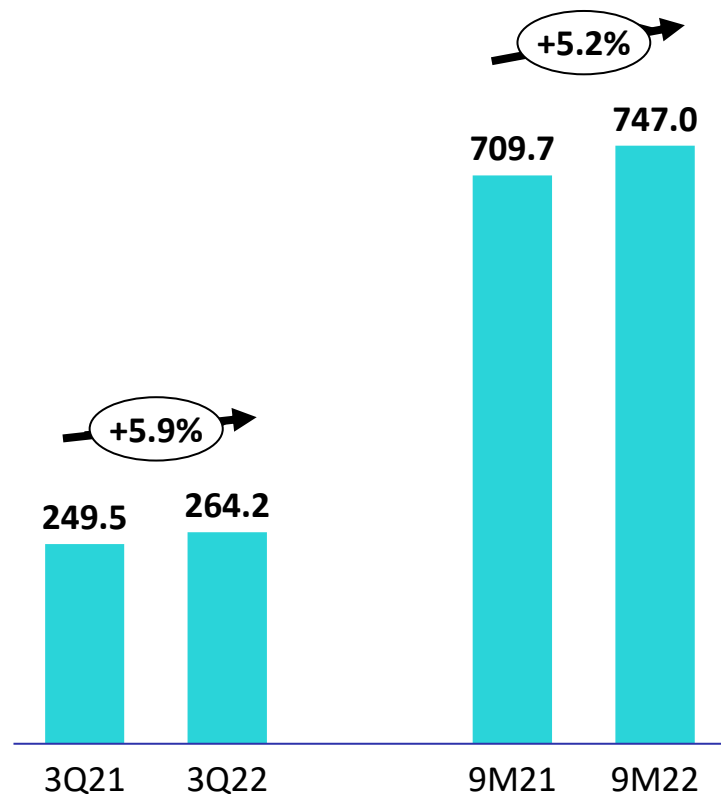
Issuing Solutions: positive revenue growth supported by sustained volumes



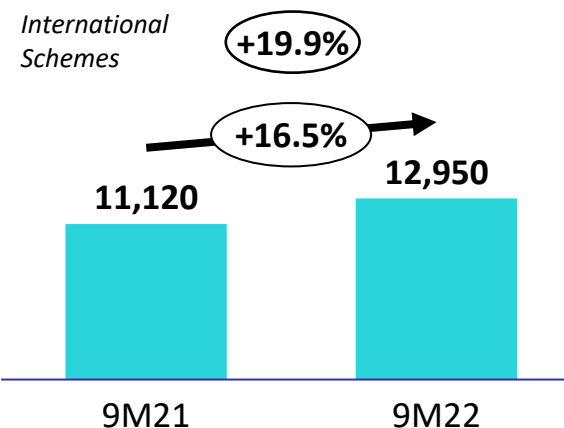
Issuing Solutions



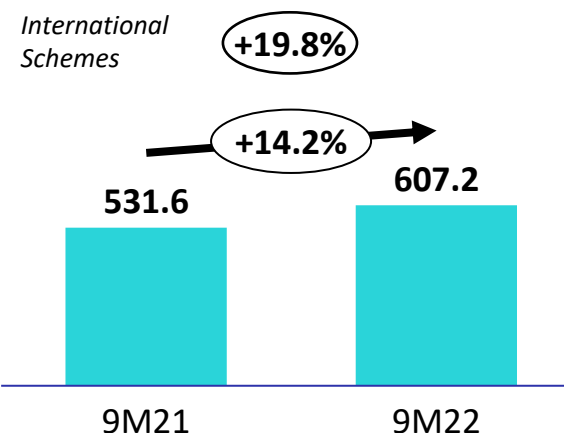
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)



