nexi

1H23 Results Presentation

August 1st, 2023

Disclaimer

- This Presentation may contain written and oral “forward-looking statements”, which includes all statements that do not relate solely to historical or current facts and which are therefore inherently uncertain. All forward-looking statements rely on a number of assumptions, expectations, projections and provisional data concerning future events and are subject to a number of uncertainties and other factors, many of which are outside the control of Nexi Group (the “Company”). There are a variety of factors that may cause actual results and performance to be materially different from the explicit or implicit contents of any forward-looking statements and thus, such forward-looking statements are not a reliable indicator of future performance. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable law. The information and opinions contained in this Presentation are provided as at the date hereof and are subject to change without notice. Neither this Presentation nor any part of it nor the fact of its distribution may form the basis of, or be relied on or in connection with, any contract or investment decision.
- The information, statements and opinions contained in this Presentation are for information purposes only and do not constitute a public offer under any applicable legislation or an offer to sell or solicitation of an offer to purchase or subscribe for securities or financial instruments or any advice or recommendation with respect to such securities or other financial instruments. None of the securities referred to herein have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or the securities laws of any state or other jurisdiction of the United States or in Australia, Canada or Japan or any other jurisdiction where such an offer or solicitation would be unlawful (the “Other Countries”), and there will be no public offer of any such securities in the United States. This Presentation does not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States or the Other Countries.
- Pursuant the consolidated law on financial intermediation of 24 February 1998 (article 154-bis, paragraph 2) Enrico Marchini, in his capacity as manager responsible for the preparation of the Company’s financial reports declares that the accounting information contained in this Presentation reflects Nexi Group’s documented results, financial accounts and accounting records.
- Neither the Company nor any of its representatives, directors or employees accept any liability whatsoever in connection with this Presentation or any of its contents or in relation to any loss arising from its use or from any reliance placed upon it.

Key messages

EMARKET SDIR CERTIFIED

Continued solid volume growth in 2Q23 across all geographies

- **Sustained volume growth in all geographies in 2Q23** despite tough y/y comparison due to Covid-19 re-openings in 2Q22
- **Accelerated volume growth in 1H23 vs 2019**, reaching 30%+ across all geographies in June
- Growth rates across categories **converging towards more normalized levels** post Covid-19

Solid financial performance, with continued margin expansion

- **Revenue** growth at **+8.1%** vs 1H22, with **Merchant Solutions** growing at **+9.8%** y/y
- **EBITDA** growth at **+11.6%** vs 1H22 with **~+153 bps EBITDA margin expansion y/y**
- Continued acceleration on **EBITDA minus Capex and non-recurring cash items** growing at **+18% y/y**

Strong progress in creating the European PayTech leader

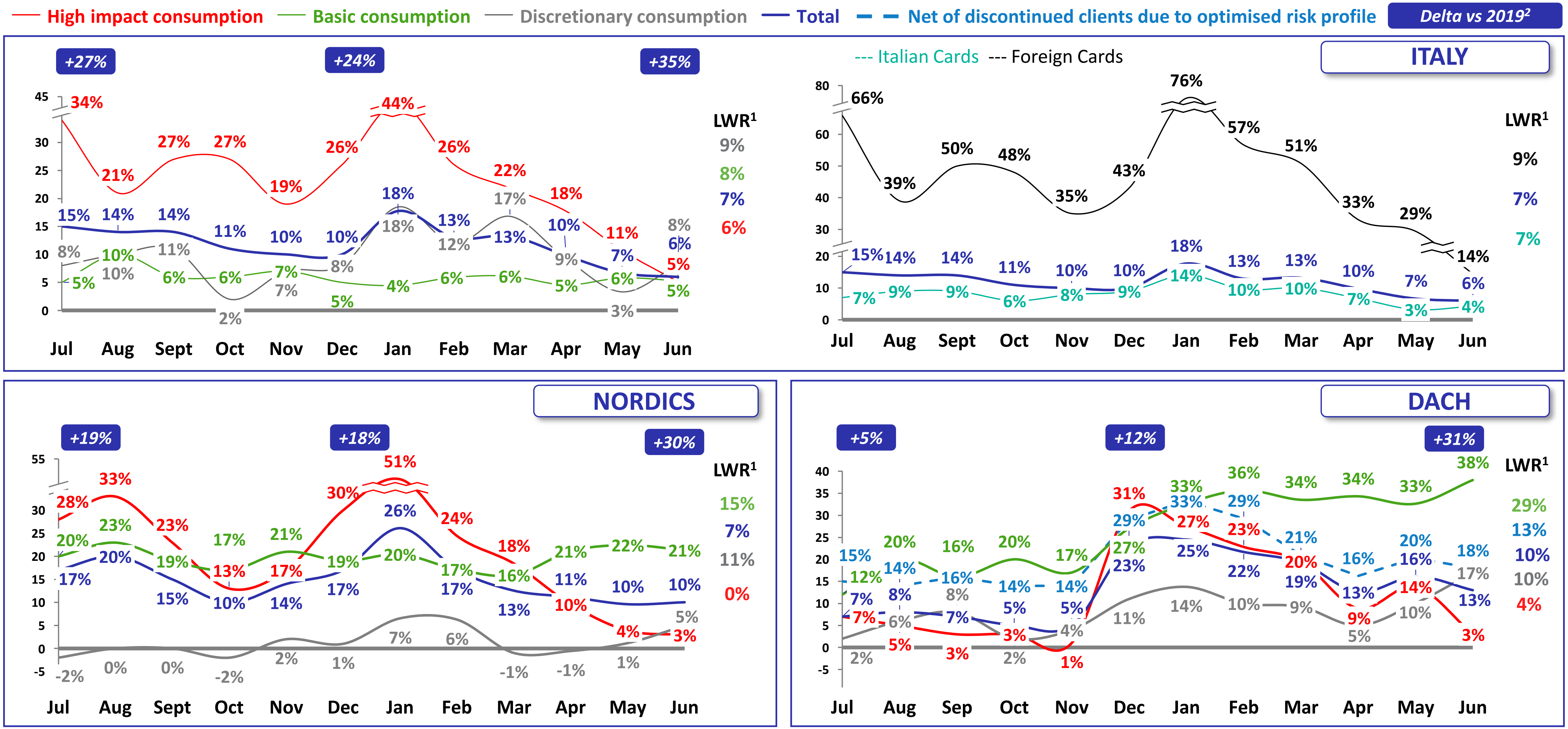
- **Group strategy execution progressing well**, **with expected ~2.8€B organic excess cash** generated in 2023-25
- **At least 1.5€B earmarked for debt reduction**, still leaving plenty of room for **returning cash to shareholders** and strategic **value accretive M&A**
- Good progress on announced portfolio rationalization. **Advanced talks on Nets DBS**

Confirmed 2023 guidance

- **Revenues > +7% y/y**
- **EBITDA > +10% y/y**
- **Excess cash > 600 €M**

EMARKET SDIR CERTIFIED

Continued volume growth in 2Q23 across all geographies despite tough Y/Y comparison



nexi

Note: Sales volumes only. SIA volumes excluded. 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) Week 17 - 23 July 2023. (2) Total net of discontinued clients due to optimised risk profile for DACH

EMARKET SDIR CERTIFIED

Merchant Solutions: key business update

1H23 TRX Value | **Key Business Highlights**

SME (62%[1])

+14% vs. 1H22

- **Strong continued customer base growth,** with terminals installed base growing by **~145k[2] y/y in 1H23,** with significant growth in Italy and Poland
- **Advanced digital propositions accelerating sales performance** in Italy, Nordics and DACH
- **ISVs and platforms partners strongly contributing to sales,** with new partnership wins in both eCRs and vertical specialists in hospitality and retail. Partner digital propositions continued roll-out
- Good performance of **digital acquisition channels** across all markets
- Progress on **roll-out of capabilities and best practices across markets**. **SoftPOS roll-out** across geographies progressing

eCom (10%[1])

+8% vs. 1H22

- Accelerated sales performance of eCommerce solutions in Italy and Nordics and in **owned-A2A in Poland & Finland. Strategic focus on mid-market customers** is unlocking new wins across all markets. #eComm clients ~+10% y/y in 1H23
- **Strategic partnership with Computop, the leading eCommerce provider in Germany,** strengthening our online and omnichannel proposition across all verticals in DACH and beyond
- **Continued strengthening of our partnerships** (e.g., partnership with eCom enabler **Shopware** with commercial agreement live in Italy and DACH). **Preferred partnership** with **Shopify** in Poland
- **Continued integration of APMs** (e.g., ApplePay, Twint) **into Nexi's Relay API** to drive scale across geographies

LAKA (11%[1])

+10% vs. 1H22

- **Healthy pipeline of commercial new wins** and **up/cross selling** across multiple verticals and geographies, with specific focus on **omni-channel retail, hospitality/restaurants** and **mobility/petrol**
- **Good commercial traction of integration and acceptance technology projects,** mainly in retail and petrol/EV charging
- **Continued progress of propositions evolution,** including data-enabled insights suite in Nordics and unattended capabilities for hospitality and EV charging

Examples of recent customer wins & upsells

SAUSALITOS, oppo, nokian TYRES, alltours, TUI, NOHO, Normal, UNA HOTELS, Stockholms läns landsting, SAS, IP, absolute IT, TAMOIL, certas energy, Capio

