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Testo del comunicato

Vedi allegato.

**GROUP PRELIMINARY FINANCIAL RESULTS AS OF DECEMBER 31st 2021 APPROVED
STRONG FINANCIAL PERFORMANCE AND 2021 AMBITION DELIVERED**

- **Combined Nexi+Nets revenues at € 2,268.8 million in FY21, +10.0% Y/Y; € 618.1 million in 4Q21, +11.1% Y/Y**
- **Combined Nexi+Nets EBITDA at € 1,094.5 million in FY21, +12.1% Y/Y; € 319.7 million in 4Q21, +11.6% Y/Y. Continued EBITDA Margin expansion**
- **Continued volume growth in 4Q21 despite Omicron variant, driven by double-digit growth in Italy compared to pre-Covid levels. Positive growth in basic consumption across geographies**
- **The journey for creating the European PayTech Leader is progressing well. SIA merger completed. Integration workstreams with Nets and SIA are progressing according to plan, with confirmed ~€ 100 million cash synergies to be delivered in 2022**
- **2021 Ambition delivered despite Omicron variant in 4Q21. 2022 Nexi+Nets+SIA Ambition: expected revenues between +7% and +9% Y/Y and EBITDA between +13% and +16% Y/Y**

Milan, February 10th 2022 – The Board of Directors of Nexi S.p.A. approved the Group's consolidated preliminary financial results as of December 31st 2021.

"The completion of the mergers with Nets and SIA in 2021 was a key milestone in our journey to create the European PayTech, driving the transition to a cashless Europe" commented Paolo Bertoluzzo, CEO of Nexi Group. "Our Group delivered a solid double-digit revenue and EBITDA growth and delivered the previously announced 2021 Ambition, despite the Omicron variant towards the end of the year. The financial performance benefited from the new positioning of the Group leveraging on structurally attractive markets with high potential, such as Italy and Germany, and on greater presence in the e-commerce space, which showed robust double-digit growth. The continued volume acceleration, in sectors less impacted by the pandemic, confirmed the current shift from cash to digital payments. In 2021 we also accelerated on the sustainability front, as recognized by a significant increase in ESG ratings and by our commitment to reduce Group emissions to zero by 2040. All these significant milestones have been reached thanks to all Nexi people, to whom I thank, who have done an extraordinary work in a year of profound transformation."

In the fourth quarter of 2021, the Group delivered strong financial results and sustained volume growth, despite Omicron variant. In particular, acquiring volumes¹ in Italy grew double-digit compared to pre-Covid levels, with further acceleration in the second half of

¹ Sales volumes only. For Italy (Nexi perimeter) data include International schemes only. National schemes included only for ISP merchant book. For Nordics and DACH region (Nets perimeter) data include regular business and International schemes only.



January, driven by solid growth in basic consumption (+44% versus 2019) and continued strong double-digit growth of Italian cards (+26% versus 2019), while Foreign Cards still remained behind.

In the Nordics, acquiring volumes continued a positive growth versus pre-Covid level during 4Q21. The DACH region was still recovering due to exposure to travel. January showed an acceleration in basic consumption, growing double-digit both in the Nordics (reaching +47% in January compared to pre-Covid levels) and in the DACH region (reaching +27% in January compared to pre-Covid levels).

All the above trends confirm the acceleration of digital payments in the sectors less impacted by Covid-19 and across Group geographies. For instance, January acquiring volumes in Italy showed +74% versus 2019 for veterinarians, and +46% versus 2019 for home furniture stores. In the Nordics cosmetic stores reached +85% versus 2019, and bakeries were at +53% versus 2019. In the DACH region, groceries were at +42% versus 2019 and opticians stood at 25%.

