



Report on item 1 on the Agenda of the Extraordinary Shareholders' Meeting

Cancellation of treasury shares with no reduction of share capital; consequent amendment to clause 6 of the Articles of Association. Related and consequent resolutions.



Dear Shareholders,

With respect to the purchase of the shares of Nexi S.p.A. (“**Nexi**” or the “**Company**”), submitted to your authorization and referred to in item no. 3 of the agenda of the shareholders’ meeting held in ordinary session, the Board of Directors has called you in extraordinary session to resolve, among others, on (i) the proposal to cancel the treasury shares that may be purchased under the above-mentioned authorization, to be carried out with no reduction of the share capital, and (ii) the consequent amendment to the clause 6 of the Articles of Association, granting specific power for the execution of both resolutions. This report has been drafted pursuant to Article 72 of the Issuer Regulation adopted by CONSOB with Resolution No. 11971 dated 14 May 1999, as subsequently amended and integrated (“**Issuer’s Regulation**”), and as provided for in Annex 3A, Schedule 3.

1. Proposal to cancel treasury shares

The cancellation concerns all Nexi treasury shares which may be purchased and held by the Company under the authorization of the shareholders’ meeting requested in the ordinary session. In particular, the proposal for cancellation is consistent with the purpose of the purchase transaction represented in the explanatory report of the Board of Directors regarding that authorization, which is part of the activities aimed at the remuneration of shareholders. However, the cancellation shall not concern the Nexi treasury shares that may be purchased and held by the Company pursuant to the authorisation requested by the Shareholders’ Meeting in ordinary session, in the number that may be necessary, taking into account the treasury shares already held by the Company, to service the commitments deriving from the share incentive plans in force from time to time. For further information, please refer to the above mentioned Board of Directors’ report.

The cancellation will be carried out with no reduction in the nominal share capital, (but by operating on reserves, in particular by eliminating the negative reserve for treasury shares and reducing the available reserves by the same amount); taking into account that the shares representing the Company’s share capital have no nominal value, it will be carried out exclusively through a reduction in the number of existing shares. It is hereby specified that, from an accounting perspective, the cancellation of treasury shares will not have any impact on the economic results and on the overall value of net equity, although it will change its composition.

The cancellation – for the concrete execution of which it is proposed to grant appropriate delegation to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally– may be also carried out in more transactions, even prior to the purchase of the maximum number of shares authorized by today’s shareholders’ meeting in ordinary session and, in any case, by no later than 24 months after this resolution.

The Company will communicate to the market the cancellation of treasury shares in accordance with the applicable laws and regulations in force from time to time and will update the Articles of Association and communicate the new composition of the share capital.

2. Effects of the approval of the resolution authorizing the purchase of treasury share pursuant to Art. 44-bis of the Issuers’ Regulation

As illustrated by the Report under item no. 3 of the ordinary agenda, pursuant to Art. 44-bis, paragraph 1, of the Issuers’ Regulation, treasury shares held by the Company, also indirectly, are not computed in the share capital for the purposes of calculating the thresholds to launch a mandatory tender offer pursuant to Article 106, paragraphs 1, 1-bis, 1-ter and 3, letter b) of the CFA.

Furthermore, pursuant to Art. 44-bis, paragraph 2, of the Issuers’ Regulation, the abovementioned provision under Art. 44-bis, paragraph 1, of the Issuers’ Regulation does not apply where the thresholds provided under Article 106 of the CFA are exceeded as a result of treasury shares purchased, directly or indirectly, by the Company under a shareholders’ meeting resolution approved through the so-called whitewash procedure.

To that end, notwithstanding the provisions of Articles 2368 and 2369 of the Italian Civil Code, a white-wash resolution has also to be approved with the favorable vote of the majority of the shareholders in attendance at the meeting, other than the shareholder or shareholders who, jointly or severally, hold the majority interest, including a relative majority interest, provided that it exceeds 10% of share capital.

