1H24 Results Presentation

July 31st, 2024

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Key messages

Continued delivery of growth and margin expansion

- **Revenue** growing at **+5.9%** vs 1H23; **Merchant Solutions** revenue up **+7.0%** vs 1H23, with **eCommerce** growing **double-digit**
- **EBITDA** growing at **+8.0%** vs 1H23 with **~97 bps EBITDA margin expansion** y/y
- **Strong acceleration of excess cash generation at 383 €M in 1H24 (+42% y/y)** compounding revenue growth, operating leverage and capex reduction

Shaping Nexi for future profitable growth

- **Group strategy execution progressing well**
- Continuous acceleration of **MS direct channels in Italy** and **ISV partnerships** Group-wide
- **Strong development of MS advanced digital propositions,** including Apple Tap-to-Pay launches in Italy and Germany and eComm Nexi-Computop bundling in Germany. Serving Amazon in Italy on Bancomat Pay
- **Accelerating efficiency and cost synergies delivery** on the back of **Group integration**

Creating value for our Shareholders

- **Continued progress on de-leveraging,** with net debt/EBITDA down to 2.8x as of June 2024, 2.7x pre share buy-back effect
- Confirmed **~1.3 €B 2024-25 debt maturities to be fully paid down with existing cash,** of which **~220 €M already reimbursed** in April 2024 and ~536 €M to be reimbursed in 4Q24
- **500 €M share buy back** 18-months program launched in May 2024. **Decision to accelerate the program to complete in 2024**

2024 Guidance confirmed

- **Revenues:** mid-single digit y/y growth
- **EBITDA:** mid-to-high single digit y/y growth
- **Excess cash:** more than 700 €M

Accelerating cash generation by compounding growth, operating leverage and cash leverage

Operating leverage / Cash leverage

	2024 Guidance	1H24 results
Revenues	Mid-single digit y/y growth	+6% y/y
Opex		
EBITDA	Mid-to-high single digit y/y growth EBITDA margin expansion of 100bps+	+8% y/y, +97 bps y/y margin expansion
Capex		
Non-recurring cash items		
Net cash interest expenses		
Excess Cash[1]	More than 700 €M	383 €M, +42% y/y

Medium-term outlook:
Strong continued organic cash generation growth, reaching ~ 1 €B in 2026

Note: (1) Operating cash flow generation (EBITDA after cash capex, non-recurring cash items and ΔNWC) after cash interest expenses and other cash items (cash taxes, IFRS 16 and other).

Strong cash generation allows to allocate capital to reduce debt and materially return capital to shareholders at the same time

Excess cash

(cash generated already net of organic growth investments)

Capital allocation strategy

1 Debt and leverage reduction

- **Well balanced debt profile in terms of maturities and mix,** with average pre-tax cash cost of debt slightly reduced at ~2.80%[1]
- **Target leverage at ~2.0x-2.5x EBITDA by 2026 after further capital return to shareholders**
- **~1.3 €B 2024-25 debt maturities to be fully paid down with existing cash**

2 Return to shareholders

- **Strong accelerated cash generation enabling structural return of capital to shareholders**
- **Plan to allocate a material share of excess cash to shareholders on an ongoing basis**, either via share buybacks or dividends, depending on market conditions

3 M&A

- **Very selective and value accretive acquisitions** of merchant books and/or strategic product/tech capabilities
- **Continued disposals of non-core DBS businesses**

Note: (1) As of June 30th, 2024. 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.

Capital allocation: progress in 1H24

Excess cash generation in 1H24: 383 €M (+42% y/y)

(cash generated already net of organic growth investments)

Capital allocation strategy

1	2	3
Debt and leverage reduction	**Return to shareholders**	**M&A**

1H24 progress

1 – Debt and leverage reduction

- **Net debt/EBITDA down to 2.8x** as of June 2024, 2.7x pre share buy-back effect
- **~220 €M** debt maturities **reimbursed** in April 2024
- **~536 €M** debt maturities **to be reimbursed in 4Q24 and ~507 €M in 2025**

2 – Return to shareholders

- **500 €M share buy back** 18-months program launched in May 2024. **Decision to accelerate the program to complete in 2024**
- **118 €M already repurchased in 2Q24**[1], 201 €M as of July 26th 2024
- **26,153,937 treasury shares already cancelled**[2]

3 – M&A

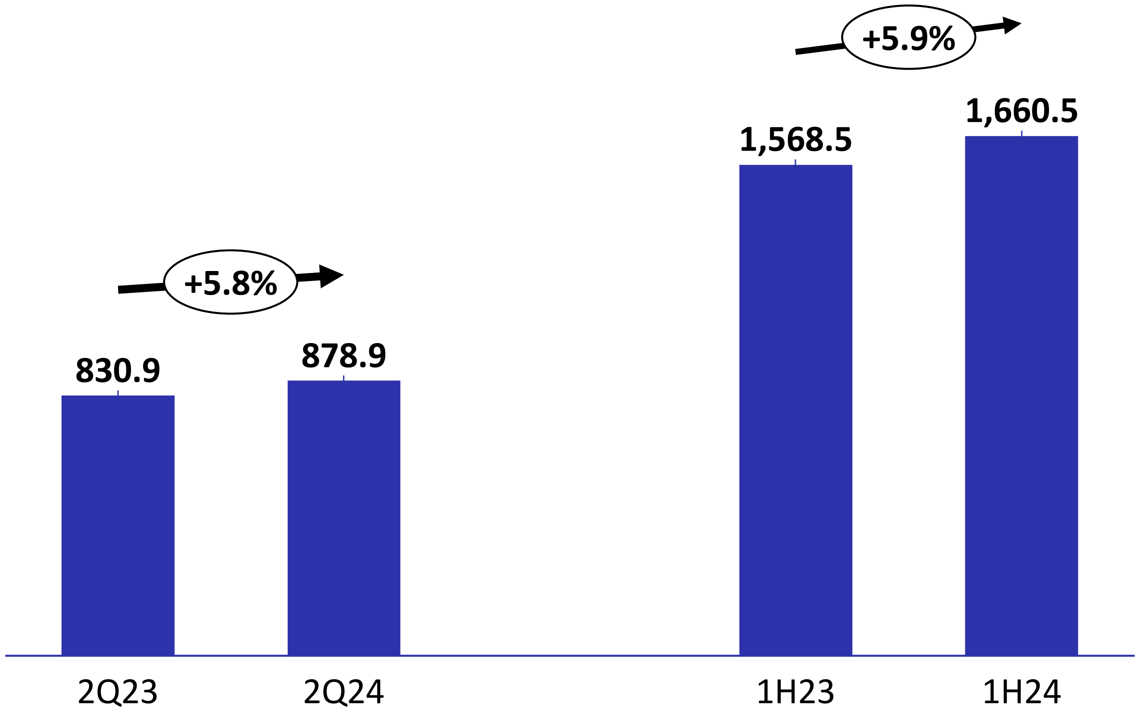
- Closing of **Sparkasse merchant book acquisition**
- **Nordic eID business sale closing** expected by summer 2024

Note: (1) Accounting data as of June 26th, 2024 regulated at t+2 settlement. (2) On July 19th, 2024. Current share capital divided into 1,286,985,751 ordinary shares.