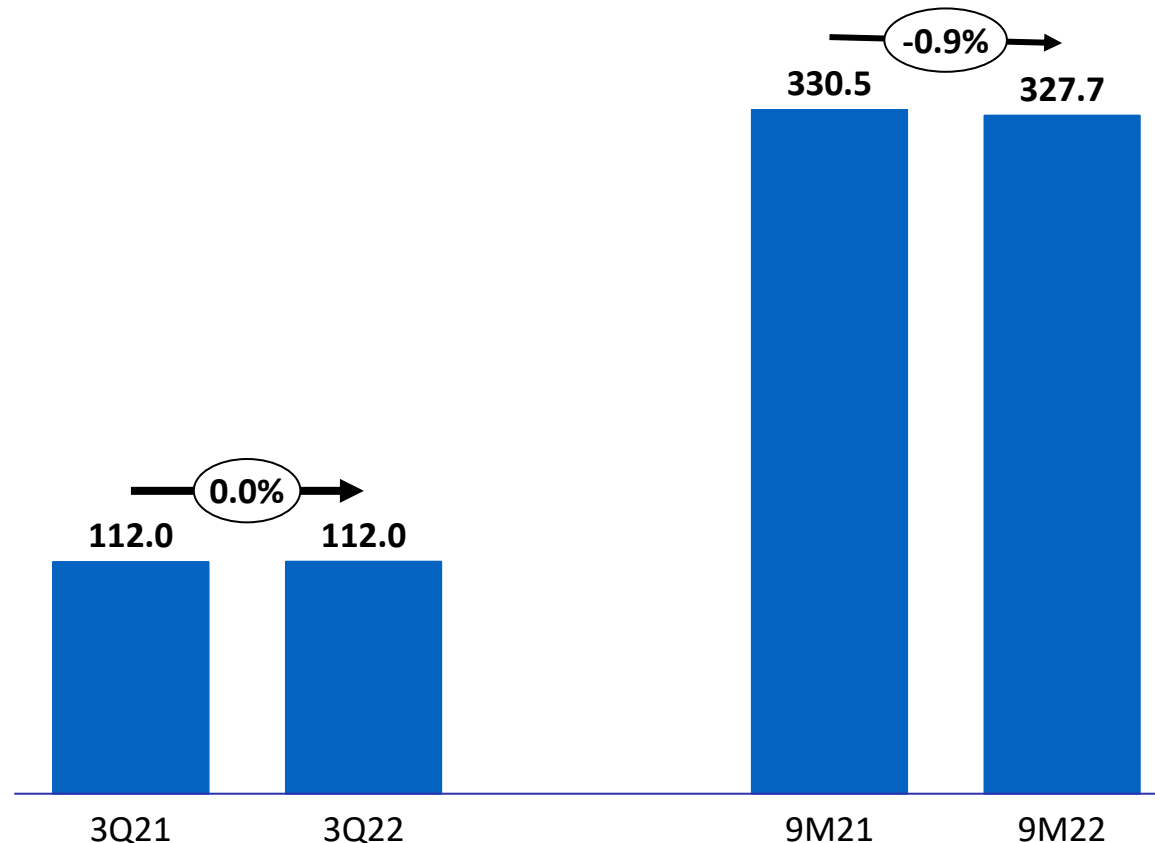
Key Highlights

- **Positive revenue growth**, led by Italy while Nordics still affected by previously disclosed single client contract renegotiation
- **Continued solid value of transactions performance across the Group**, primarily thanks to International schemes
- **Strong growth of International debit in Italy** (licensing model) with increasing card stock (+1.8M cards in the last twelve months)