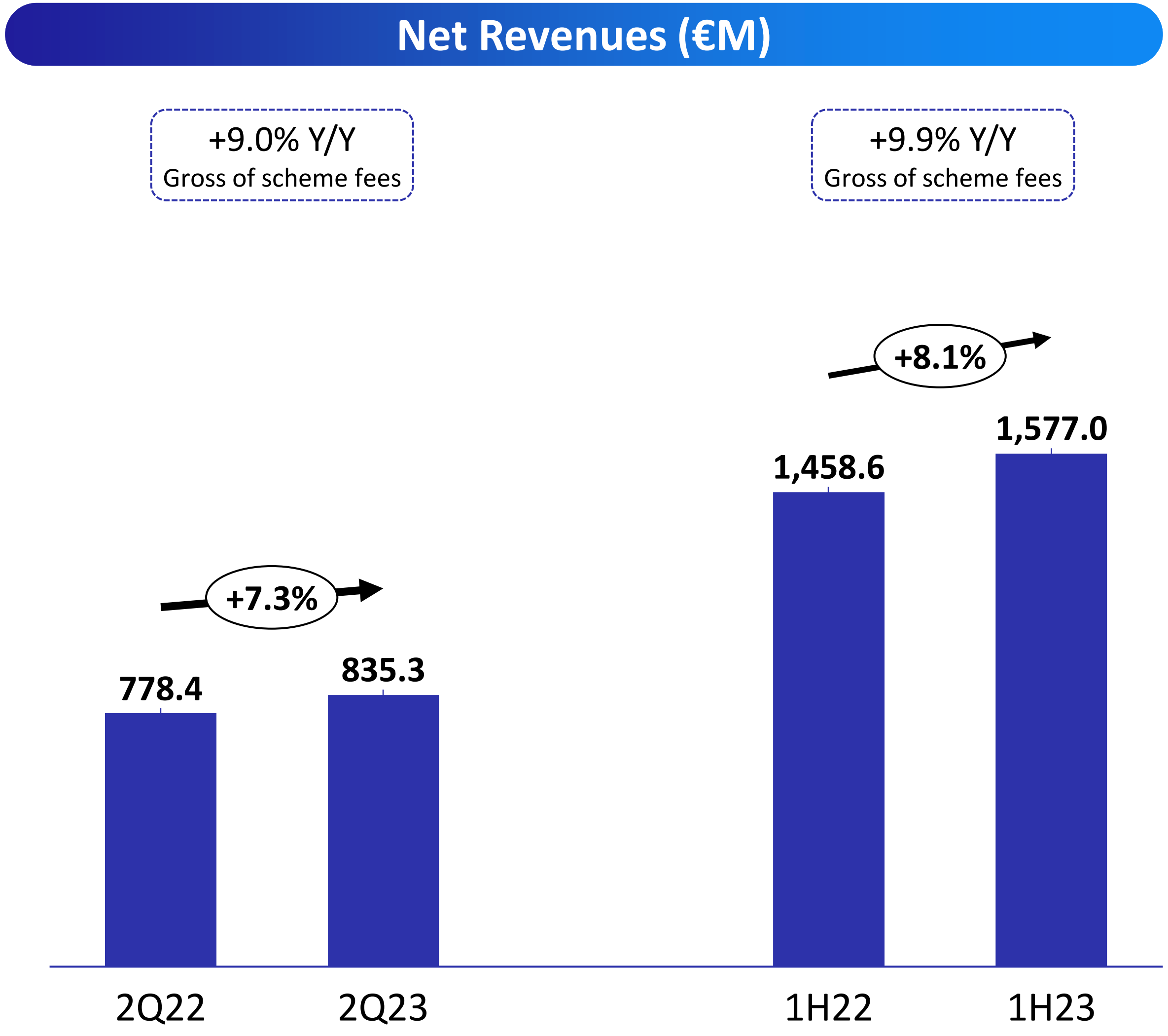
ISVs/Platforms Partnerships

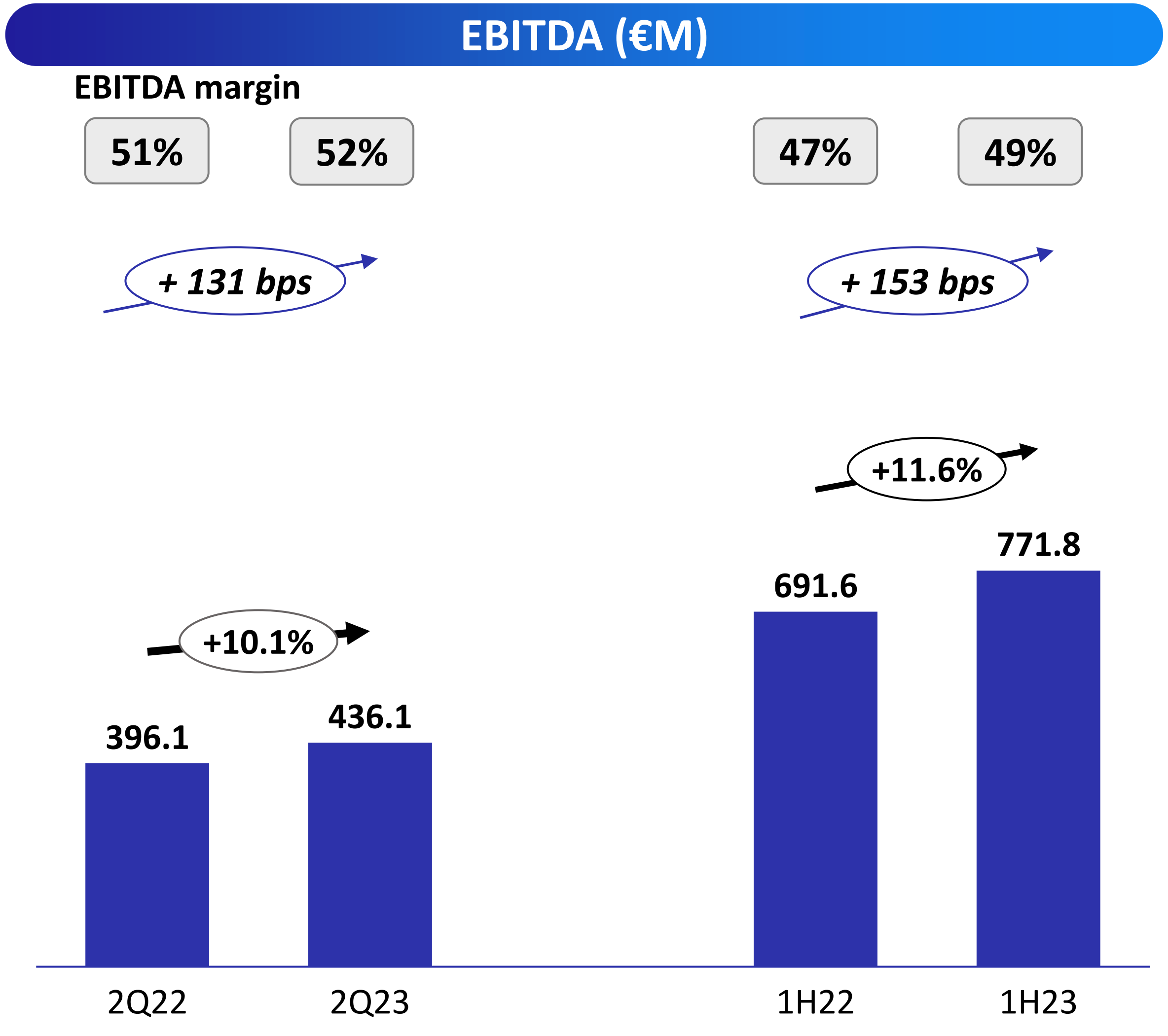
RELATE IT, B4TECH, yabie, appsalon, Crona, MERCO SK, trustpays, bogago, POS-Cardservice, contech, Officina idee, Qsignal, SOFOKUS, Netesi365

Note: 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. (1) Weight on total 1H23 Merchant Solutions revenues. Remaining 17% includes cash acquiring revenues not attributable. (2) Total Group # POS.

Focus on 1H23 results

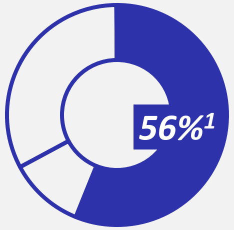
Solid Revenue and EBITDA growth, driving continued EBITDA margin expansion





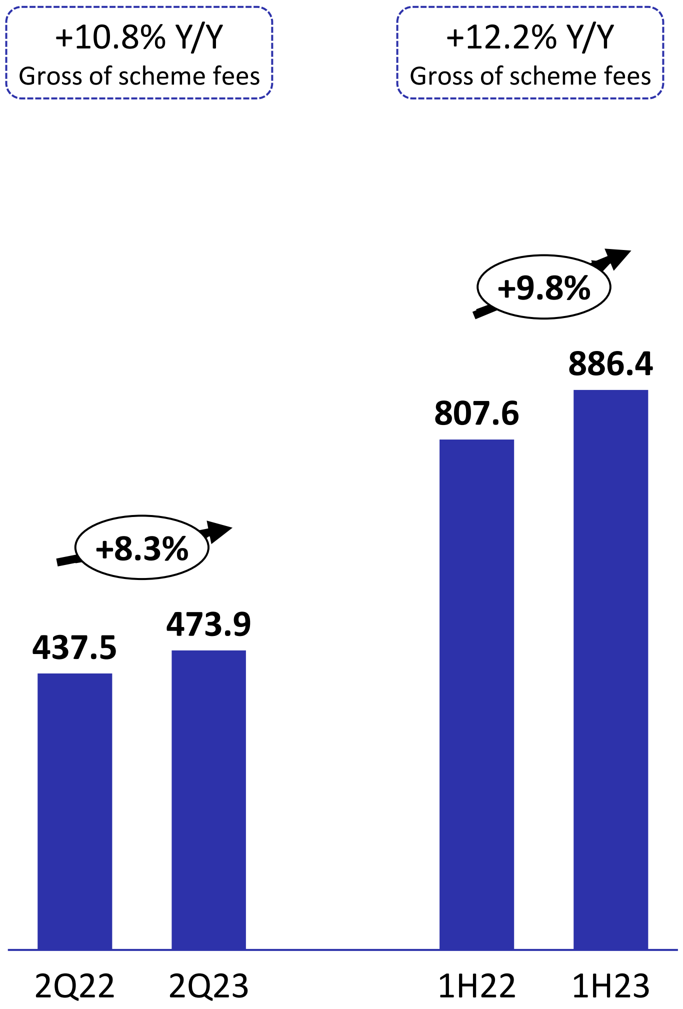
Note: Data at constant scope and FX.

