



Nexi: The Leading European PayTech



Paolo Bertoluzzo

1.

**Our evolution to a privileged leadership position
in very attractive markets**

Nexi evolution from Italian Champion to the Leading European PayTech...

2019 - IPO

The Italian Champion



2022 - Today

The Leading European PayTech



Performance
Acceleration

Investments in
Innovation &
Technology

Competence &
Talent
Development

Strategic
Investments &
Value-Accretive M&A

Focus on
Core Business with
Non-Core Disposals



...growing the company stronger today and stronger for the future

2019 - IPO



2022 - Today

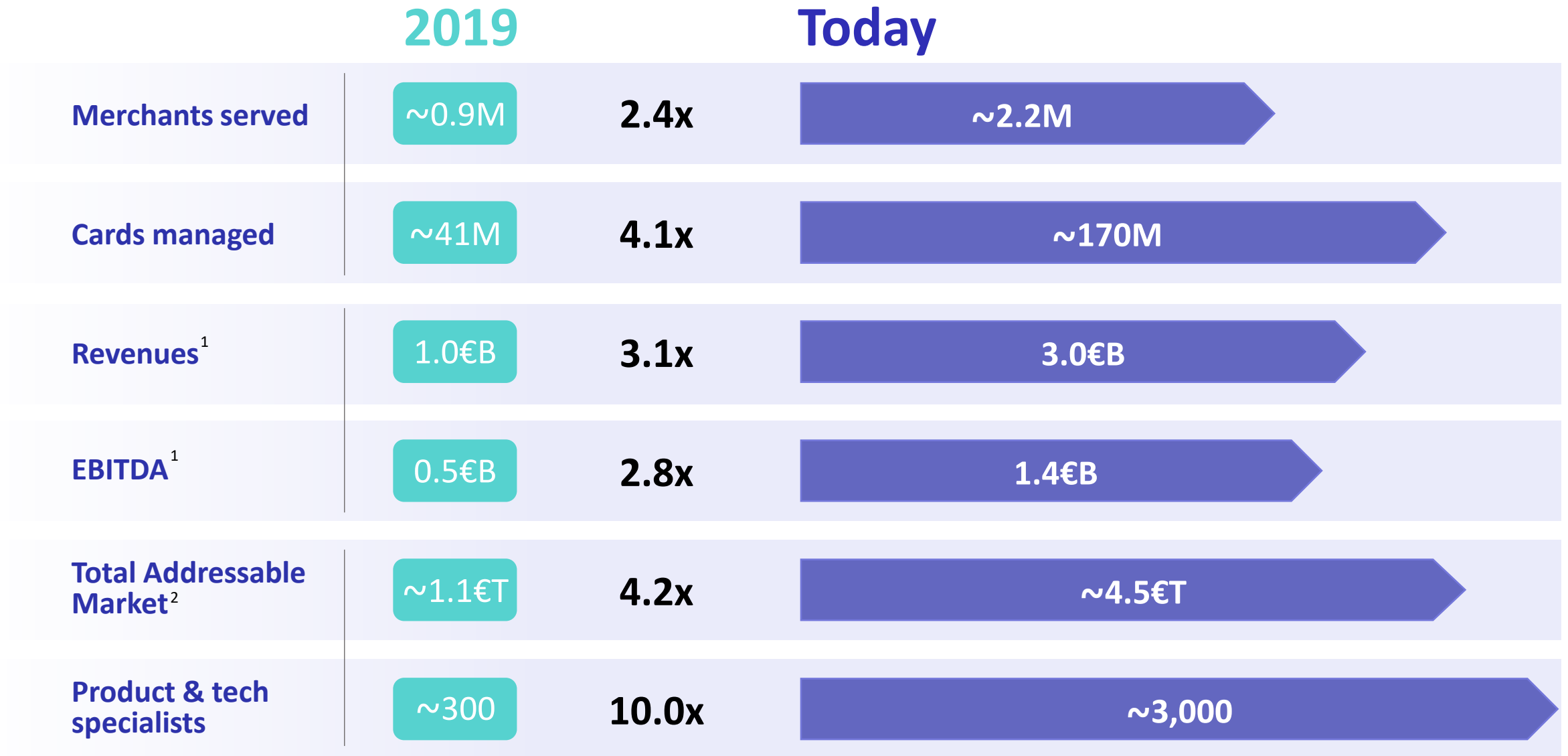
The Italian Champion

- Leading Italian provider with domestic focus
- National client base with strong bank heritage
- Payments focus with adjacent capabilities
- Increasing investments in Tech & Innovation
- Track-record of bolt-on M&A

The Leading European PayTech

- European PayTech leader in most attractive markets
- International & diversified client base
- Digital payments focus with strong tech DNA
- #1 in Europe by Investments in Tech & Innovation
- Successful large-scale transformational M&A

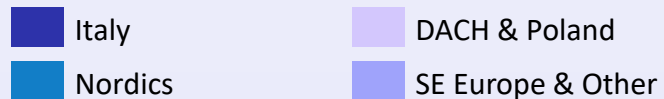
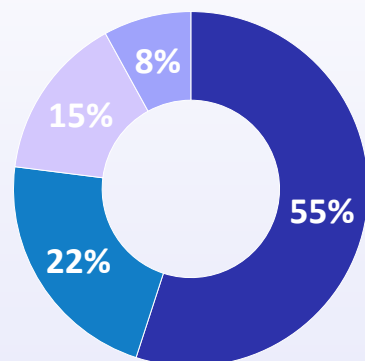
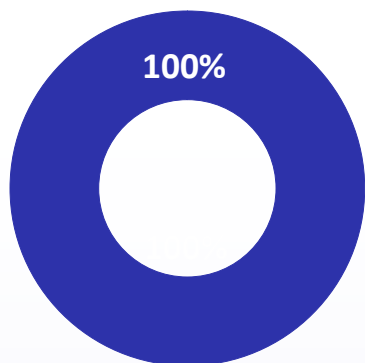
Our journey led to a substantial increase of our scale and growth potential...



