



## Nuvei Announces Fourth Quarter and Full Year 2020 Results

March 10, 2021

*Nuvei reports in U.S. dollars and in accordance with International Financial Reporting Standards ("IFRS")*

MONTREAL, March 10, 2021 (GLOBE NEWSWIRE) -- [Nuvei Corporation](#) ("Nuvei" or the "Company") (TSX: NVEI and NVEI.U), the global payment technology partner of thriving brands, today reported its financial results for the fourth quarter and the full year ended December 31, 2020.

"We are very pleased with our fourth quarter results, including 53% total volume\* growth, 46% revenue growth and 61% adjusted EBITDA\*\* growth over the fourth quarter of 2019," said Philip Fayer, Nuvei's chairman and CEO. "Our performance continues to be driven by strong momentum in the high-growth verticals we serve, as well as by our customizable, scalable, and feature-rich technology platform, which provides one of the industry's most complete payment technology solutions going well beyond merchant acquiring. As we look to 2021, we remain excited about the opportunity ahead of us with the momentum of our current customers and the strength of our new business pipeline which is reflected in our financial outlook."

### Financial Highlights for the Three Months Ended December 31, 2020

- Total volume\* increased 53%, to \$13.9 billion from \$9.1 billion
  - eCommerce represented approximately 80% of total volume
- Revenue increased 46%, to \$115.9 million from \$79.3 million
- Net income was \$22.6 million compared to a net loss of \$3.1 million
- Adjusted EBITDA\*\* increased 61%, to \$51.3 million from \$31.9 million
- Adjusted net income\*\* was \$46.5 million compared to \$5.4 million
- Net income per share of \$0.16 compared to a net loss per share of \$0.05
- Adjusted net income\*\* per diluted share of \$0.33 compared to \$0.06

### Financial Highlights for the Year Ended December 31, 2020

- Total volume\* increased 76%, to \$43.2 billion from \$24.6 billion
  - eCommerce represented approximately 76% of total volume
- Revenue increased 53%, to \$375.0 million from \$245.8 million
- Net loss was \$103.7 million compared to a net loss of \$69.5 million
  - Net loss included \$100.9 million in non-cash finance costs resulting from changes in redemption value of liability-classified common and preferred shares, as well as the acceleration of amortization of deferred transaction costs. Of this amount, \$83.4 million of these non-cash costs resulted from the Company's initial public offering and associated valuation in the third quarter of 2020.
- Adjusted EBITDA\*\* increased 87%, to \$163.0 million from \$87.2 million
- Adjusted net income\*\* was \$89.0 million compared to \$22.3 million
- Net loss per share of \$1.08 compared to a net loss per share of \$1.15
- Adjusted net income\*\* per diluted share of \$0.84 compared to \$0.33

### Operational Highlights

- The fourth quarter represented the strongest growth in the Company's history driven by wallet share expansion from current merchants and the acceleration of new merchant wins driven by continued expansion and investment in Nuvei's direct distribution channel. New eCommerce business nearly tripled in the fourth quarter of 2020 compared to the fourth quarter of 2019 and the momentum has continued well into the current quarter with a deep and growing merchant pipeline providing visibility into the full year 2021.
- The Company added several new merchants in our target high-growth verticals including regulated online gaming, social

games, online retail, marketplaces, digital goods, financial services and travel.

- Nuvei expanded connectivity coverage and added alternative payment methods (“APMs”) in Latin America (Brazil and Colombia, as well as certain voucher-based payment methods in Mexico), South Africa, Korea and Japan.
- The Company introduced several significant product innovations to help merchants convert more sales and simplify back office reconciliation, including: enhancing our proprietary authorization platform to comply with PSD2 strong customer authentication requirements, upgrading our chargeback management tools to now provide early (pre-chargeback) warnings for merchants, expanding our payout capabilities to include Automated Clearing House (“ACH”) payments and MasterCard MoneySend, simplifying Apple Pay enablement for our customers, and enhancing multi-currency services in Canada.
- The Company launched its own authorization processing in the United States bringing some of that functionality and capability in-house, which over time will help reduce costs, improve efficiency and raise productivity.
- The Company has been approved as a registered industry vendor in four U.S. states (Colorado, West Virginia, Indiana, and Tennessee) and is well-positioned to support the growing regulated online gaming and sports betting market in the U.S. The Company has applied for and is awaiting vendor approval in all other U.S. states that regulate online sports betting and gaming.
- Nuvei continued to execute on its acquisition strategy by completing the acquisition of Smart2Pay Technology & Services B.V. (“Smart2Pay”) and announcing the acquisition of Base Commerce, LLC (“Base Commerce”).
  - The acquisition of Smart2Pay (effective November 2, 2020) enhances Nuvei’s vertical expertise in several high-growth digital commerce verticals including social gaming and online marketplaces, expands the Company’s presence in some attractive and high-growth international markets with increasing adoption of APMs, and expands its global footprint.
  - The acquisition of Base Commerce (effective January 1, 2021) expands Nuvei’s product capabilities with a proprietary ACH processing platform, further diversifies its acquiring portfolio, enhances sponsor bank coverage, and enlarges the Company’s distribution network.

