

STAR Conference, London
23rd October 2018

**Nice
to meet
you**

Nice



Twenty
Five
Years
Young

1993
2018

Nice

Vision

A World without barriers

Nice is to open: to set people free of going in and out. With Nice, security means being free.

We are the specialist in the management of integrated automation systems thanks to a complete variety of intelligent and easy-to-use products.



Mission

Simplifying everyday movements

Improving the quality of life
by simplifying everyday living.



Design Thinking Approach

Unique design, intuitive use, non-stop innovation

"Nice has suggested a new interpretation of the connection between people and their domestic environment marked by the utmost simplicity, clearness and aesthetic quality."

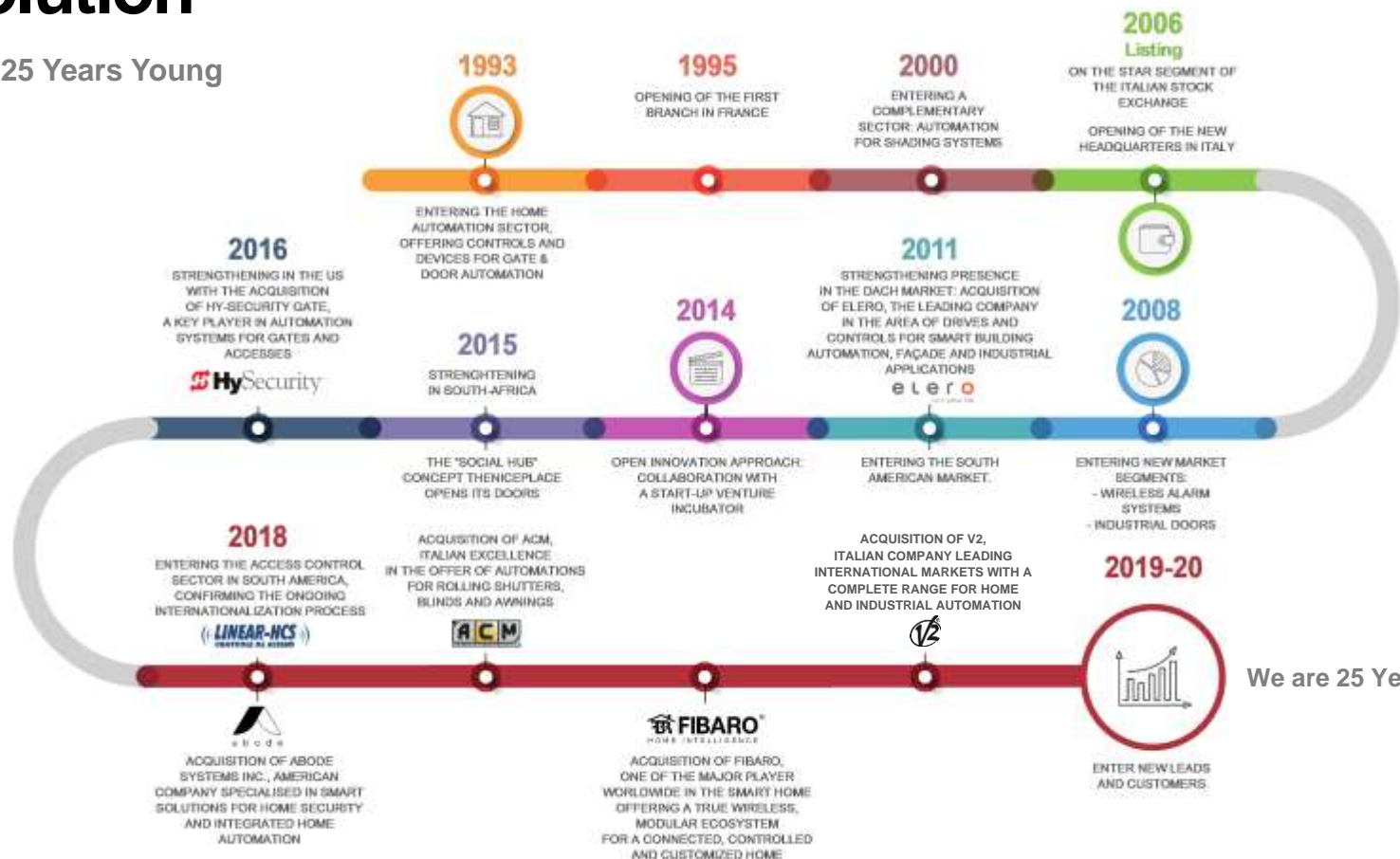
"Boring and complicated operations become smooth and amusing and change into activities that satisfy end-users..."