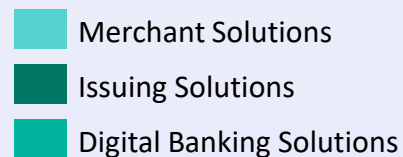
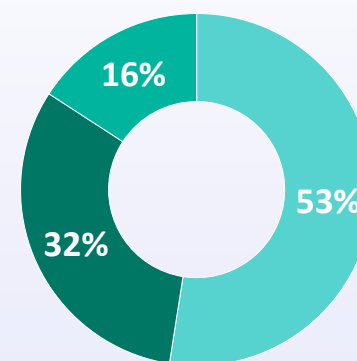
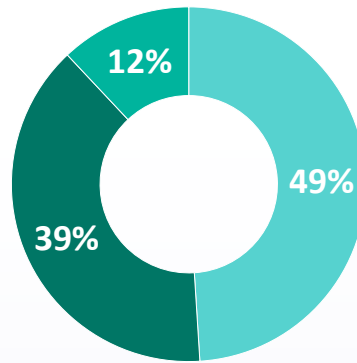
...while also making our business well diversified and resilient

Revenue Mix, %

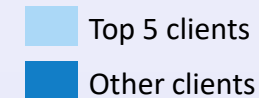
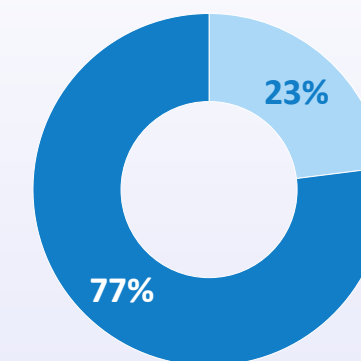
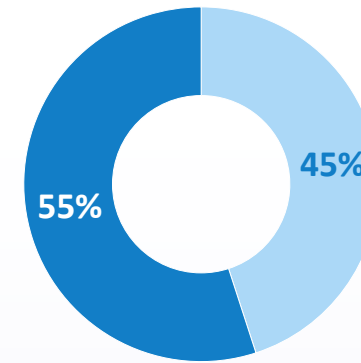
By Geography



By Business



By Customer Concentration



2019



Today¹

The European payments landscape is complex and fragmented, therefore very attractive and defensible for strong entrenched players



>150 local **payment methods** in Europe, >10 **national debit schemes**



SME-dominated markets, 100% local



Enabling platforms (i.e. ERP / CRM) often country-specific



~75%¹ of **LAKA** buying “locally”



Significant **local regulations** for payments and financial institutions



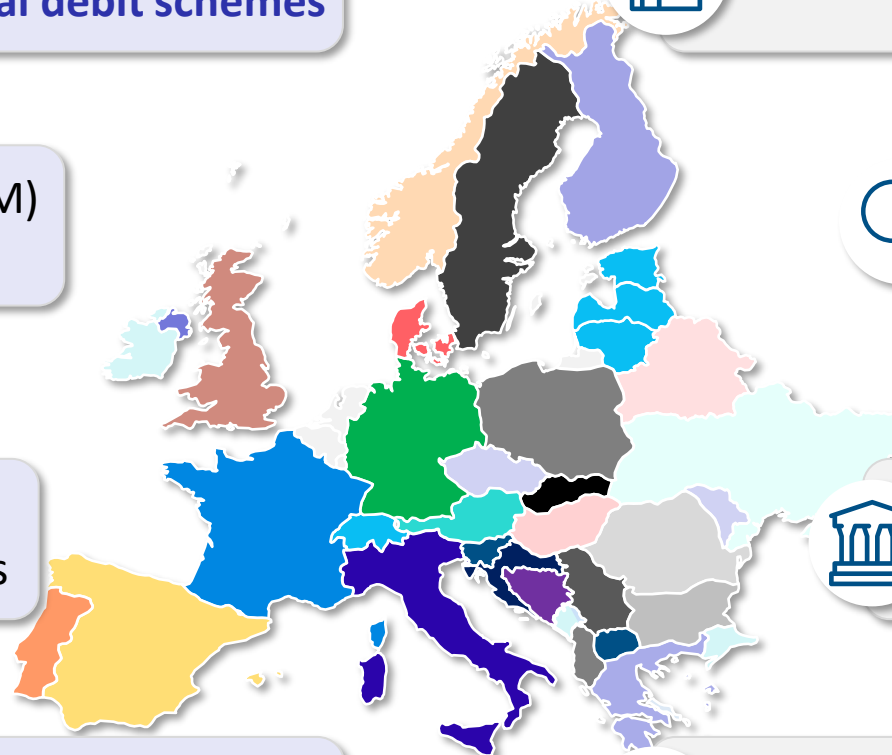
Financial Institutions still very local, with different approaches in payments



