



Informazione Regolamentata n. 2170-69-2021	Data/Ora Ricezione 03 Agosto 2021 19:50:48	MTA
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Societa' : NEXI

Identificativo : 150777

Informazione
Regolamentata

Nome utilizzatore : NEXIN08 - MANTEGAZZA

Tipologia : 3.1

Data/Ora Ricezione : 03 Agosto 2021 19:50:48

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Diffusione presunta

Oggetto : Alpha Services and Holdings S.A. and Nexi S.p.A. announce the signing of a MoU in relation to establishing a strategic partnership

Testo del comunicato

Vedi allegato.

**Alpha Services and Holdings S.A. and Nexi S.p.A. announce
the signing of a Memorandum of Understanding in relation to
establishing a strategic and long-term partnership
in the payments acceptance space in Greece**

Alpha Services and Holdings S.A., the 100% parent company of Alpha Bank S.A. (“Alpha Bank”), and **Nexi S.p.A.** (“Nexi”) announce the launch of a strategic partnership with the signing of a Memorandum of Understanding (“MoU”), on 3 August 2021, with respect to:

- The spin-off of Alpha Bank’s merchant acquiring business unit into a new entity (“NewCo”) in which Nexi will acquire a 51% stake for a Euro 157 million cash consideration reflecting an Enterprise Value (EV) of Euro 307 million (**for 100% EV of Alpha Bank’s merchant acquiring business unit respectively**) plus an earn-out up to Euro 30.6 million (corresponding to an overall amount of Euro 60 million for 100% EV), contingent on the achievement of certain financial targets of NewCo within its first four years of operations (the “Transaction”).
- **Entering into a long-term distribution agreement**, providing the NewCo with access to Alpha Bank’s Network in order to distribute payment acceptance products and services to business Customers of Alpha Bank in Greece.

Milan, August 3, 2021 - Alpha Bank and Nexi will work to implement the MoU through final contractual arrangements, to be negotiated and finalized in the coming months and to include a long-term commercial agreement to establish a marketing and distribution strategic partnership, enabling Alpha Bank, through its widespread network of over 300 branches across Greece, to promote and distribute to its customers Nexi-developed technological and innovative solutions.

As part of the Transaction, Alpha Bank will carve out its merchant acquiring business unit into the NewCo and all required actions will be taken in order for the NewCo to receive a payment institution license. Subsequently, Nexi will acquire a 51% stake in the NewCo. Alpha Bank is committed to the payments sector and intends to become a strategic partner of Nexi in Greece, while also being the exclusive distributor for NewCo’s products and services.

The total upfront consideration corresponds to an EV for 100% of Alpha Bank's merchant acquiring business unit equal to Euro 307 million, subject to customary adjustments as of the date of completion of the Transaction. The consideration can be increased by up to Euro 60 million (for 100% EV of Alpha Bank's merchant acquiring business unit) in the form of earn-outs, payable by the fourth year of operations of NewCo and subject to the achievement of certain financial targets to be agreed between Alpha Bank and Nexi. In exchange for the access to its Network, Alpha Bank will receive referral fees from the NewCo, further supporting the Bank's fee & commission income over time. The Transaction forms part of Alpha Bank's announced business plan, "Project Tomorrow", and is expected to contribute in excess of c.40 bps to Alpha Bank's Common Equity Tier I as of 31 March 2021.

Following completion of the Transaction, Nexi will consolidate the NewCo, which is expected to contribute over 150,000 POS terminals and Euro 9 billion of volumes. NewCo is expected to generate approximately Euro 93 million and Euro 18 million of revenues and EBITDA, respectively in 2022, on a pro-forma basis¹ and pre-synergies. Nexi will finance the Transaction entirely through existing cash resources. Through this Transaction, which is consistent with its strategic vision, Nexi establishes a market-leading position in the fast-growing Greek payments market, further expanding its merchant acquiring operations, while increasing revenue diversification across highly attractive and underpenetrated European countries. The NewCo will also be well positioned to capture further organic and inorganic growth opportunities in the country.

Vassilios Psaltis, CEO of Alpha Bank, said: *"The partnership with Nexi is another major step in Alpha Bank's ambition to form strategic alliances with the best global partners so as to provide solutions of the highest quality to our customers. We are confident that our strategic partnership with Nexi, the European leader in payments and a player with superior technological capabilities, will create a unique proposition in the rapidly growing Greek market"*.

Paolo Bertoluzzo, CEO of Nexi, said: *"The strategic partnership with Alpha Bank, a systemic Greek bank and leader in the Hellenic payment acceptance market, will allow us to accelerate the process of modernization and digitalisation of payments in the country. We will be providing to citizens, Merchants and Public Administration an offer of innovative and technologically advanced solutions and services with the aim of making digital payments a daily experience that benefits the whole system. This agreement, in line with our selective investment strategy in markets with high-growth potential, represents a further step towards our path of creating value in a highly competitive and rapidly consolidating market"*.

The Transaction is expected to close in Q1 2022, subject to Nexi and Alpha Bank agreeing upon and finalizing the long-form contractual documentation of the Transaction and obtaining all applicable corporate and regulatory approvals and consents.

Deutsche Bank AG, London branch is acting as sole financial adviser to Alpha Bank on the Transaction. PricewaterhouseCoopers Business Solutions SA is acting as technical and operational advisor to Alpha Bank. Akin Gump Strauss Hauer & Feld LLP is acting as legal counsel in relation to international law matters, while M. Psylla - V. Vizas - G. Katrinakis Law Firm (member of PwC network) and Zepos & Yannopoulos Law Firm are acting as legal counsels in relation to Greek law matters.

HSBC, Mediobanca – Banca di Credito Finanziario S.p.A. and AXIA Ventures Group are acting as financial advisers to Nexi on this Transaction. Bonelli Erede is acting as lead legal counsel to Nexi in relation to legal matters, Koutalidis is acting as legal counsel to Nexi in relation to Greek legal matters, while Legance is acting as legal counsel in relation to Antitrust matters.

About Nexi

Nexi is Europe's leading PayTech - present in high-growth, attractive European markets and technologically advanced countries in Northern Europe. Listed on the Milan Stock exchange MTA of Borsa Italiana, Nexi has the scale, geographical reach and capabilities to drive digital payments and accelerate the transition to a cashless society. Through its portfolio of innovative products, e-commerce capabilities and sector-specific solutions Nexi is able to provide flexible support for the digital economy and entire payments ecosystem globally across a wide range of different channels and payment methods. Nexi's technological platform and best-in-class capabilities allow the Company to operate 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: satisfying our banking partners' needs, and creating new opportunities for more prosperous businesses. We are committed to supporting people and enterprises of all sizes and shaping the way they pay and collect money every day. This is how we drive progress for everyone's benefit: simplifying transactions and empowering people and businesses to enjoy closer relationships and prosper together.

ABOUT ALPHA SERVICES AND HOLDINGS

Alpha Services and Holdings is the parent company of the Alpha Bank Group, which is one of the largest Groups in the financial sector in Greece, with a strong presence in the domestic banking market. It offers a wide range of high-quality financial products and services, including retail banking, SMEs and corporate banking, asset management and private banking, the distribution of insurance products, investment banking, brokerage and real estate management. The Group operates in Greece, Cyprus, Romania, Albania, Luxembourg and the UK, offering a wide range of financial products and services. It employs more than 10,500 employees internationally. The history of Alpha Bank Group begins in 1879. Alpha Bank constitutes a consistent point of reference in the Greek banking system with one of the highest capital adequacy ratios in Europe

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Fine Comunicato n.2170-69

Numero di Pagine: 6