



nexi

FY24 Results Presentation

February 28th, 2025

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Key messages

Continued delivery of growth and strong excess cash generation

- **Revenues** growing at **+5.1%** vs FY23, with **Merchant Solutions** revenues up **+6.3%** vs FY23
- **EBITDA** growing at **+7.1%** vs FY23 with **~101 bps EBITDA margin expansion y/y**
- Continued **strong growth on excess cash generation** at **717 €M** in FY24, **+19%** vs FY23
- **Normalised EPS** at 0.59€ in FY24, **+11%** vs FY23

Shaping Nexi for future profitable growth

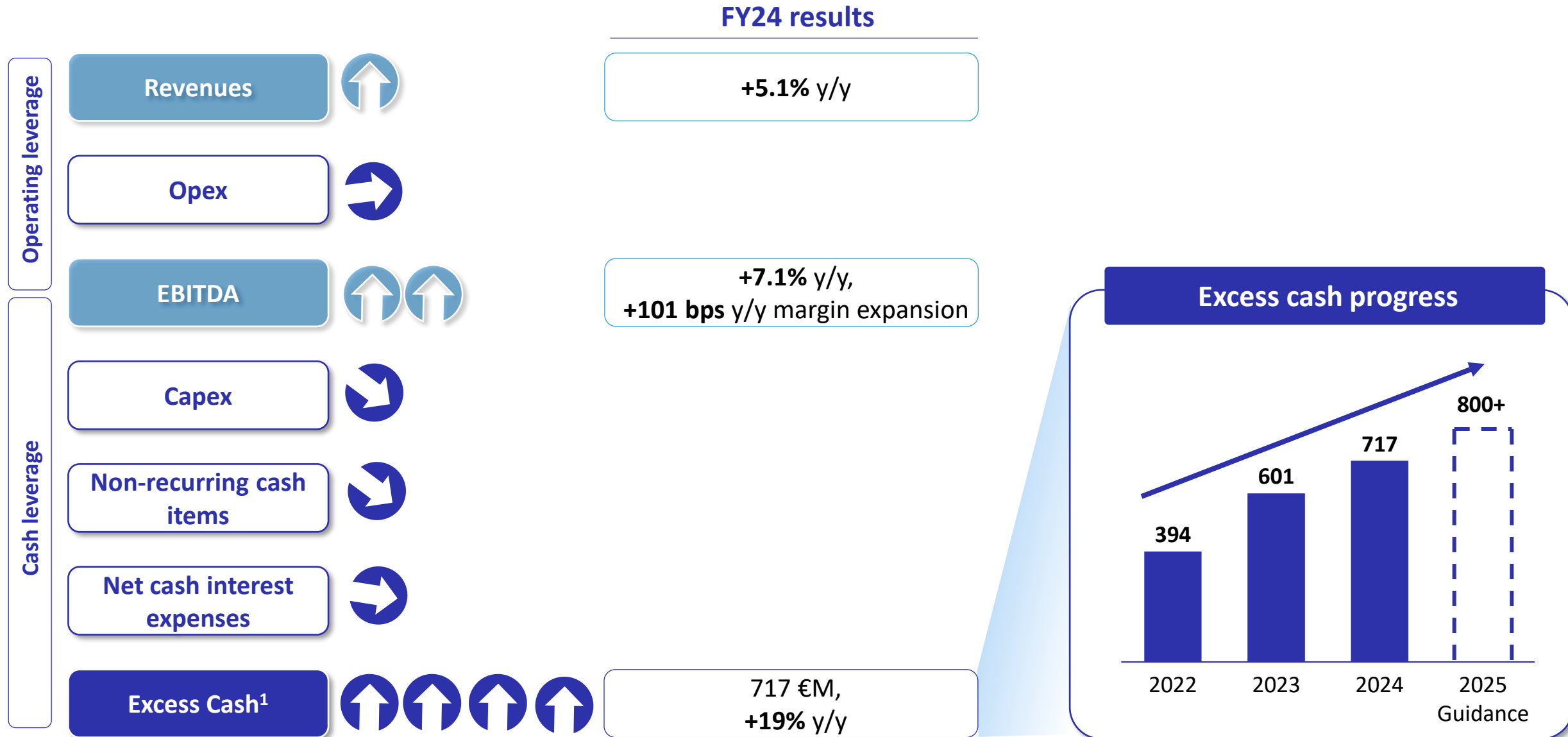
- **Progressing integrated payments strategy execution**; >500 ISV partners at year-end, Nexi integrated payments-SW bundles in 6 markets
- **Italian complementary SME sales channels strong acceleration**, representing more than 30% of new sales in 4Q24
- **2024 efficiency plan** and **organizational synergies fully executed**
- **Gen AI roll-out**, with IT and Operations focus, starting to generate material value

Creating value for our Shareholders

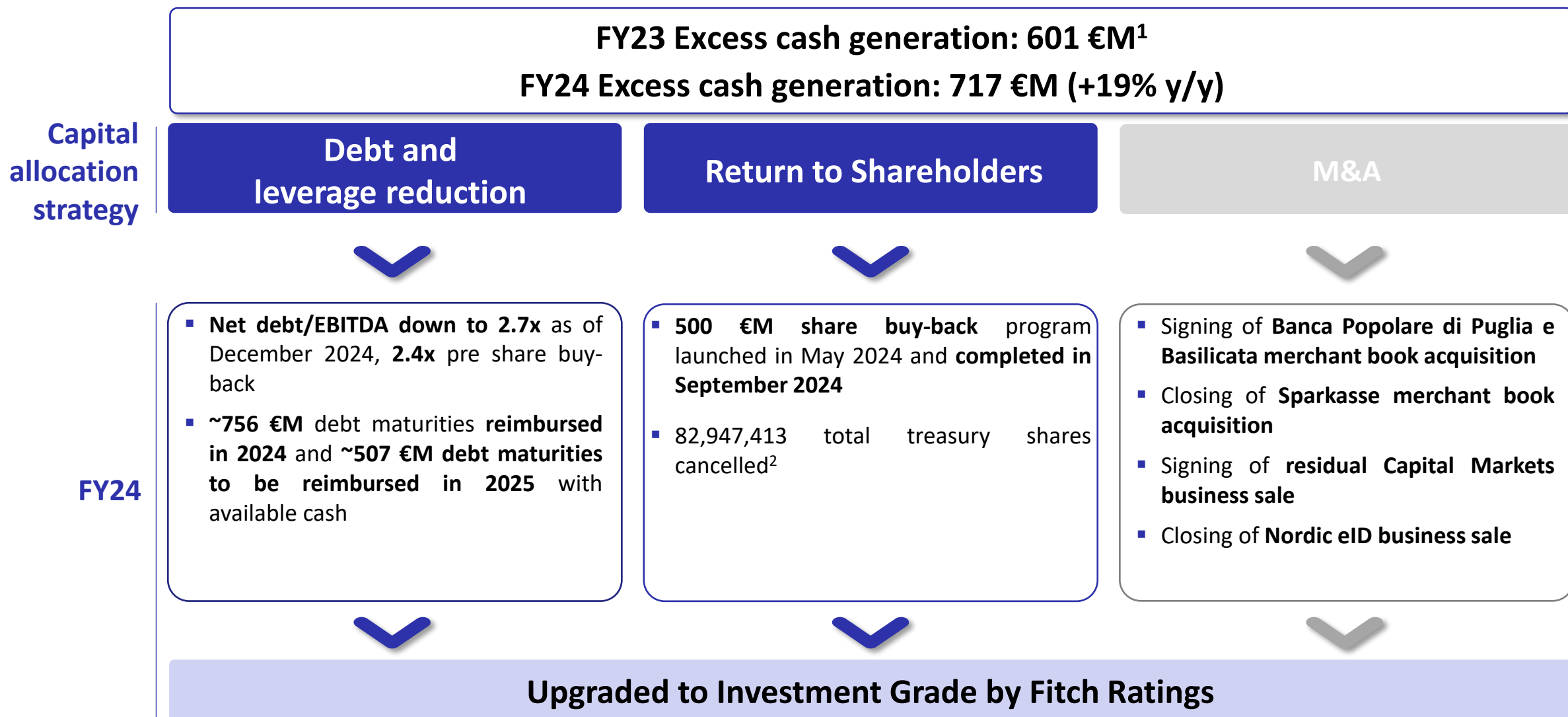
- **Leverage ratio down to 2.7x** (2.4x pre share buy-back)
- **Upgraded to Investment Grade by Fitch Ratings** in December 2024
- **500 €M share buy-back fully executed in 2024**
- **Going forward, we plan to return to Shareholders most of excess cash** and we will start distributing dividends in 2025, growing over time, while maintaining the Investment Grade Status
- **In 2025 we will return a total of ~600 €M to Shareholders** (+20% increase vs 2024), of which **~300 €M of dividends** and additional **~300 €M share buy-back program**

2024 Guidance delivered

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



Capital allocation: FY24 achievements



Capital allocation: plan for 2025 and guidance

FY24 Excess cash generation: 717 €M (+19% y/y)
FY25 Excess cash generation guidance: at least 800 €M

Debt and leverage reduction

- Commitment to maintain Investment Grade status
- Continued gradual deleveraging towards ~2.0x-2.5x EBITDA target leverage

Return to Shareholders

- Going forward, we plan to return most of the generated excess cash¹ to Shareholders
- From 2025, we will start distributing dividends that will grow over time

In 2025:

- Dividend distribution of ~300 €M² (0.25 € per share), then growing over time
- Additional ~300 €M share buy-back program
- Total return of capital to Shareholders: ~600 €M, +20% vs 2024