- **Progressing commercial initiatives for extending Advanced Digital Issuing solutions** (e.g. CVM) to bank customer base across Europe

Digital Banking Solutions: flat revenue performance in the quarter



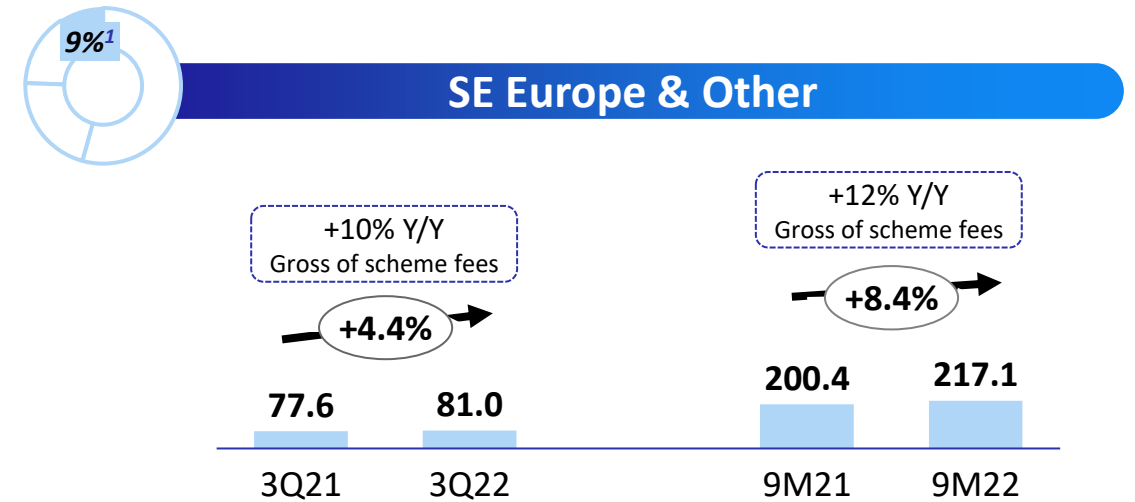
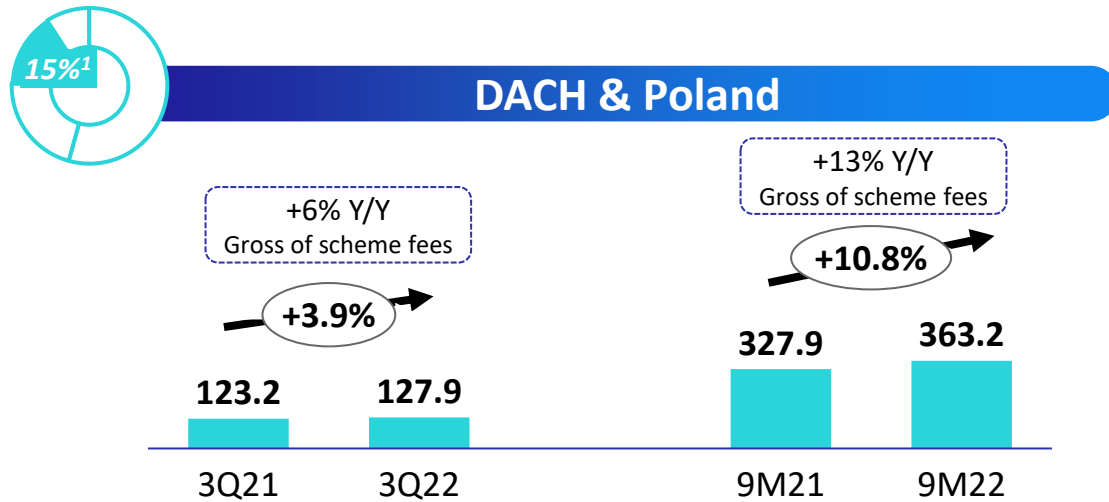
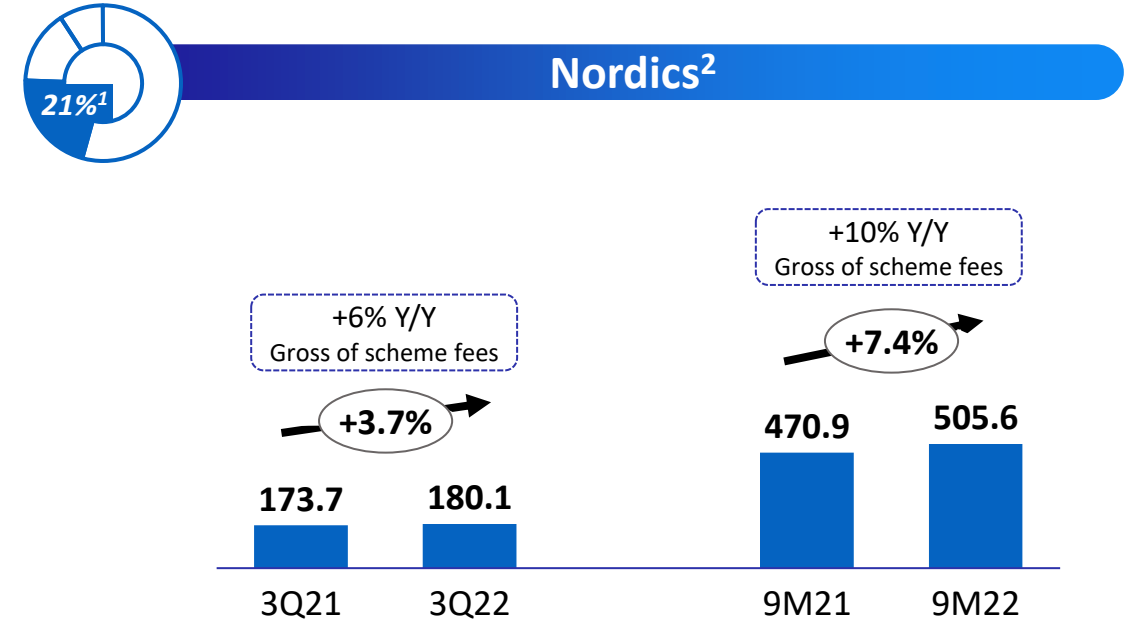
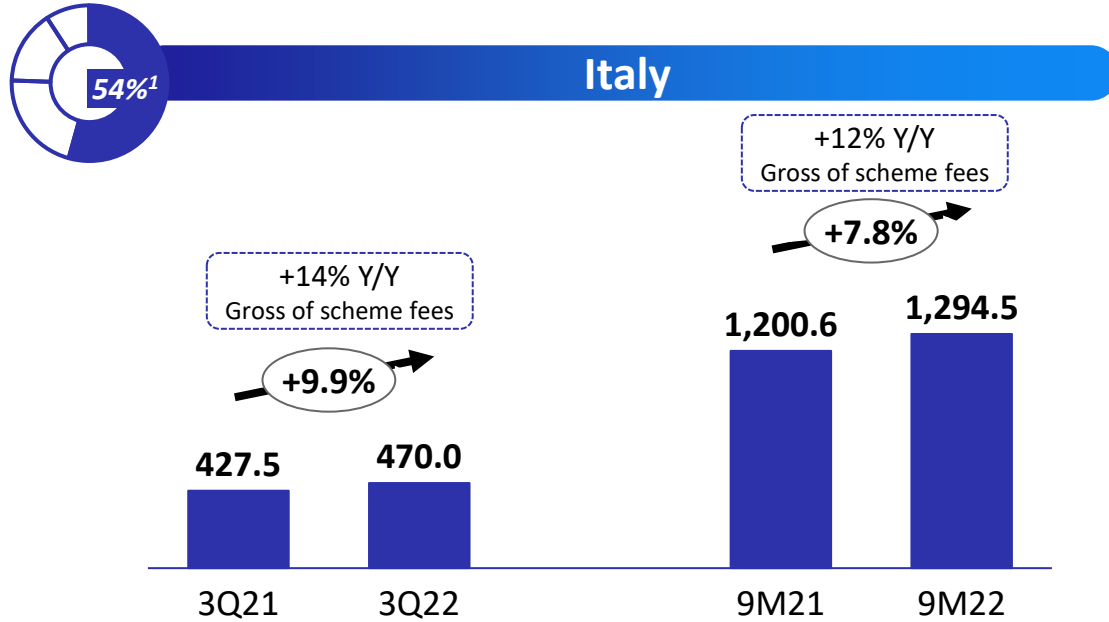
Net Revenues (€M)