## Financial Outlook

Nuvei anticipates total volume, revenue and Adjusted EBITDA to be in the following ranges:

| (In U.S. dollars)             | Three months ending | Year ending       |
|-------------------------------|---------------------|-------------------|
|                               | March 31, 2021      | December 31, 2021 |
|                               | \$                  | \$                |
| Total Volume (in billions)    | 19 - 20             | 81 - 87           |
| Revenue (in millions)         | 136 - 142           | 570 - 600         |
| Adjusted EBITDA (in millions) | 60 - 63             | 252 - 265         |

The above financial outlook is based on a number of assumptions as described under “Forward-Looking Information” in this press release.

\* Total volume does not represent revenue earned by the Company, but rather the total dollar value of transactions processed by merchants under contractual agreement with the Company. Total volume is explained in further detail in the Company’s most recent Management’s Discussion and Analysis of Financial Condition and Results of Operations.

\*\* Adjusted EBITDA and Adjusted net income are non-IFRS measures. See “Non-IFRS Measures”.

## Conference Call Information

Nuvei will host a conference call to discuss its fourth quarter and full year 2020 financial results today March 10, 2021 at 8:30 am ET. Hosting the call will be Philip Fayer, chairman and CEO, and David Schwartz, CFO.

The conference call will be webcast live from the Company’s investor relations website at <https://investors.nuvei.com/> under the “Events & Presentations” section. The conference call can also be accessed live over the phone by dialing 877-425-9470 (US/Canada toll-Free), or 201-389-0878 (international). A replay will be available approximately two hours after the call, and can be accessed by dialing 844-512-2921 (US/Canada toll-Free), or 412-317-6671 (international); the conference ID is 13715172. The replay will be available until March 24, 2021. An archive of the webcast will be available at the same location on the website shortly after the call has concluded.

## About Nuvei

We are Nuvei (TSX: NVEI and NVEI.U), the global payment technology partner of thriving brands. We provide the intelligence and technology businesses need to succeed locally and globally, through one integration – propelling them further, faster. Uniting payment technology and consulting, we help businesses remove payment barriers, optimize operating costs and increase acceptance rates. Our proprietary platform offers direct connections to all major payment card schemes in over 200 markets worldwide, supports 455 local and alternative payment methods and nearly 150 currencies. Our purpose is to make our world a local marketplace. For more information, visit [www.nuvei.com](http://www.nuvei.com).

## Non-IFRS Measures

Nuvei's annual consolidated financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board. The information presented in this press release includes non-IFRS financial measures, namely Adjusted EBITDA, Adjusted net income, Adjusted net income per share, and Adjusted net income per diluted share. These measures are not recognized measures under IFRS and do not have standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company's results of operations from management's perspective. Accordingly, these measures should not be considered in isolation nor as a substitute for analysis of the Company's financial information reported under IFRS. Adjusted EBITDA and Adjusted net income are used to provide investors with a supplemental measure of the Company's operating performance and thus highlight trends in Nuvei's core business that may not otherwise be apparent when relying solely on IFRS measures. The Company's management also believes that securities analysts, investors and other interested parties frequently use non-IFRS measures in the evaluation of issuers. Nuvei's management also uses non-IFRS measures in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation. The Company's management believes Adjusted EBITDA and Adjusted net income are important supplemental measures of Nuvei's performance, primarily because they and similar measures are used widely among others in the payments industry as a means of evaluating a company's underlying operating performance. Adjusted EBITDA is defined as net income (loss) before finance costs, finance income, depreciation and amortization, income tax expense/recovery, acquisition, integration and severance costs, share-based payments, net gain/loss on foreign currency exchange, and other. Adjusted net income is defined as net income (loss) before acquisition, integration and severance costs, share-based payments, net gain/loss on foreign currency exchange, amortization of certain intangible assets created by business combinations, and the related income tax expense or recovery for these items. Adjusted net income also excludes change in redemption value of liability-classified common and preferred shares and accelerated amortization of deferred transaction costs and loss on debt modification.