Implying a ~10% total distribution yield at current share price

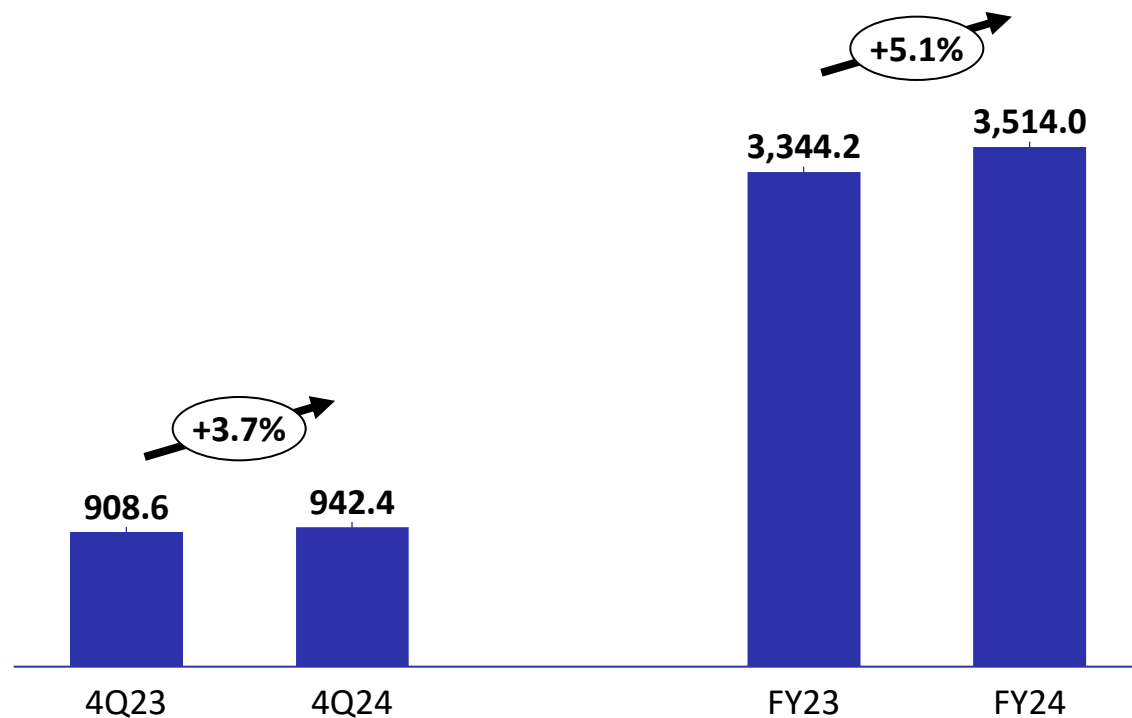
M&A

- Very selective and value accretive acquisitions
- Continued focus on DBS portfolio rationalization

Focus on FY24 results

Solid Revenue and EBITDA growth, with continued margin expansion

Net Revenues (€M)



EBITDA (€M)

EBITDA margin

53%

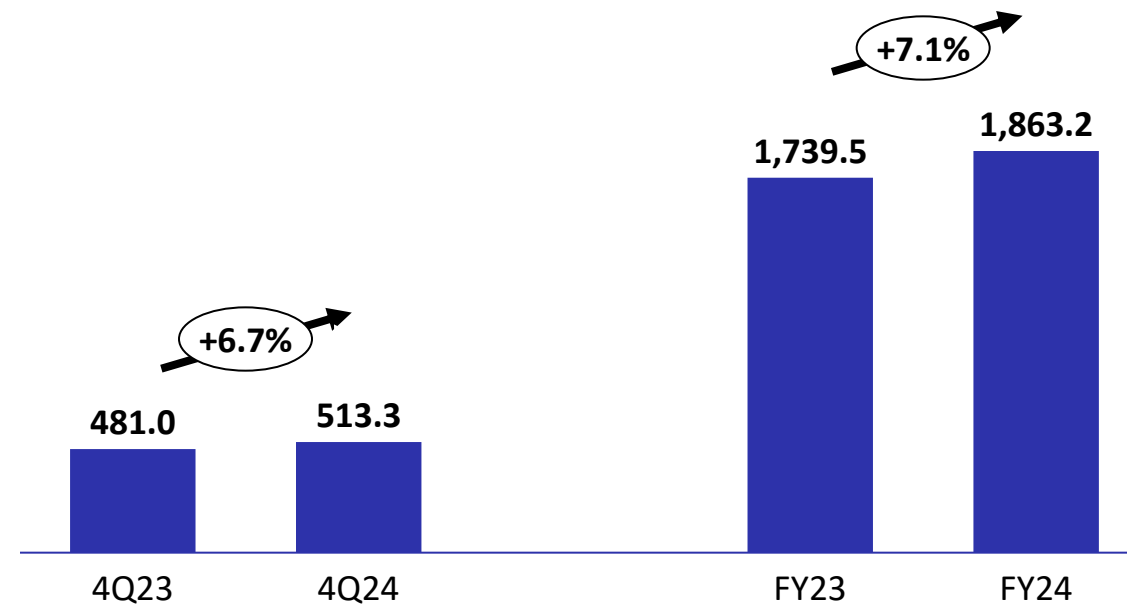
54%

52%

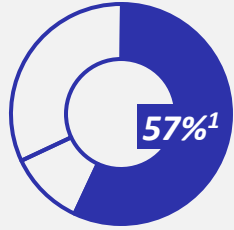
53%

+ 153 bps

+ 101 bps



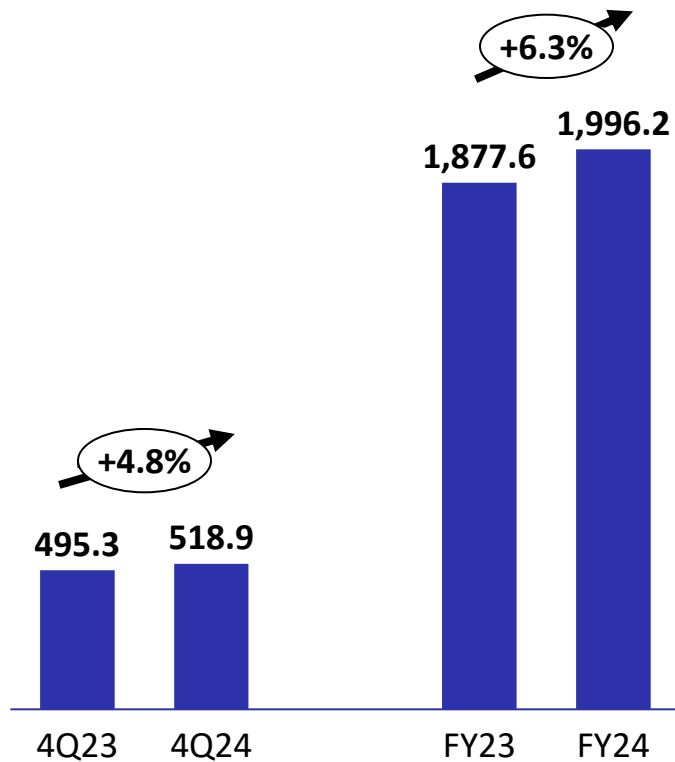
Merchant Solutions: continued growth supported by volumes, customer base growth and value enhancing initiatives



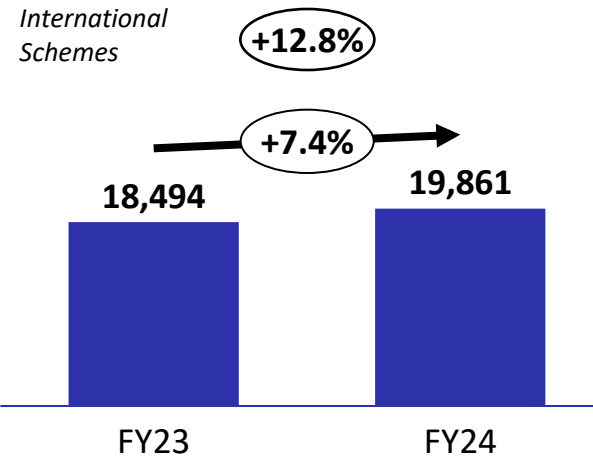
Merchant Solutions



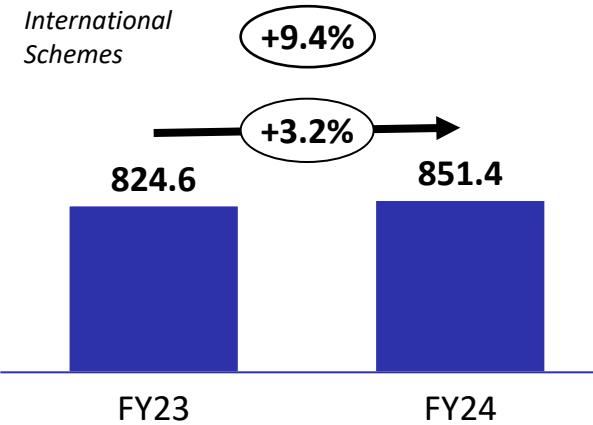
Net Revenues (€M)



Managed Transactions (#M)



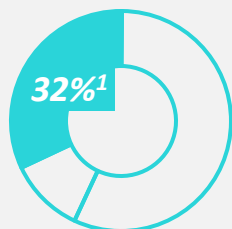
Value of Managed Transactions (€B)



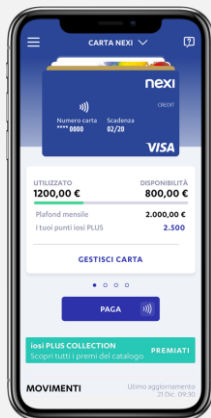
Key Highlights

- **Sustained volume growth across the Group**, driven by International schemes especially in Italy, DACH and Poland
- **4Q24 revenue dynamics vs FY24** affected by some **phasing effects**, **weaker macro** (mainly in the Nordics) and some **early impacts from known bank lost in Italy** due to M&A
- **Continued SMEs volume growth** driven by customer base² expansion, particularly strong in Italy, DACH, Denmark and Poland
- **Continued strong growth of E-commerce** customer base and volumes
- **Visible contribution from VAS upselling**