Merchant Solutions: sustained revenue growth despite tough y/y comparison in 2Q23

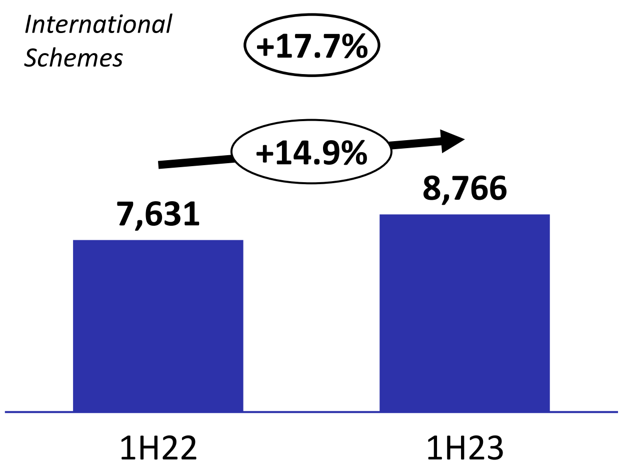


Merchant Solutions

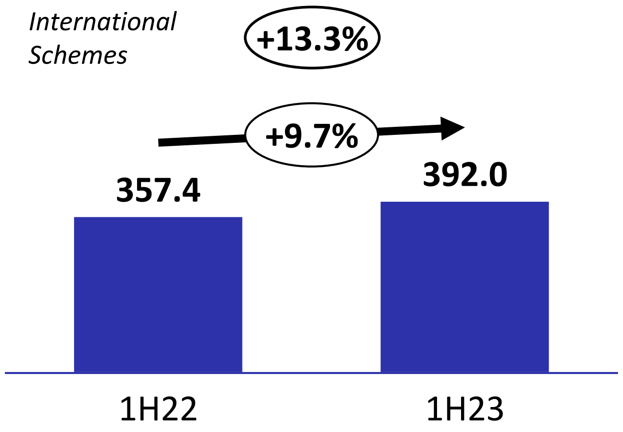
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)

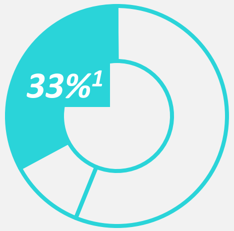


Key Highlights

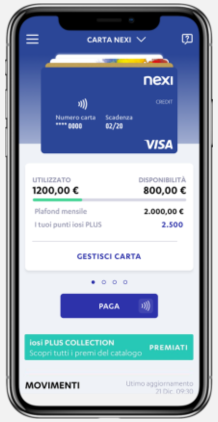
- **Sustained growth in value of transactions across the Group,** driven by International schemes
- **SME value of transactions** at +14% y/y in 1H23, faster than large merchants and positively contributing to revenue growth, with strong performance in Germany
- **Continued customer base growth across geographies** (#POS ˜+145k in 1H23 vs 1H22 and #eComm clients ˜+10% y/y)

Note: (1) Contribution to 1H Group Revenues.

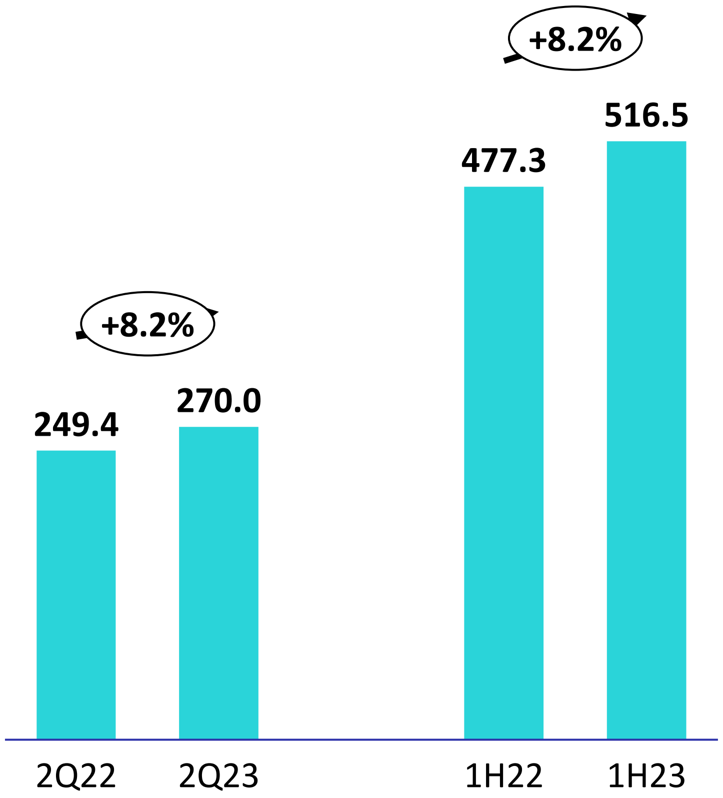
Issuing Solutions: strong revenue growth supported by volumes and one-off contribution



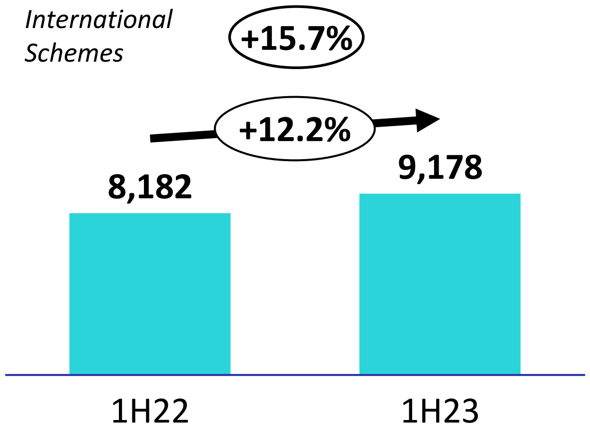
Issuing Solutions



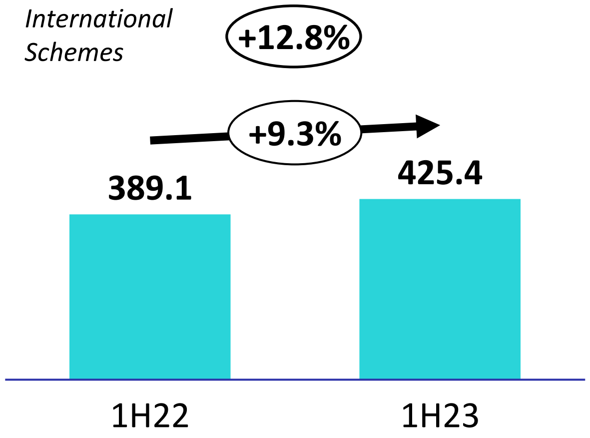
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)



Key Highlights

- **Strong revenue growth sustained by double-digit growth in Italy** benefitting from positive volume mix, acceleration of international debit and one-off contribution related to banks' M&A impacting ~1-2 p.p in 1H23
- Continued **up-selling / cross-selling of VAS and more valuable propositions** across geographies
- Progressing development of **Advanced Digital Issuing solutions** (e.g. CVM) across Europe

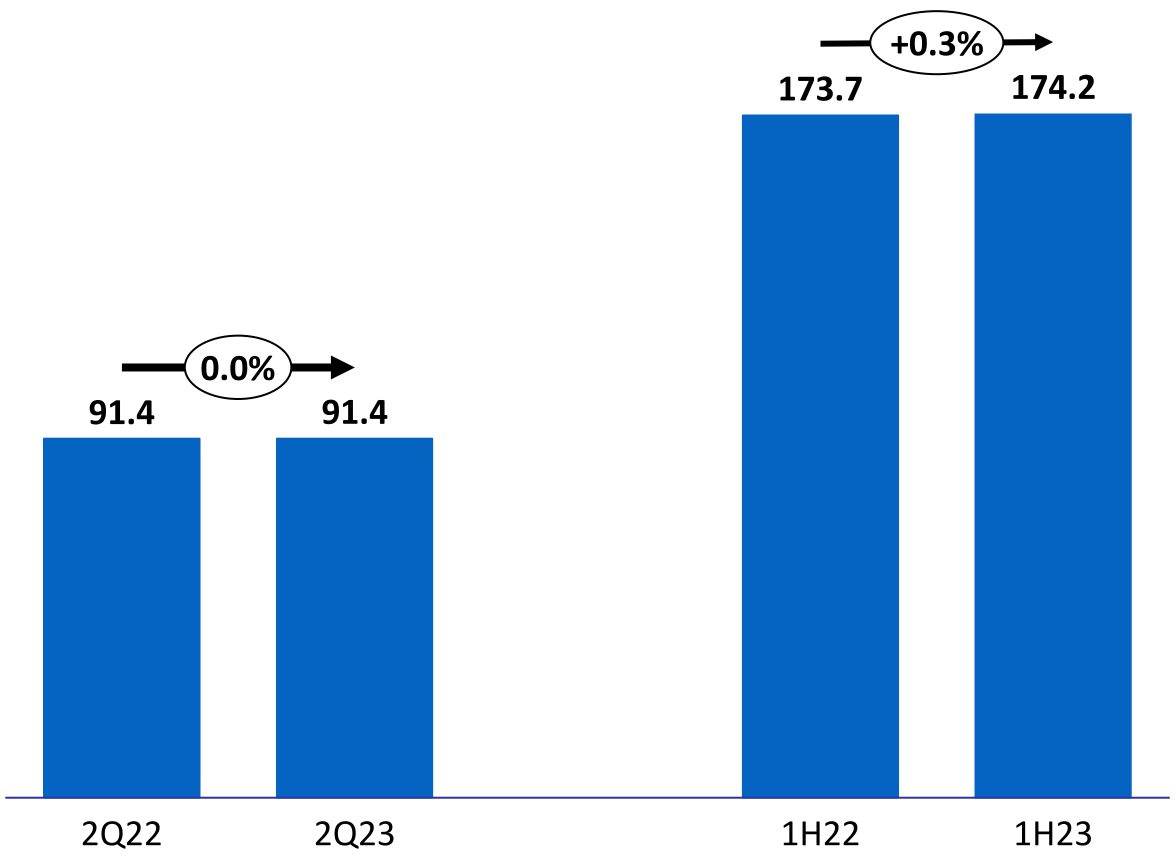
Note: (1) Contribution to 1H Group Revenues.