If the shareholders’ resolution authorizing the purchase of the Company’s treasury shares provided for the report under item no. 3 of the ordinary agenda would be approved with the majorities provided under Article 44-bis, paragraph 2, of the Issuers’ Regulation, the treasury shares purchased by the Company under such resolution



would not be excluded from the Company's share capital – and therefore will be calculated as part of it – for the purposes of calculating whether one or more shareholders have exceeded the thresholds relevant pursuant to Article 106 of the CFA, with the consequent exempting effect from the obligation of a full takeover bid provided for therein.

In any case, pursuant to Article 44-bis, paragraph 4, of the Issuers' Regulation, treasury shares purchased as a result of transactions undertaken: (i) according to the methods indicated by Consob resolution No. 16839 dated March 19, 2009, to be stocked and used as consideration in extraordinary transactions, including exchanges of shares, that have already been approved; and (ii) as part of transactions undertaken in performance of obligations arising from compensation plans approved by the Shareholders' Meeting under Article 114-bis of the CFA, shall not be excluded from the share capital on which mandatory tender offer thresholds are computed.

In light of the above, it should be noted that the National Commission for Companies and the Stock Exchange - Commissione Nazionale per le Società e la Borsa – (“**Consob**”) by resolution n. 0292347 of the February 16, 2022 and n. 0054917 of the June 8, 2023 (the “**Notices**”) affirmed that the whitewash mechanism, and the consequent exempting effect of the compulsory full takeover bid, may also apply to the resolution to cancel treasury shares having certain characteristics. Specifically, the Consob noted that the transactions for the purchase and cancellation of treasury shares to which the Notices referred did not give rise to a takeover bid obligation because (i) both proposals for the purchase and cancellation of treasury shares had been approved with the majorities provided under Article 44-bis, paragraph 2, of the Issuers' Regulation; and (ii) the exempting effect provided under Article 44-bis, paragraph 2, of the Issuers' Regulations with respect to paragraph 1 of the same Article, was applicable to the transactions contemplated insofar as they were to be considered as a unitary matter including the repurchase and the subsequent and consequent cancellation of the treasury shares purchased. Therefore, (a) having regard to the conclusions of the Notices as to the applicability of the exempting effect of the whitewash with respect to the occurrence of the takeover bid obligation following the cancellation of the treasury shares; and (b) considering that the repurchase and simultaneous cancellation transaction subject to the resolution of the Company's Shareholders' Meeting follows the terms and conditions of the transactions subject to the Notices, since (i) both resolutions for the purchase and cancellation of treasury shares will be proposed also for the further effects, if any, under Article 44-bis of the Issuers' Regulation, if the relevant majority is established, and (ii) the entire transaction covered by the Report is to be considered as a unitary transaction including the repurchase and the subsequent and consequent cancellation of the treasury shares purchased, the Board of Directors believes that the approval by the Extraordinary Shareholders' Meeting of this proposal to cancel treasury shares with the majorities provided under Article 44-bis, paragraph 2, of the Issuers' Regulations (and therefore with whitewash) would exempt the shareholder(s) who, as a result of the cancellation of treasury shares, would exceed the threshold provided by Article 106 of the CFA from the obligation of a full takeover bid.

3. Consequent amendment of clause 6 of the Articles of Association

The cancellation of treasury shares will result in the amendment of clause 6 of the Articles of Association as regards to the number of shares into which the share capital is divided. In this respect, it is hereby proposed to grant appropriate delegation to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally, to update paragraph 1 of this clause by reducing the number of shares indicated therein in a number corresponding to the number of shares that will actually be cancelled in execution of the above.

Moreover, the amendment to the Articles of Association submitted for the approval to the Shareholders' meeting, is represented by the inclusion of a final paragraph to the current clause 6 of the Articles of Association as infra illustrated. This paragraph will be subsequently repealed once the cancellation transactions have been completed pursuant to a further delegation which is proposed to the Shareholders' meeting to be granted to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally.

In addition, it should be noted that the envisaged amendment to the Articles of Association could not be considered as one of the cases envisaged for the exercise of the right of withdrawal by shareholders pursuant to Article 2437 of the Italian Civil Code.