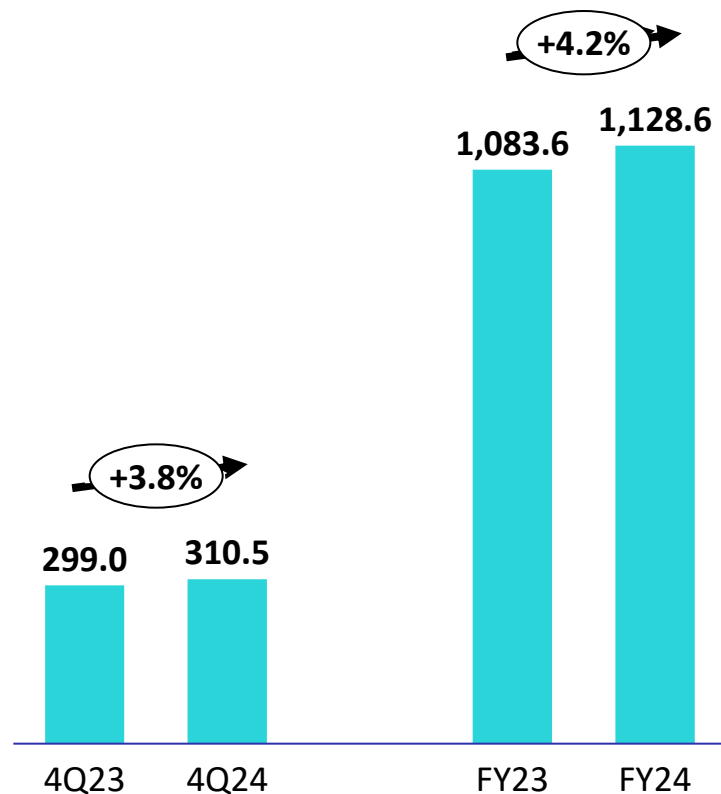
Issuing Solutions: continued growth supported by international schemes volumes



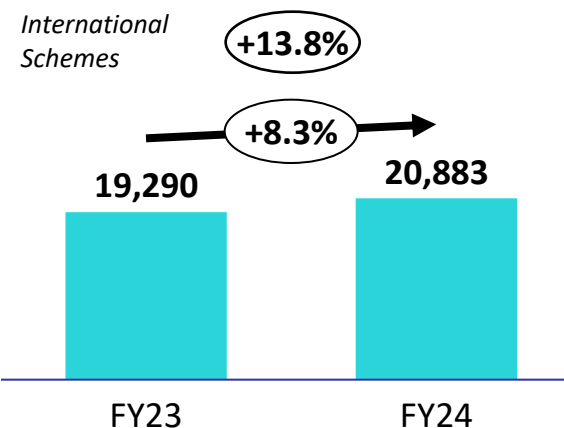
Issuing Solutions



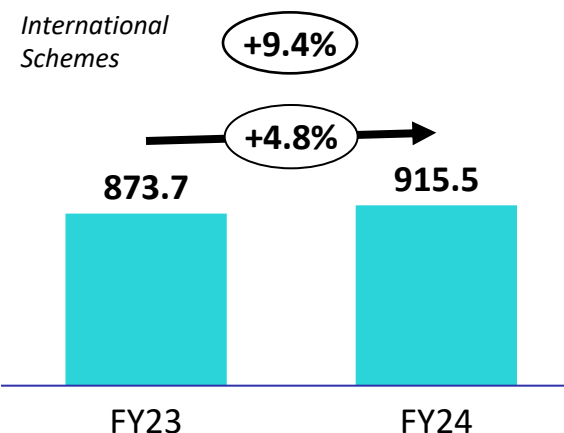
Net Revenues (€M)



Managed Transactions (#M)



Value of Managed Transactions (€B)



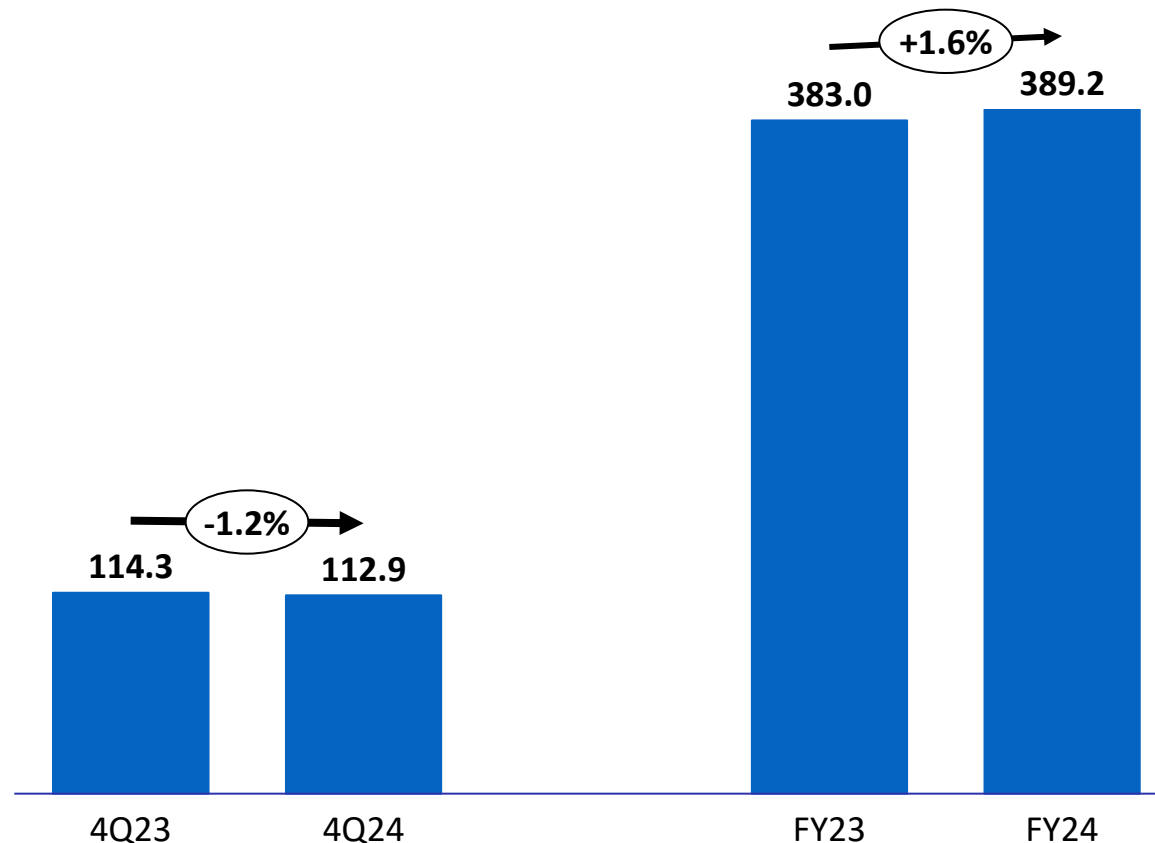
Key Highlights

- Continued y/y revenue growth thanks to number and value of transactions growth (International Schemes), continued success of international debit and up-selling/cross-selling of VAS and more valuable propositions
- 4Q24 better than anticipated y/y revenue growth supported by volumes acceleration and postponement of a single client migration in the Nordics previously disclosed, despite the expected lower contribution from project work vs 4Q23

Digital Banking Solutions: continued FY revenue growth thanks to volumes and business development initiatives



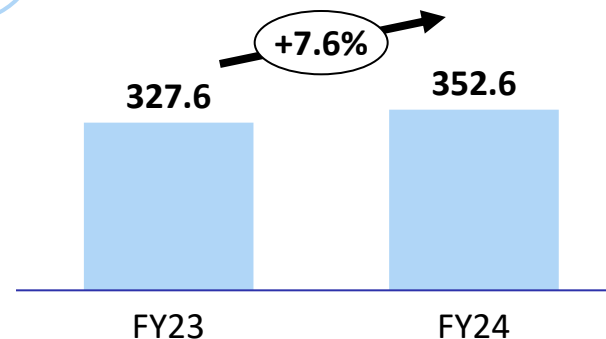
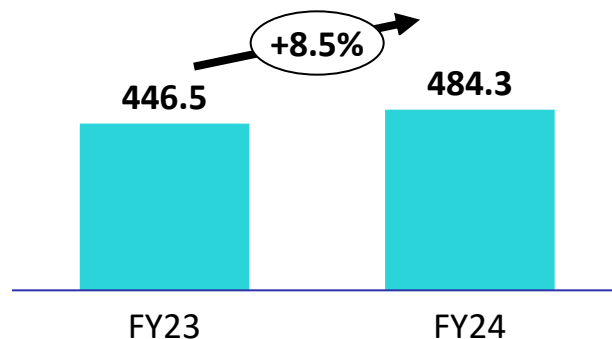
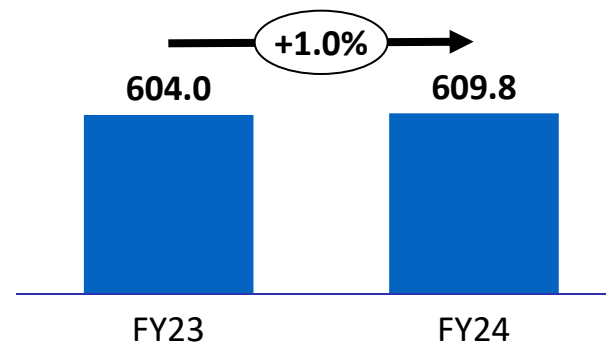
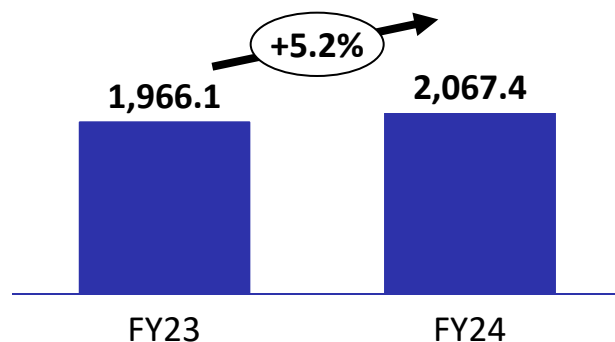
Net Revenues (€M)