### Forward-Looking Information

This press release contains "forward-looking information" within the meaning of applicable securities laws, including Nuvei's outlook on total volume, revenue and Adjusted EBITDA for the three months ending March 31, 2021 and the year ending December 31, 2021. Nuvei's outlook on revenue and Adjusted EBITDA also constitutes "financial outlook" within the meaning of applicable securities laws and is provided for the purposes of assisting the reader in understanding the Company's financial performance and measuring progress toward management's objectives and the reader is cautioned that it may not be appropriate for other purposes. Forward-looking information involves known and unknown risks and uncertainties, many of which are beyond the Company's control, that could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to those described under "Risk Factors" in the Management's Discussion and Analysis of financial condition and results of operations dated March 10, 2021. Forward-looking information is based on management's beliefs and assumptions and on information currently available to management. Particularly, management's assessments of, and outlook for, total volume, revenue and Adjusted EBITDA set out herein are generally based on the following assumptions: (a) Nuvei's results of operations will continue as expected, (b) the Company will continue to effectively execute against its key strategic growth priorities, despite the current COVID-19 pandemic and measures taken to contain the virus, (c) the Company will continue to retain and grow its existing customer base while adding new customers, (d) the Company will not complete any acquisitions or divestitures, (e) economic conditions will remain relatively stable throughout the period, (f) the industries Nuvei operates in will continue to grow consistent with past experience, (g) there will be no fluctuations in currency exchange rates and volatility in financial markets, (h) there will be no changes in legislative or regulatory matters that negatively impact Nuvei's business, and (i) current tax laws will remain in effect and will not be materially changed. Although the forward-looking information contained in this press release is based upon what management believes are reasonable assumptions, you are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained in this press release is provided as of the date of this press release, and the Company does not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

### Contact:

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### Consolidated Statements of Profit or Loss and Comprehensive Income or Loss

(in thousands of U.S. dollars except for share and per share amounts)

|  | Three months ended |                | Year ended       |                 |
|--|--------------------|----------------|------------------|-----------------|
|  | December 31        |                | December 31      |                 |
|  | 2020               | 2019           | 2020             | 2019            |
|  | \$                 | \$             | \$               | \$              |
| Revenue                                      | 115,881            | 79,327         | 375,046          | 245,816         |
| Cost of revenue                              | 23,519             | 13,075         | 69,255           | 40,758          |
| <b>Gross profit</b>                          | <b>92,362</b>      | <b>66,252</b>  | <b>305,791</b>   | <b>205,058</b>  |
| Selling, general and administrative expenses | 73,191             | 55,365         | 241,690          | 193,770         |
| <b>Operating profit</b>                      | <b>19,171</b>      | <b>10,887</b>  | <b>64,101</b>    | <b>11,288</b>   |
| Finance income                               | (1,257)            | (1,130)        | (5,427)          | (5,188)         |
| Finance costs                                | (1,257)            | 19,254         | 170,111          | 90,640          |
| Net finance costs                            | (2,514)            | 18,124         | 164,684          | 85,452          |
| <b>Income (loss) before income tax</b>       | <b>21,685</b>      | <b>(7,237)</b> | <b>(100,583)</b> | <b>(74,164)</b> |