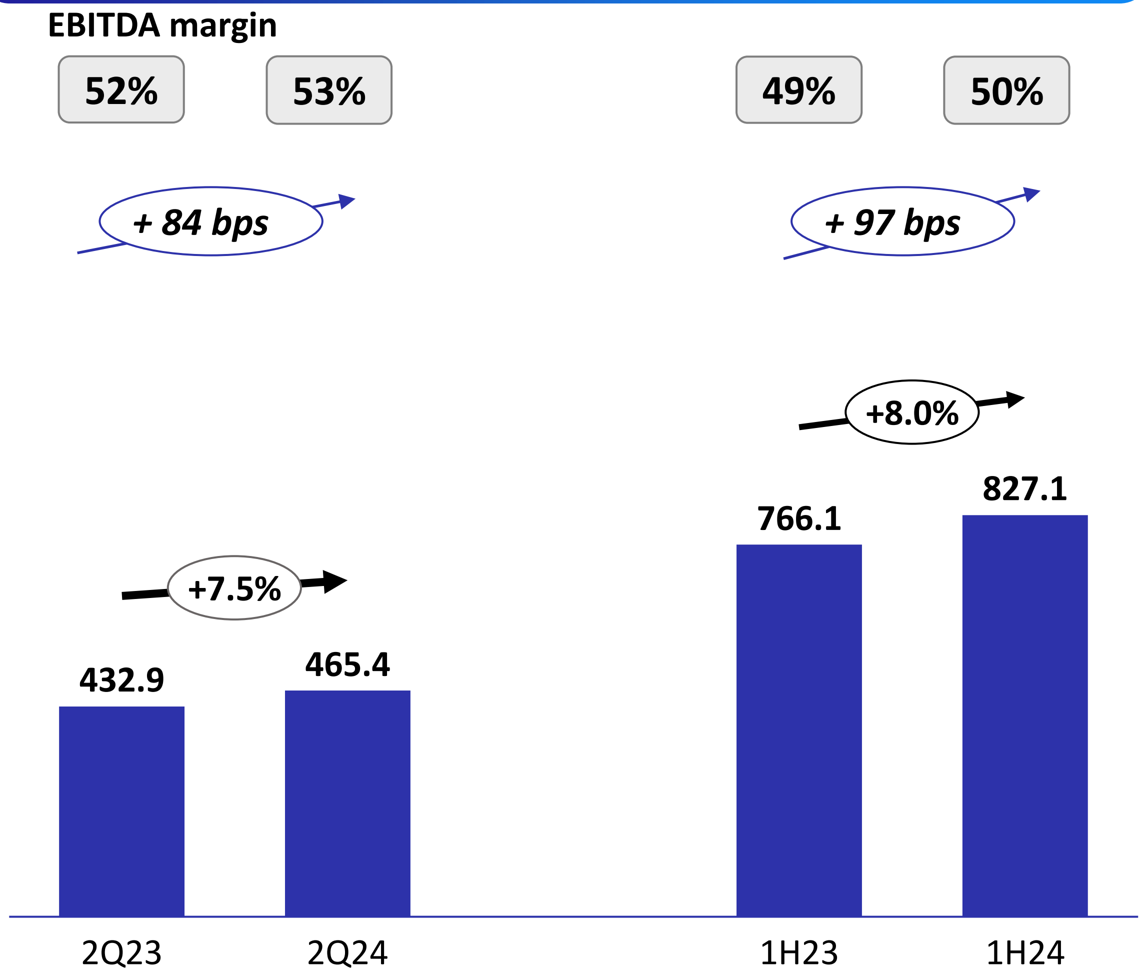
Focus on 1H24 results

Solid Revenue and EBITDA growth, with continued margin expansion

Net Revenues (€M)

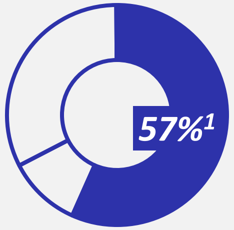


EBITDA (€M)



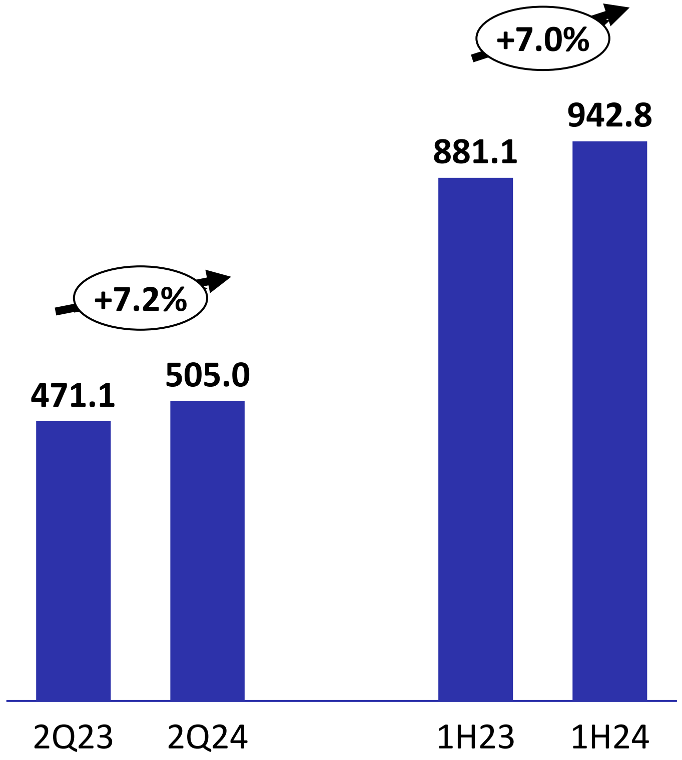
Note: Data at constant scope and FX.

Merchant Solutions: continued growth supported by volumes, customer base expansion and e-commerce

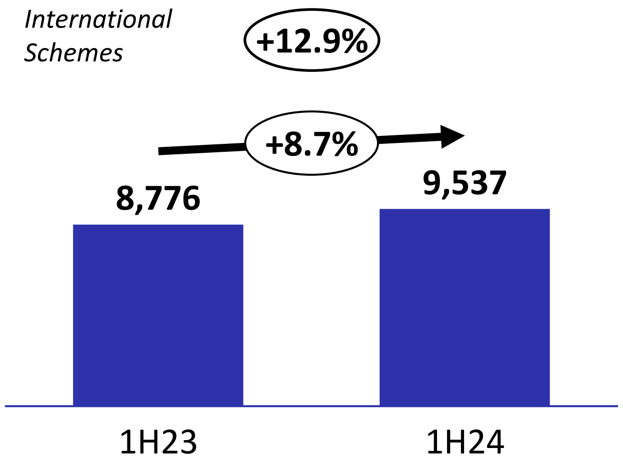


Merchant Solutions

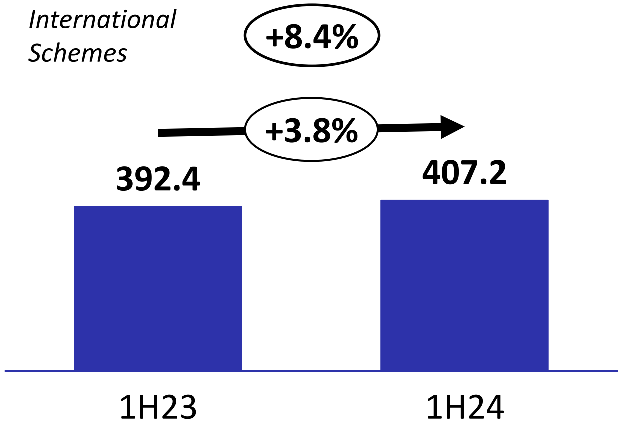
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)

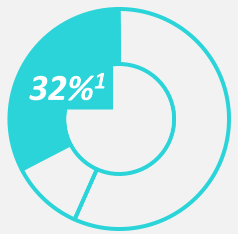


Key Highlights

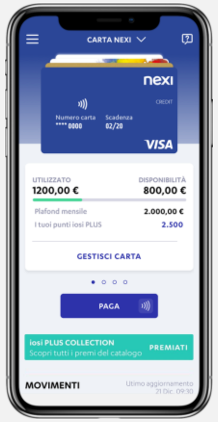
- **Sustained volume growth across the Group,** driven by International schemes
- **Continued international schemes sales volume growth, especially in** Italy, DACH and Poland, while total volume growth impacted by lower margin national schemes volumes
- **Continued SMEs volume growth** driven by customer base[2] expansion particularly strong in Italy, DACH and Poland
- **Double digit y/y revenue growth in E-commerce** driven by customer base growth and volume growth

Note: (1) Contribution to 1H Group Revenues. (2) # of POS terminals

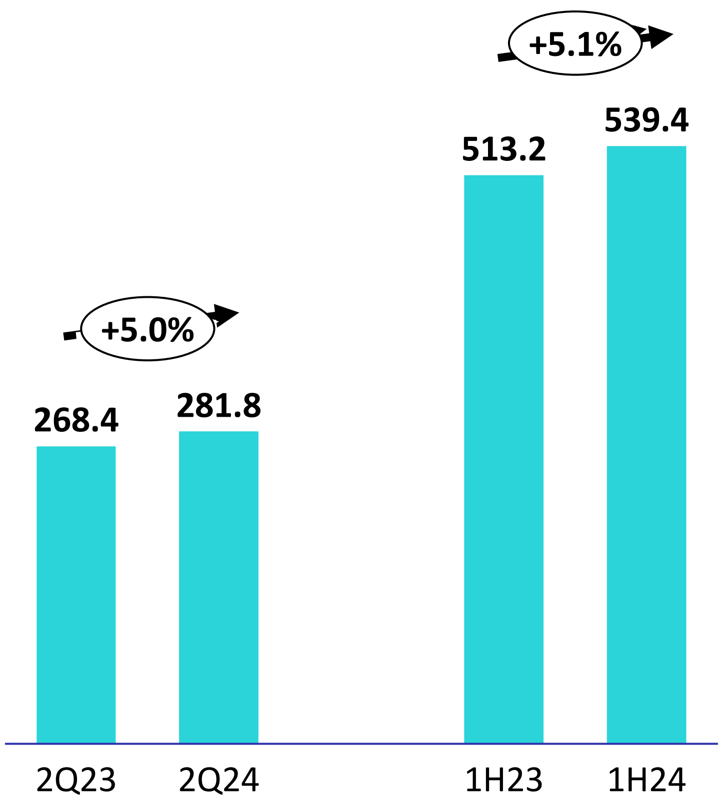
Issuing Solutions: continued growth supported by international schemes despite lower contribution from projects versus last year