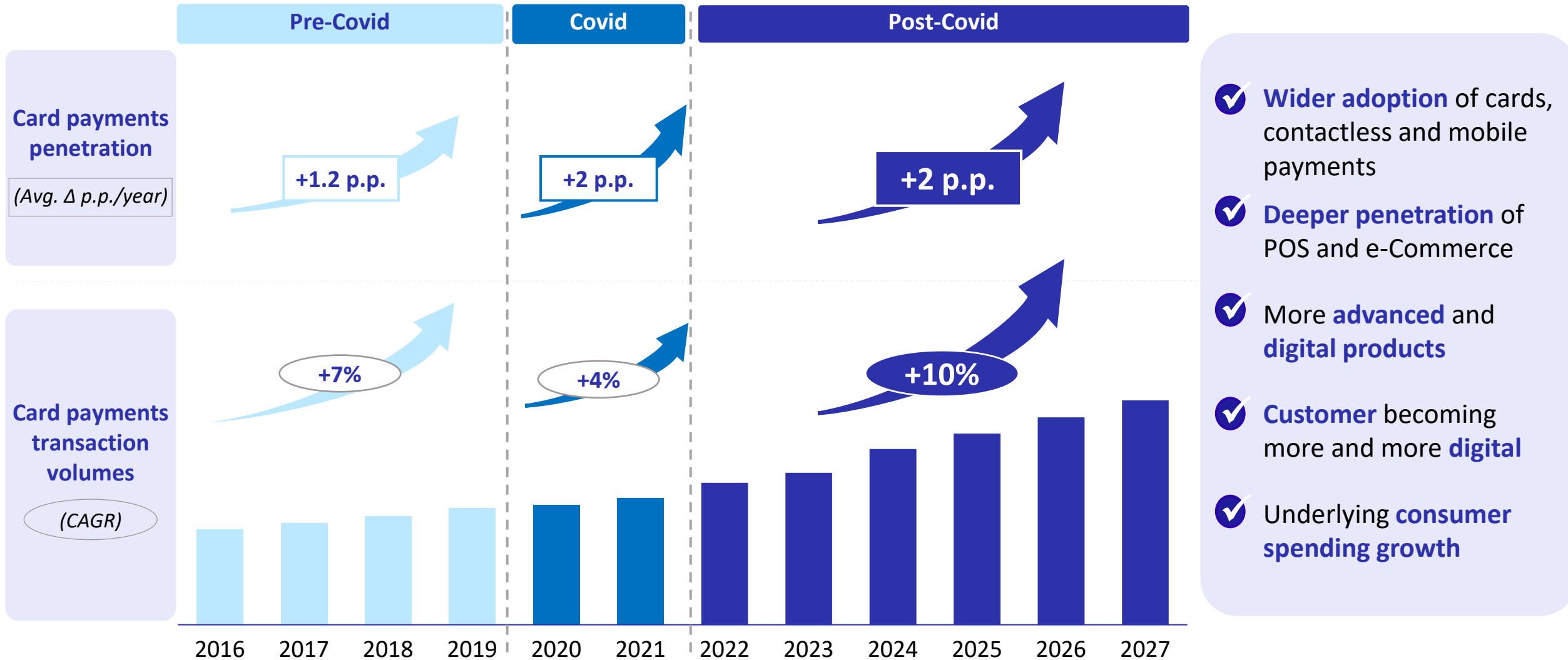
Each country with **specific tax** and **administrative** requirements











Local **competitive dynamics**, very different by market



Digital payments market will continue to grow strongly in the future, supported by continued secular shift from cash to digital payments



Nexi uniquely positioned in European most attractive markets, with a mix of strong Leader and established Challenger positions

	Italy ¹ 	DACH 	Central-South Eastern ² 	Nordics 	Nexi Europe	Non-Nexi Europe ³	Total Europe
Consumer spending 2021	1.0€T	2.1€T	0.8€T	0.6€T	4.5€T	3.4€T	7.9€T
Card payments penetration 2021	32%	33%	30%	62%	36%	61%	47%
Card trx value est. growth CAGR '22-'25	13%	11%	14% ⁴	6% ⁵	10%	7%	9%
Market share	 Leader	 Challenger	 Challenger	 Leader			

- ✓ Total addressable market for Nexi of **~4.5€T**, **~60% of Europe**
- ✓ Average card penetration still **low (36% vs 61% of non-Nexi countries)**
- ✓ **~40% value⁶** in strong defensible **Leader positions**
- ✓ **~60% of value⁶** in **Challenger positions** with **large room to grow** market share

Source: Managerial estimates. Notes: (1) Italy based on Bank of Italy 2021 data; (2) Includes i) Poland and ii) Greece, Slovakia, Croatia, Slovenia, Hungary, Czech Republic, Serbia, Romania, Albania, Bosnia, Bulgaria, Macedonia, Montenegro (only selected flags displayed); (3) Non-Nexi Europe includes UK, France, Spain, Portugal, Belgium, Netherlands and Luxembourg; (4) Based on estimated growth rate for Croatia, Slovakia, Hungary, Poland and Greece; (5) International schemes only; (6) Based on 2021 Consumer spending.

Nexi future growth coming from both market and market share acceleration



Strong and unique growth opportunities

- ✓ **Increase of ~600€B³** of value of card spend in Nexi markets in 2022-2025
- ✓ **Market share acceleration** in Nexi challenger position countries
- ✓ **European expansion** offering future **additional opportunities**

Evolving customer needs offering exciting additional opportunities for Nexi



Consumers becoming more and more digital

- Digital and **mobile payments**
- Confidence with **multiple payment methods**
- **Seamless** customer **experience** across channels and devices
- **Safety** and **security** of transactions becoming key



Digital payments becoming central for Merchants

- Digital **payments acceptance** as a **must-have**
- **One-stop solutions** to manage and grow their businesses
- **Integrated** and **omni-channel** solutions
- **Fully-responsive support** both digital and local



Financial Institutions transforming digitally

- Digital-first **customer interactions** and products
- IT systems transitioning to **modern** and **agile** ones, although **with challenges**
- Approaching **payments** in **multiple ways**
- Focus on **partnerships** in **non-core Fintech** activities

2.

**Differentiated strategy to drive
strong profitable growth**

Our strategy to drive strong profitable growth

Strategic value drivers

- 1 Differentiate through **scale** and **market & customer proximity**
- 2 Drive focused **accelerated growth** in **SME**, **eCommerce** and **Advanced Digital Issuing** through superior products and commercial execution
- 3 Deliver strong **synergies** and continued **operating leverage**