*From Il Sole 24 Ore - Speciale Nova
by Marco Bettiol and Stefano Micelli,
February 2007*



Evolution

We are 25 Years Young



We are 25 Years Young

The Nice World

● Direct Presence

Italy
France
Spain
Poland
Belgium
Germany
Rumania
UK
Turkey
Portugal
Sweden
Russia
China
USA
Brazil
South Africa
India
Singapore
Australia
UAE
Tunisia
Morocco

● Nice Headquarters

Italy

● Industrial footprint

Germany
Italy
Poland
Brazil
USA
Australia
South Africa
China

● Centres for Technology

Italy
Germany
Poland
Brazil
USA
South Africa



People: more than 30 nationalities in 46 legal entities

Around 2,2k people at the end of 2018

23%
America

53%
Europe

12% HQ

4%
**Asia and
Oceania**

People in our departments

43%	Operations
23%	Sales & Mkt
13%	R&D
12%	Staff & Mng
5%	Customer Service
4%	Quality

8%
Africa



Market Approach

Product is relation

SPECIALIZED DISTRIBUTION

GENERAL DISTRIBUTION

PRODUCERS AND ASSEMBLERS

CONTRACTORS, SPECIFIERS, INFLUENCERS

E - COMMERCE

Product Portfolio

Easy and safe solutions
for homes and buildings

FOR ACCESS
CONTROL

FOR GATES

FOR INTEGRATED ALARM
AND MANAGEMENT SYSTEM

FOR LIGHTS AND
OTHER ELECTRICAL LOADS

HVAC

FOR BLINDS
AND SHUTTERS

FOR AWNINGS

FOR GARAGE
DOORS

Nice Ecosystem



Radio volumetric detector
MyNice



Radio smoke detector
MyNice



Radio photo Pir
MyNice



Radio/WiFi bridge
Core



Gateway
IOTA



Gateway
Home Center 2



Control unit
MyNice



Programmable timer
Era Krono



Remote control
Agio

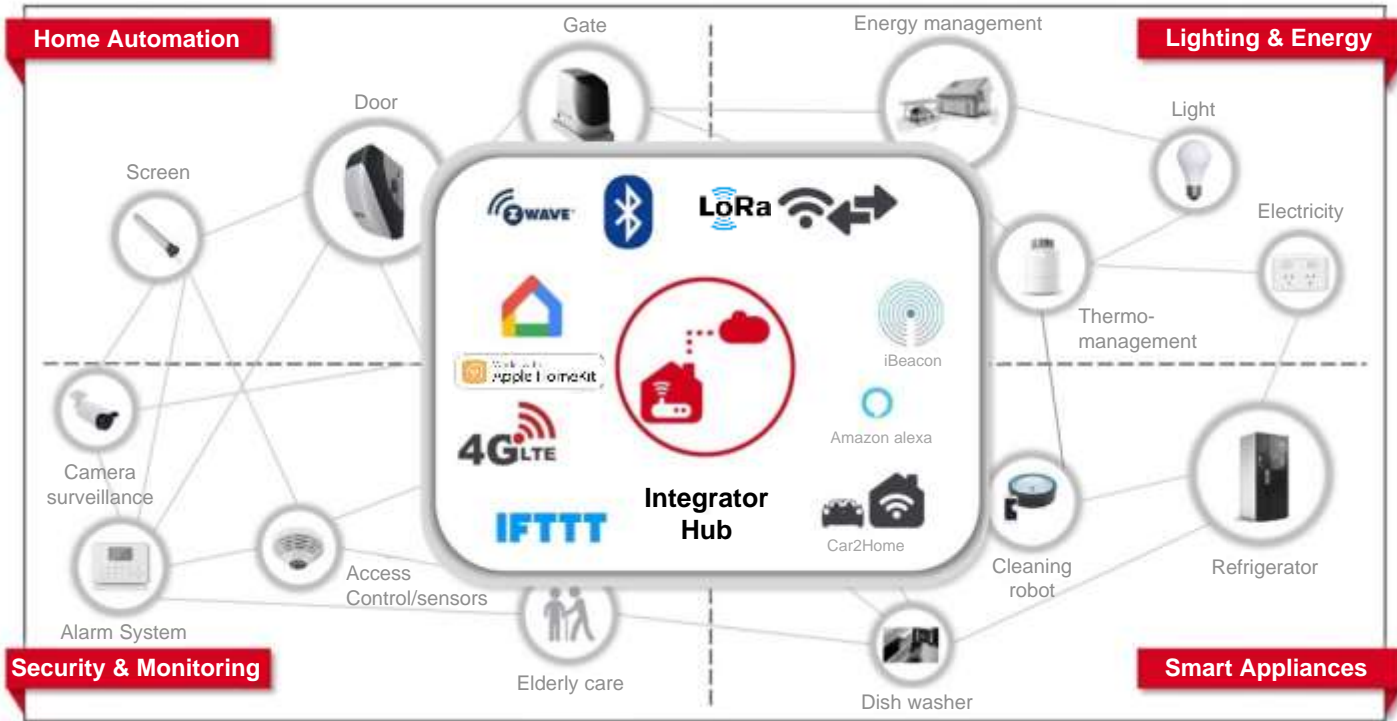


Touchless transmitter
Air

Tubular motors
for interior blinds
Era Inn



New playground: IoT at home and Nice system of products



Solutions for Gates and Barriers