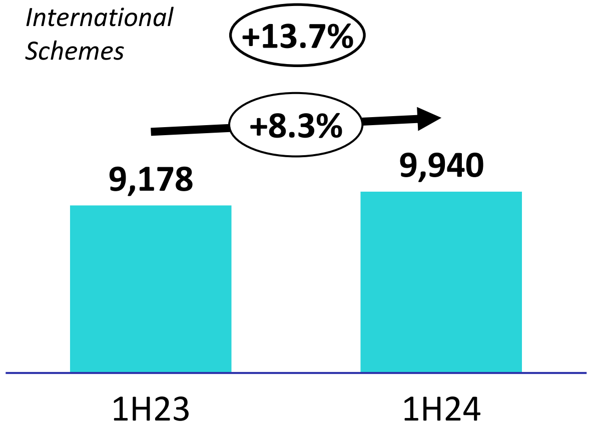
Issuing Solutions



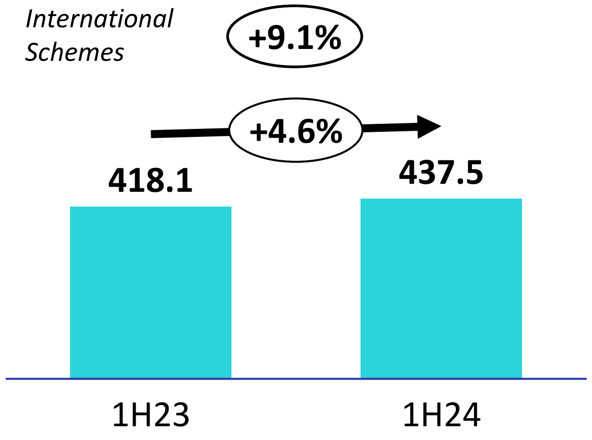
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)

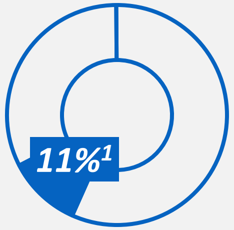


Key Highlights

- **Sustained growth in managed transactions and value of transactions across the Group,** driven by International schemes
- **Revenue growth also supported by the anticipation of specific projects and initiatives,** although less than last year
- **Continued success of international debit in Italy** with more than 7.5M cards
- Continued **up-selling / cross-selling of VAS and more valuable propositions.** Progressing development of **Advanced Digital Issuing solutions** (e.g. CVM)

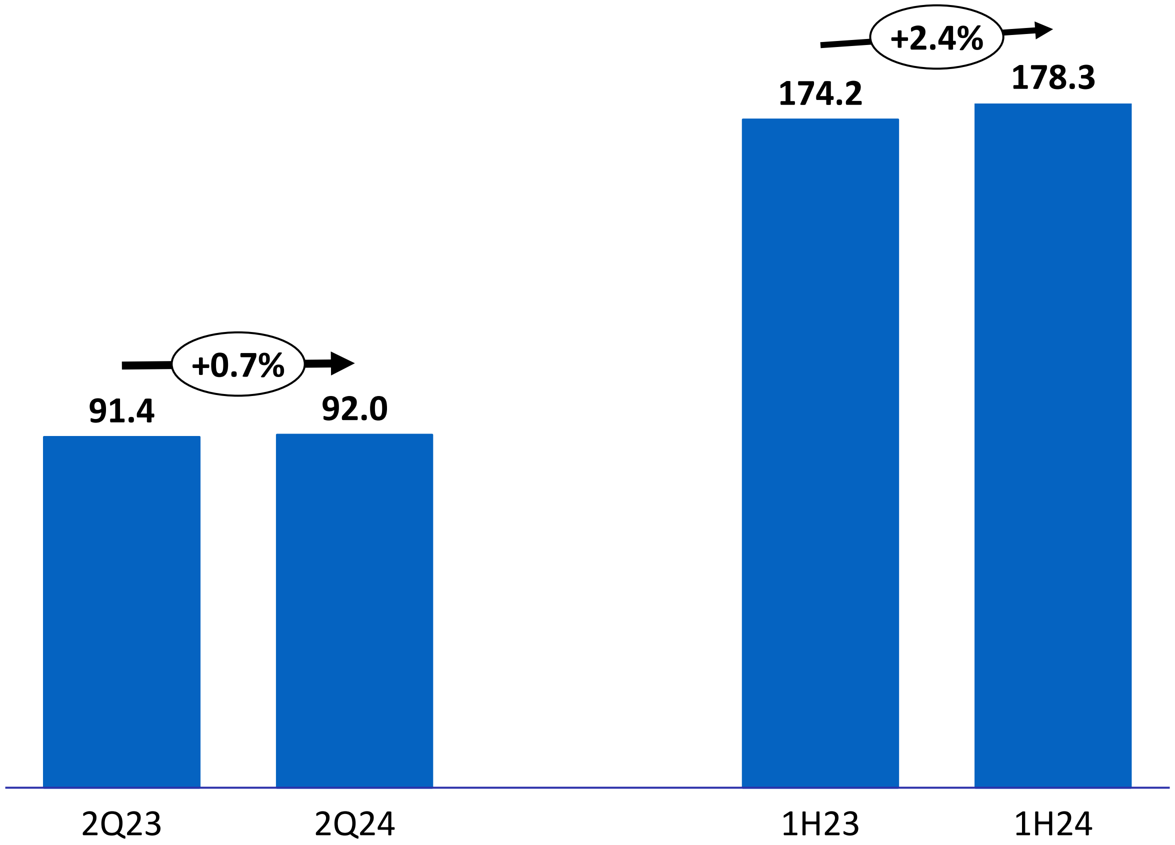
Note: (1) Contribution to 1H Group Revenues.

Digital Banking Solutions: continued revenue growth thanks to volumes despite lower projects than last year



Digital Banking Solutions

Net Revenues (€M)