4. Resolutions proposed to the extraordinary shareholders' meeting.

Dear Shareholders,

in relation to the above, based on the assumption that the shareholders' meeting has today approved the



authorization to purchase shares of the Company referred to in item no. 3 of the agenda in ordinary session, if you agree with the contents and arguments set out in this explanatory report of the Board of Directors, we ask you to adopt the following resolution:

“The Extraordinary Shareholders’ Meeting of Nexi S.p.A.,

- having evaluated the explanatory report of the Board of Directors drafted pursuant to Article 125-ter of Legislative Decree 58 dated 24 February 1998 and Article 72 of the Regulation adopted by Consob with Resolution No. 11971 dated 14 May 1999 and in compliance with and according to the proposal contained therein, on the assumption that today’s Shareholders’ Meeting approved the authorization to purchase the Company’s own shares referred to in item no. 3 of the agenda in ordinary session;

RESOLVES

1. to cancel any Nexi shares that will be acquired in accordance with this shareholders’ meeting’s authorization resolved in ordinary session up to a maximum of Nexi shares in total not exceeding no. 262,470,105 shares of the Company, and with the exception of shares which, taking into account the own shares already held by the Company, are necessary to serve the commitments arising from the existing share incentive plans, as well as to delegate to the Chairman of the Board of Directors and the Chief Executive Officer of the Company, either jointly or severally, the powers to (i) determine the effective number of treasury shares to be cancelled in accordance with the purposes set forth in the above-mentioned explanatory report of the Board of Directors; and (ii) carry out such cancellation in more transactions or in a single transaction, in any case no later than 24 months after this resolution;
2. to proceed with the above-mentioned cancellation without recording any profit or loss in the income statement and without any impact on the net equity of the Company, without prejudice to the amount of the share capital, with a consequent automatic increase in the “accounting par value” of the shares issued by the Company;
3. to insert, as a result of the resolutions adopted in points 1 and 2 above, a new last paragraph in clause 6 of the Articles of Association with the following text

“The Extraordinary shareholders’ Meeting held on 30 April 2024 approved the cancellation of maximum no. 262,470,105 of Nexi treasury shares, granting delegation to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally, to carry out such cancellation, in one or more transactions, within 24 months after this resolution, and with the exception of shares that, taking into account the own shares already held by the Company, are needed to serve the commitments arising from the existing share incentive plans; as well as to amend accordingly the number of shares indicated in paragraph 1 of this clause, thereby reducing it for the number of shares effectively cancelled, and to proceed, once the cancellation transactions have been completed, with the repeal of this paragraph.”
4. to grant delegation to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally, to carry out, following the completion of the cancellation transactions referred to in points 1 and 2, the repeal of the above-mentioned new last paragraph of clause 6 of the Articles of Association;
5. to approve, as of now, following the execution of the cancellation of treasury shares referred to in points 1 and 2 above, the amendment of clause 6, paragraph 1, of the Articles of Association as regards to the number of shares into which the share capital of Nexi S.p.A. is divided, indicating in the same paragraph the number of shares that will actually exist as a result of the execution of any cancellation and to grant to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally, to amend the above-mentioned provision of the Articles of Association by updating the number of such shares and to take any necessary or appropriate action in this regard;
6. to grant to the Chairman of the Board of Directors and the Chief Executive Officer, either jointly or severally, with all appropriate powers to: (i) implement the above resolutions in accordance with the law; (ii) accept or introduce into the same any amendments or additions (which do not alter the



substance of the resolutions adopted) which are required for filing with the Companies' Register or by the Authorities or necessary and/or appropriate for the implementation of laws and regulations; (iii) file and register, in accordance with the law, with an explicit and advance declaration of approval and ratification, the resolutions adopted and the text of the Articles of Association updated as per the above".

Milan, March 29, 2024

The Chairwoman

Michaela Castelli

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Disclaimer: This is the English translation of the Italian Report. In any case of discrepancy between the English and the Italian versions, the Italian document is to be given priority of interpretation for legal purposes.