Core business foundations

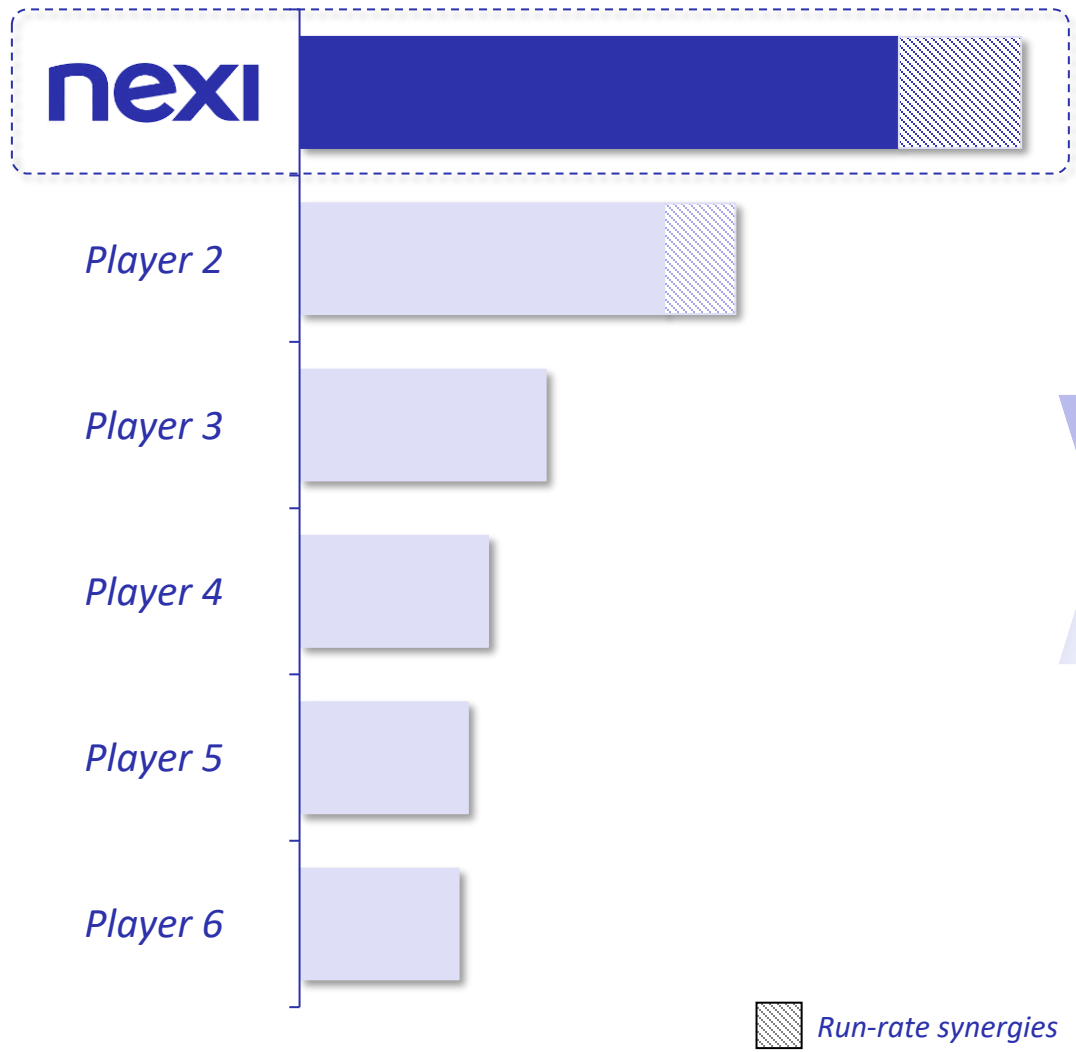
4 Superior **technology capabilities**, driving **innovation agility** and **efficiency**

5 One integrated **talented team**, with deep **PayTech capabilities**

6 **ESG championship**, making **digital payments** a driver of **progress**

1 Nexi European scale providing unique advantages

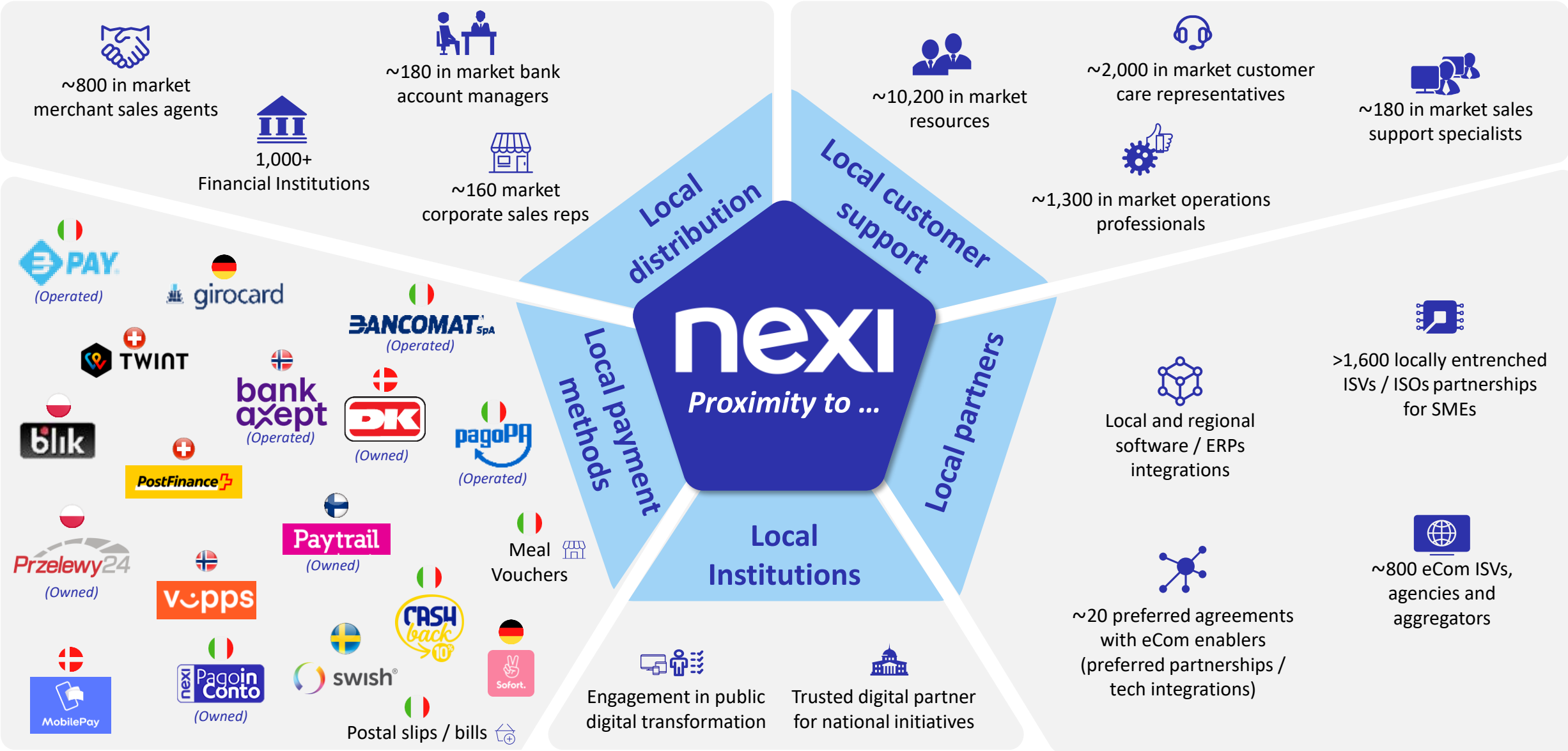
Ranking by 2021 EBITDA in Europe (€B)