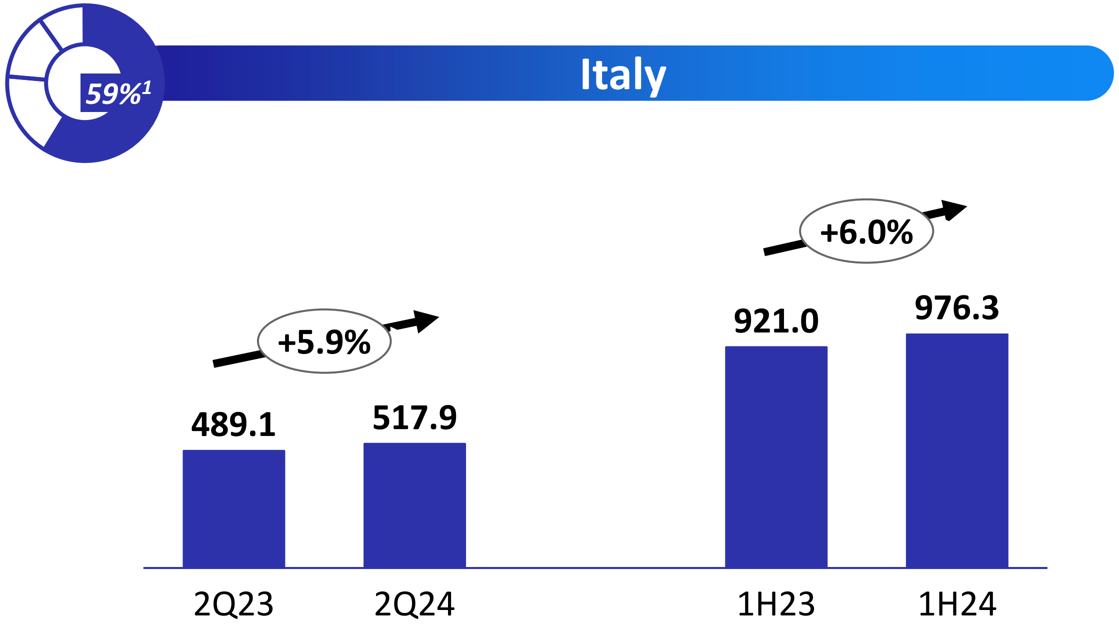


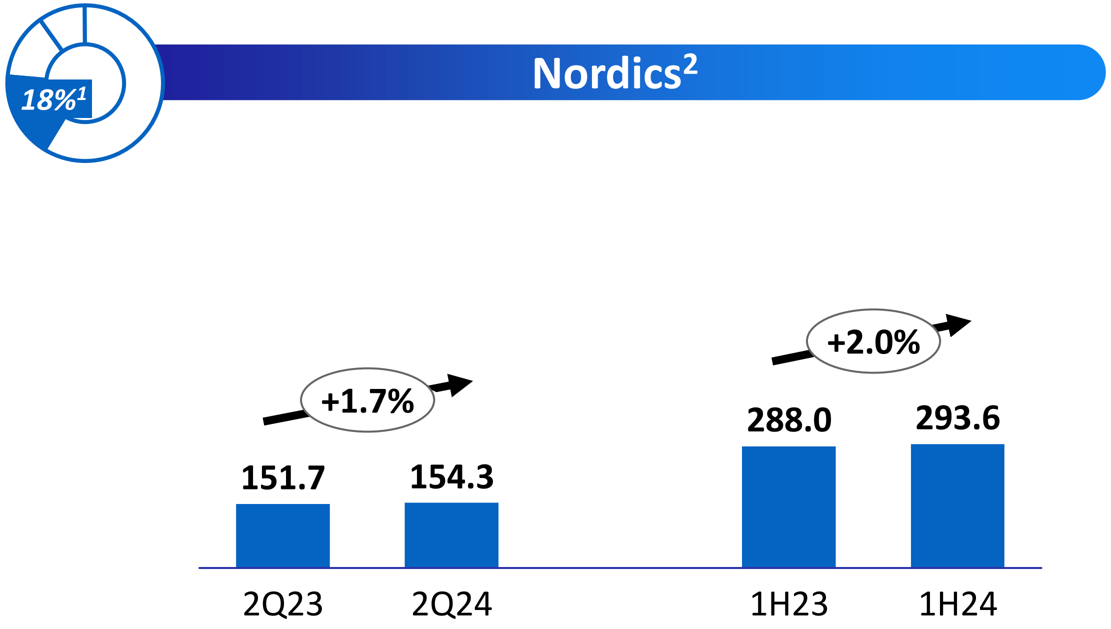
Key Highlights

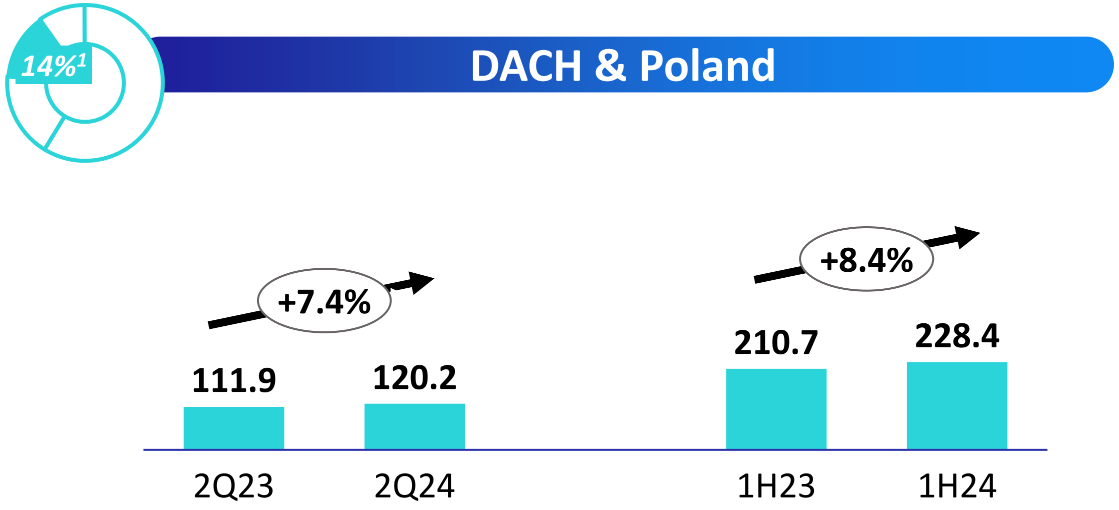
- **Revenue growth supported by volumes despite lower projects** than last year
- **Instant Payments:** continued volumes growth on EBA Clearing and Network Services
- **Digital Corporate & Open Banking:** signed strategic partnership agreement with Engineering on Digital Corporate Banking
- **Banking & PA solutions**: good progresses on new Payments Hub PaaS platform to support Banks on Instant payments acceleration, also supported by upcoming regulation

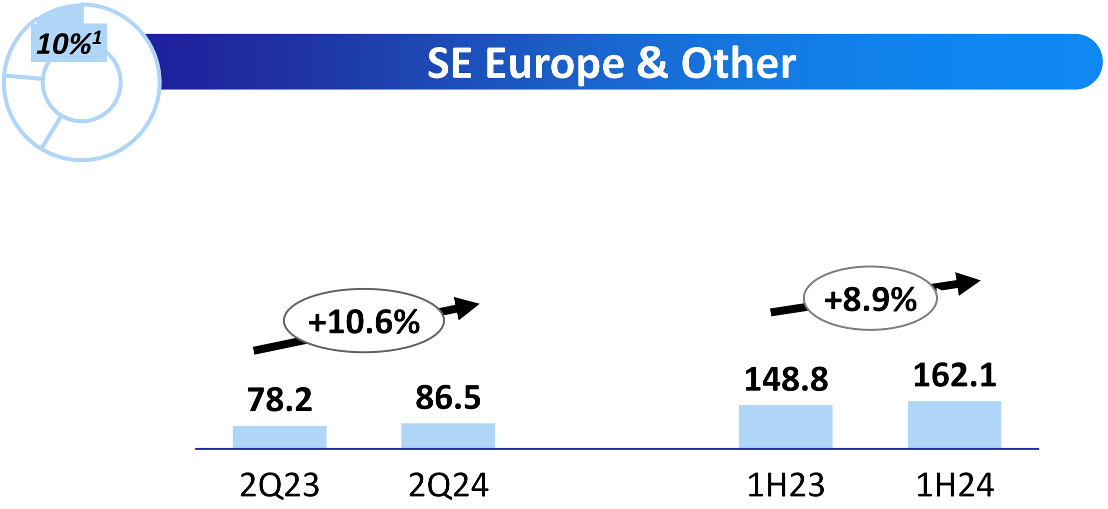
Note: (1) Contribution to 1H Group Revenues.

Continued revenue growth across geographies in 1H24





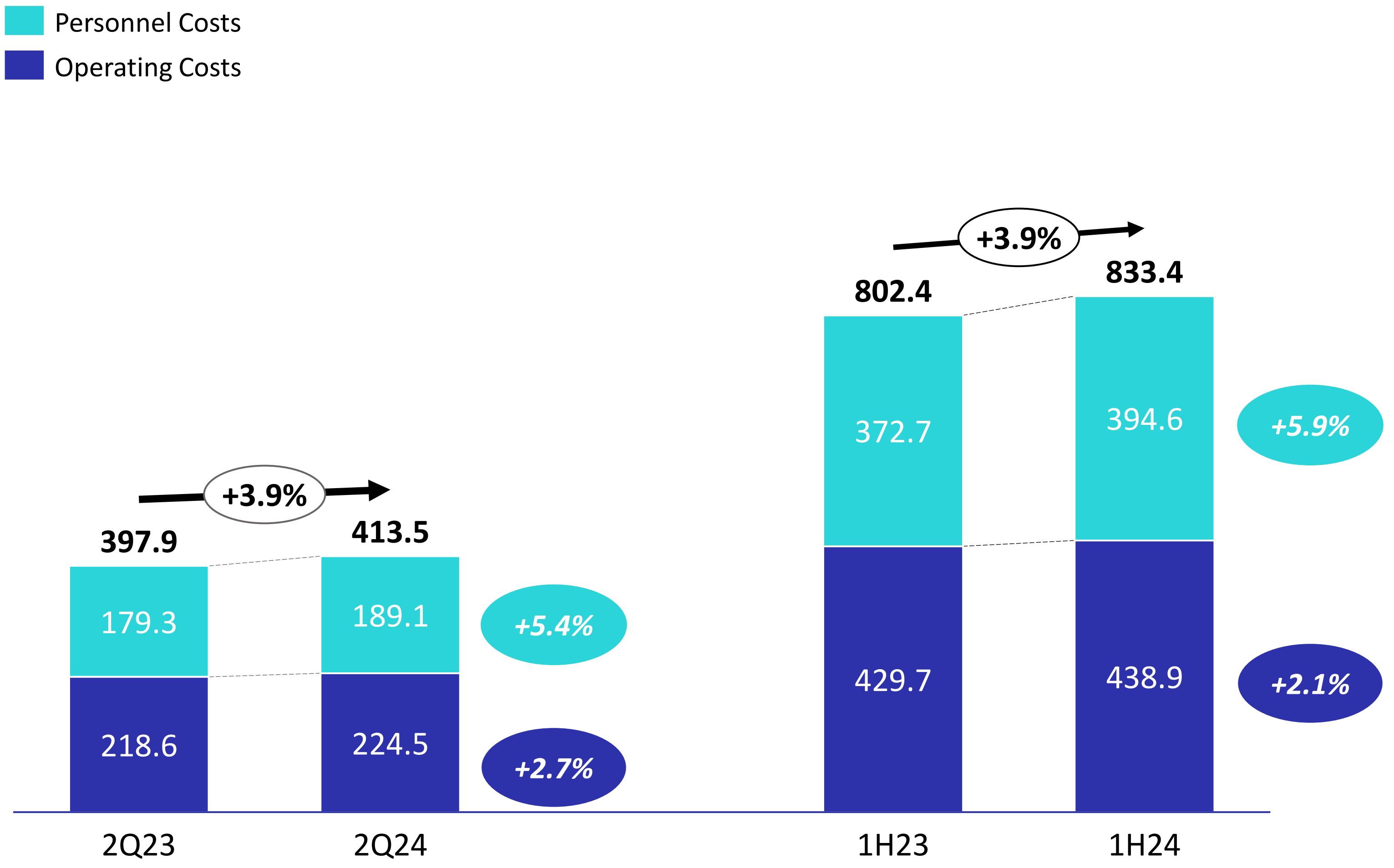




Note: (1) Contribution to 1H Group Revenues. (2) Including Baltics.