|   |               |                 |                  |                 |
|---|---------------|-----------------|------------------|-----------------|
| Income tax expense (recovery)   | (892)         | (4,160)         | 3,087            | (4,699)         |
| <b>Net income (loss)</b>  | <b>22,577</b> | <b>(3,077)</b>  | <b>(103,670)</b> | <b>(69,465)</b> |
| <b>Other comprehensive income (loss)</b>  |               |                 |                  |                 |
| Foreign operations – foreign currency translation differences   | 18,394        | (10,068)        | 32,855           | (9,225)         |
| <b>Total comprehensive income (loss)</b>  | <b>40,971</b> | <b>(13,145)</b> | <b>(70,815)</b>  | <b>(78,690)</b> |
| <b>Net income (loss) attributable to:</b>   |               |                 |                  |                 |
| Common shareholders of the Company  | 21,726        | (3,587)         | (106,230)        | (70,502)        |
| Non-controlling interest  | 851           | 510             | 2,560            | 1,037           |
|   | <b>22,577</b> | <b>(3,077)</b>  | <b>(103,670)</b> | <b>(69,465)</b> |
| <b>Comprehensive income (loss) attributable to</b>  |               |                 |                  |                 |
| Common shareholders of the Company  | 40,120        | (13,655)        | (73,375)         | (79,727)        |
| Non-controlling interest  | 851           | 510             | 2,560            | 1,037           |
|   | <b>40,971</b> | <b>(13,145)</b> | <b>(70,815)</b>  | <b>(78,690)</b> |
| <b>Net income (loss) per share attributable to common shareholders of the Company - Basic and diluted</b> |               |                 |                  |                 |
|   | 0.16          | (0.05)          | (1.08)           | (1.15)          |
| <b>Weighted average number of common shares outstanding (a)</b>   |               |                 |                  |                 |
| Basic   | 135,837,128   | 75,751,716      | 98,681,060       | 61,483,675      |
| Diluted   | 139,929,183   | 75,751,716      | 98,681,060       | 61,483,675      |

a. The weighted average number of common shares outstanding previous to the IPO has been adjusted to take into consideration the Reorganization discussed in Note 17 of the Consolidated Financial Statements.

**Reconciliation of Adjusted EBITDA to net income (loss)**  
(In thousands of U.S. dollars)

|  | Three months ended |                | Year ended       |                 |
|--|--------------------|----------------|------------------|-----------------|
|  | December 31        |                | December 31      |                 |
|  | 2020               | 2019           | 2020             | 2019            |
|  | \$                 | \$             | \$               | \$              |
| <b>Net income (loss)</b>   | <b>22,577</b>      | <b>(3,077)</b> | <b>(103,670)</b> | <b>(69,465)</b> |
| Finance cost (recovery)  | (1,257)            | 19,254         | 170,111          | 90,640          |
| Finance income   | (1,257)            | (1,130)        | (5,427)          | (5,188)         |
| Depreciation and amortization  | 18,410             | 17,041         | 69,673           | 51,125          |
| Income tax expense (recovery)  | (892)              | (4,160)        | 3,087            | (4,699)         |
| Acquisition, integration and severance costs <sup>(a)</sup>          | 4,673              | 2,785          | 9,970            | 19,914          |
| Share-based payments <sup>(b)</sup>                                  | 3,200              | 227            | 10,407           | 994             |
| Net loss (gain) on foreign currency exchange <sup>(c)</sup>          | 4,780              | 1,018          | 7,898            | 3,620           |
| Legal settlement costs and other <sup>(d)</sup>                      | 1,079              | (16)           | 933              | 259             |
| <b>Adjusted EBITDA (e)</b>   | <b>51,313</b>      | <b>31,942</b>  | <b>162,982</b>   | <b>87,200</b>   |
| Advance from third party - merchant residual received <sup>(f)</sup> | 2,946              | 4,303          | 12,469           | 11,671          |

a. These expenses relate to:

(i) professional, legal, consulting, accounting and other fees and expenses related to our acquisition activities and financing activities during the period and our IPO, which were \$5,669 and \$10,852 for the three months and year ended December 31, 2020, respectively, (December 31, 2019 - \$2,328 and \$19,881, respectively). These costs are presented in the professional fees line item of the selling, general and administrative expenses.

(ii) acquisition-related compensation, which was \$80 and \$803 for the three months and year ended December 31, 2020, respectively, (December 31, 2019 - \$241 and \$964, respectively). These costs are presented in the employee compensation line item of the selling, general and administrative expenses.

(iii) change in deferred purchase consideration for previously acquired businesses, which was a gain of \$1,200 and \$2,470 for the three months and year ended December 31, 2020, respectively, (December 31, 2019 - \$117 and \$2,415, respectively). These adjustments are presented in the contingent consideration adjustment line item of the selling, general and administrative expenses.