Key Highlights

- **FY24 y/y revenue growth** thanks to both **revenue from existing services** and **business development initiatives**
- **4Q24 y/y revenue growth** affected by project phasing vs 3Q24
- **Payments Infrastructures:** continued account-to-account volume growth and new business developments with EBA clearing and Network services
- **New Banks Payments Hub PaaS proposition:** confirmed good traction with banks across EU

Continued revenue growth across geographies in FY24



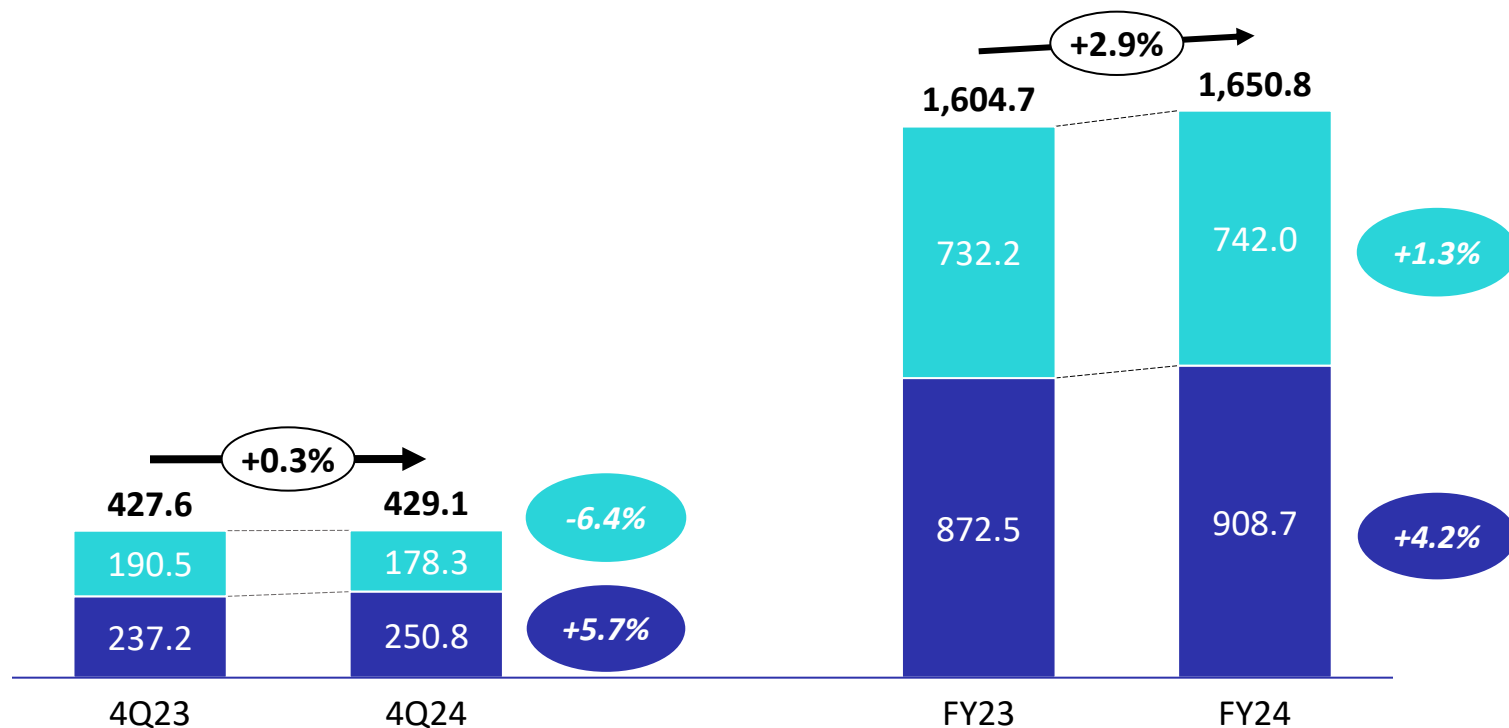
Key Highlights

- Continued revenue growth across geographies in FY24 thanks to volume growth, driven by International Schemes, customer base growth and value enhancing initiatives
- Italy: 4Q24 revenue growth affected by some phasing effects and some early impacts from known bank lost in Italy due to M&A, despite strong contribution from value enhancing initiatives and continued success of International debit
- Nordics: 4Q24 revenue growth affected by some phasing effects on commissions from partners, coupled with weaker macro (mainly in Finland and Sweden)
- DACH & Poland: 4Q24 revenue growth accelerated to double-digit thanks to customer base growth and value enhancing initiatives in Germany

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

Total Costs (€M)

Personnel Costs
Operating Costs

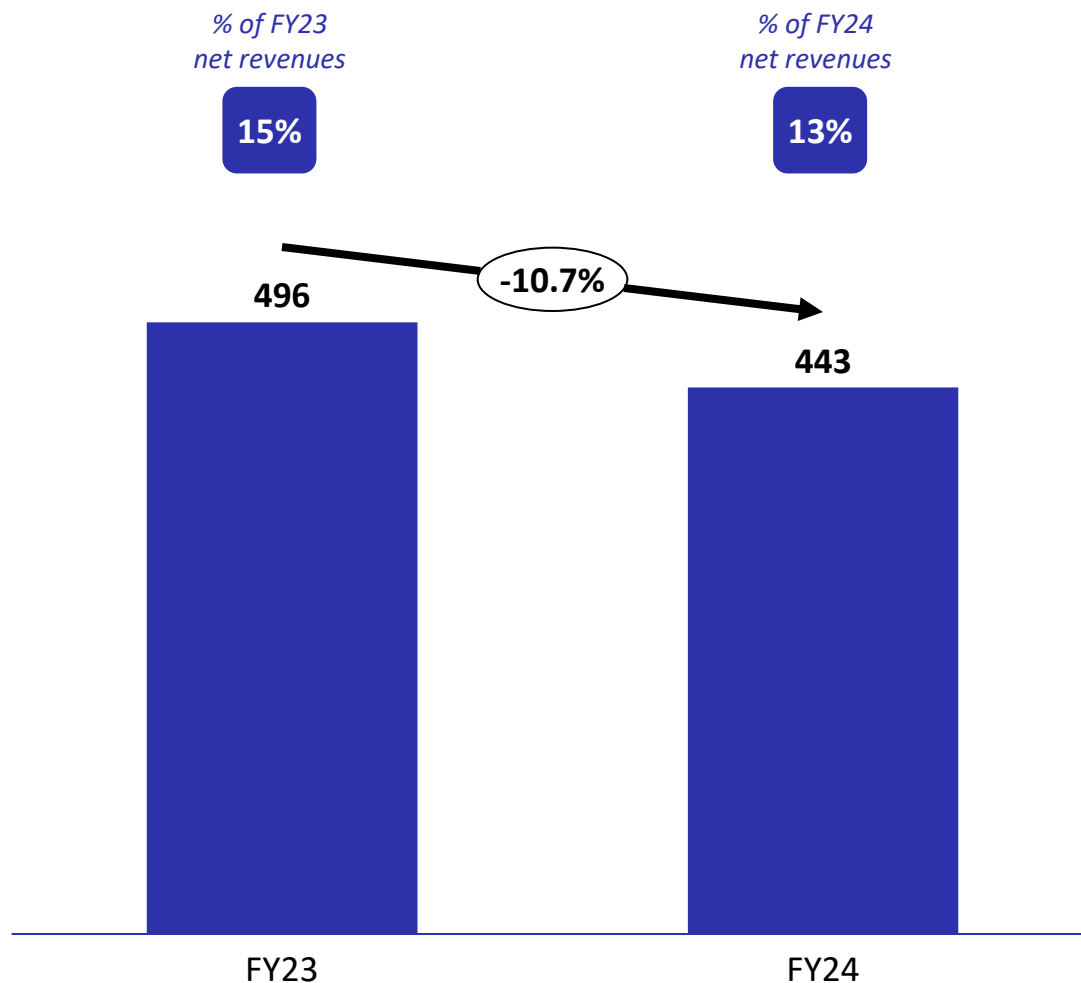


Key Highlights

- **Continued organizational efficiency measures and operating leverage limiting cost growth** notwithstanding volume, business growth and inflationary pressure:
 - **Personnel costs** almost flat y/y, benefitting from the ongoing efficiency measures (e.g. organizational efficiencies and synergies) despite inflationary pressure
 - **Operating costs** impacted by volume, business growth and inflationary pressure, with some phasing effects in 4Q24

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

Capital Expenditure¹ (€M)