Solid cost performance thanks to operating leverage, cost control and synergies, notwithstanding inflationary pressure

Total Costs (€M)

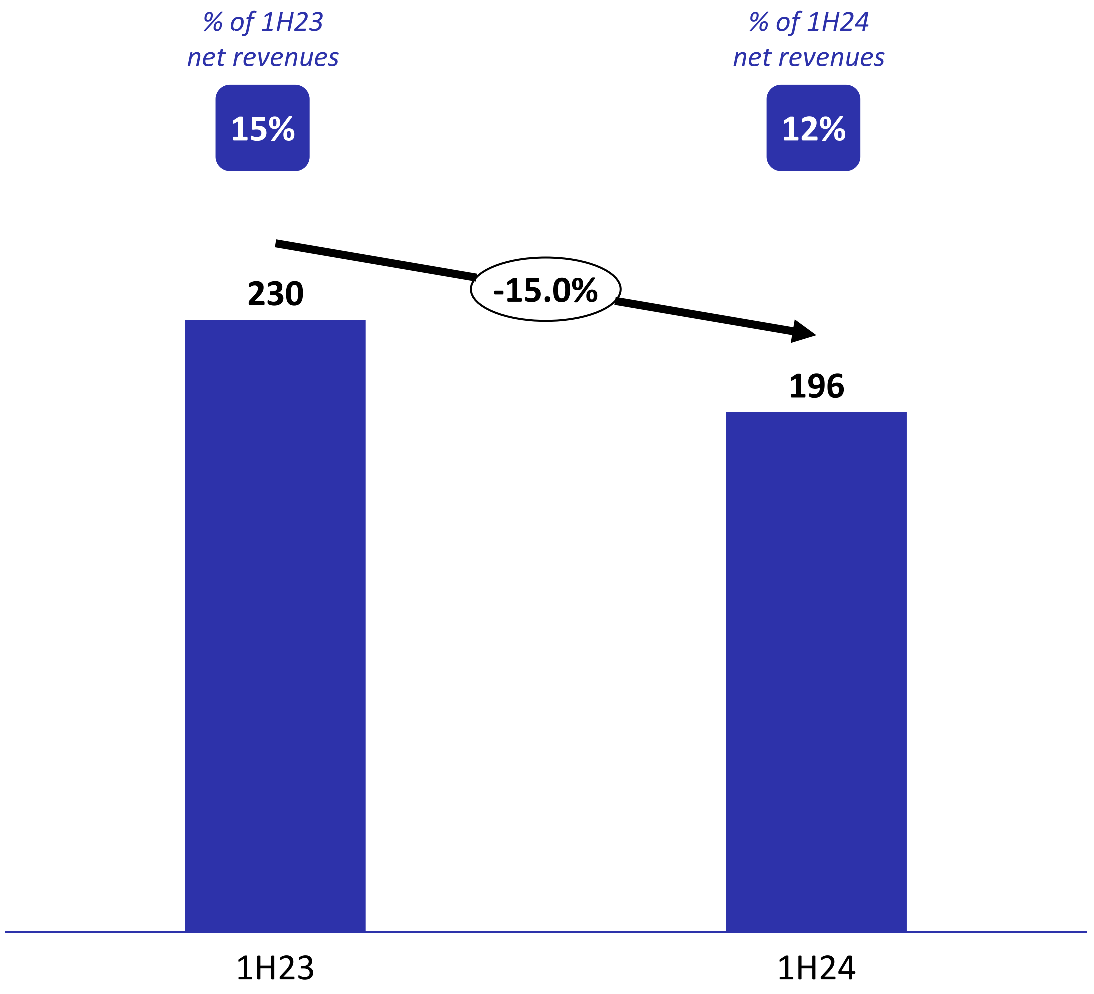


Key Highlights

- **Cost actions and synergies limiting cost growth** notwithstanding volume, business growth and inflationary pressure:
  - **Personnel costs** trend mainly driven by people investments in high-growth areas and inflation (e.g. Italian collective labour agreement renegotiation)
  - **Operating costs** benefitting from costs efficiencies and delivery of synergies despite volume growth and inflationary pressure
- 2H24 expected to benefit from the ongoing efficiency measures (e.g. organizational efficiencies and synergies)

Capex and Capex intensity decreasing despite continued investments to support quality, innovation and IT transformation

Capital Expenditure[1] (€M)



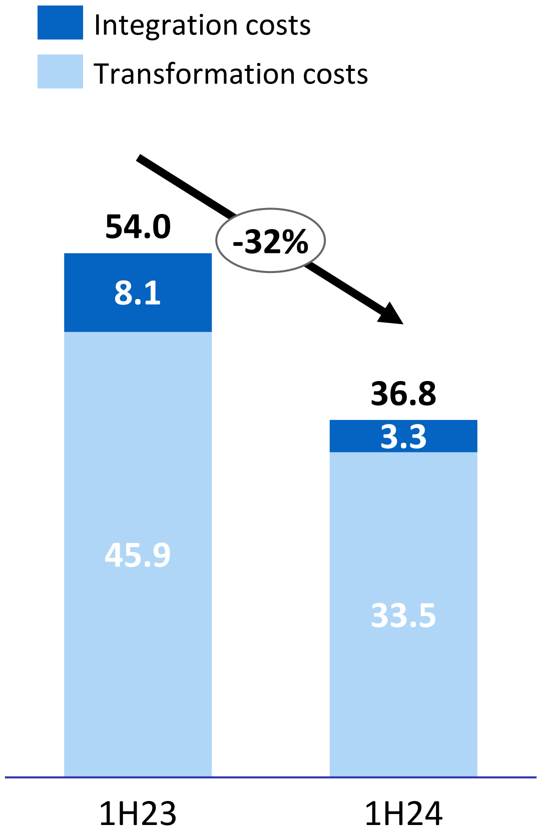
Key Highlights

- **Continued reduction of total Capex and Capex intensity**, down 3 p.p. y/y
- **Continued progress on IT transformation and consolidation** with the largest Group datacenter (~2,300 sqm) decommissioned in 1H24

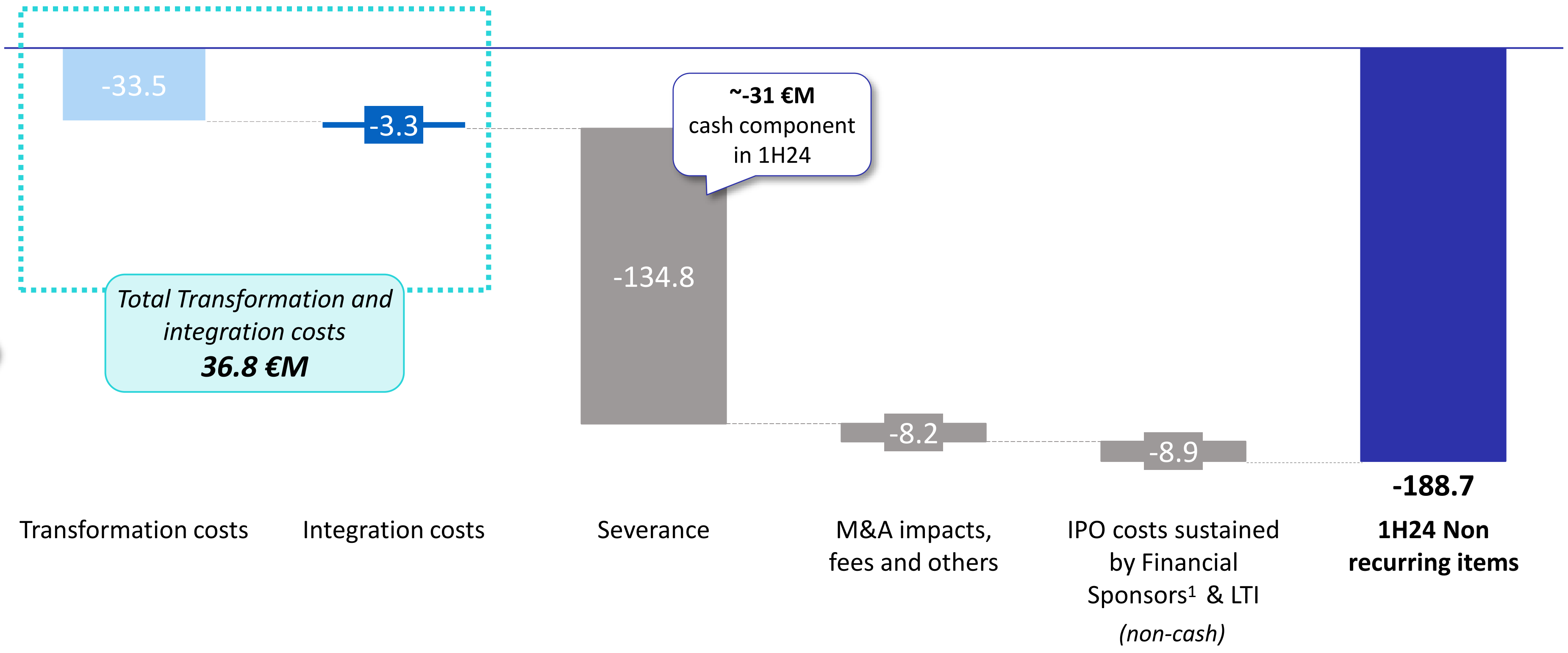
Note: (1) Excluding Ratepay and Nets DBS