Key Highlights

- **Flat revenue Y/Y performance in 3Q22**, with projects / initiatives growth offset by banking consolidation in Italy occurred in 2021 and NemID platform migration in Denmark
- **B2B/Corporate Payments:** continued progress and customers acquisition on new services to Corporates (e.g. PagoinConto, Check IBAN)
- **Open Banking:** continued growth of volumes and new Fintechs/Banks on Globe API, the largest Italian PSD2 Open Banking access and aggregation gateway
- **Payments Infrastructures:** positive performance in Clearing and Network Services

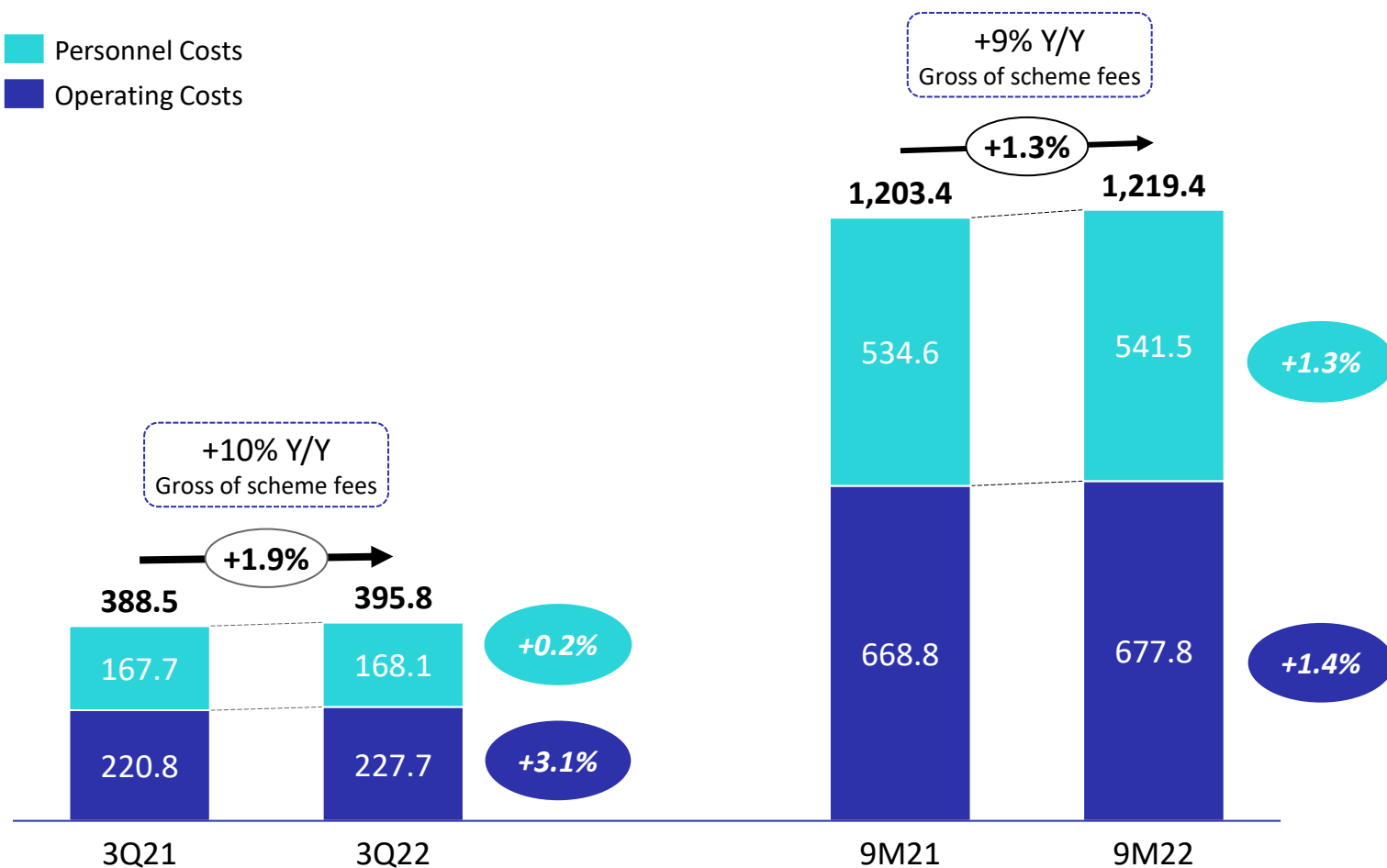
Strong revenue growth in Italy supported by strong touristic season. 3Q growth in other geographies affected by tougher Y/Y comparison and specific factors



Solid cost performance thanks to operating leverage, cost control and synergies

Total Costs (€M)

Personnel Costs
Operating Costs



Key Highlights

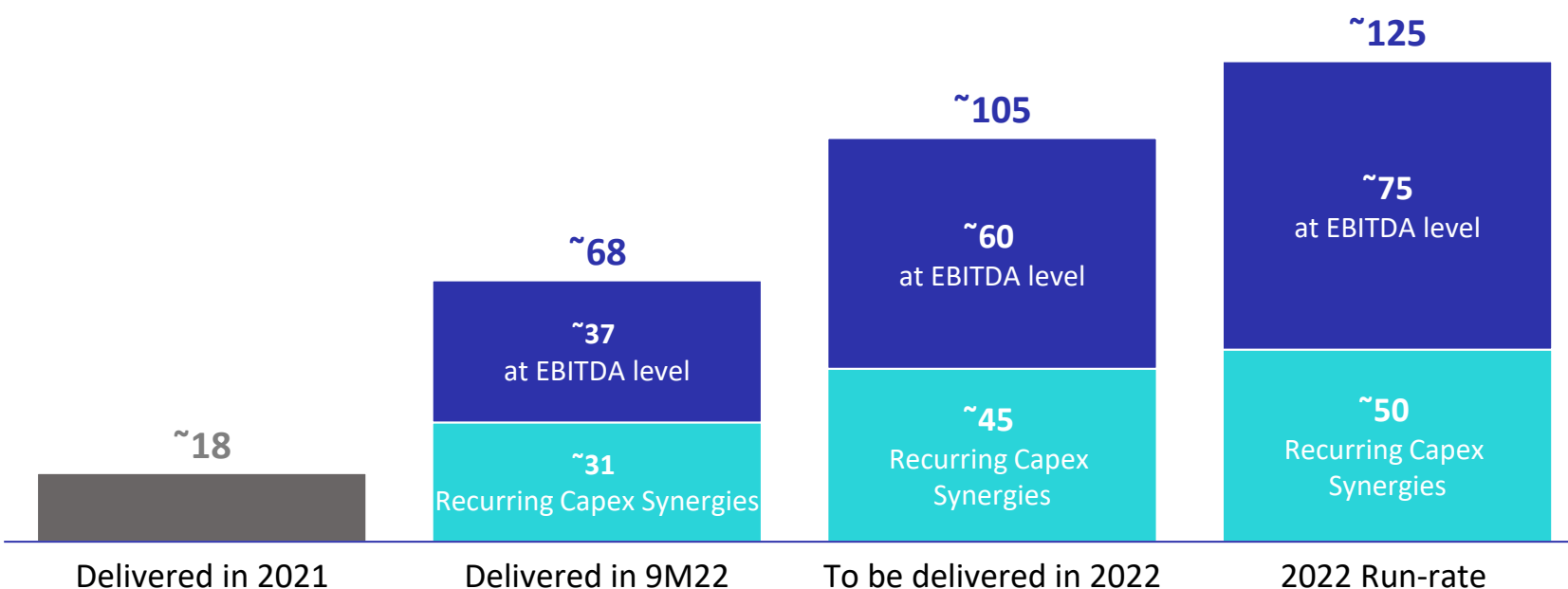
- 3Q22 total costs under control vs last year, despite volume and business growth
- Early signals of inflation fully offset by costs efficiencies

Confirmed ~105 €M cash synergies in 2022

Cash synergies (€M)



Target >65€M one-off capex savings already achieved



Key Highlights

~365 €M total recurring cash synergies expected by 2025

- **Cost synergies** coming from:
 - tech platforms and infrastructure optimization and consolidation
 - >40 strategic renegotiations on procurement
 - insourcing and organizational excellence
- **Revenue synergies** mainly focused on cross/up-selling to financial institution, corporates and PA for Nexi-Sia, on proposition cross-fertilization for Nexi-Nets (e.g. E-commerce)