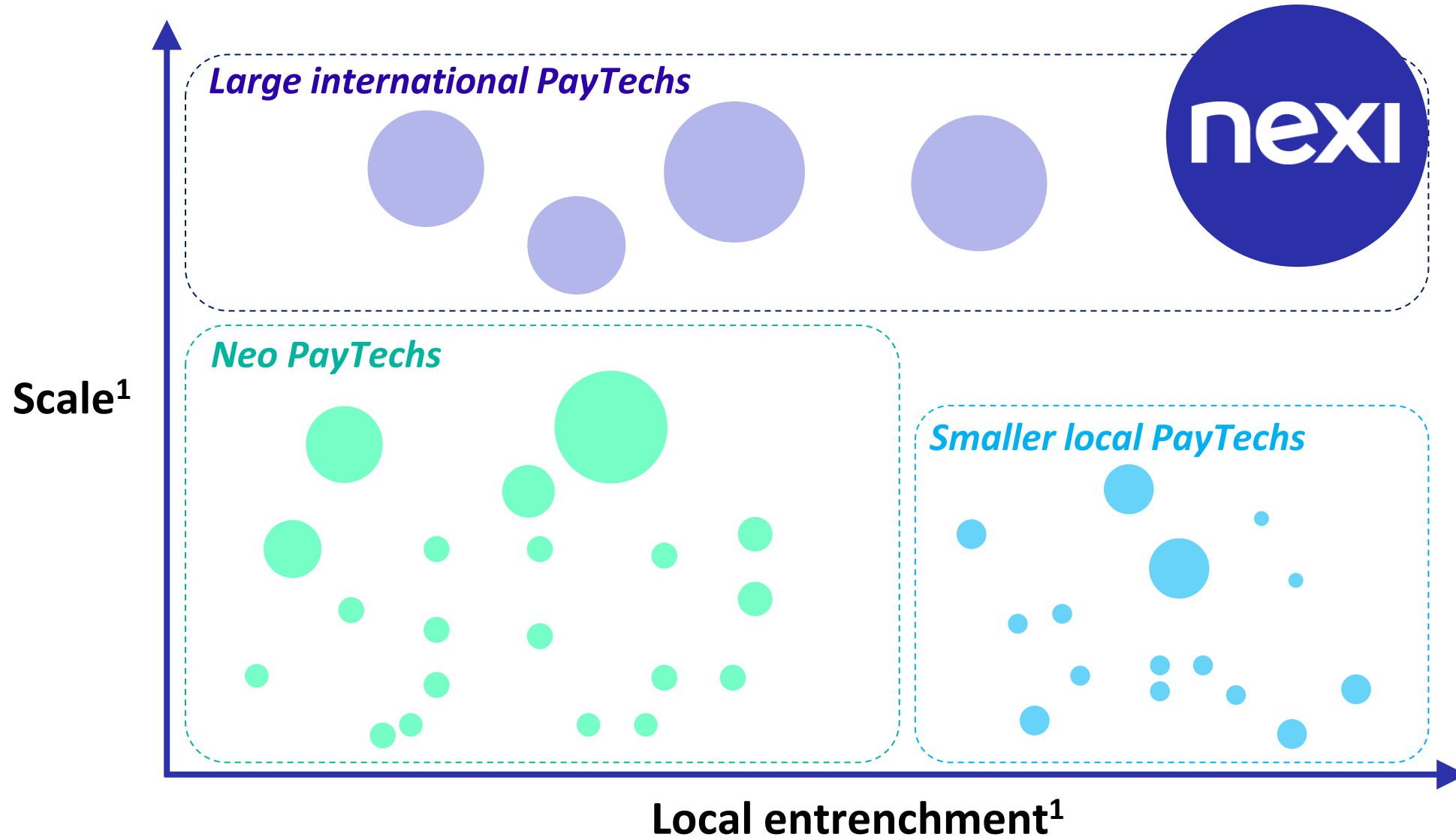
Pan-European scale unlocking significant benefits

- ✓ Efficiency and operating leverage
- ✓ Innovation and technology firepower
- ✓ SME Champion proposition
- ✓ eCom European platform at scale
- ✓ Omni-channel LAKA proposition
- ✓ Financial Institutions propositions

1 Nexi market & customer proximity key to win in local markets



1 Nexi unique differentiated positioning combining large scale and deep market & customer proximity



Drive focused accelerated growth in key market opportunities through superior products and commercial execution (1/2)

X% Weight on total 2021 Group revenue¹



Merchant Solutions

52%

SME

o.w. 52%²

Strengthen European leadership through:

- Modular flexible **one-stop shop solutions**, segment and local-specific
- **Payments-software integration**, partnering with ISVs
- Investments on **local distribution**, both direct and indirect

LAKA

o.w. 10%²

Grow in National (and Regional) **Mid/Large corporates** with:

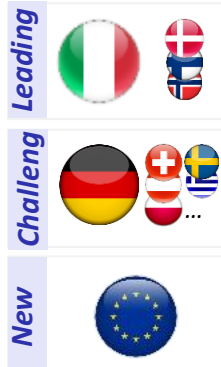
- **Industry-specific omni-channel** propositions
- **Deep local entrenchment** via partnerships and tech integrations
- Investments in dedicated **local sales** and **support capabilities**

eCommerce

o.w. 20%²

Achieve **leadership in mid market** through:

- **High-conversion omni-acceptance** and collection **solutions**, with full local integrations
- **Local front-ends** with **one pan-European** integration layer
- **Cross-selling synergies** with **SME** and **LAKA**, with further investments in **local go-to-market** and support