Continued strong reduction of Integration and Transformation Costs

Transformation and integration costs (€M)

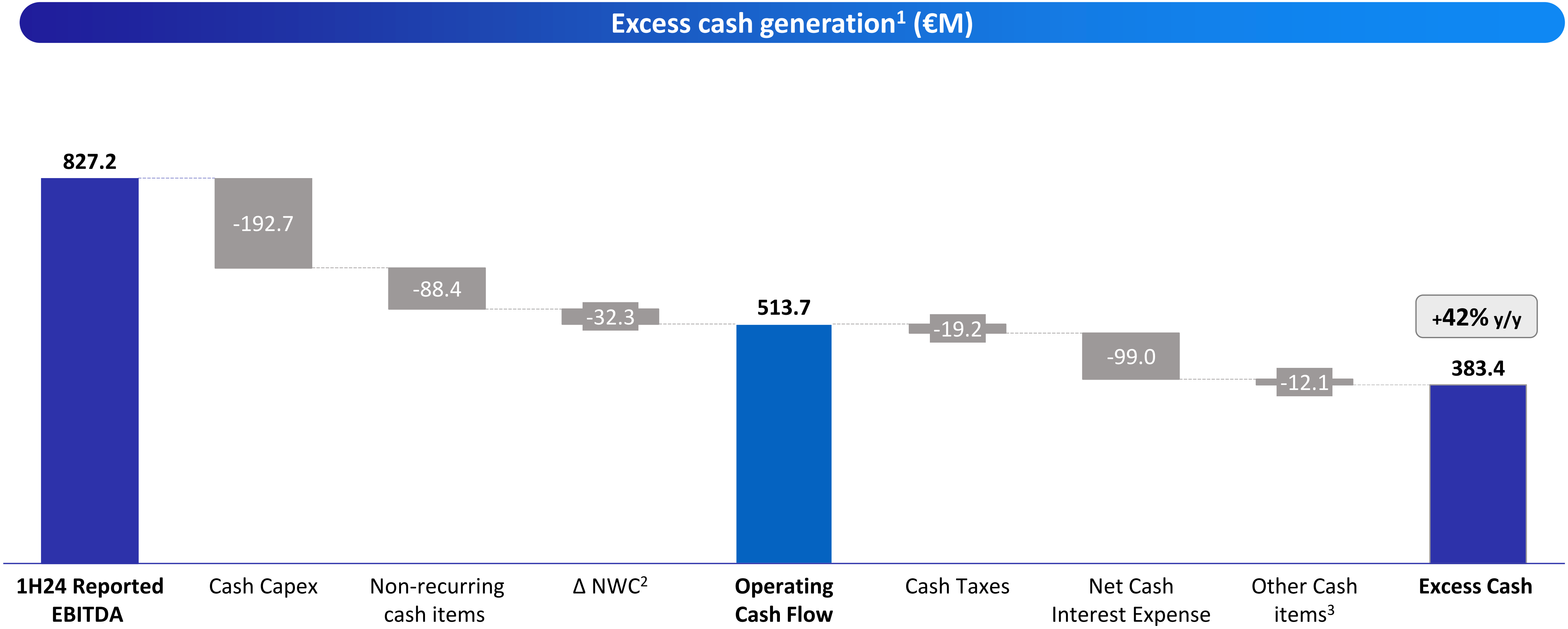


Bridge from 1H 2024 transformation and integration costs to non-recurring items (€M)



Note: (1) ~3€M. 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 excess cash generation in 1H24



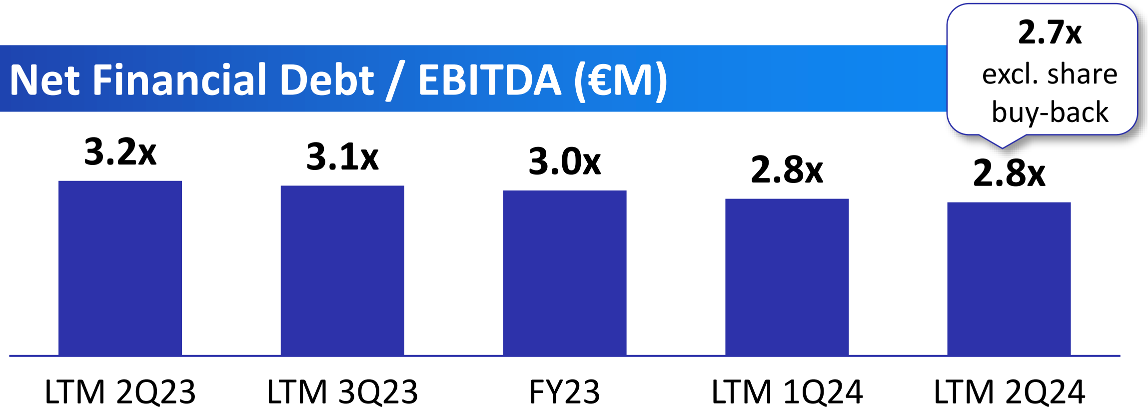
Note: Assets held for sale included. (1) Operating cash flow generation after cash interest expenses and other cash items (cash taxes, IFRS 16 and other). (2) Narrow definition. (3) Lease payments (IFRS16) and others.

Net Financial Debt / EBITDA at 2.8x including share buy-back impact in 1H24

Net Financial Debt (€M)

	June 23	Sept 23	Dec 23	Mar 24	Jun 24
Gross Financial Debt	7,211	7,228	7,215	7,210	6,939
Cash	1,692	1,833	1,889	2,104	1,870
Cash Equivalents [1]	97	47	64	71	67
Net Financial Debt	**5,422**	**5,348**	**5,262**	**5,035**	**5,001**

Net Financial Debt / EBITDA (€M)

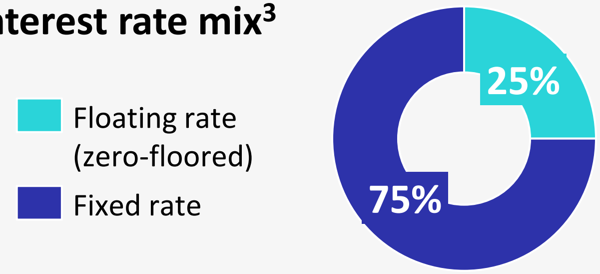


LTM EBITDA (€M)[2]	1,720	1,747	1,767	1,780	1,809

Key Highlights

- **~219.6 €M Nassa Topco Notes reimbursed at maturity in 2Q24.** Next maturities to be repaid: ~536 €M in 4Q24 and ~507 €M in 2025
- On July 19, **Moody's confirmed Nexi's Ba1 rating** on the back of the continued solid performance as well as the expected deleverage path
- **Weighted average debt maturity of ~2.7 years** and **average pre-tax cash cost of debt** slightly reduced at **~2.80%**[3]

Interest rate mix[3]



Note: (1) Visa shares. (2) Including Ratepay and Nets DBS. (3) As of June 30th, 2024. 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.

Closing remarks

2024 Guidance confirmed

Net Revenues	Mid-single digit y/y growth
EBITDA	Mid-to-high single digit y/y growth EBITDA margin expansion of 100bps+
Excess cash generated[1]	More than 700 €M
Net leverage	Decreasing to below 2.9x EBITDA including announced M&A and share buy-back effects (~2.6x on organic basis)

Note: (1) Operating cash flow generation after cash interest expenses and other cash items (cash taxes, IFRS 16 and other).