Net Financial Debt / EBITDA in line with plan, at ~2.8x including run-rate synergies

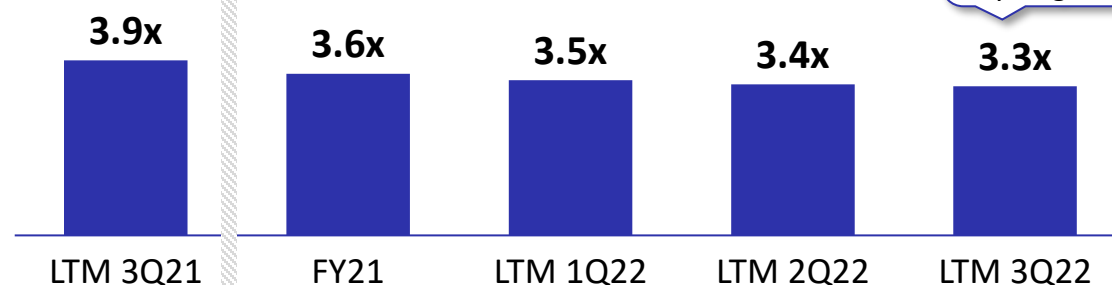
Net Financial Debt (€M)

SIA closing

	Sept 21	Dec 21	Mar 22	June 22	Sept 22
Gross Financial Debt	6,376	7,474	6,584	6,576	6,658
Cash	2,168	2,230	1,449	1,332	1,334
Cash Equivalents ¹	65	71	67	84	83
Net Financial Debt	4,142	5,174	5,068	5,160	5,241

Net Financial Debt / EBITDA (€M)

~2.8x
incl. run-rate
synergies



LTM EBITDA (€M)

1,061²

1,422²

1,465²

1,532²

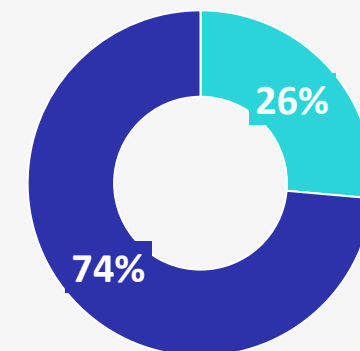
1,577²

Key Highlights

- 900 €M New 5y Term Loan Facility³ at the same spread of the 2019 IPO Facility
- Early partial reimbursement of 573 €M due in 2024 - 2026 period to proactively manage / extend debt cost / maturity profile

Interest rate mix⁴

- Floating rate (zero-floored)
- Fixed rate



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Closing remarks

Confirmed 2022 Ambition

Net Revenues	<ul style="list-style-type: none">▪ 7-9% net revenue growth▪ Double-digit growth in Merchant Solutions
EBITDA	<ul style="list-style-type: none">▪ 13-16% EBITDA growth, +2 p.p. EBITDA margin expansion▪ Delivered synergies partially reinvested in E-commerce and Germany acceleration
Capex	<ul style="list-style-type: none">▪ 8-10% ordinary capex as % of net revenues
Non recurring Items	<ul style="list-style-type: none">▪ Transformation and integration costs rapidly decreasing. 2022 almost halved compared to 2021 combined Group level▪ ~300 €M Transformation and integration Capex by 2024-2025
Leverage	<ul style="list-style-type: none">▪ Continued organic de-leverage with target net debt of ~2.5x EBITDA including run-rate synergies, proforma at ~3.0x EBITDA considering all recent M&A transactions

Key messages

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- **Revenues +7% to +9% y/y**
- **EBITDA +13% to +16% y/y**

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Q&A

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Annex

Group P&L at constant scope

€M	9M21 at constant scope	9M22	Δ% vs. 9M21	3Q21 at constant scope	3Q22	Δ% vs. 3Q21
Merchant Solutions	1,159.5	1,305.9	+12.6%	440.5	482.7	+9.6%
Issuing Solutions	709.7	747.0	+5.2%	249.5	264.2	+5.9%
Digital Banking Solutions	330.5	327.7	-0.9%	112.0	112.0	+0.0%
Operating revenue	2,199.7	2,380.5	+8.2%	801.9	858.9	+7.1%
Personnel Costs	(534.6)	(541.5)	+1.3%	(167.7)	(168.1)	+0.2%
Operating Costs	(668.8)	(677.8)	+1.4%	(220.8)	(227.7)	+3.1%
Total Costs	(1,203.4)	(1,219.4)	+1.3%	(388.5)	(395.8)	+1.9%
EBITDA	996.3	1,161.2	+16.5%	413.4	463.1	+12.0%

€M	9M21	M&A in	M&A out	9M21 at constant scope	3Q21	M&A in	M&A out	3Q21 at constant scope
Operating revenue	2,195.2	35.3	-30.8	2,199.7	796.4	15.8	-10.3	801.9
EBITDA	1,001.7	9.7	-15.1	996.3	412.0	6.1	-4.7	413.4

M&A in: Alphabank JV, Orderbird and Paytech

M&A out: EDIGard disposal and Capital Markets business classified below EBITDA according to IFRS5