(iv) severances, which were \$121 and \$741 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$296 and \$1,187, respectively), and integration expenses. Severance costs are presented in the employee compensation line item of the selling, general and administrative expenses.

b. These expenses represent non-cash expenses recognized in connection with stock options and other awards issued under share-based plans.

c. This includes losses on foreign currency exchange included in selling, general and administration expenses.

d. This line item primarily represents legal settlements and associated legal costs reached outside of the normal course of business, which were \$203 and \$589 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$292 and \$716, respectively), as well as non-cash gains, losses and provisions and certain other costs. These costs are presented in the other line item of the selling, general and administrative expenses.

e. Adjusted EBITDA is a non-IFRS measure that the Company uses to assess its operating performance and cash flows.

f. Commencing in 2018, the Company entered into various agreements with a single third-party independent sales organization to acquire the rights to future cash flows from a portfolio of merchant contracts.

### Reconciliation of Adjusted net income to net income (loss)

(In thousands of U.S. dollars except for per share amounts)

|  | Three months ended<br>December 31 |                | Year ended<br>December 31 |                 |
|--|-----------------------------------|----------------|---------------------------|-----------------|
|  | 2020<br>\$                        | 2019<br>\$     | 2020<br>\$                | 2019<br>\$      |
| <b>Net income (loss)</b>   | <b>22,577</b>                     | <b>(3,077)</b> | <b>(103,670)</b>          | <b>(69,465)</b> |
| Change in redemption value of liability-classified common and preferred shares <sup>(a)</sup>          | -                                 | 3,616          | 76,438                    | 41,744          |
| Accelerated amortization of deferred transaction costs / loss on debt modification <sup>(b)</sup>      | -                                 | -              | 24,491                    | 4,830           |
| Amortization of acquisition-related intangible assets <sup>(c)</sup>                                   | 16,008                            | 14,612         | 59,219                    | 42,846          |
| Acquisition, integration and severance costs <sup>(d)</sup>  | 4,673                             | 2,785          | 9,970                     | 19,914          |
| Share-based payments <sup>(e)</sup>  | 3,200                             | 227            | 10,407                    | 994             |
| Net loss (gain) on foreign currency exchange <sup>(f)</sup>  | 1,029                             | (10,725)       | 18,918                    | (11,680)        |
| Legal settlement costs and other <sup>(g)</sup>  | 1,079                             | (16)           | 933                       | 259             |
| Adjustments  | 25,989                            | 10,499         | 200,376                   | 98,907          |
| Income tax expense related to adjustments <sup>(h)</sup>   | (2,074)                           | (2,058)        | (7,720)                   | (7,096)         |
| <b>Adjusted net income (loss) <sup>(i)</sup></b>   | <b>46,492</b>                     | <b>5,364</b>   | <b>88,986</b>             | <b>22,346</b>   |
| <b>Adjusted net income per share attributable to common shareholders of the Company <sup>(j)</sup></b> |                                   |                |                           |                 |
| Basic  | 0.34                              | 0.06           | 0.88                      | 0.35            |
| Diluted  | 0.33                              | 0.06           | 0.84                      | 0.33            |

a. This line item represents change in redemption value related to shares classified as liabilities prior to the IPO. As part of the IPO, the shares were converted into equity as Subordinate Voting Shares. These expenses are included in finance costs.

b. With the repayment of long-term debt from the IPO proceeds, the associated deferred transaction costs were recognized in finance costs on an accelerated pro-rata basis. Additionally, in 2019 a loss on debt modification was recognized because of the incremental debt taken to fund the SafeCharge acquisition.

c. This line item relates to amortization expense taken on intangible assets created from the purchase price adjustment process on acquired companies and businesses and from the acquisition of all the outstanding shares of Pivotal Holdings Ltd. by Nuvei in September 2017, and excludes amortization expense related to capitalized development costs incurred in the normal course of operations.

d. These expenses relate to:

(i) professional, legal, consulting, accounting and other fees and expenses related to our acquisition activities and financing activities during the period and our IPO, which were \$5,669 and \$10,852 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$2,328 and \$19,881, respectively). These costs are presented in the professional fees line item of the selling, general and administrative expenses.