Key Highlights

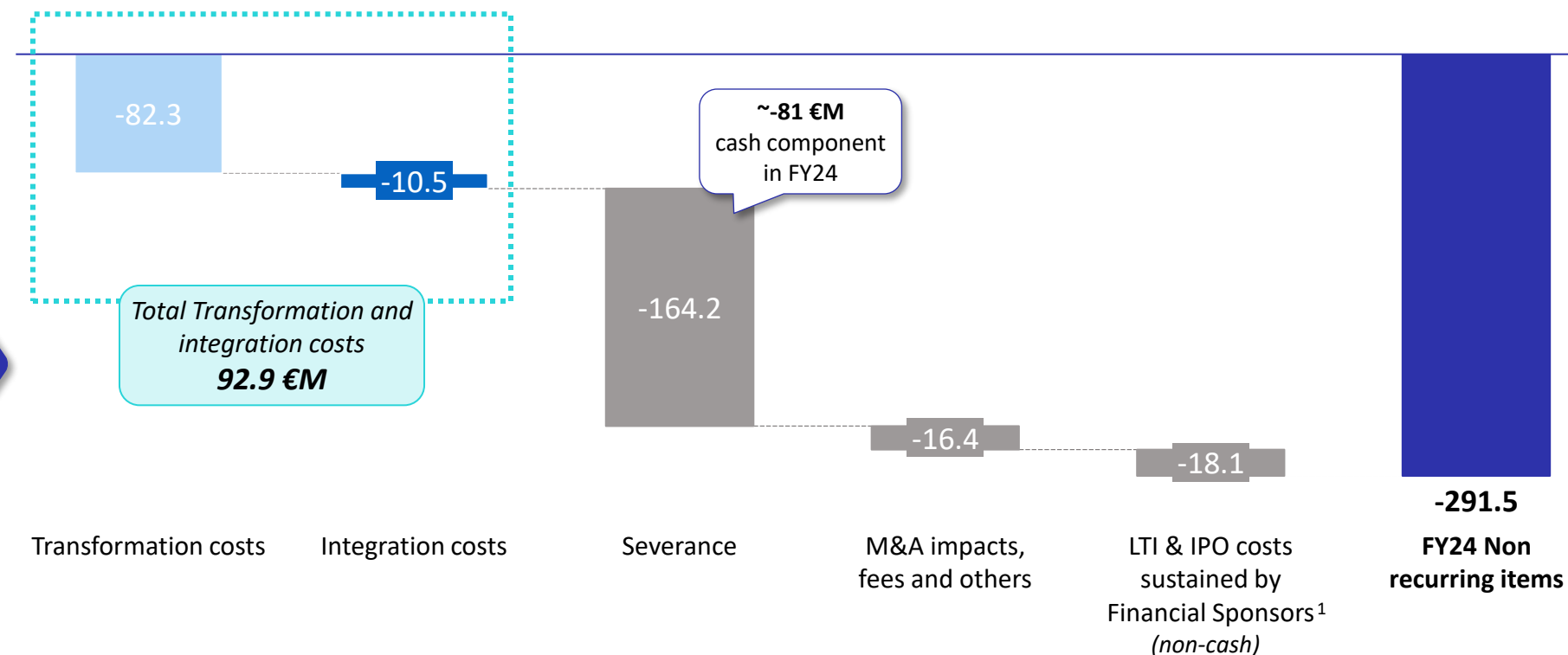
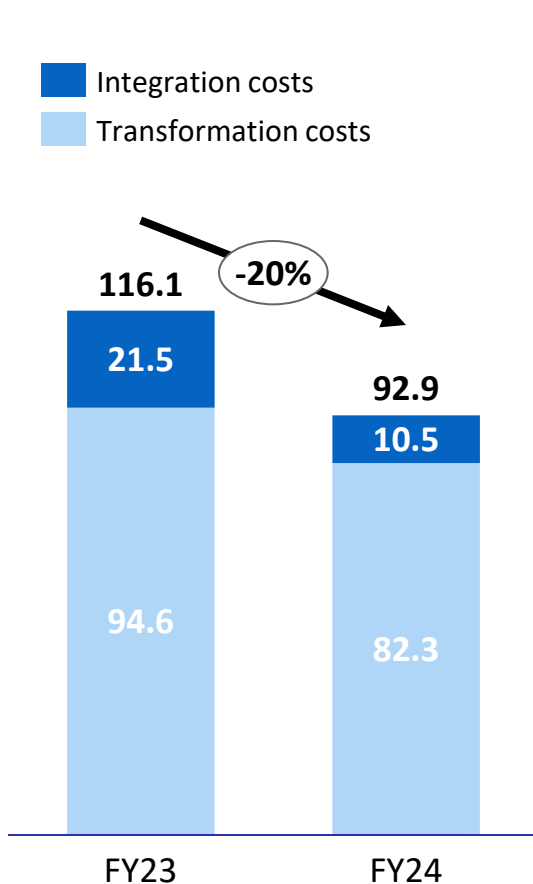
- Continued reduction of total Capex and Capex intensity, down 2 p.p. y/y, thanks to Transformation Capex completion and focus on Capex efficiency
- Continued progress on IT platforms modernization and consolidation
- Continued investments to support innovation, quality and security

Continued strong reduction of Integration and Transformation Costs

Transformation and integration costs (€M)

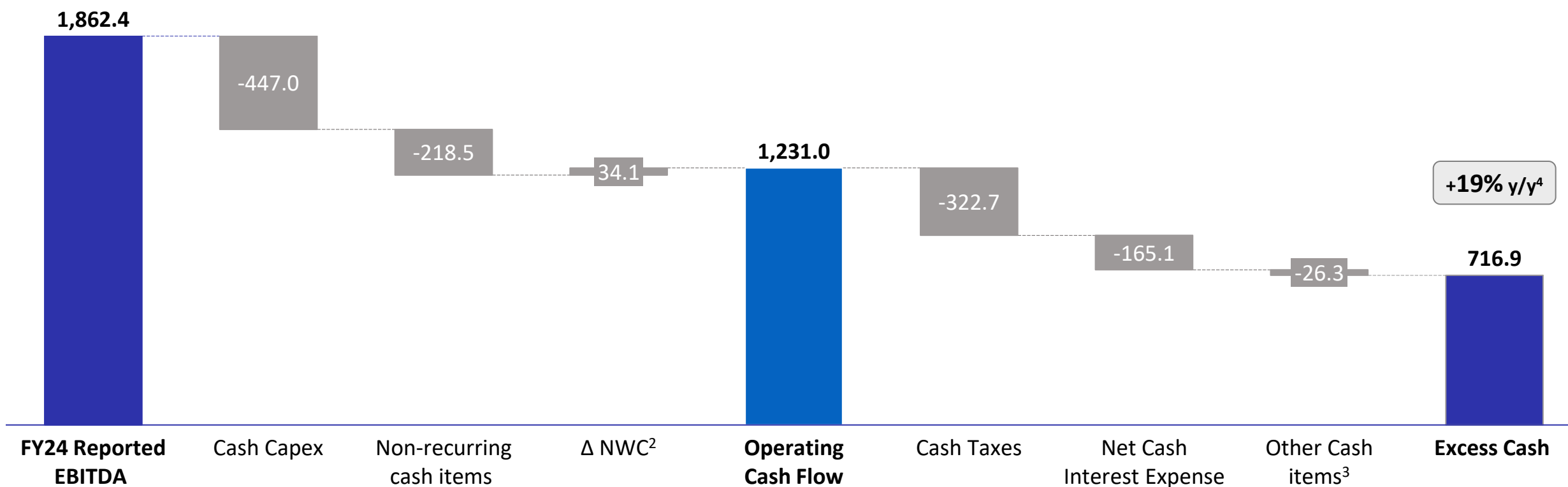
Bridge from FY 2024 transformation and integration costs to non-recurring items (€M)

Integration costs
Transformation costs



Continued growth of excess cash generation in the year

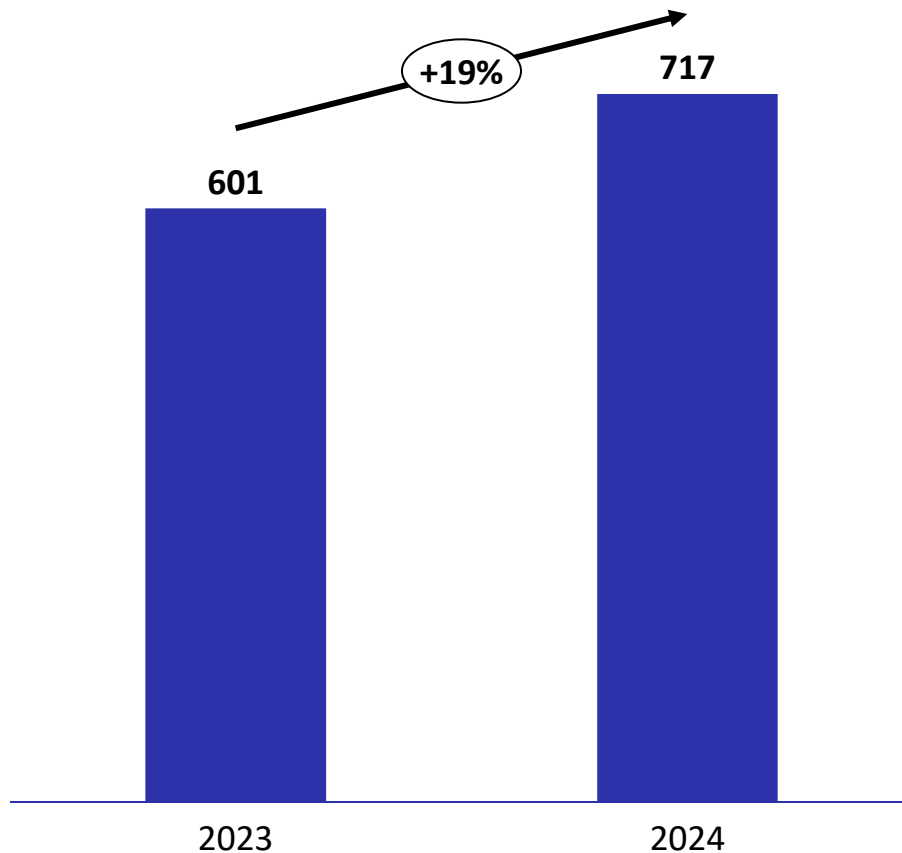
Excess cash generation¹ (€M)