Revenues gross of scheme fees, shifted to Opex

For illustrative purpose only

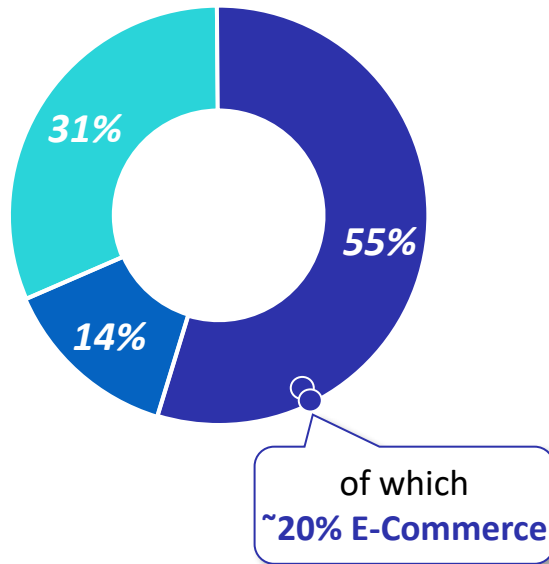
€M	1Q22	Δ% vs. 1Q21	2Q22	Δ% vs. 2Q21	3Q22	Δ% vs. 3Q21	9M22	Δ% vs. 9M21
Merchant Solutions	457.8	+17.3%	553.3	+22.8%	612.8	+14.8%	1,623.9	+18.1%
Issuing Solutions	236.5	+5.2%	260.9	+6.2%	273.7	+6.8%	771.1	+6.1%
Digital Banking Solutions	101.9	-5.3%	113.8	+2.5%	112.0	+0.0%	327.7	-0.9%
Operating revenue	796.2	+10.2%	928.0	+15.0%	998.6	+10.7%	2,722.7	+12.0%
Personnel Costs	(187.5)	+2.5%	(185.9)	+1.1%	(168.1)	+0.2%	(541.5)	+1.3%
Operating Costs	(304.2)	+7.7%	(348.5)	+17.2%	(367.3)	+14.4%	(1,020.0)	+13.2%
Total Costs	(491.7)	+5.7%	(534.4)	+11.0%	(535.4)	+9.5%	(1,561.6)	+8.8%
EBITDA	304.5	+18.3%	393.6	+20.9%	463.1	+12.0%	1,161.2	+16.5%

Well diversified revenue base both in terms of business and geography at scale, with exposure to fast growing European markets

9M22 Revenues breakdown

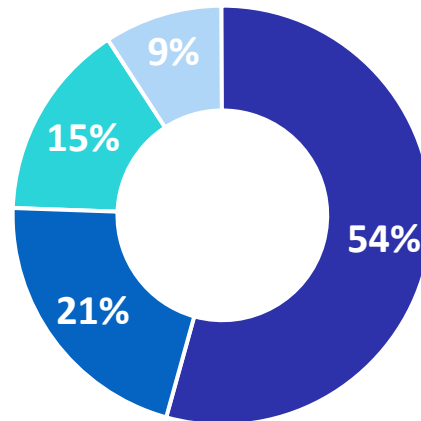
By business

- Merchant Solutions
- Issuing Solutions
- Digital Banking Solutions



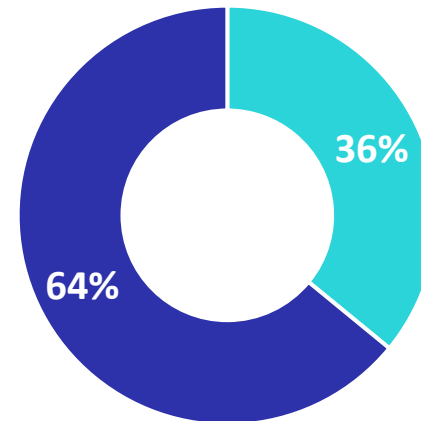
By geography

- Italy
- DACH & Poland
- Nordics¹
- SE Europe & Other



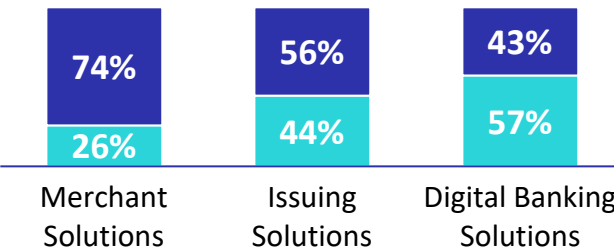
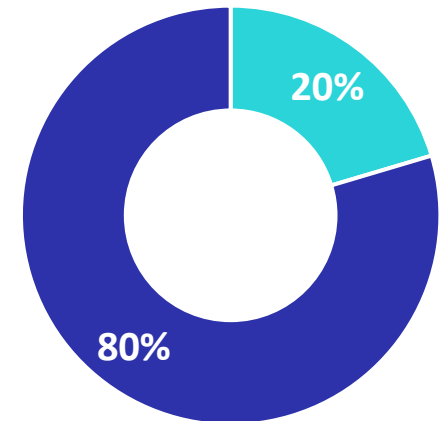
By type