Digital Banking Solutions: stable revenue performance in the quarter

11%[1]

Digital Banking Solutions

Net Revenues (€M)

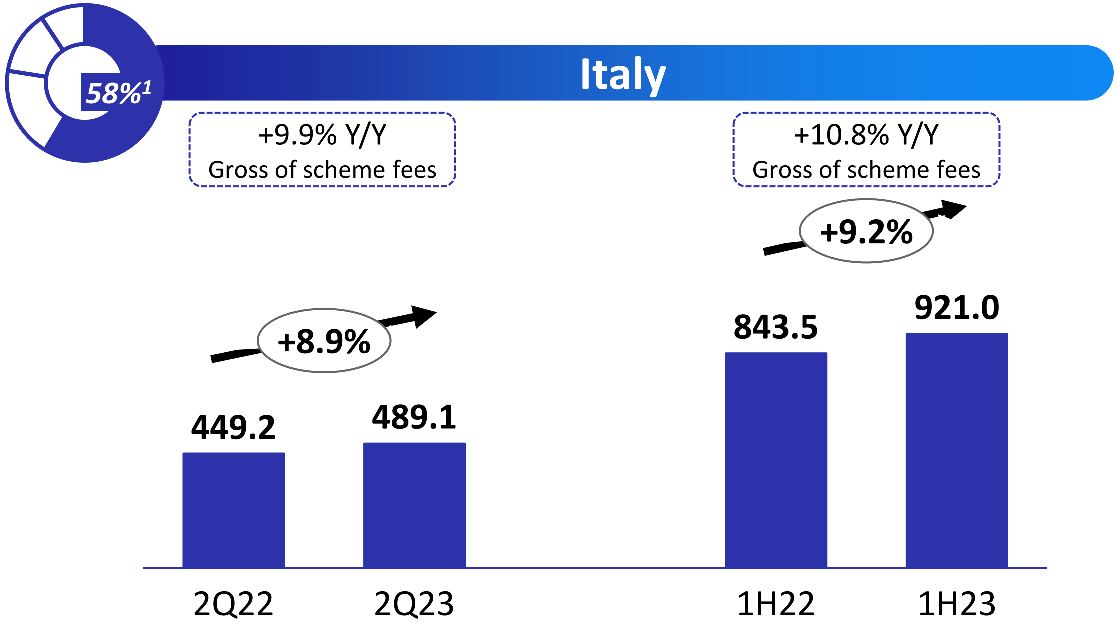


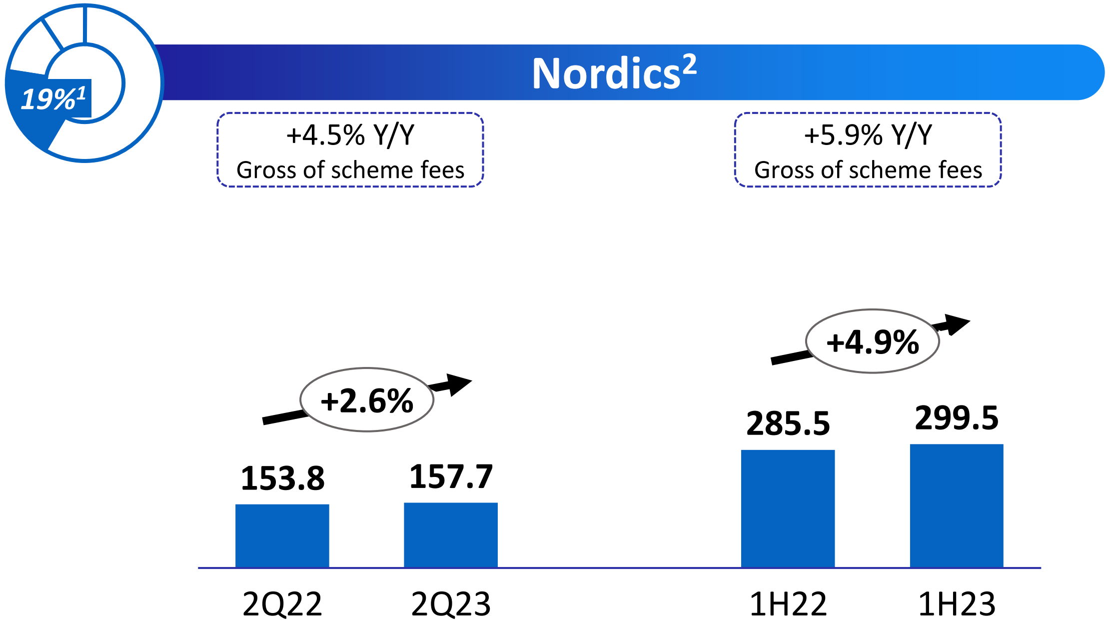
Key Highlights

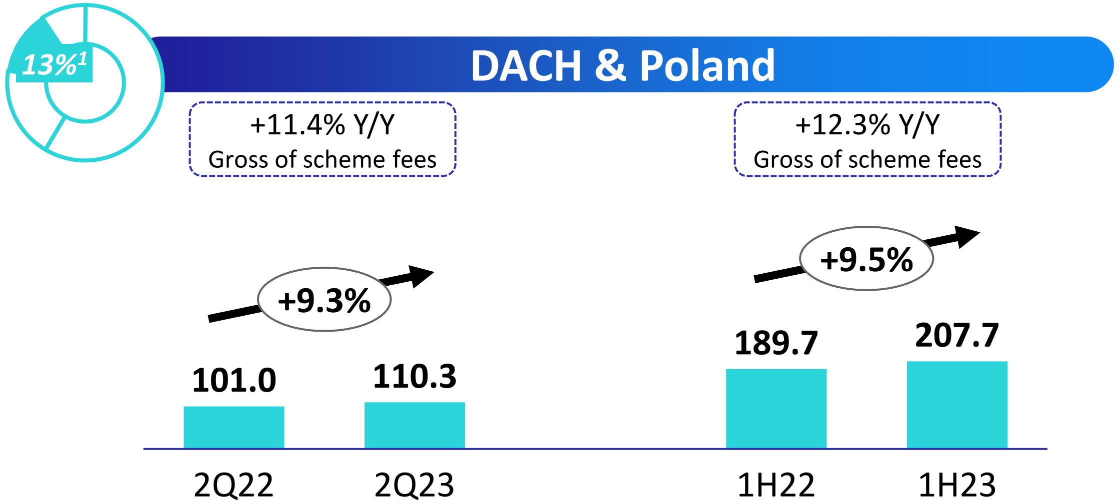
- **1H23 revenues stable y/y** with strong volume growth broadly offset by impacts from banking consolidation in Italy in 2022
- **Payments Infrastructures**: strong volume growth on EBA Clearing, especially on instant payments, and positive commercial performance of Network Services
- **ATM:** growth of Italy due to new DCC services and ATM base growth
- **Central Institutions:** rolling out national a2a platforms / wallets for Ireland and UAE

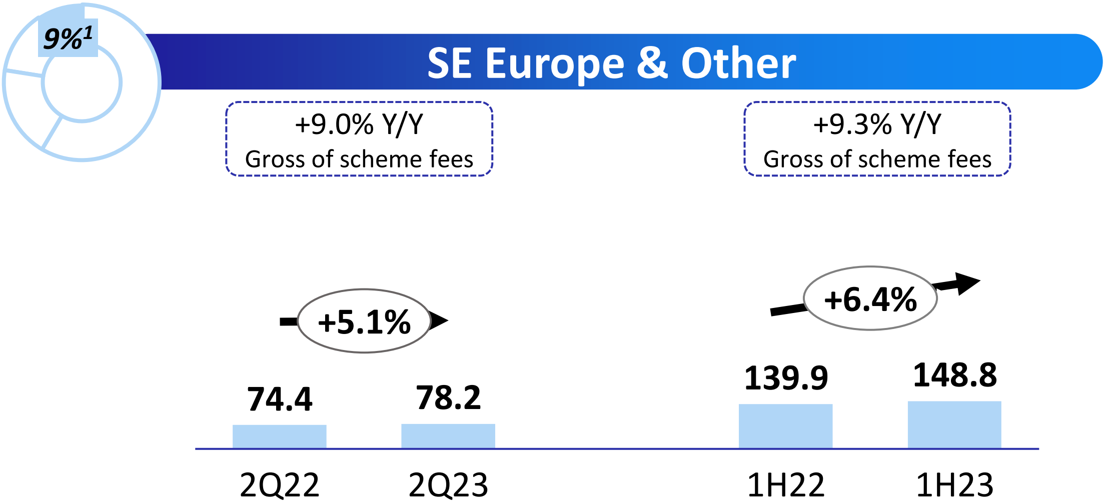
Note: (1) Contribution to 1H Group Revenues.

Continued revenue growth across geographies in 2Q23, led by Italy and DACH & Poland





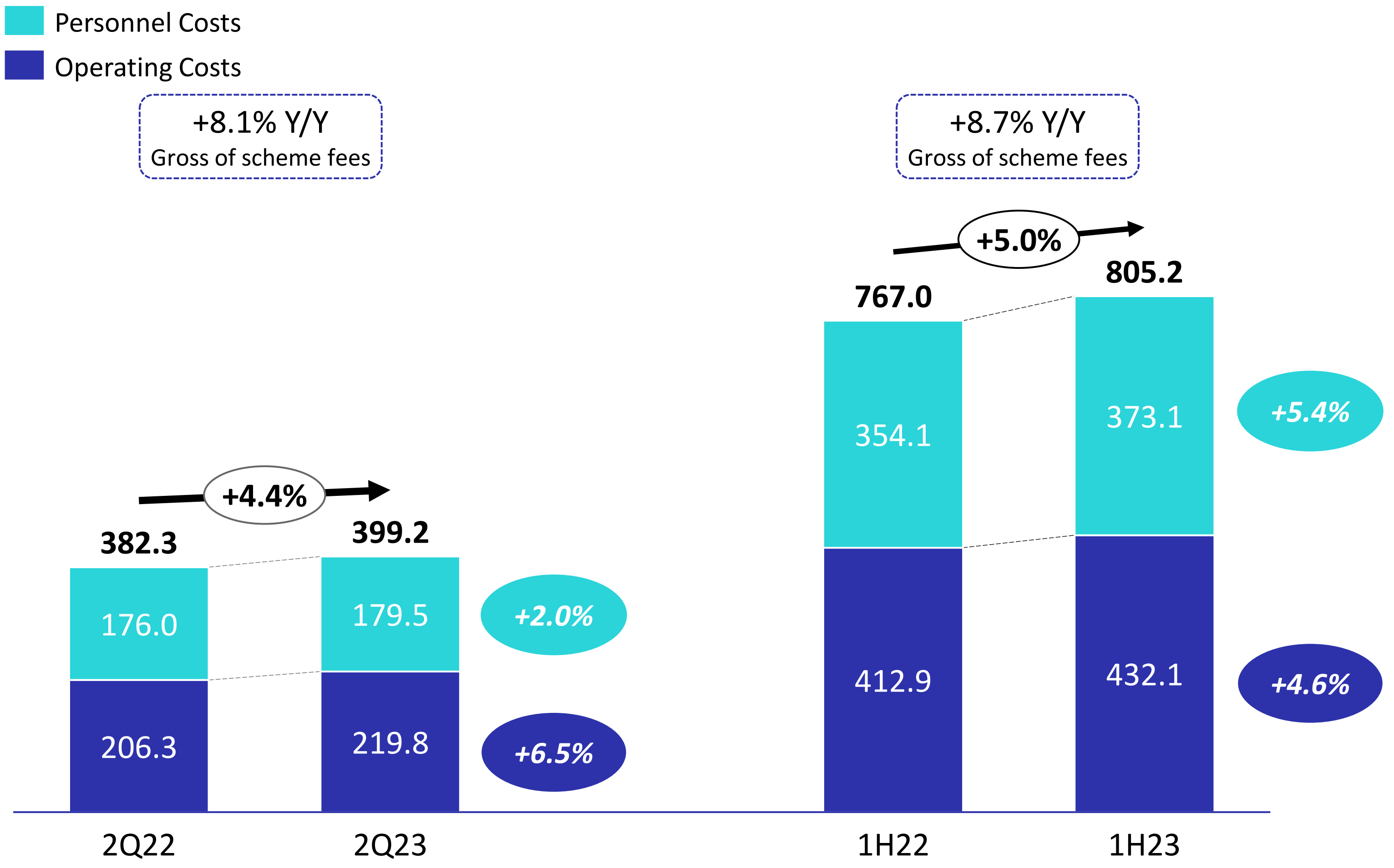




Note: (1) Contribution to 1H Group Revenues. (2) Including Baltics.