(ii) acquisition-related compensation, which was \$80 and \$803 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$241 and \$964, respectively). These costs are presented in the employee compensation line item of the selling, general and administrative expenses.

(iii) change in deferred purchase consideration for previously acquired businesses, which was a gain of \$1,200 and \$2,470 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$117 and \$2,415, respectively). These adjustments are presented in the contingent consideration adjustment line item of the selling, general and administrative expenses.

(iv) severances, which were \$121 and \$741 for the three months and year ended December 31, 2020, respectively (December 31, 2019 - \$296 and \$1,187, respectively), and integration expenses. Severance costs are presented in the employee compensation line item of the selling, general and administrative expenses.

e. These expenses represent non-cash expenses recognized in connection with stock options and other awards issued under share-based plans.

f. This includes gains or losses on foreign currency exchange included in finance costs and selling, general and administration expenses.

g. This line item primarily represents legal settlements and associated legal costs reached outside of the normal course of business, which were \$203 and \$589 for the three months and year ended December 31, 2020 (December 31, 2019 - \$292 and \$716), as well as non-cash gains, losses and provisions and certain other costs. These costs are presented in the other line item of the selling, general and administrative expenses.

h. This line item reflects income tax expense on taxable adjustments using the tax rate of the applicable jurisdiction.

i. Adjusted net income is a non-IFRS measure that the Company uses to further assess its operating performance.

j. Adjusted net income per diluted share is calculated using stock options outstanding at the end of each period on a fully diluted basis if they were in-the-money at that time.

## Consolidated Statements of Financial Position

(in thousands of U.S. dollars)

|  | December 31,<br>2020 | December 31,<br>2019 |
|--|----------------------|----------------------|
|  | \$                   | \$                   |
| <b>Assets</b>                                |                      |                      |
| <b>Current assets</b>                        |                      |                      |
| Cash   | 180,722              | 60,072               |
| Trade and other receivables                  | 32,055               | 32,765               |
| Inventory                                    | 80                   | 709                  |
| Prepaid expenses                             | 4,727                | 2,268                |
| Income taxes receivables                     | 6,690                | -                    |
| Current portion of advances to third parties | 8,520                | 8,901                |
| Current portion of contract assets           | 1,587                | 1,720                |
| Total current assets before segregated funds | 234,381              | 106,435              |
| Segregated funds                             | 443,394              | 200,612              |
| Total current assets                         | 677,775              | 307,047              |
| <b>Non-current assets</b>                    |                      |                      |
| Advances to third parties                    | 38,478               | 42,584               |
| Property and equipment                       | 16,537               | 15,272               |
| Intangible assets                            | 524,232              | 408,380              |
| Goodwill                                     | 969,820              | 768,497              |
| Contract assets                              | 1,300                | 1,426                |
| Processor deposits                           | 13,898               | 12,478               |
| Other non-current assets                     | 1,944                | 3,088                |
| <b>Total Assets</b>                          | <b>2,243,984</b>     | <b>1,558,772</b>     |

## Consolidated Statements of Financial Position (continued)

(in thousands of U.S. dollars)

|   | December 31,<br>2020 | December 31,<br>2019 |
|---|----------------------|----------------------|
|   | \$                   | \$                   |
| <b>Liabilities</b>                                |                      |                      |
| <b>Current liabilities</b>                        |                      |                      |
| Trade and other payables                          | 64,779               | 51,258               |
| Income taxes payable                              | 7,558                | 2,866                |
| Current portion of loans and borrowings           | 2,527                | 2,874                |
| Other current liabilities                         | 7,132                | 9,875                |
| Liability-classified common shares                | -                    | 58,262               |
| Liability-classified preferred shares             | -                    | 39,967               |
| Total current liabilities before due to merchants | 81,996               | 165,102              |
| Due to merchants                                  | 443,394              | 200,612              |
| Total current liabilities                         | 525,390              | 365,714              |

**Non-current liabilities**

|  |                |                  |
|--|----------------|------------------|
| Loans and borrowings                                 | 212,726        | 722,166          |
| Deferred tax liabilities                             | 46,320         | 12,976           |
| Other non-current liabilities                        | 1,659          | 4,875            |
| Unsecured convertible debentures due to shareholders | -              | 109,022          |
| <b>Total Liabilities</b>                             | <b>786,095</b> | <b>1,214,753</b> |