Note: (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. (4) Calculated as y/y growth versus 601 €M excess cash in FY23 (gross of deferred taxes)

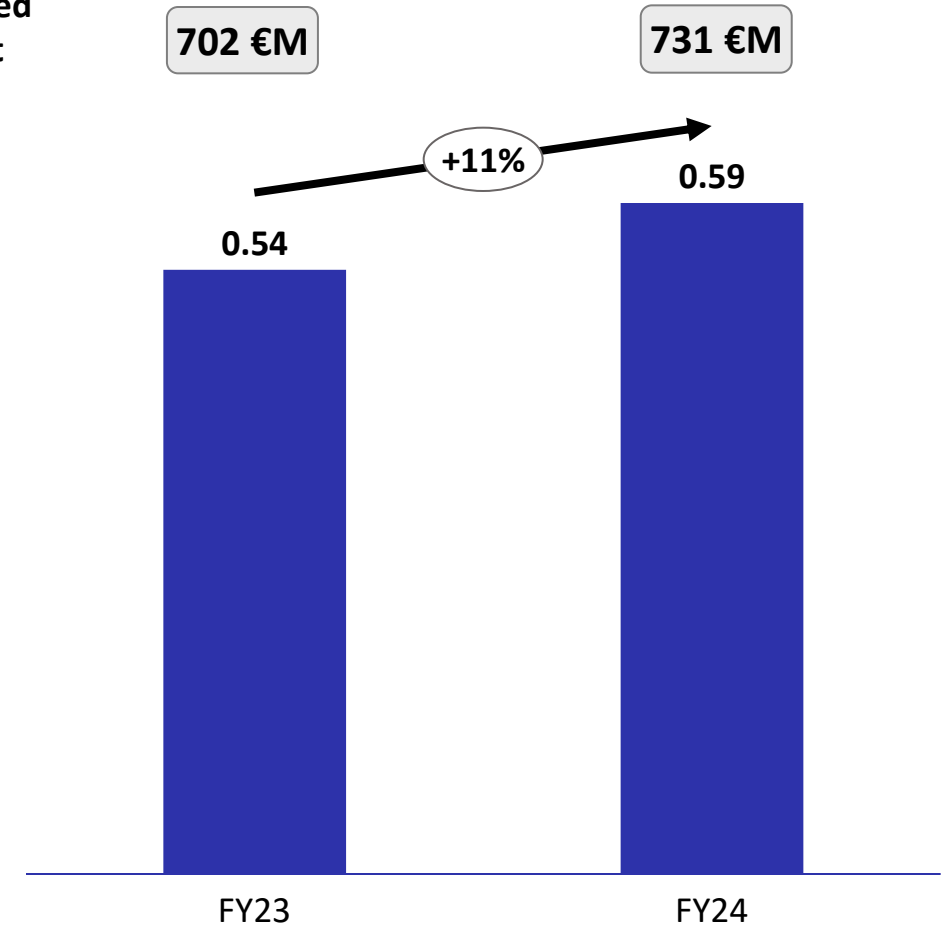
Accelerating excess cash generation and double-digit normalised EPS growth in 2024 including share buy-back effect

FY24 Excess cash¹



FY24 Normalised EPS²

Normalised
Net Profit



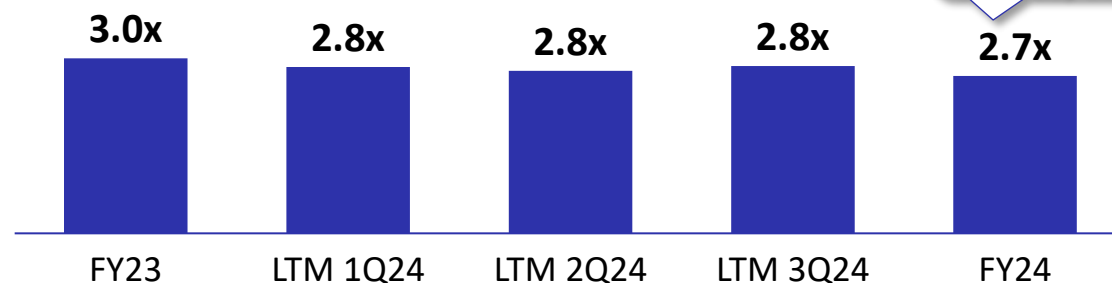
Note: (1) Operating cash flow generation after cash interest expenses and other cash items (cash taxes, IFRS 16 and other). 601 €M excess cash in FY23 gross of deferred taxes. (2) Normalised EPS including share buy-back effects (82,947,413 total treasury shares cancelled).

Net Financial Debt / EBITDA down to 2.7x (2.4x pre share buy-back)

Net Financial Debt (€M)

	Dec 23	Mar 24	Jun 24	Sept 24	Dec 24
Gross Financial Debt	7,215	7,210	6,939	6,964	6,450
Cash	1,889	2,104	1,870	1,673	1,405
Cash Equivalents ¹	64	71	67	68	74
Net Financial Debt	5,262	5,035	5,001	5,223	4,971

Net Financial Debt / EBITDA (€M)



LTM EBITDA (€M)²

1,767

1,780

1,809

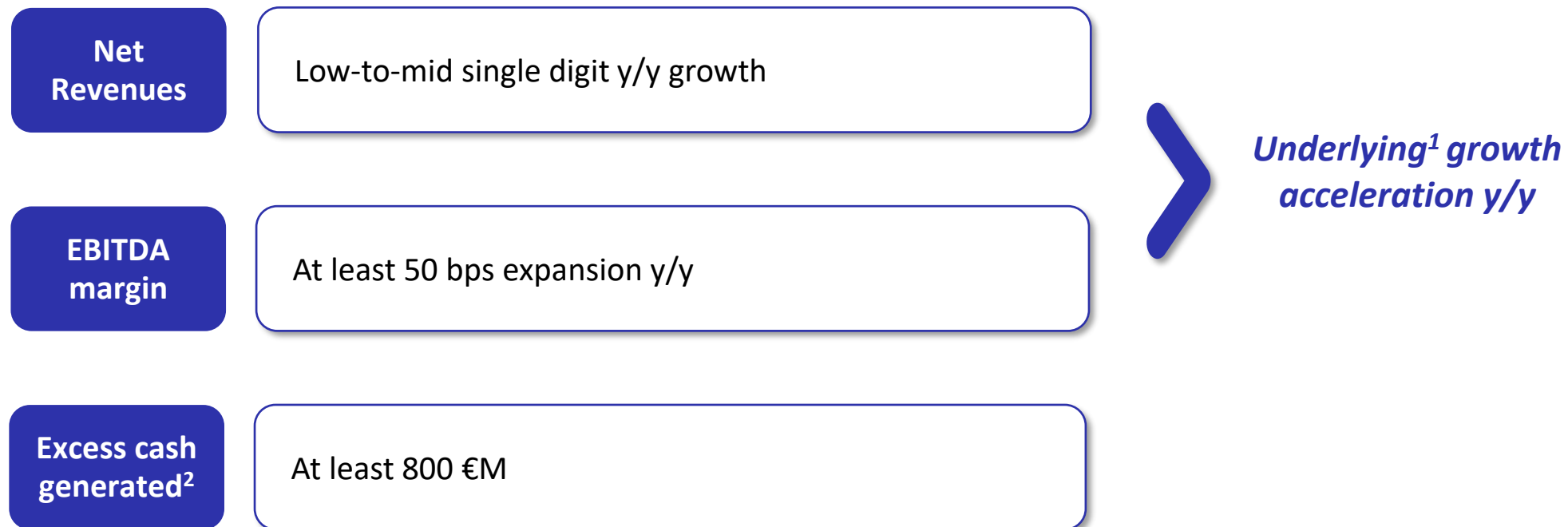
1,833

1,857

Key Highlights

- ~756 €M debt maturities reimbursed in 2024; ~507 €M of 2025 debt maturities to be repaid
- Upgrade by Fitch to “BBB-” in Dec 2024
- 320 €M of funding already secured from EIB and Cassa Depositi e Prestiti S.p.A.
- Weighted average debt maturity of ~2.4 years and average pre-tax cash cost of debt stable at ~2.7%³ (75% fixed-rate)
- Commitments in excess of 3 €B received from relationship banks to fully refinance the 1 €B Term Loan due 2026 and increase the RCF to 1 €B. Maturities will be extended to 2030

2025 Guidance



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Closing remarks

Key messages

Continued delivery of growth and strong excess cash generation

Shaping Nexi for future profitable growth

Creating value for our Shareholders

2024 Guidance delivered



2025 Guidance

Excess cash generation: At least 800 €M



Capital Allocation

Return to Shareholders in 2025: ~600 €M (+20% increase vs 2024), of which **~300 €M dividends**, growing over time, and additional **~300 €M share buy-back**

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Q&A

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Annex

Merchant Solutions: key business update

FY24 TRX Value Key Business Highlights

59%¹

SME

+6%
vs. FY23

- **Continued growth of terminals installed base² across all markets**, particularly in Italy, DACH and Poland
- **Strong acceleration** in Italian direct SME sales channels (more than 30% of new sales in 4Q24)
- **Good sales performance of Group digital SME solutions**, with SmartPOS launched in 3 Nordic markets and accelerating strongly in Italy (+70% Y/Y in 4Q24)
- **Android SoftPOS/Apple Tap-To-Pay launched in 8 markets**
- **Merchant Financing live in 6 markets**
- **Progressing integrated payments strategy execution, with ISV partnerships continuing to expand across markets** (new wins in DACH in both eCR and vertical software) and Nexi-led commerce solutions bundles live in 3 markets

10%¹

eCom

+10%
vs. FY23

- **Strong growth of customer base**, driven by Italy and mid-market checkout solutions in the Nordics
- Strong pipeline of **new wins in mid-corporate across markets**, especially in Retail
- **Signed strategic groupwide Klarna partnership**, enabling seamless BNPL acceptance as a conversion enhancer for merchants
- Continued progress on **APMs omni-acceptance** with signed acquiring contract for **EPI/Wero in Germany** in partnership with Computop (live in 3Q25), GooglePay in Nordics and Visa Click2Pay in Nordics and Poland

13%¹

LAKA

+3%
vs. FY23

- **Healty pipeline of new customer wins and cross-selling**, with strong traction in mid-corporates and national LAKAs in multiple verticals such as Retail, Insurance and Mobility.
- **Continued commercial progress on Computop Paygate in Germany**, focused on LAKA omnichannel propositions

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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 FY24 Merchant Solutions revenues. Remaining 18% includes cash acquiring revenues not attributable. (2) Total Group # POS.