Slowdown on costs, expected to continue in 2H23

Total Costs (€M)

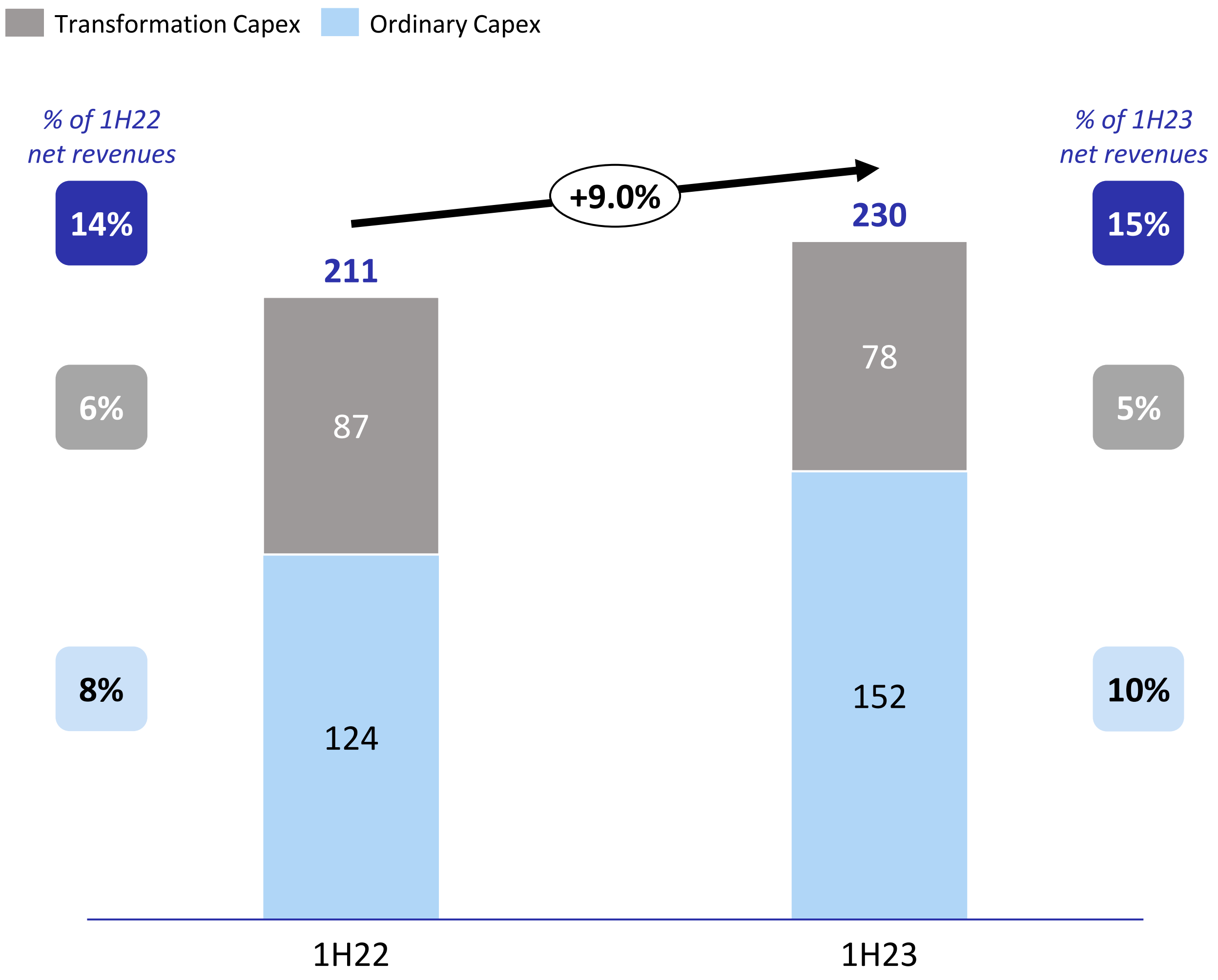


Key Highlights

- **1H23 increase y/y as planned** due to volume, business growth and inflationary pressure:
  - **Personnel costs** trend mainly driven by people investments in high-growth areas and inflation
  - **Operating costs** benefitting from costs efficiencies and delivery of synergies despite volume growth and inflationary pressure
- After the peak in 1Q23, **costs normalized in 2Q23** with declining trend expected to continue in 2H23

Continued investments to support quality, innovation and IT transformation

Capital Expenditure[1] (€M)



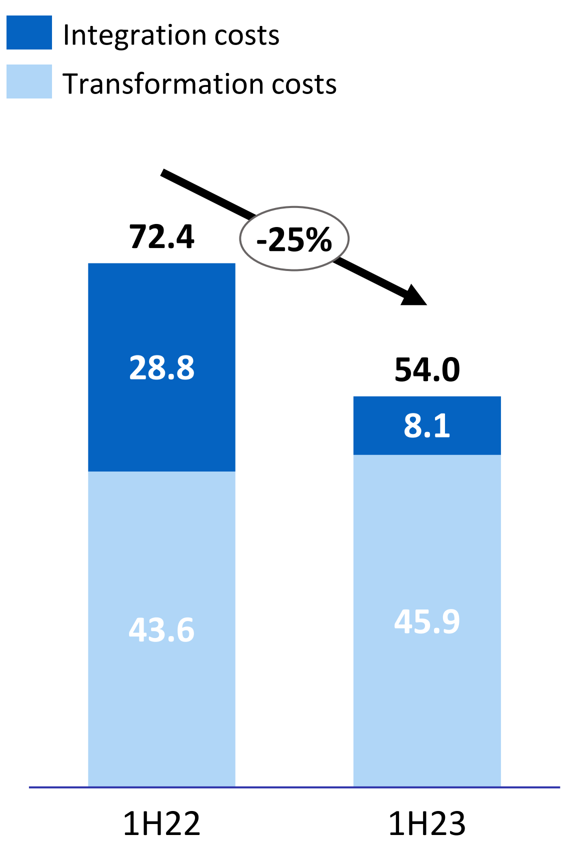
Key Highlights

- **Platform and datacenter consolidation progressing according to plan:**
  - **5 processing platforms decommissioned as of 1H23**
  - **11 datacenter decommissioned as of 1H23**
- **Ordinary Capex in 1H23 at 10% of net revenues,** mainly due to strategic one-off infrastructure renewals and higher y/y Capex related to terminals
- **FY23 Total Capex expected at ~500 €M,** equal to ~15% of net revenues, down 2p.p. versus FY22 at CMD perimeter

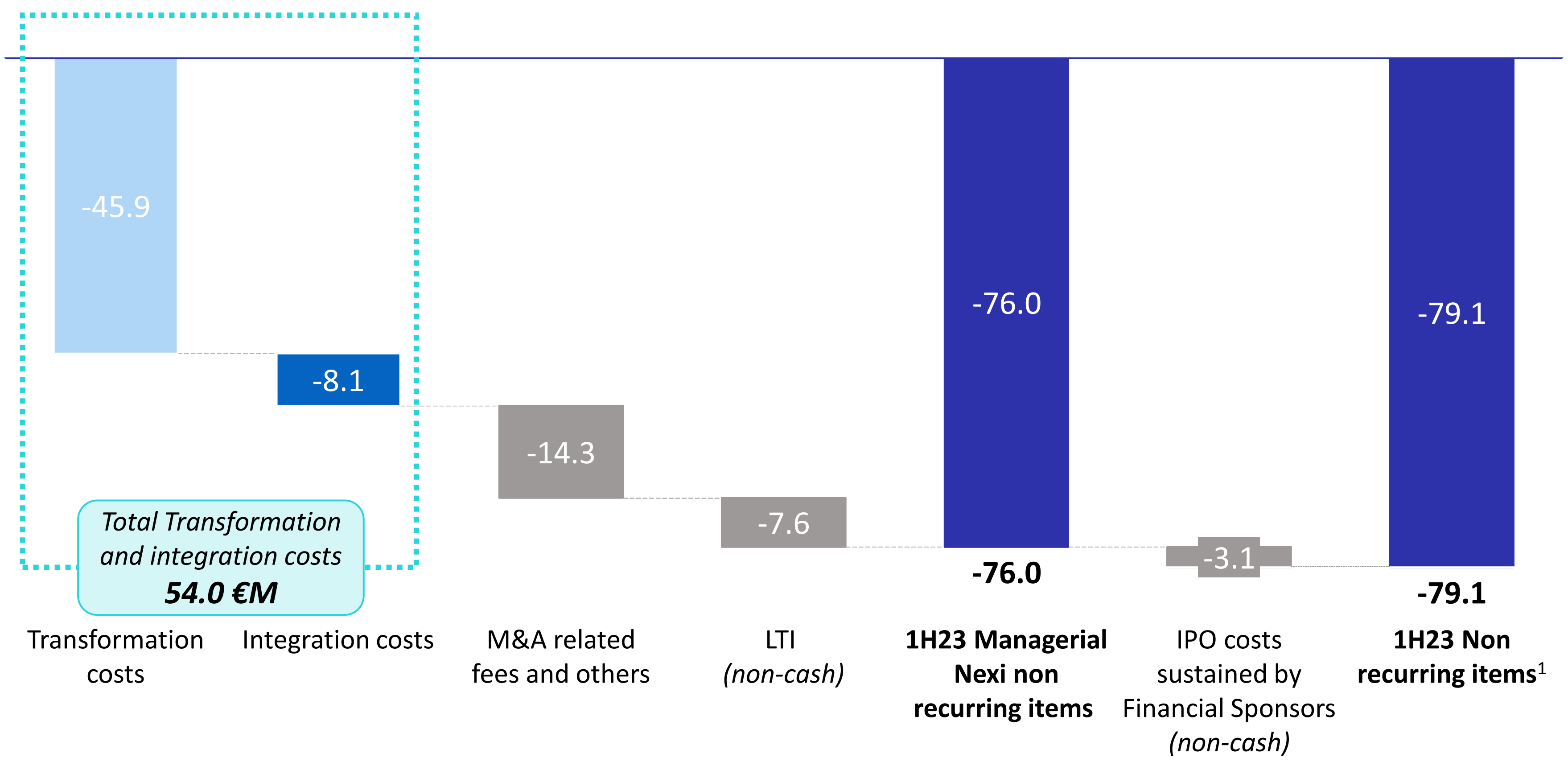
Note: (1) Excluding Ratepay and Nets DBS