- Installed based
- Volume driven



9M22 Costs breakdown by type

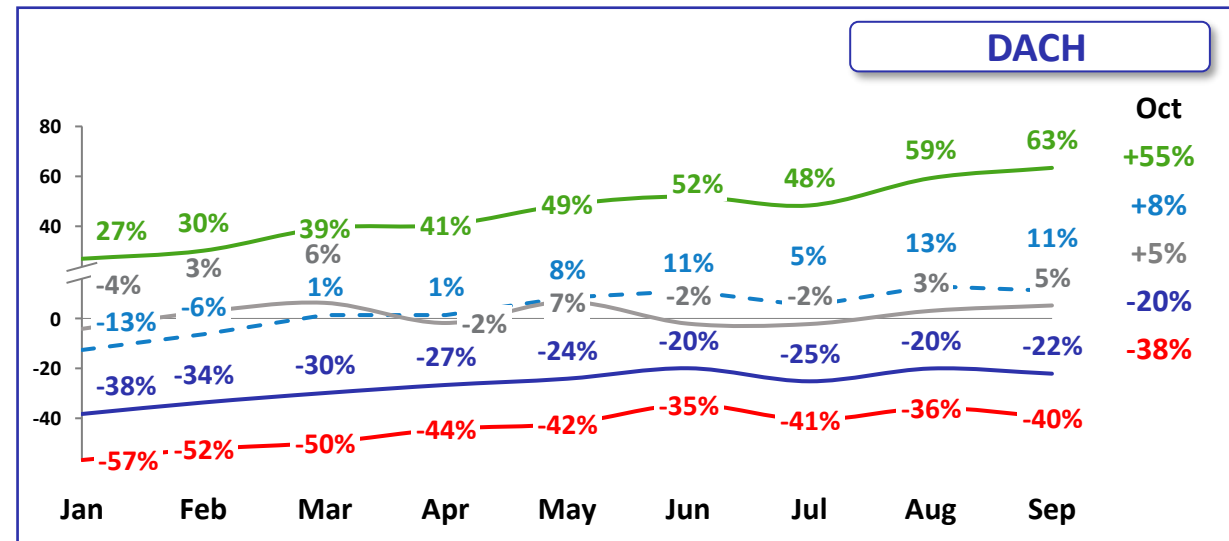
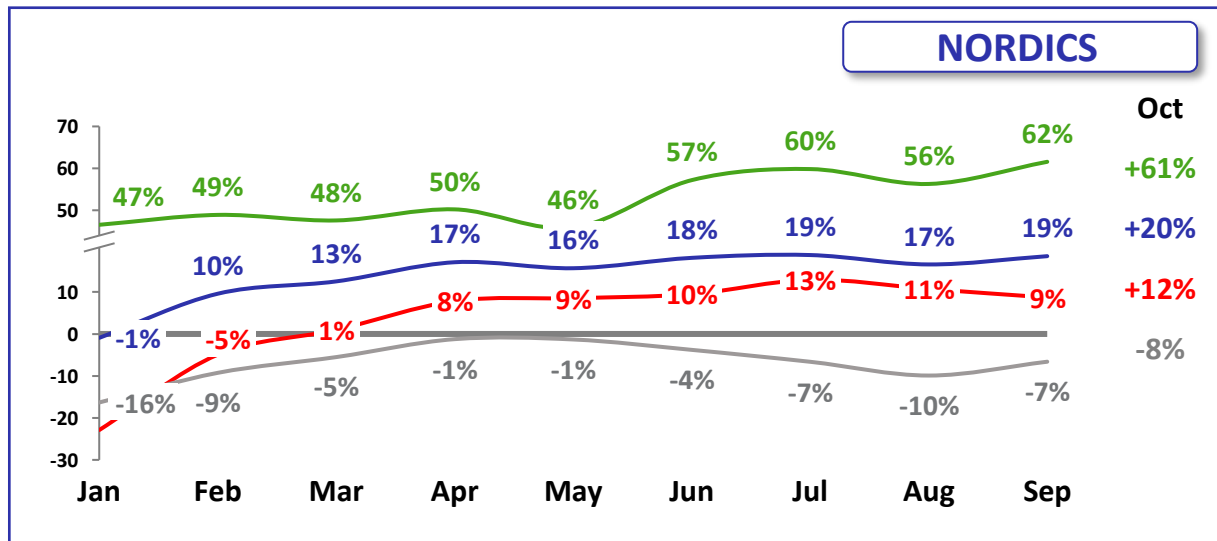
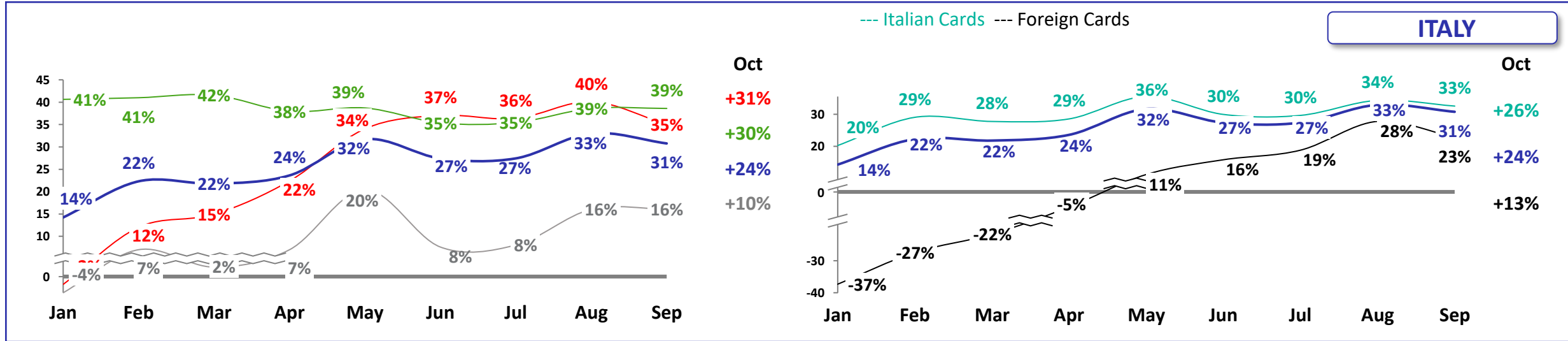
- Variable costs
- Fixed Costs



Continued strong growth in all geographies compared to pre-Covid levels

Trend vs 2019

— High impact consumption — Basic consumption — Discretionary consumption — Total — Net of discontinued clients due to optimised risk profile