Examples of recent customer wins & upsells



ISVs/Platforms Partnerships



Group normalised P&L at constant scope and FX

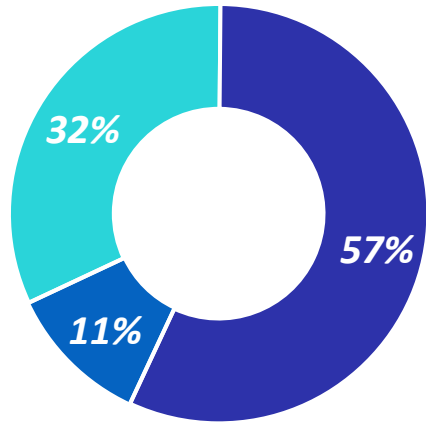
€M	FY23	FY24	Δ% vs. FY23	4Q23	4Q24	Δ% vs. 4Q23
Merchant Solutions	1,877.6	1,996.2	+6.3%	495.3	518.9	+4.8%
Issuing Solutions	1,083.6	1,128.6	+4.2%	299.0	310.5	+3.8%
Digital Banking Solutions	383.0	389.2	+1.6%	114.3	112.9	-1.2%
Net revenues	3,344.2	3,514.0	+5.1%	908.6	942.4	+3.7%
Personnel Costs	(732.2)	(742.0)	+1.3%	(190.5)	(178.3)	-6.4%
Operating Costs	(872.5)	(908.7)	+4.2%	(237.2)	(250.8)	+5.7%
Total Costs	(1,604.7)	(1,650.8)	+2.9%	(427.6)	(429.1)	+0.3%
EBITDA	1,739.5	1,863.2	+7.1%	481.0	513.3	+6.7%
Ordinary D&A	(447.2)	(479.9)	+7.3%			
Normalised Interests & financing costs	(244.4)	(230.8)	-5.6%			
Normalised Pre-tax profit	1,047.9	1,152.5	+10.0%			
Income taxes	(341.6)	(377.1)	+10.4%			
Profit (loss) after tax from assets held for sale	(0.7)	(40.8)	<i>n.m</i>			
Minorities	(3.2)	(3.7)	+14.0%			
Normalised Net profit	702.3	731.0	+4.1%			

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

FY24 Revenues breakdown

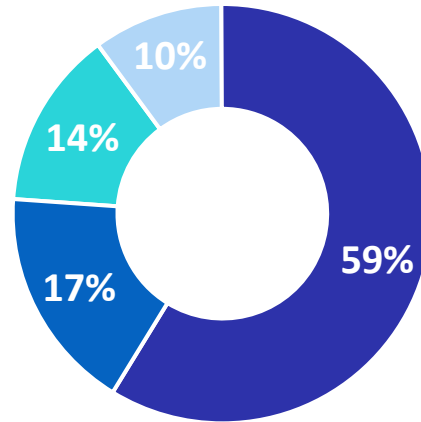
By business

- Merchant Solutions
- Issuing Solutions
- Digital Banking Solutions



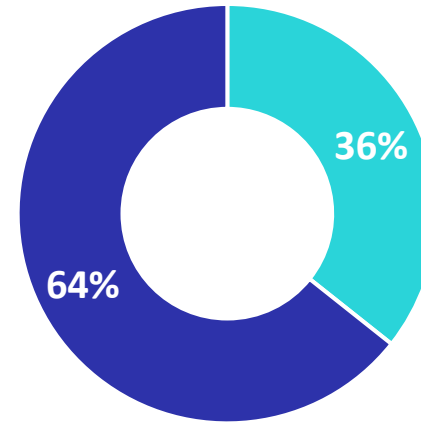
By geography

- Italy
- Nordics¹
- DACH & Poland
- SE Europe & Other



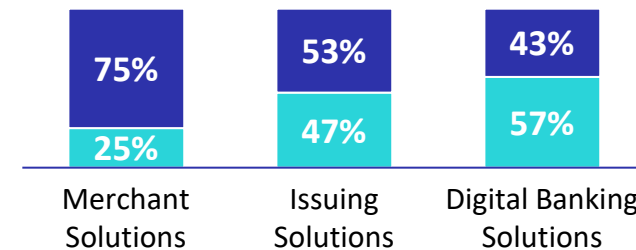
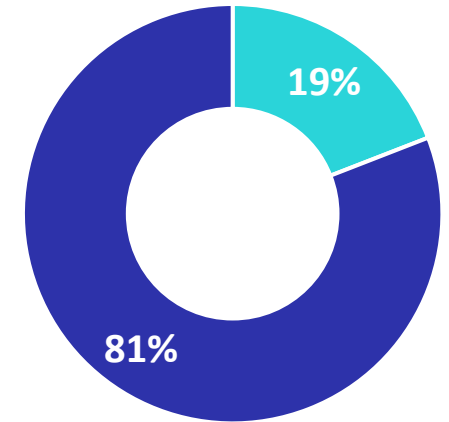
By type