Key consolidated financial managerial results²

€M	FY20	FY21	Δ% vs. FY20	4Q20	4Q21	Δ% vs. 4Q20
Merchant Services & Solutions	1,242.1	1,383.0	+11.3%	338.5	383.4	+13.3%
Cards & Digital Payments	613.5	658.6	+7.4%	163.2	176.5	+8.2%
Digital Banking & Corporate Solutions	206.8	227.2	+9.8%	54.7	58.1	+6.2%
Operating revenue	2,062.5	2,268.8	+10.0%	556.4	618.1	+11.1%
Personnel Costs	(468.9)	(488.4)	+4.2%	(122.9)	(119.3)	-2.9%
Operating Costs	(617.4)	(686.0)	+11.1%	(147.0)	(179.0)	+21.8%
Total Costs	(1,086.3)	(1,174.3)	+8.1%	(269.9)	(298.4)	+10.6%
EBITDA	976.2	1,094.5	+12.1%	286.5	319.7	+11.6%

In 2021 the Group delivered strong financial results and the 2021 Ambition previously announced despite the pandemic. In particular, revenues reached € 2,268.8 million, +10.0% versus FY20, and EBITDA delivered € 1,094.5 million, +12.1% versus FY20, and EBITDA margin at 48%, up by 1 p.p. versus FY20.

In the fourth quarter of 2021, revenues reached € 618.1 million, +11.1% versus 4Q20, and EBITDA delivered € 319.7 million, +11.6% versus 4Q20. The EBITDA margin was at 52%, up 1 p.p. compared to 4Q20.

Group revenues in FY21 reflected a strong financial performance across geographies with Italy and DACH Region & Poland growing double-digit compared to 2020 level.

Nexi Group's operating segments delivered the following results in 2021:

- **Merchant Services & Solutions**, representing approximately 61% of the Group's total revenues, reported revenues of € 1,383.0 million, +11.3% Y/Y, showing a double-digit growth for both Nexi and Nets. In FY21, 8,850 million transactions were processed, +12.1% Y/Y, with value of processed transactions at € 473.7 billion, +11.7% Y/Y. Transactions value performance accelerated across the Group, with Italy delivering +16% Y/Y in FY21 and +19% Y/Y in 4Q21, and the other geographies reached +7% Y/Y in FY21 and +16% Y/Y in 4Q21. E-commerce revenue delivered a strong growth of +29% Y/Y, particularly driven by APMs (A2A in Poland and Finland, and BNPL in Germany) and Easy (collecting PSP in the Nordics). In 4Q21, Merchant Services & Solutions reached € 383.4 million of revenues, +13.3% Y/Y;
- **Cards & Digital Payments**, representing approximately 29% of the Group's total revenues, reported revenues of € 658.6 million, up by 7.4% Y/Y with different dynamics across the Group. Strong double-digit revenue growth in Italy, with positive contribution from both the installed-base and the volume dynamics, despite the very limited international travel recovery. Revenue performance in other geographies was still affected by a single client contract renegotiation, which has previously been disclosed, but recovered in 4Q21 thanks to positive volume growth. In FY21, 9,714 million transactions were processed, +11.8% Y/Y, with value of processed transactions at € 461.0 billion, up by 11.8% Y/Y. Transaction volumes

² 2020 and 2021 financial managerial data include Nets underlying results (at constant scope and FX) and the UBI merchant book since the beginning of the period.



showed a double-digit growth versus last year, mainly driven by the strong performance on both number and value of transactions in Italy and the number of transactions in other geographies. In 4Q21, Cards & Digital Payments reached € 176.5 million of revenues, +8.2% Y/Y;

- **Digital Banking Solutions**, representing approximately 10% of the Group's total revenues, reported revenues of € 227.2 million, up by 9.8% Y/Y, mainly attributable to key business initiatives, e.g. Open Banking and Digitization services in the Nordics. In 4Q21, Digital Banking Solutions reached € 58.1 million of revenues, +6.2% Y/Y.

In 2021, **Total Costs** stood at € 1,174.3 million. The usual strong focus on costs is confirmed. The Y/Y comparison (+8.1% versus FY20) is mainly affected by higher transaction volumes versus last year and the unwinding of the cost containment plan implemented in 2020.

Nexi confirmed a strong focus on investments in technology and innovation, with **total Capex** at € 330 million for FY21, equal to 14.6% net revenues. In particular, € 105 million (4.6% of net revenues) were related to standalone and new Group transformation initiatives, and € 225 million (9.9% of net revenues) were related to the ordinary innovation of products and services, to the maintenance of high-quality services and security and to the POS and ATM purchase.