Key messages

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- **Revenue** growing at **+5.9%** vs 1H23; **Merchant Solutions** revenue up **+7.0%** vs 1H23, with **eCommerce** growing **double-digit**
- **EBITDA** growing at **+8.0%** vs 1H23 with **~97 bps EBITDA margin expansion** y/y
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2024 Guidance confirmed

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- **EBITDA:** mid-to-high single digit y/y growth
- **Excess cash:** more than 700 €M

Q&A

Annex

Merchant Solutions: key business update

	1H24 TRX Value	Key Business Highlights
SME (60%[1])	**+7%** vs. 1H23	• **Continued growth of terminals installed base[2] across markets,** led by Italy and DACH • **Strong commercial performance in Italy**, supported by ramp-up of direct channels plus commercial acceleration with partner banks. SmartPOS advanced digital proposition driving frontbook sales • **Significant terminal base growth in DACH,** supported by ISVs/Partner sales and by SmartPay digital proposition • **ISVs partnerships progressing across geographies,** with Nexi Partner Platform seeing good success with partners in Germany • **Good continued progress on advanced propositions,** with Apple Tap-to-Pay launched in Germany and Italy as first in market. **Continued roll-out of Group solutions** with SmartPay in pilot in Switzerland; SmartPOS preparing for full launch in Nordics
eCom (10%[1])	**+10%** vs. 1H23	▪ **Accelerated customer base growth across the Group,** particularly in Italy and Nordics ▪ **BancomatPAY from Nexi now available at checkout on Amazon in Italy** as a strong proof of Nexi strategy of being locally entrenched ▪ **Addition of Klarna payment method,** starting with Nordics, ultimately expanding partnership across all our regions ▪ **Continued strengthening of our partnerships with webshops in each of our regions** (e.g., notably Adobe Commerce in Finland and Mticket in Italy)
LAKA (13%[1])	**+3%** vs. 1H23	▪ **Robust pipeline of new customer acquisitions and cross selling across markets,** with notable wins in multiple verticals such as Grocery, Retail, EV charging and Mobility. Positive traction on mid-corp, with lower competitive pressure and cost-to-serve ▪ **Positive commercial traction of Omni-channel solutions in DACH**, especially in Switzerland, leveraging Computop partnership

Examples of recent customer wins & upsells

ISVs/Platforms Partnerships

Note: Value of trx - Sales volumes only. For Italy: International schemes plus National schemes for ISP merchant book. Nordics and DACH: Regular business, excl. discontinued clients due to optimized risk profile (e.g. travel). International schemes only. (1) Weight on total 1H24 Merchant Solutions revenues. Remaining 17% includes cash acquiring revenues not attributable. (2) Total Group # POS.

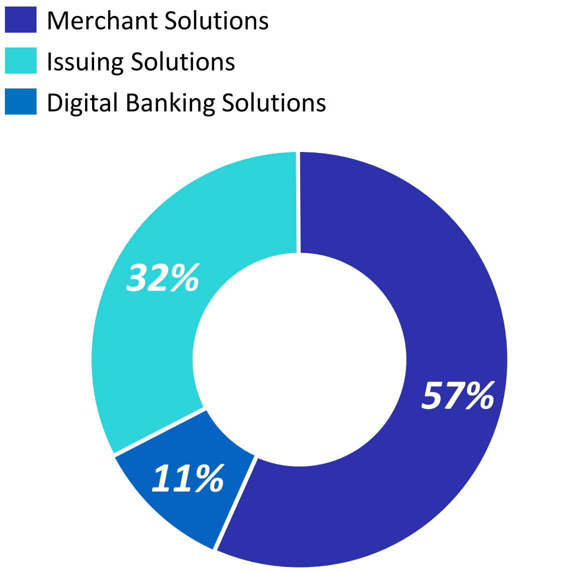
Group normalised P&L at constant scope and FX

€M	1H23	1H24	Δ% vs. 1H23	2Q23	2Q24	Δ% vs. 2Q23
Merchant Solutions	881.1	942.8	*+7.0%*	471.1	505.0	*+7.2%*
Issuing Solutions	513.2	539.4	*+5.1%*	268.4	281.8	*+5.0%*
Digital Banking Solutions	174.2	178.3	*+2.4%*	91.4	92.0	*+0.7%*
Operating revenue	**1,568.5**	**1,660.5**	***+5.9%***	**830.9**	**878.9**	***+5.8%***
Personnel Costs	-372.7	-394.6	*+5.9%*	(179.3)	(189.1)	*+5.4%*
Operating Costs	-429.7	-438.9	*+2.1%*	(218.6)	(224.5)	*+2.7%*
Total Costs	**-802.4**	**-833.4**	***+3.9%***	**(397.9)**	**(413.5)**	***+3.9%***
EBITDA	**766.1**	**827.1**	***+8.0%***	**432.9**	**465.4**	***+7.5%***
Ordinary D&A	-213.1	-231.3	*+8.5%*			
Normalised Interests & financing costs	-120.5	-124.7	*+3.5%*			
Normalised Pre-tax profit	**432.4**	**471.1**	***+8.9%***			
Income taxes	-145.2	-156.2	*+7.6%*			
Profit (loss) after tax from assets held for sale	4.2	-14.5	*-445.8%*			
Minorities	-0.9	0.2	*-119.2%*			
Normalised Net profit	**290.6**	**300.6**	***+3.4%***			

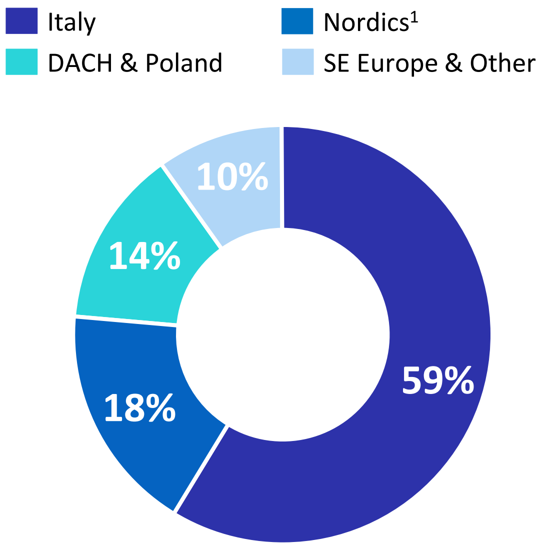
Well diversified revenue base both in terms of business and geography at scale, with exposure to fast growing European markets