- Installed based
- Volume driven



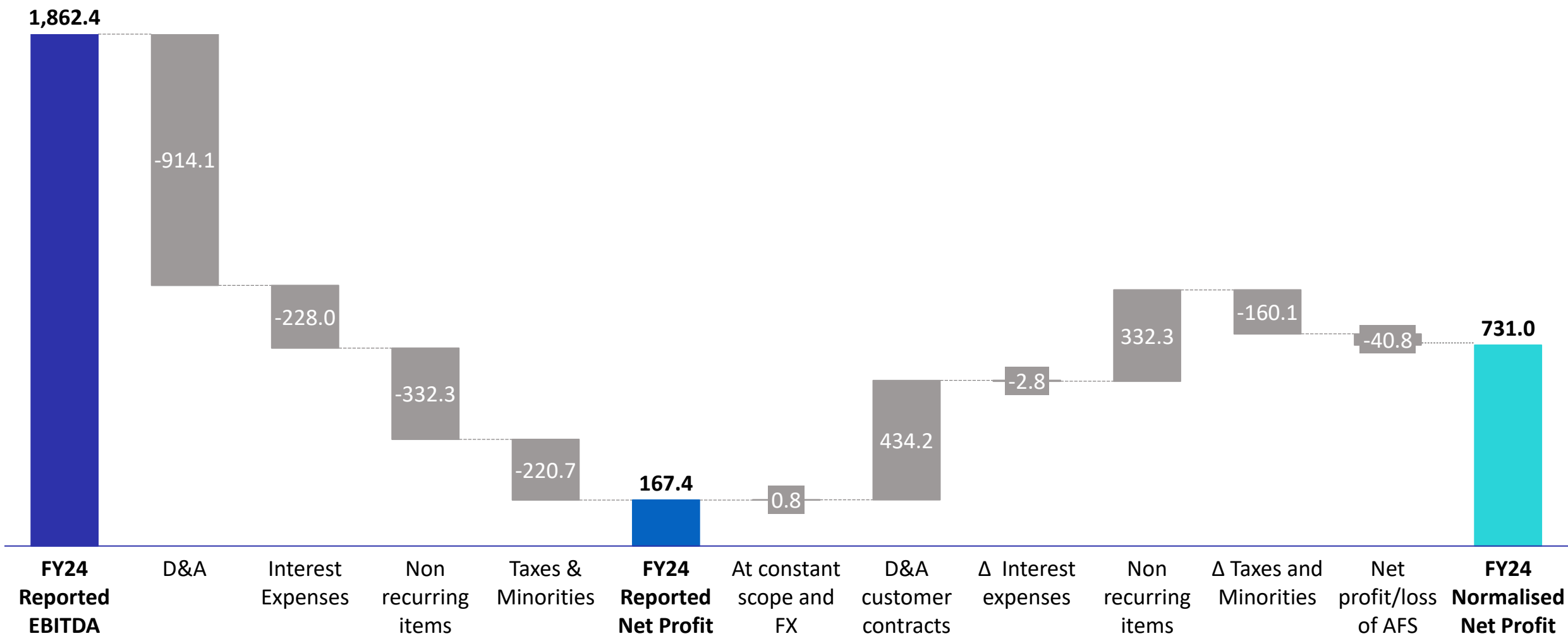
FY24 Costs breakdown by type

- Variable costs
- Fixed Costs



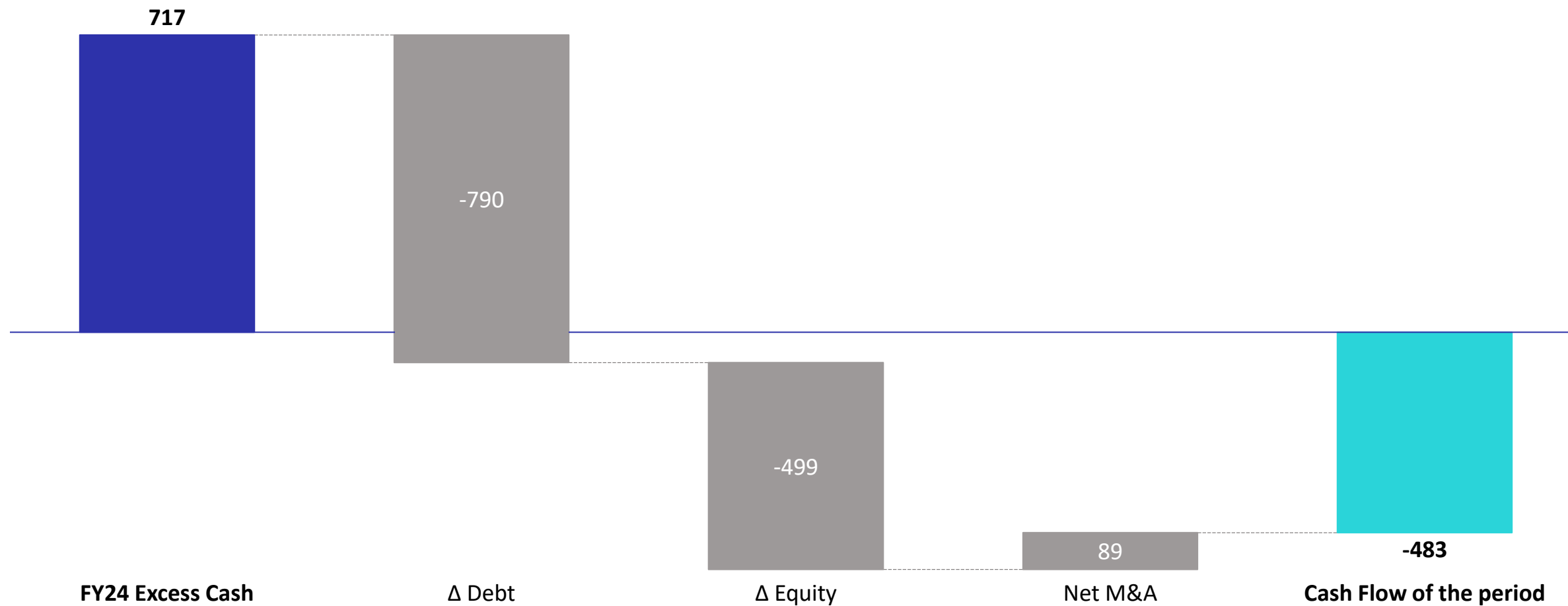
Bridge from Reported EBITDA to Normalised Net Profit

€M



Bridge from excess cash to cash flow of the period

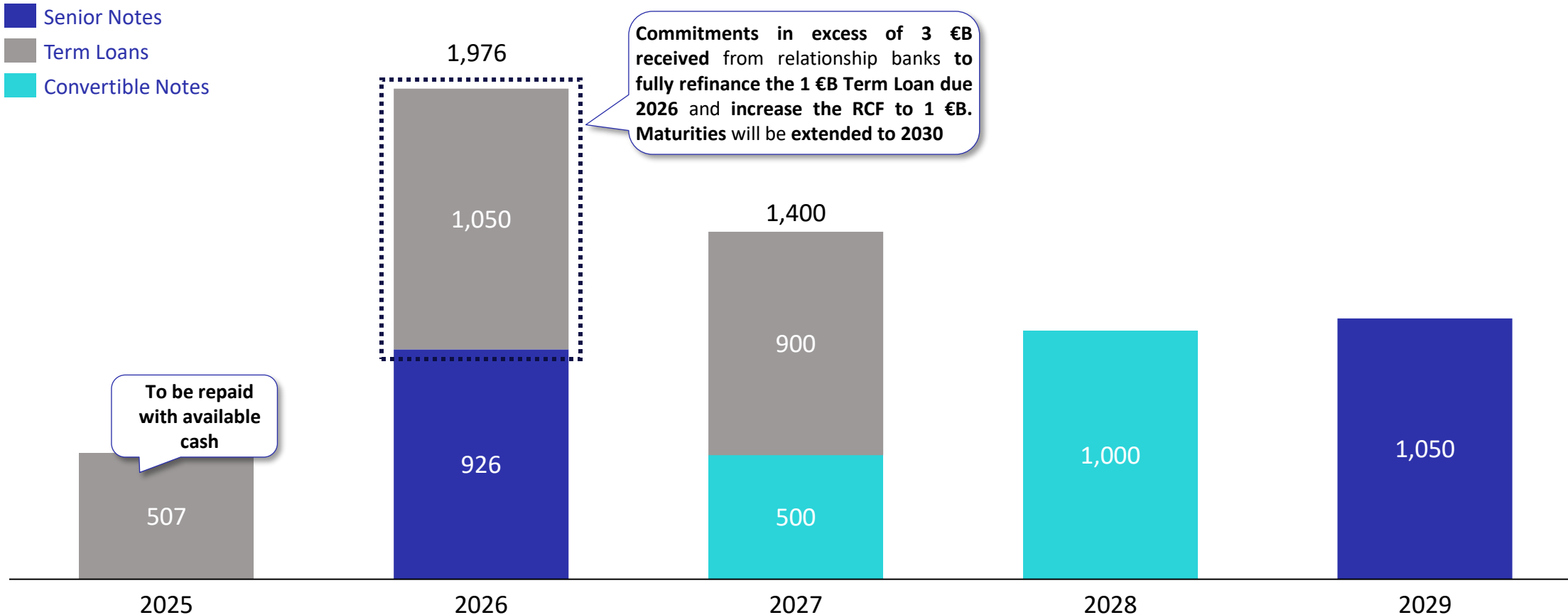
€M



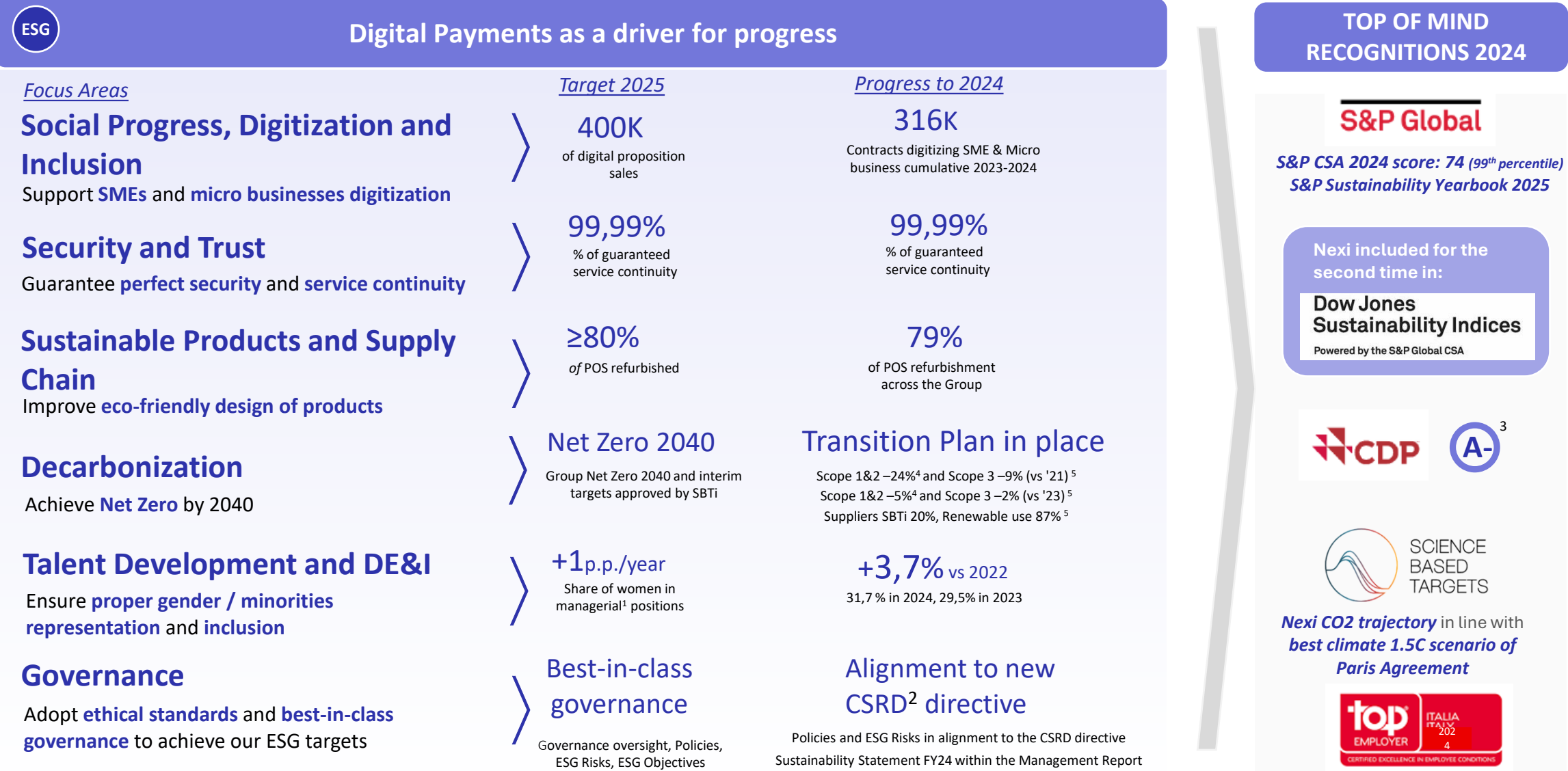
Debt maturities as of 4Q24

Nexi Group Debt Maturity Schedule¹ (€M)

- Senior Notes
- Term Loans
- Convertible Notes



Making digital payments a driver of progress as an ESG champion





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Investor Relations

investor.relations@nexigroup.com

Stefania Mantegazza

stefania.mantegazza@nexigroup.com