Continued strong reduction of Integration and Transformation Costs

Transformation and integration costs (€M)



Bridge from 1H 2023 transformation and integration costs to non-recurring items (€M)

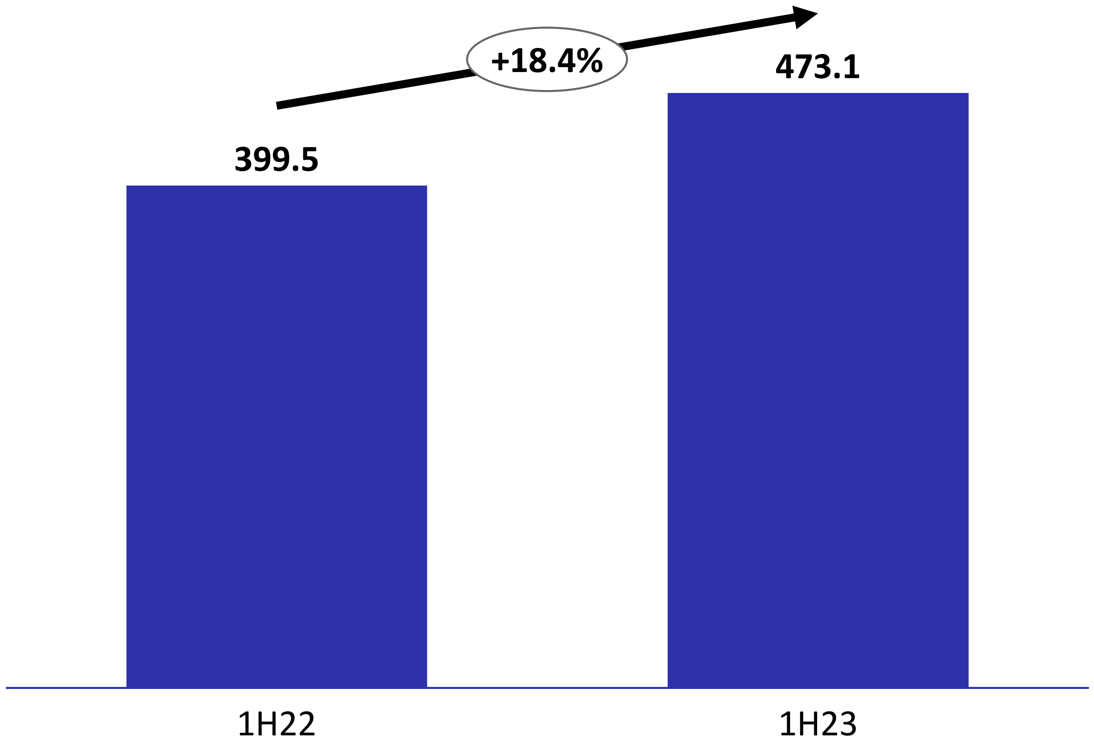


Note: (1) Nexi shares granted by Advent/Bain/Clessidra to >400 employees as part of the IPO process. Full cost born by Advent/Bain/Clessidra with neutralization for Nexi flowing through Equity, not P&L.

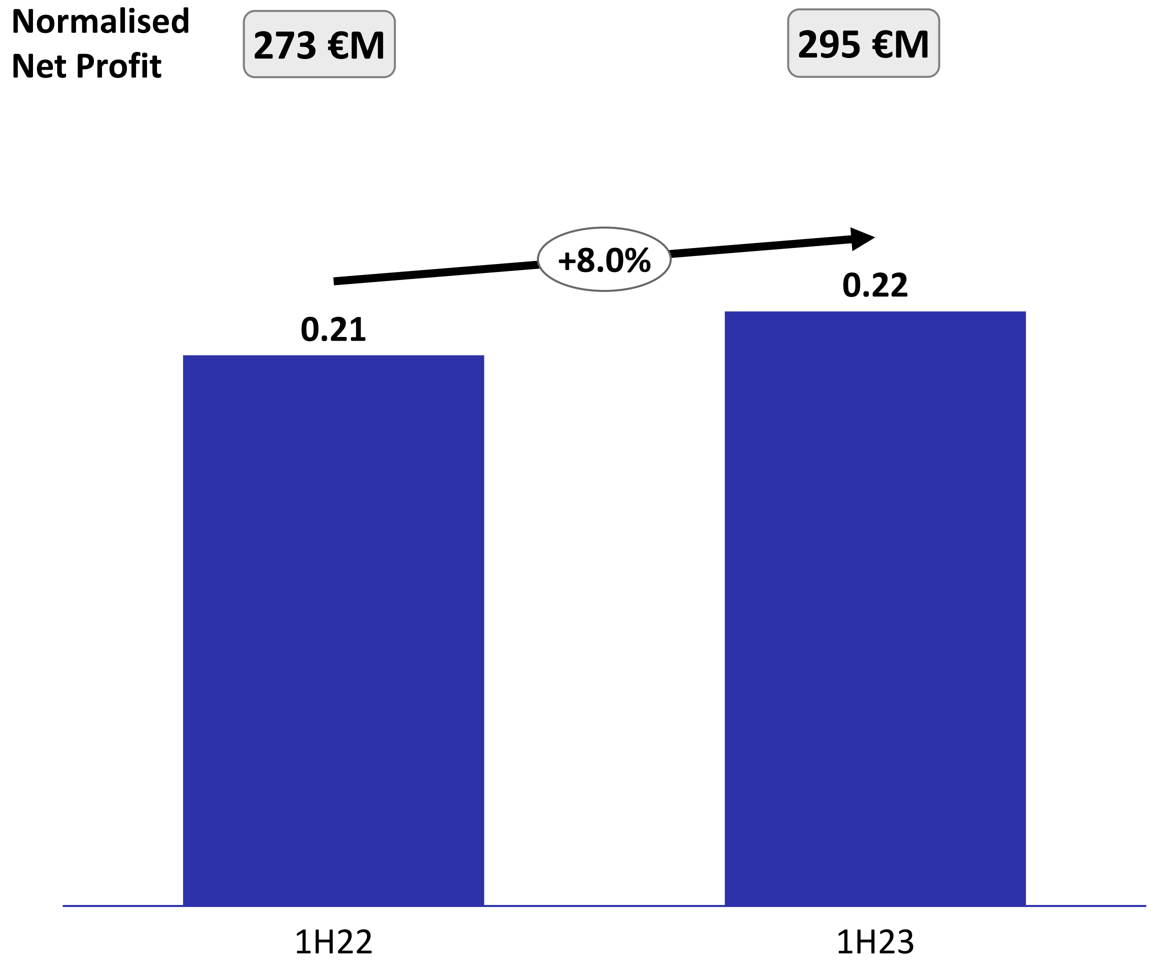
Strong growth of EBITDA minus Capex and non-recurring cash items at +18% Y/Y
Normalised EPS at 0.22€ up by 8% Y/Y

EMARKET SDIR CERTIFIED

EBITDA minus Capex and non-recurring cash items (€M)

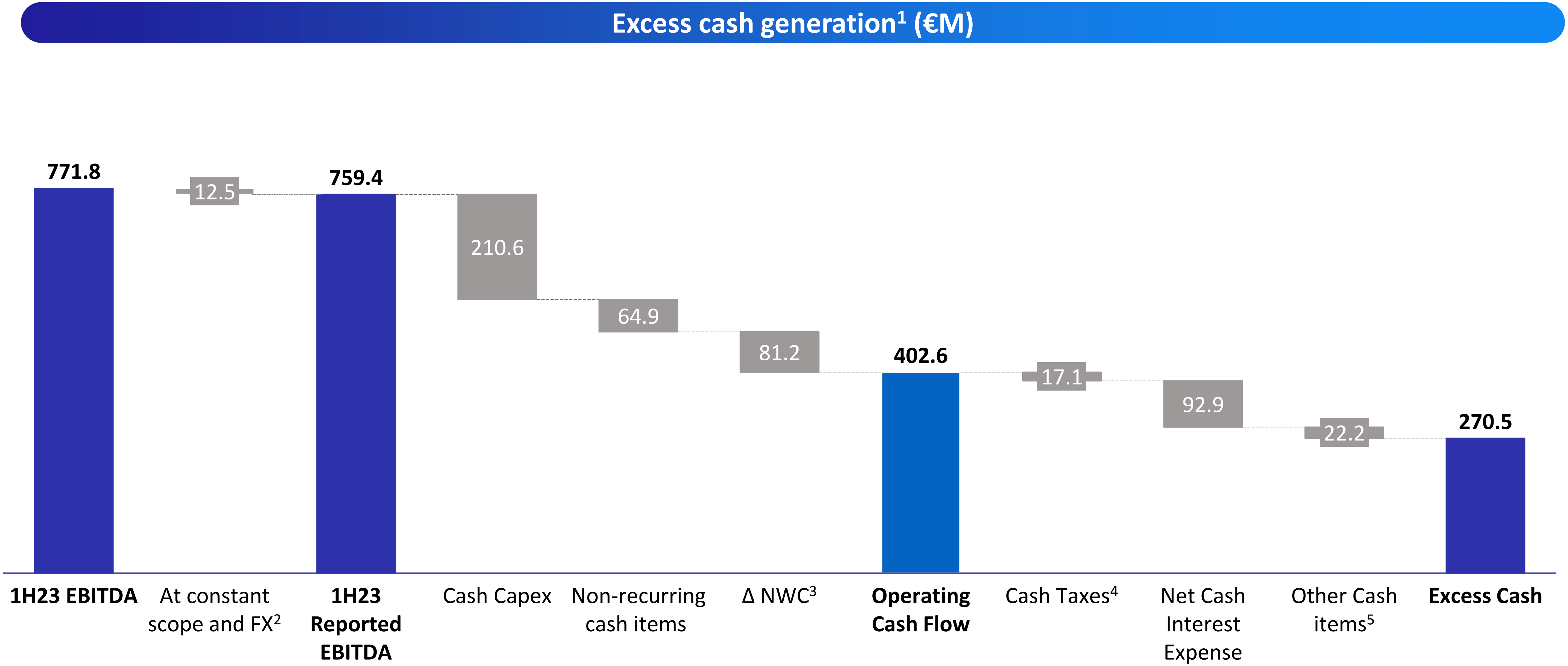


Normalised EPS[1] (€)



Note: (1) Net income to which non-recurring items and D&A customer contracts are added back net of taxes, divided by number of shares.