✓ Consolidate leadership and grow value across verticals

✓ Win market share and accelerate growth

✓ Drive accelerated growth with focus on specific verticals

✓ Win market share across all markets

✓ Over time, expand into new markets³

2

Drive focused accelerated growth in key market opportunities through superior products and commercial execution (2/2)

X% Weight on total 2021 Group revenue¹



Issuing Solutions

32%

Win new customers in Europe

- Win **new Bank customers** on **digital processing** across **Europe** leveraging unique platform agility
- Win **Corporates/FinTechs** and **medium/smaller Banks** through Nexi unique **Payments-as-a-Service** propositions

Grow customer base value

- Upsell **modular VAS proposition** on **Banks** customer base
- Upgrade **medium/smaller customer Banks** to Nexi unique **Payments-as-a-Service** propositions



Digital Banking Solutions

16%

Grow in Account-based Payments

- Accelerate **integrated Account Payments** and **Collection solutions** for **Corporates** and **PA**
- Drive **Account-to-Account/Instant Payments** growth across Europe

Rationalize business portfolio

- Focus on key **growth strategic opportunities**
- Dismiss/partner on **non-core businesses**

Deliver strong recurring synergies, well above M&A plans...

Key transformation initiatives...

Revenue expansion through best-in-class **products** and **cross-fertilization** across markets

Tech platforms optimization/consolidation

Procurement optimization

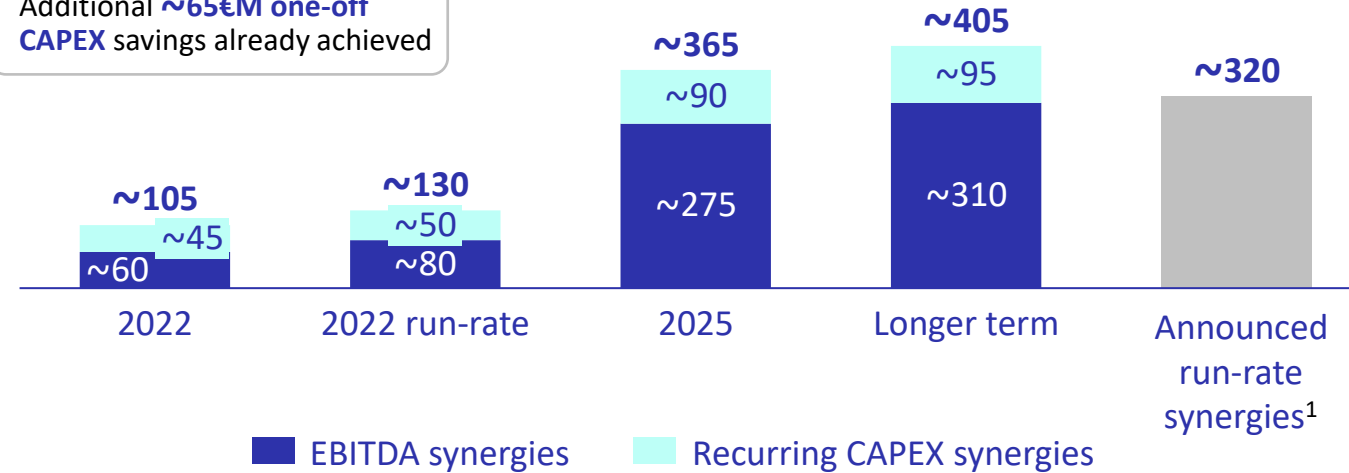
Insourcing and operational excellence

Continuous **opex/capex planning & optimization**

...driving strong synergies, short and long-term

Total cash synergies (€M)

Additional **~65€M one-off CAPEX** savings already achieved

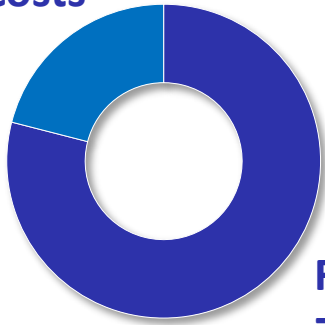


- ✓ **~105€M** synergies confirmed by **2022**
- ✓ **~365€M** synergies to be delivered by **2025**, **~405€M** in the **longer term**
- ✓ **25%+ more synergies** than announced