The widest range controlled by the most advanced electronics with the finest design: versatile solutions to manage private or public entrances and parking spaces, even in hi-traffic areas.

Hi-Speed

The perfect answer where quick manoeuvres are required, to guarantee the shortest standing time and the maximum safety.



Solutions for Garage, Rolling Doors

To open and close your automation system easily and in total safety, Nice offers powerful and sturdy solutions, suitable also for intensive use in industrial applications.

Spy

Innovative concept to blend in perfectly with any architectural style.



Solutions for Sun Shading Systems

The easiest way to get the right light with the widest range of automated shade systems, for indoor and outdoor applications.

The silent operation maintains room ambiance and the absolute precision offers a sophisticated look even in multiple installations.



Smart Home

Applications designed to grant the safe control of all electrical equipments, from home alarm to automations, through the Nice smart integrated technology: an intuitive interface available from smartphone, to take care of your comfort and safety.

Also for **Apple HomeKit**.

Abode Home Security

Main Features:

- Alarm system: Professional-Grade Security, DIY installation
- Self-Installed in minutes
- Smart Home system, worldwide access
- Gateway hub includes powerful home automation
- Sold as bundle (starter kit), with possibility to add further accessories
- USB port for future expansions
- Can operate a multitude of 3rd parties accessories
- Professional Monitoring and Cell Backup can be added and invoiced monthly



Solutions for Integrated Building Management

With a series of modules combined, Nice offers innovative control units and guarantees an easy integration with the most used protocols in the Building Automation industry.