Strong excess cash generation in the semester



Note: (1) Operating cash flow generation after cash interest expenses and other cash items (cash taxes, IFRS 16, earn-outs and other). (2) Scope effect includes ISP merchant book acquisition in Croatia from January 1st to February 28th 2023. (3) Narrow definition. (4) Tax payments will occur in 2H23, including c.100 €M deferred taxes from 2022. (5) Lease payments (IFRS16) and others.

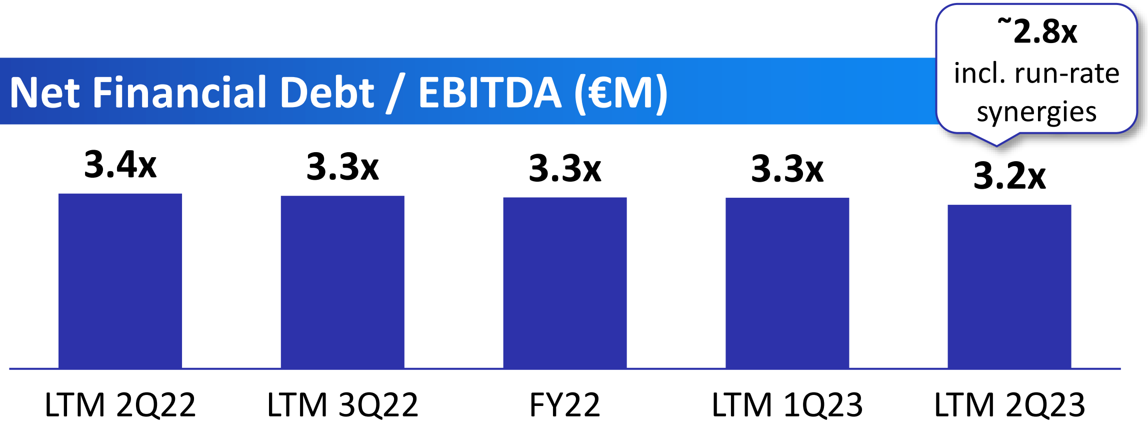
Net Financial Debt / EBITDA in line with plan, at ~2.8x including run-rate synergies

EMARKET SDIR CERTIFIED

Net Financial Debt (€M)

	June 22	Sept 22	Dec 22	Mar 23	June 23
Gross Financial Debt	6,576	6,658	6,971	7,175	7,211
Cash	1,332	1,334	1,489	1,565	1,692
Cash Equivalents [1]	84	83	87	92	97
Net Financial Debt	**5,160**	**5,241**	**5,396**	**5,518**	**5,422**

Net Financial Debt / EBITDA (€M)

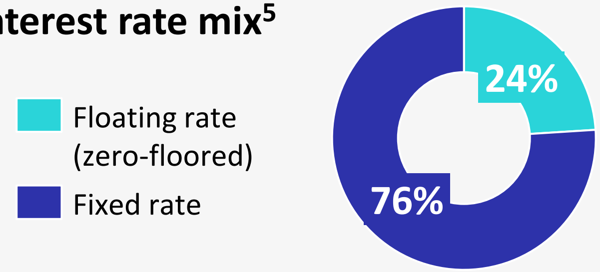


LTM EBITDA (€M)	1,532	1,577	1,638[2]	1,679[3]	1,720[3]

Key Highlights

- **Upgrade to "BB+" by Fitch** in July 2023**, the 5th rating update since January 2022,** on the back of the improved financial profile and deleveraging progresses
- **Successful conversion of the 900 €M TL due 2027 into a Sustainability-Linked format**[4], reiterating Nexi's commitment to decarbonisation
- **2024 maturities to be met with existing cash resources** (gross debt reduction)
- Weighted average maturity of ~3.6 years and average pre-tax cash cost of debt at ~2.8%[5]

Interest rate mix[5]



Note: (1) Visa shares. (2) Including BPER merchant book. (3) Including Ratepay and Nets DBS. (4) SBTi-validation for Group level targets is expected to happen by the end of 2023. (5) As at 2Q23. After hedge and excluding the other financial liabilities (e.g. earnouts, IFRS16, etc.) as well as the S/T financial debt; debt is expressed in nominal value. Pro-forma for the rating upgrade by Fitch occurred in July.

nexi

Closing remarks

2023 Guidance confirmed, in line with CMD medium-term growth ambition

Net Revenues	▪ More than 7% y/y growth
EBITDA	▪ More than 10% y/y growth
Excess cash generated[1]	▪ At least 600 €M[2]
Net leverage[3]	▪ ~2.9x EBITDA (~2.6x EBITDA incl. run-rate synergies)
Normalised EPS[4]	▪ More than 10% y/y growth

Note: (1) Operating cash flow generation after cash interest expenses and other cash items (cash taxes, IFRS 16, earn-outs and other). (2) Gross of c.100 €M deferred taxes in 2023. (3) ~3.0x EBITDA (~2.7x EBITDA incl. run-rate synergies) including Sabadell merchant book. (4) Net income to which non-recurring items and D&A customer contracts are added back net of taxes, divided by total number of shares.

Key messages

EMARKET SDIR CERTIFIED

Continued solid volume growth in 2Q23 across all geographies

- **Sustained volume growth in all geographies in 2Q23** despite tough y/y comparison due to Covid-19 re-openings in 2Q22
- **Accelerated volume growth in 1H23 vs 2019**, reaching 30%+ across all geographies in June
- **Different categories now converging at similar growth rates** post Covid-19

Solid financial performance, with continued margin expansion

- **Revenue** growth at **+8.1%** vs 1H22, with **Merchant Solutions** growing at **+9.8%** y/y
- **EBITDA** growth at **+11.6%** vs 1H22 with **~+153 bps EBITDA margin expansion y/y**
- Continued acceleration on **EBITDA minus Capex and non-recurring cash items** growing at **+18% y/y**

Strong progress in creating the European PayTech leader

- **Group strategy execution progressing well**, **with expected ~2.8€B organic excess cash** generated in 2023-25
- **At least 1.5€B earmarked for debt reduction**, still leaving plenty of **room for returning cash to shareholders** and strategic **value accretive M&A**
- Good progress on announced portfolio rationalization. **Advanced talks on Nets DBS**

Confirmed 2023 guidance

- **Revenues > +7% y/y**
- **EBITDA > +10% y/y**
- **Excess cash > 600 €M**

Q&A

Annex

Group normalised P&L at constant scope and FX

€M	1H22	1H23	Δ% vs. 1H22	2Q22	2Q23	Δ% vs. 2Q22
Merchant Solutions	807.6	886.4	*+9.8%*	437.5	473.9	*+8.3%*
Issuing Solutions	477.3	516.5	*+8.2%*	249.4	270.0	*+8.2%*
Digital Banking Solutions	173.7	174.2	*+0.3%*	91.4	91.4	*-0.0%*
Operating revenue	**1,458.6**	**1,577.0**	***+8.1%***	**778.4**	**835.3**	***+7.3%***
Personnel Costs	(354.1)	(373.1)	*+5.4%*	(176.0)	(179.5)	*+2.0%*
Operating Costs	(412.9)	(432.1)	*+4.6%*	(206.3)	(219.8)	*+6.5%*
Total Costs	**(767.0)**	**(805.2)**	***+5.0%***	**(382.3)**	**(399.2)**	***+4.4%***
EBITDA	**691.6**	**771.8**	***+11.6%***	**396.1**	**436.1**	***+10.1%***
Ordinary D&A	(205.4)	(213.1)	*+3.8%*			
Normalised Interests & financing costs	(101.1)	(120.5)	*+19.2%*			
Normalised Pre-tax profit	**385.1**	**438.2**	***+13.8%***			
Income taxes	(128.6)	(146.5)	*+13.9%*			
Profit (loss) after tax from assets held for sale	18.0	4.2	*-76.6%*			
Minorities	(1.4)	(0.9)	*-36.4%*			
Normalised Net profit	**273.1**	**295.0**	***+8.0%***			

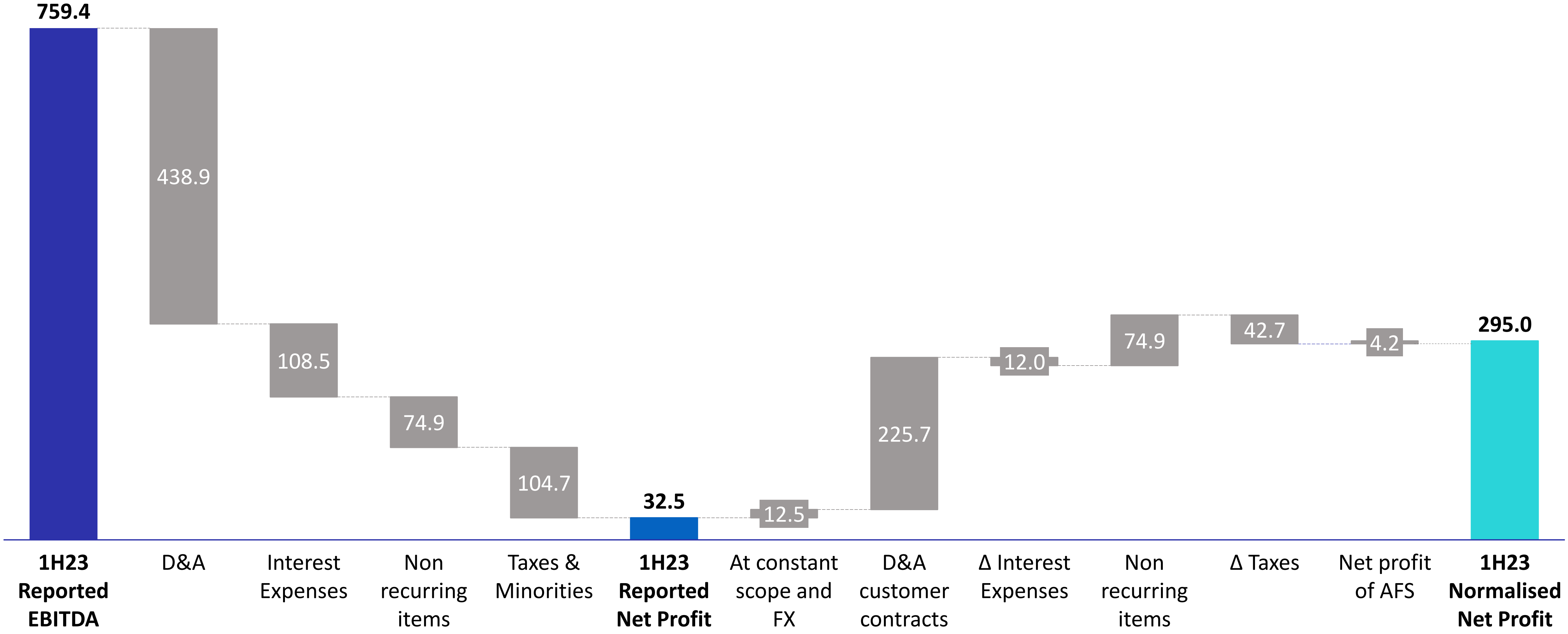
Revenues gross of scheme fees, shifted to Opex