...and continued operating leverage driving EBITDA margin expansion

Limited variable costs^{1,2}

Variable Costs
21%

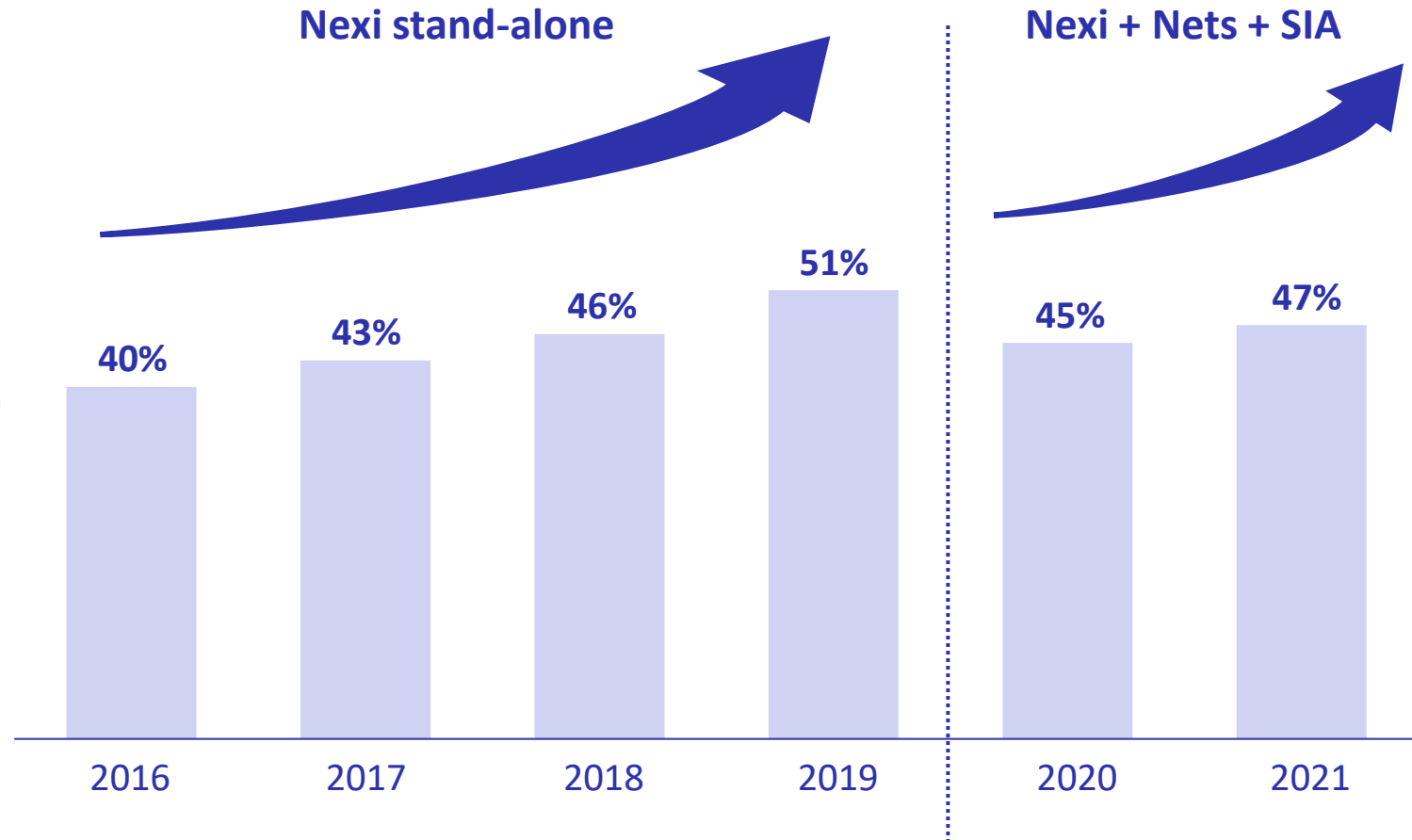


Fixed Costs
79%

Continuous efficiency improvement

- Operational transformation
- Process digitalization
- Efficiency culture

Continued EBITDA margin expansion as part of our DNA²



Superior technology capabilities at scale...