**Equity****Equity attributable to shareholders**

|   |           |           |
|---|-----------|-----------|
| Share capital                                 | 1,625,785 | 450,523   |
| Contributed surplus                           | 11,966    | 1,603     |
| Deficit                                       | (211,042) | (104,812) |
| Accumulated other comprehensive income (loss) | 22,470    | (10,385)  |

**Non-controlling interest**

|                                     |                  |                  |
|-------------------------------------|------------------|------------------|
| <b>Total Equity</b>                 | <b>1,449,179</b> | <b>336,929</b>   |
| <b>Total Liabilities and Equity</b> | <b>2,243,984</b> | <b>1,558,772</b> |

**Consolidated Statements of Cash Flows**

(in thousands of U.S. dollars)

|   | <b>Year ended December 31</b> |                  |
|---|-------------------------------|------------------|
|   | <b>2020</b>                   | <b>2019</b>      |
|   | <b>\$</b>                     | <b>\$</b>        |
| <b>Cash flows from (used in) operating activities</b>             |                               |                  |
| Net loss  | (103,670)                     | (69,465)         |
| Adjustments for:  |                               |                  |
| Depreciation of property and equipment                            | 5,121                         | 3,682            |
| Amortization of intangible assets                                 | 64,552                        | 47,443           |
| Amortization of contract assets                                   | 2,114                         | 2,323            |
| Share-based payments  | 10,407                        | 994              |
| Net finance costs   | 164,684                       | 85,452           |
| Impairment on disposal of a subsidiary                            | 338                           | -                |
| Write-down of inventory to net realizable value                   | 513                           | 134              |
| Income tax expense (recovery)                                     | 3,087                         | (4,699)          |
| Changes in non-cash working capital items                         | 10,061                        | 2,667            |
| Interest paid   | (43,788)                      | (43,197)         |
| Net realized loss on foreign currency exchange                    | (5,937)                       | -                |
| Income taxes paid   | (14,223)                      | (2,629)          |
|   | <b>93,259</b>                 | <b>22,705</b>    |
| <b>Cash flows from (used in) investing activities</b>             |                               |                  |
| Business acquisitions, net of cash acquired                       | (67,537)                      | (780,196)        |
| Decrease (increase) in other non-current assets                   | (1,683)                       | 1,158            |
| Proceeds from the sale of a subsidiary, net of cash               | 19,045                        | -                |
| Sale of equity investments  | -                             | 28,600           |
| Net decrease (increase) in advances to third parties              | 9,401                         | (14,531)         |
| Acquisition of property and equipment                             | (3,395)                       | (1,825)          |
| Acquisition of intangible assets                                  | (14,448)                      | (8,595)          |
|   | <b>(58,617)</b>               | <b>(775,389)</b> |
| <b>Cash flows from (used in) financing activities</b>             |                               |                  |
| Transaction costs related to loans and borrowings                 | (3,380)                       | (28,833)         |
| Repayment of unsecured convertible debentures due to shareholders | (93,384)                      | (100,500)        |
| Issuance of Subordinate Voting Shares                             | 758,447                       | -                |
| Equity issuance fees  | (42,966)                      | -                |
| Issuance of common shares   | 150                           | 187,295          |
| Proceeds from loans and borrowings                                | 110,000                       | 629,509          |
| Repayment of loans and borrowings                                 | (642,786)                     | (157,496)        |
| Payment of lease liabilities                                      | (946)                         | (939)            |
| Dividend paid to non controlling interest                         | (940)                         | (360)            |
| Redemption of preferred shares                                    | -                             | (2,299)          |
| Issuance of preferred shares                                      | -                             | 81,240           |

|  |         |         |
|--|---------|---------|
| Issuance of unsecured convertible debentures due to shareholders | -       | 199,000 |
|  | 84,195  | 806,617 |
| <b>Effect of movements in exchange rates on cash</b>             | 1,813   | 69      |
| <b>Net increase in cash</b>                                      | 120,650 | 54,002  |
| <b>Cash – Beginning of year</b>                                  | 60,072  | 6,070   |
| <b>Cash – End of year</b>  | 180,722 | 60,072  |



Source: Nuvei Corporation