Former **transformation costs**, below EBITDA, were € 168.5 million in FY21, down 25% versus FY20. Non-recurring items (€ 474.5 million in FY21) include: new Group integration costs (€ 57.2 million), M&A related fees and others (€ 98.1 million), LTI (€ 15.3 million), ISP earn-out (€ 106.7 million), as well as the IPO costs sustained by the Financial Sponsors (€ 28.8 million). Non-recurring items also including the Nets discontinued business sold to Mastercard (€ 1,048.5 million) would be positive amounting at € 573.9 million.

As of December 31st 2021, the **Net Financial Debt** stood at € 5,174 million, while the Net Financial Debt/ EBITDA ratio stood at 3.6x. The pro-forma Net Financial Debt / EBITDA ratio including SIA and the run-rate synergies stood at ~3x, in line with the plan.

Nexi delivered 2021 Ambition, announced to the market during the first half financial results presentation in July 2021, despite the Omicron variant in 4Q21.

Combined financial results – Nexi+Nets+SIA

On a combined basis, the new Group registered a solid financial performance during FY21. In particular, revenues reached € 3,041.5 million, +10.0% Y/Y, and EBITDA reached € 1,421.9 million, +13.6% Y/Y. The new Group is characterized by a well-diversified revenue base, both in terms of business and geography at scale, with exposure to structurally attractive and fast-growing European markets (e.g. Italy, DACH region and Poland).

In 2022, assuming exit from Covid-19 from the beginning of 2Q22, Nexi expects for the combined Group (Nexi+Nets+SIA):

- Net revenue growth between 7% and 9% Y/Y, with double-digit growth in Merchant Services & Solutions;
- EBITDA growth between 13% and 16% Y/Y, with +2 p.p. of EBITDA margin expansion and the partial reinvestment of the delivered synergies in E-commerce and acceleration in Germany;
- ~8 - 10% ordinary Capex as % of net revenues;
- Transformation and integration costs rapidly decreasing, with 2022 almost halved compared to 2021 combined Group level; ~€ 300 million of transformation and integration Capex by 2024 – 2025;
- Continued organic de-leverage, with target net debt of ~2.5x EBITDA including run-rate synergies.

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The Board of Directors, during today's meeting, has also resolved upon the replacement of (i) Ms. Michaela Castelli as member of the Nomination and Remuneration Committee, with Mr. Maurizio Cereda (independent directors), (ii) Ms. Marinella Soldi, as member of the controls, risks and sustainability committee, with Mr. Fabio Massoli and (iii) Ms. Marinella Soldi as member of the Related Party Committee, with Mr. Maurizio Cereda (independent directors).

* * *

Pursuant to paragraph 2 of article 154 bis of the Consolidated Finance Act, the undersigned, Enrico Marchini, in his capacity as the manager in charge of preparing Nexi's financial reports, declares that the accounting information contained in this press release corresponds to the accounting documents, books and records of Nexi S.p.A..

Data awaiting validation by the auditing firm PricewaterhouseCoopers.

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Disclaimer: This is the English translation of the original Italian press release "Approvati i risultati finanziari preliminari di Gruppo al 31 dicembre 2021". In any case of discrepancy between the English and the Italian versions, the original Italian document is to be given priority of interpretation for legal purposes.

Nexi

Nexi is Europe's PayTech company operating in high-growth, attractive European markets and technologically advanced countries. Listed on Borsa Italiana's MTA, Nexi has the scale, geographic reach and abilities to drive the transition to a cashless Europe. With its portfolio of innovative products, e-commerce expertise and industry-specific solutions, Nexi provides flexible support for the digital economy and the entire payment ecosystem globally, across a broad range of different payment channels and methods. Nexi's technological platform and the best-in-class professional skills in the sector enable the company to operate at its best in three market segments: Merchant Services & Solutions, Cards & Digital Payments and Digital Banking & Corporate Solutions. Nexi constantly invests in technology and innovation, focusing on two fundamental principles: meeting, together with its partner banks, customer needs and creating new business opportunities for them. Nexi is committed to supporting people and businesses of all sizes, transforming the way people pay and businesses accept payments. It offers companies the most innovative and reliable solutions to better serve their customers and expand. By simplifying payments and enabling people and businesses to build closer relationships and grow together, Nexi promotes progress to benefit everyone. www.nexigroup.com/en/

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