Cutting-edge product development capabilities



>30K

new IT releases
in the last 12 months



40%+

YoY microservices
developed



Country-specific
gateways managed by
dedicated teams



Cloud-based
platforms &
data lake



>3k

Product & Tech
specialists



850+€M

Cash IT &
Innovation spend²



1

Pan-european
Digital Hub for software
development

Best-in-class processing and core platforms capabilities



>1K

dedicated
professionals



~15bn

issuing transactions
processed per year



~14bn

acquiring transactions
processed per year



~17bn

clearing transactions
processed per year



1,000+

financial
institutions



Long-term partner of
governments, PAs,
Central institutions &
Central Banks¹



Partner of choice
for systemic
initiatives



"Migration engine"
proven by 20+
M&A



>35

petaBytes in
storage space



>25K

servers managed
across Europe



>5K

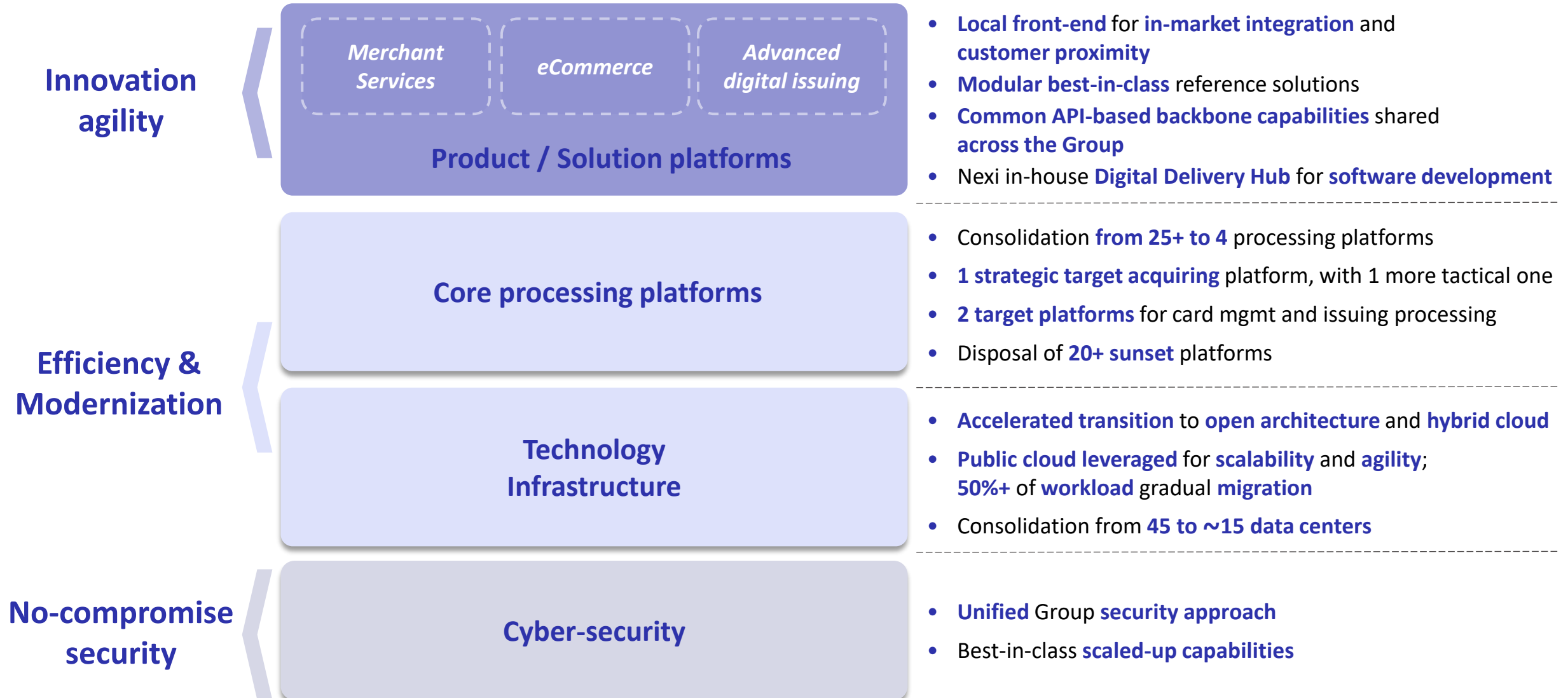
network nodes



11 countries with
technology sites

Mission-critical leading edge infrastructure capabilities

...further evolving to drive innovation agility and efficiency



5 One integrated talented team, with deep PayTech capabilities



~10,200

Employees



~3,000

Professionals in
Product & Tech



~4,600

Professionals in
Sales & Operations



50+

Nationalities



~43%

Women
employees

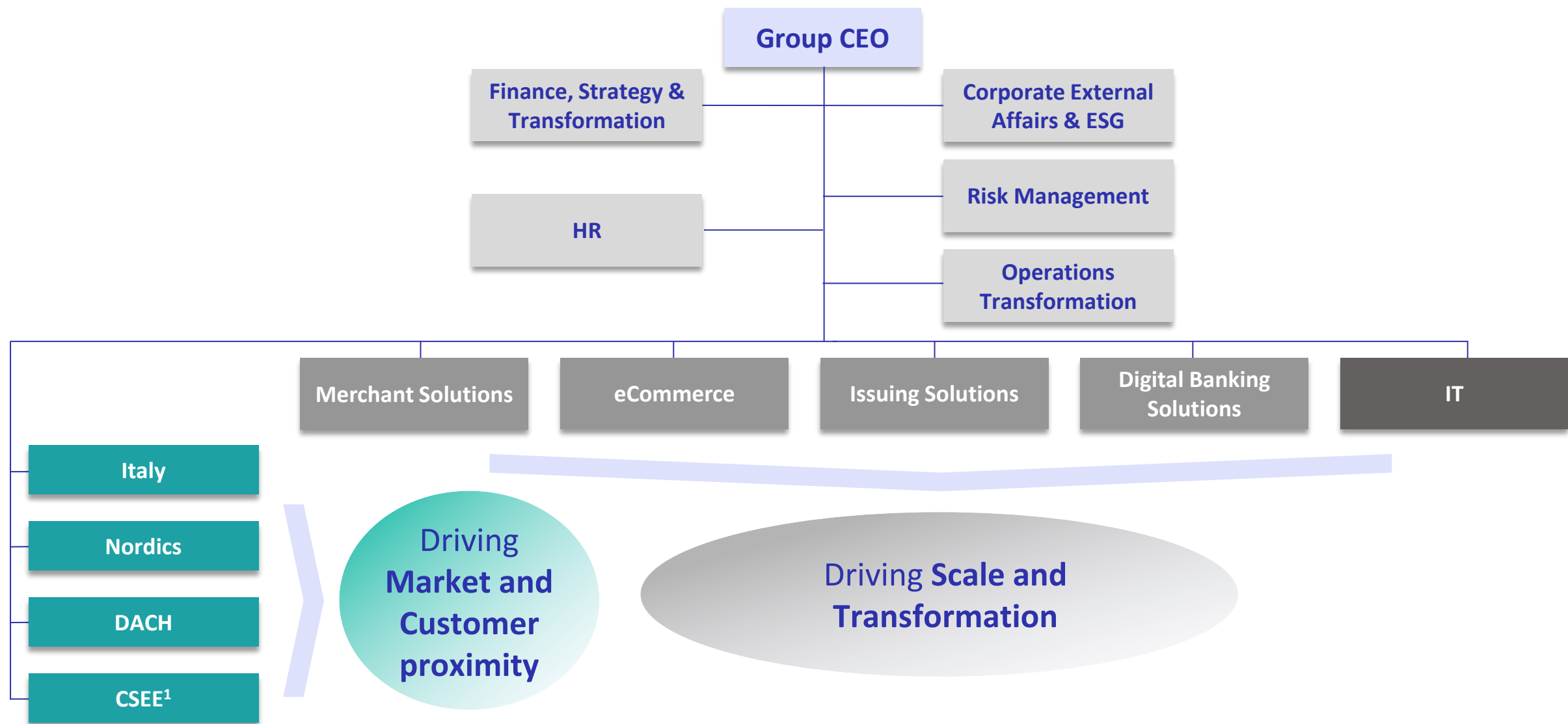


~70%

Employee
Engagement Index



5 Evolving into one integrated Operating Model to deliver strategy



ESG championship, making digital payments a driver of progress



Digital Payments as a driver for progress...



Social Progress, Digitization and Inclusion

- Support **SMEs** and **micro businesses digitization**
- Support **public services** and **PA / citizens digitization**
- Drive **digital inclusion** and increase **proximity to local communities**



Trust and Security

- Guarantee **perfect security** and **service continuity**
- Promote **customer centricity** as a business foundation



...and clear commitment to ESG championship



Sustainable Products and Supply Chain

- Improve **eco-friendly design of products**
- Promote Nexi's **sustainability standards** across **supply chain**



Decarbonization

- Achieve **Carbon Neutrality by 2022** and **Net Zero by 2040**
- Accelerate **greener consumption behaviors**



Talent Development and DE&I

- Invest in **people engagement** and **continuous capabilities upgrade**
- Ensure **proper gender / minorities representation** and **inclusion**



Governance

- Adhere to **high ethical standards** and disclose **complete ESG policies**
- Adopt a **best-in-class governance** to achieve our ESG targets

S&P Global

68
/100

vs. 61 in 2020



A-

vs. C in 2020

3.

Strong profitable growth and cash generation

Strong profitable growth and cash generation

Guidance 2021-2025 (organic basis)

Net revenues

~9% CAGR

EBITDA
EBITDA margin

~14% CAGR
~+900 bps by 2025

Excess cash generation¹

~2.8 €B 2023-2025

Net leverage

1.0x - 1.5x by 2025

Normalised EPS²

~20% CAGR

Best poised to capture further future value growth