For illustrative purpose only

€M	2Q23	Δ% vs. 2Q22	1H23	Δ% vs. 1H22
Merchant Solutions	607.8	*+10.8%*	1,120.7	*+12.2%*
Issuing Solutions	279.4	*+8.4%*	534.8	*+8.7%*
Digital Banking Solutions	91.4	*-0.0%*	174.2	*+0.3%*
Operating revenue	**978.6**	***+9.0%***	**1,829.7**	***+9.9%***
Personnel Costs	(179.5)	*+2.0%*	(373.1)	*+5.4%*
Operating Costs	(363.1)	*+11.5%*	(684.7)	*+10.6%*
Total Costs	**(542.5)**	***+8.1%***	**(1,057.8)**	***+8.7%***
EBITDA	**436.1**	***+10.1%***	**771.8**	***+11.6%***

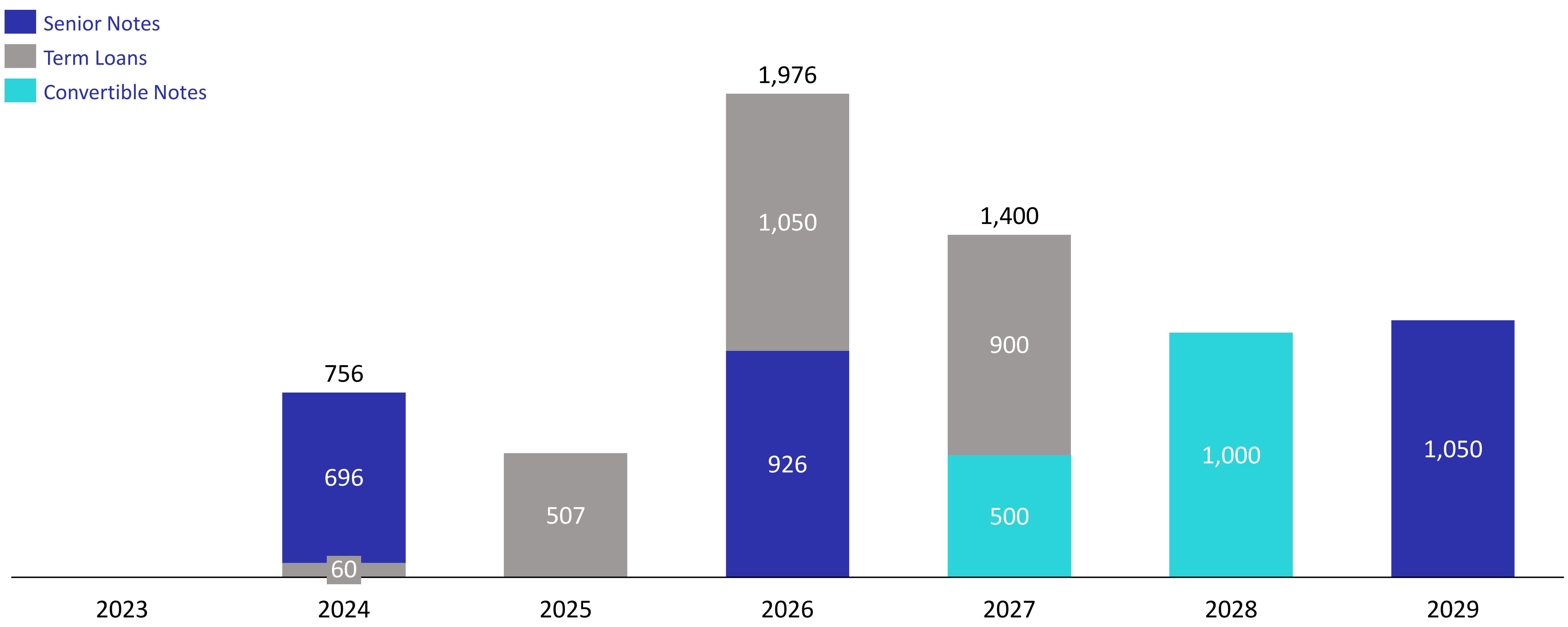
Bridge from Reported EBITDA to Normalised Net Profit

€M



Debt maturities as at 2Q23

Nexi Group Debt Maturity Schedule[1] (€M)

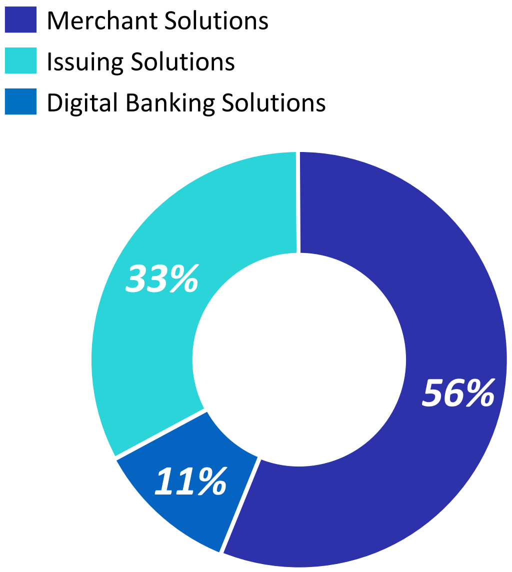


Note: (1) Expressed at nominal value, excludes the other M/L T financial liabilities as well as the S/T debt.

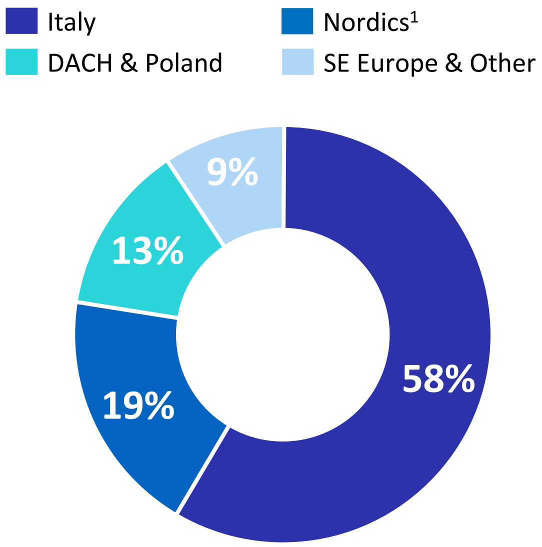
Well diversified revenue base both in terms of business and geography at scale, with exposure to fast growing European markets

1H23 Revenues breakdown

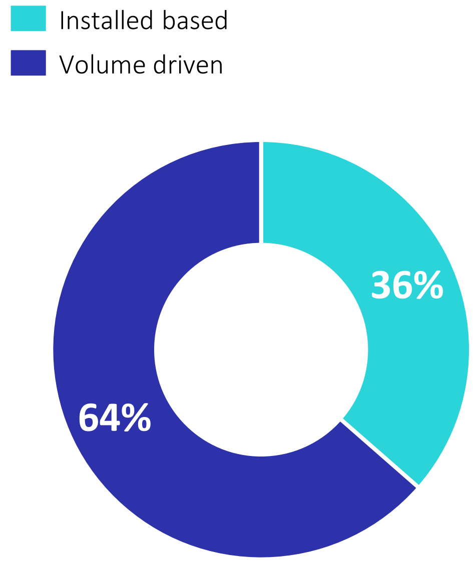
By business

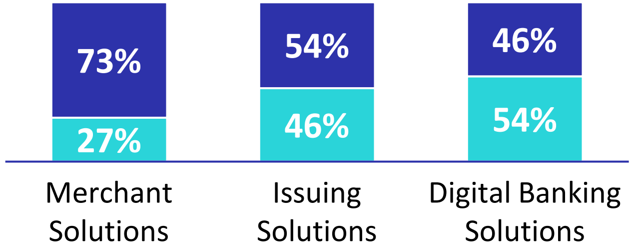


By geography

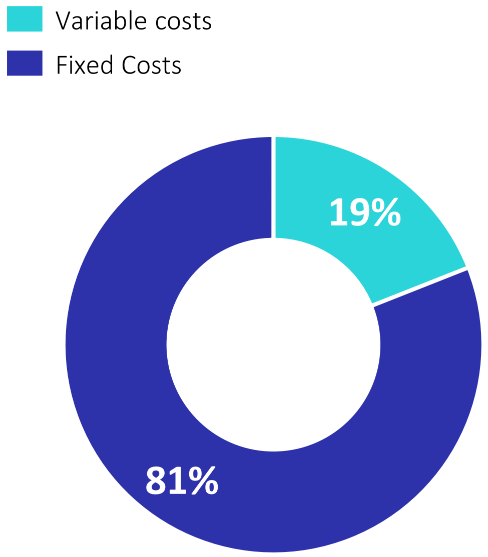


By type





1H23 Costs breakdown by type



(1) Including Baltics.

nexi

Investor Relations
investor.relations@nexigroup.com

Stefania Mantegazza
stefania.mantegazza@nexigroup.com