1H24 Revenues breakdown

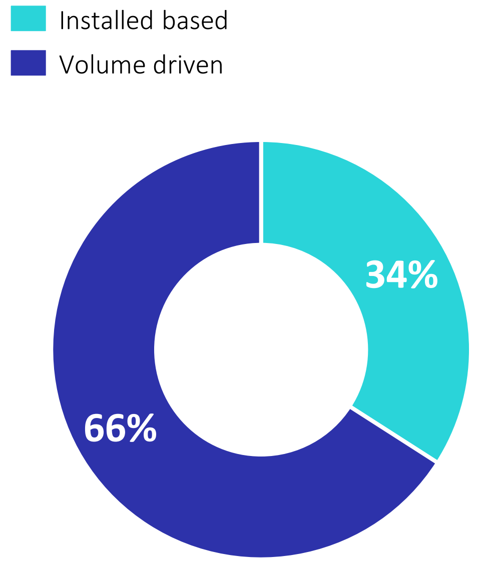
By business

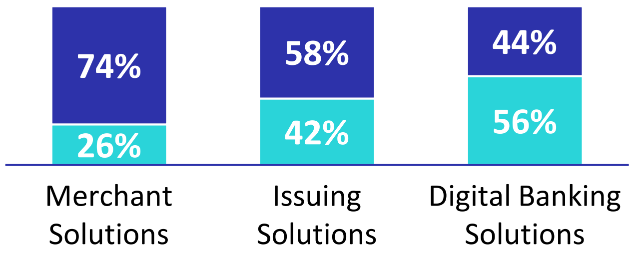


By geography

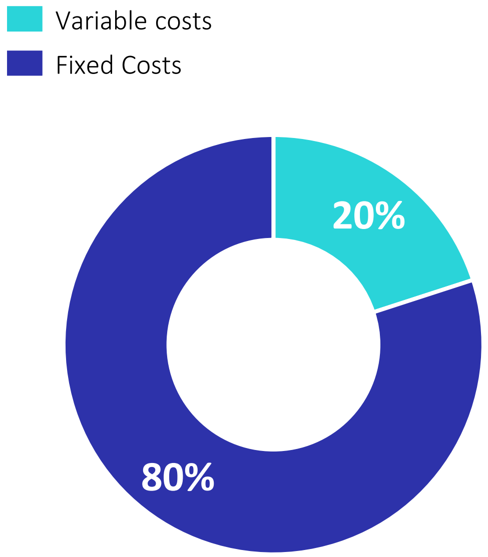


By type



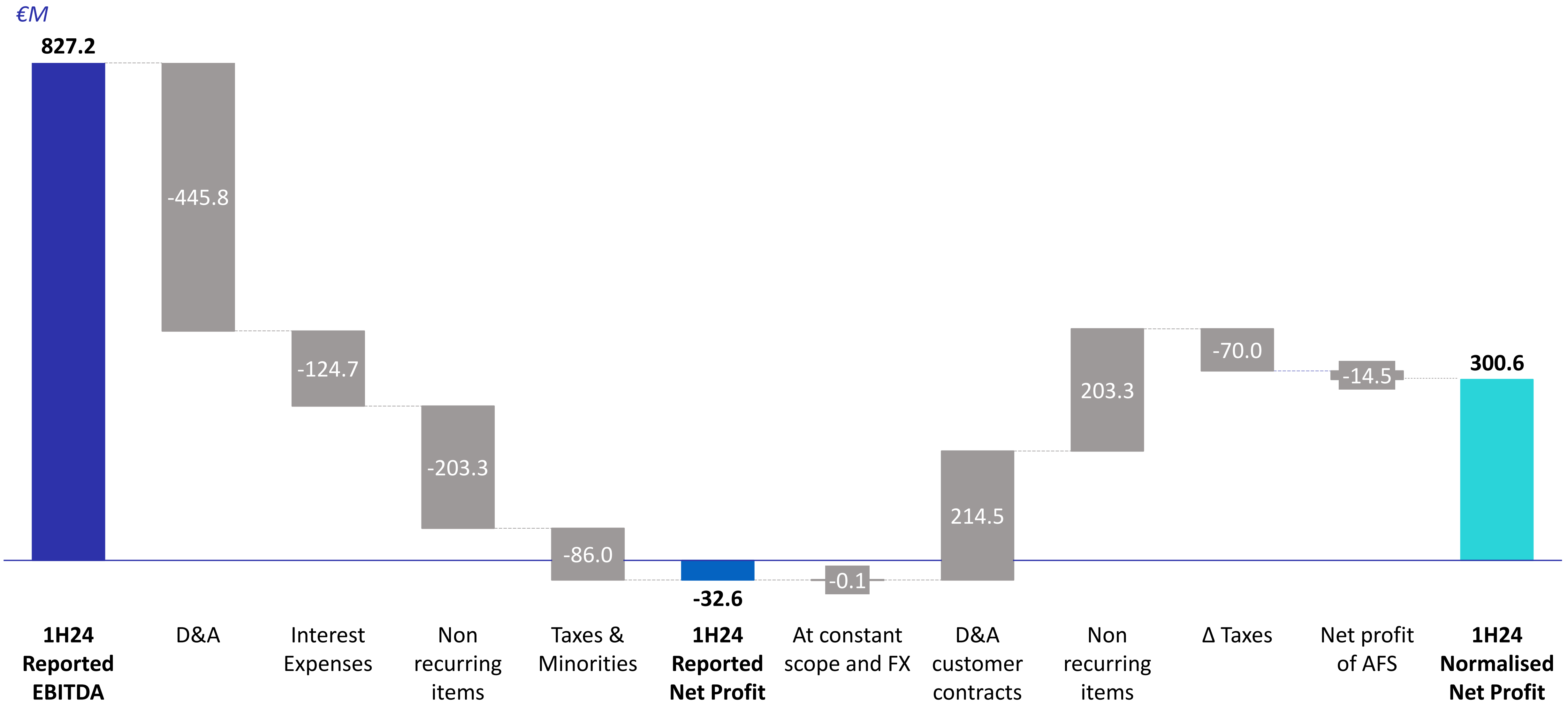


1H24 Costs breakdown by type



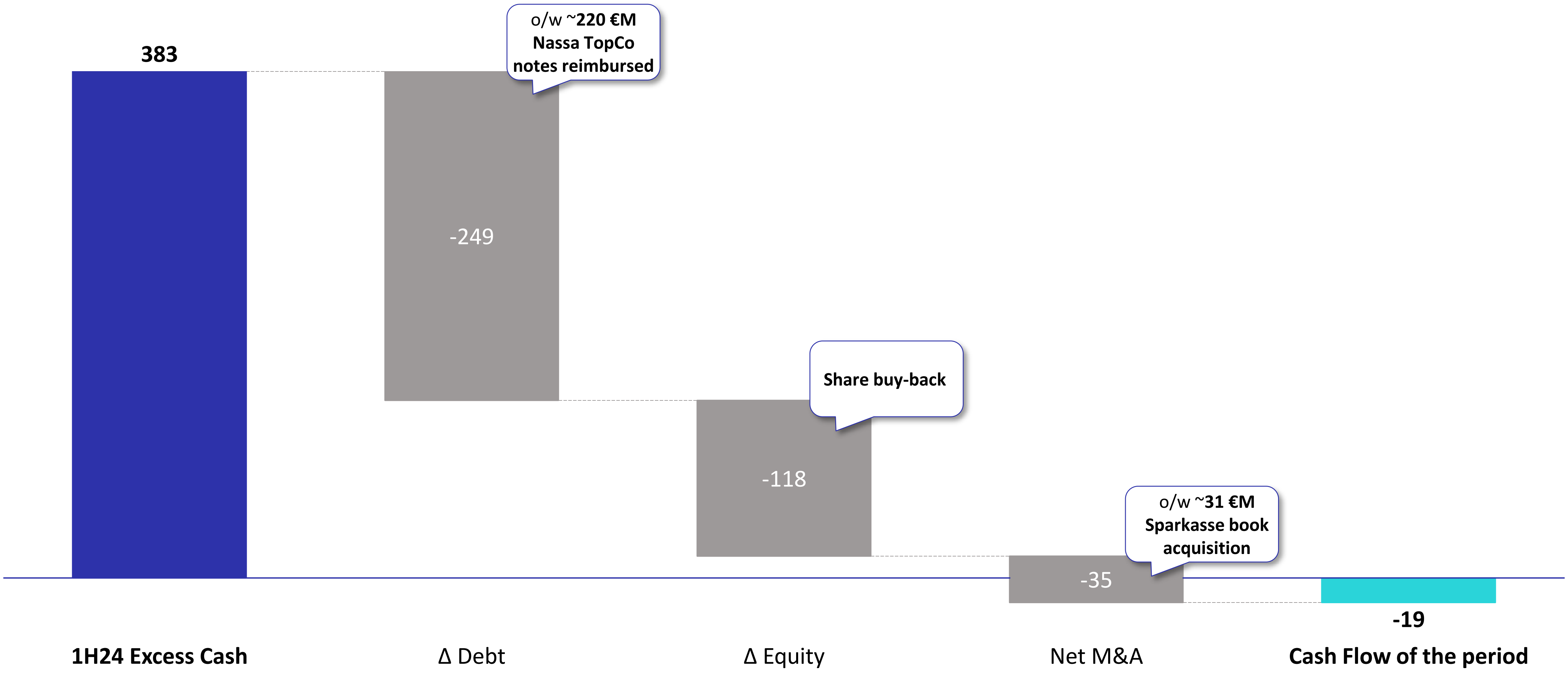
(1) Including Baltics.

Bridge from Reported EBITDA to Normalised Net Profit



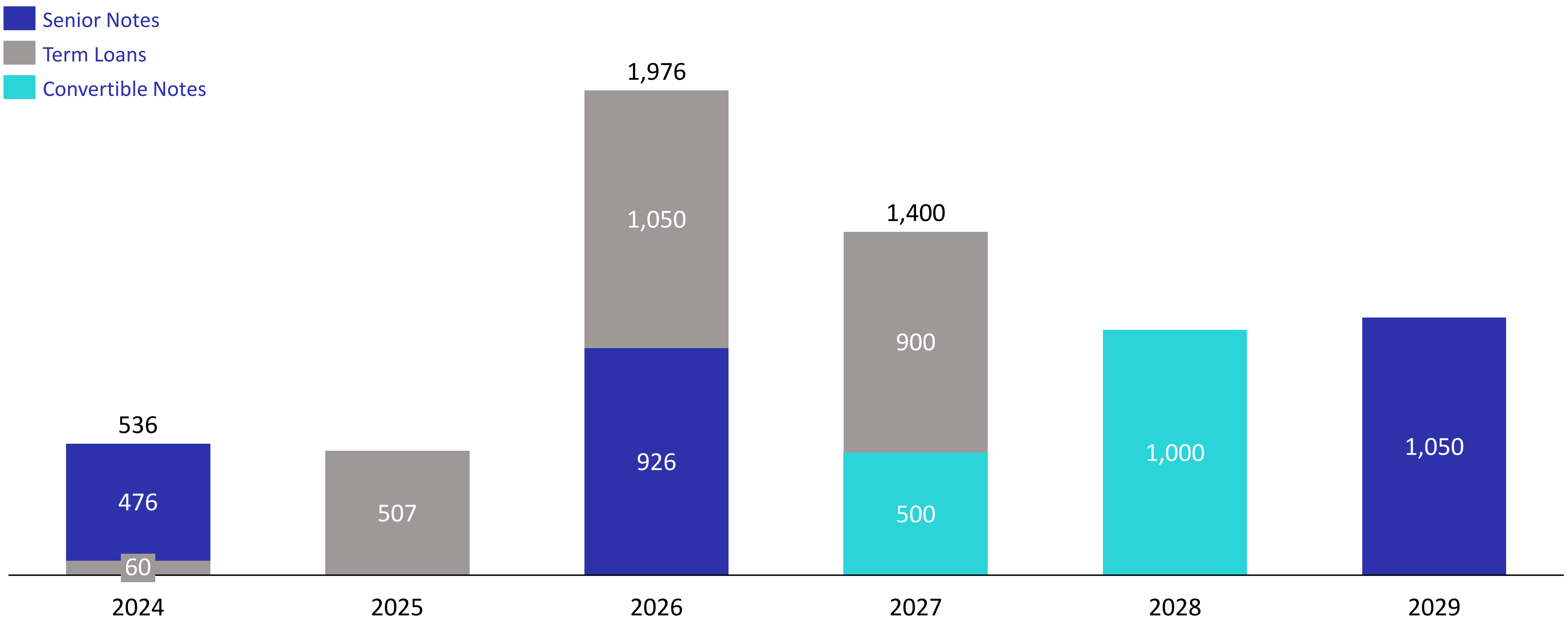
Bridge from excess cash to cash flow of the period

€M



Debt maturities as of 1H24

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.

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