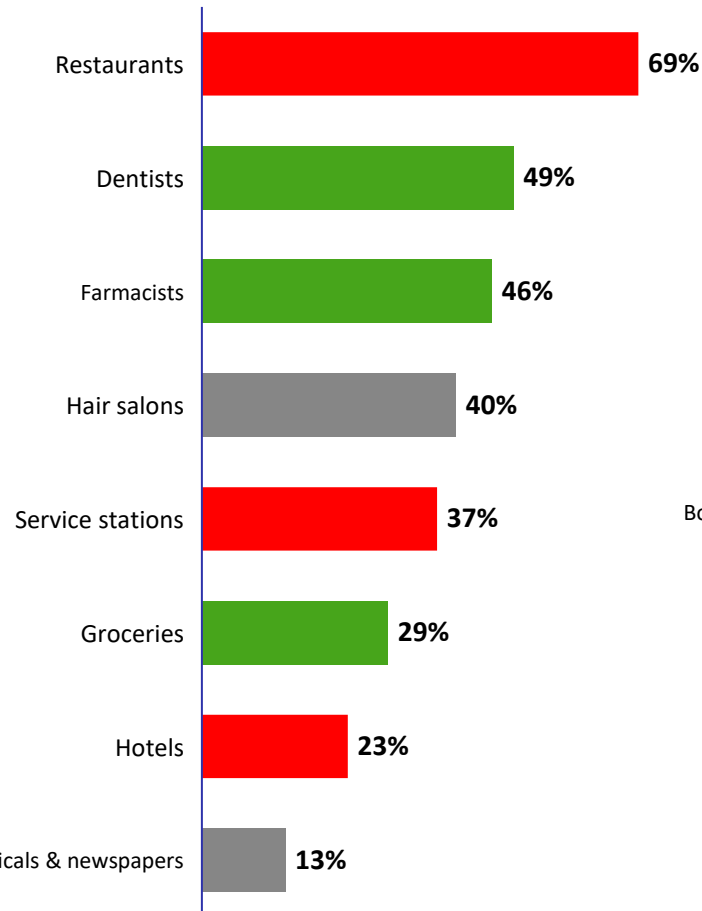
Continued acceleration of cash to digital payments shift across sectors

■ High Impact Consumption
 ■ Basic Consumption
 ■ Discretionary Consumption

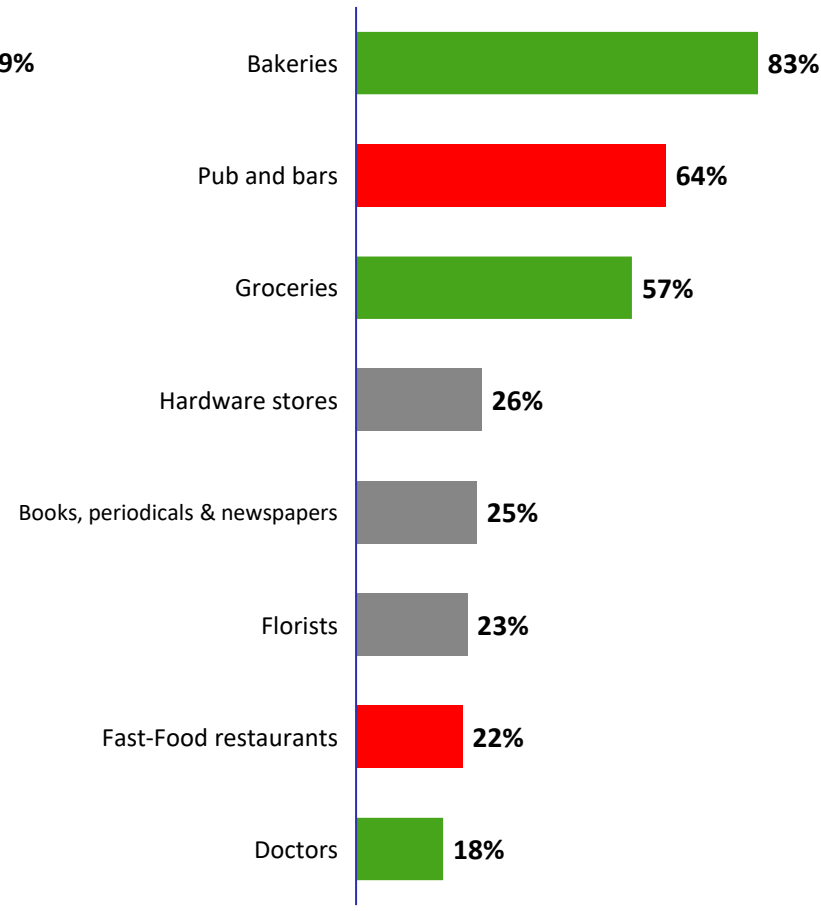
Focus on specific industries (October)

% change vs 2019

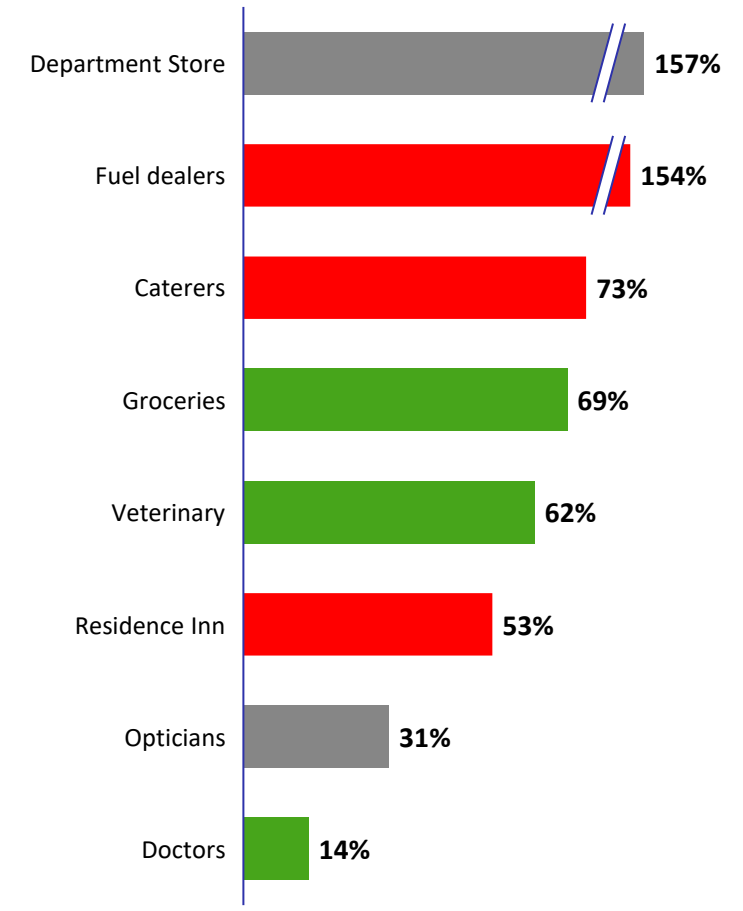
Italy¹



Nordics²



DACH²





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