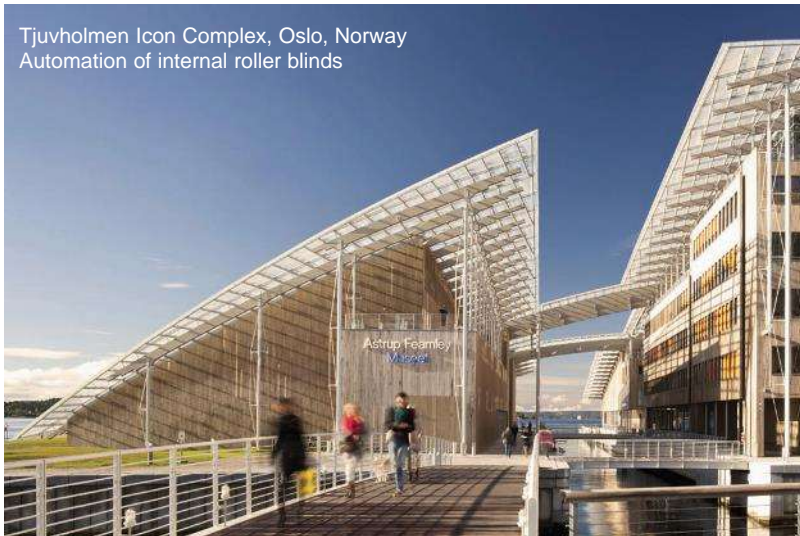


Nice as a Partner

Automation systems tailored to homes, public buildings, commercial spaces, hotels and offices.

Interior designers, architects and contractors can find in The Nice Group their privileged partner providing comprehensive support throughout the realization of any project.

Tjuvholmen Icon Complex, Oslo, Norway
Automation of internal roller blinds



Nice cares for Sustainability

Automation systems guarantee intelligent management of sunlight and temperature in a building, reducing the use of artificial light, avoiding heat loss and protecting from direct sunlight.

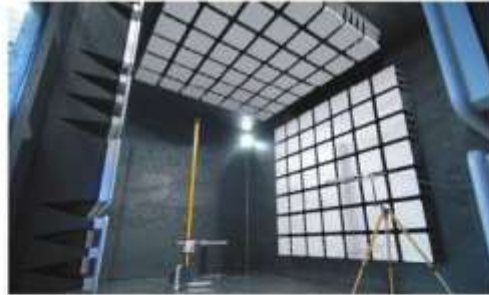
Check-out more at: www.niceforyou.com/en/projects

Centres for Technology

Exploiting high-tech procedures
and experimentation.

In-house R&D Labs:

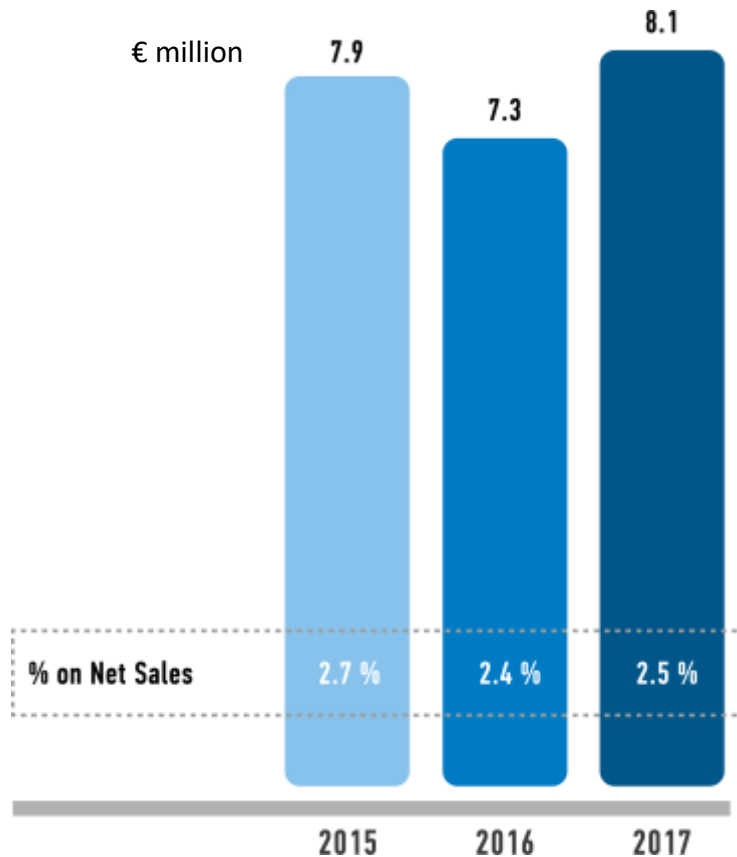
- Italy
- Germany
- Brazil
- USA
- South Africa
- Poland



Centres for Technology

R&D Expenses:

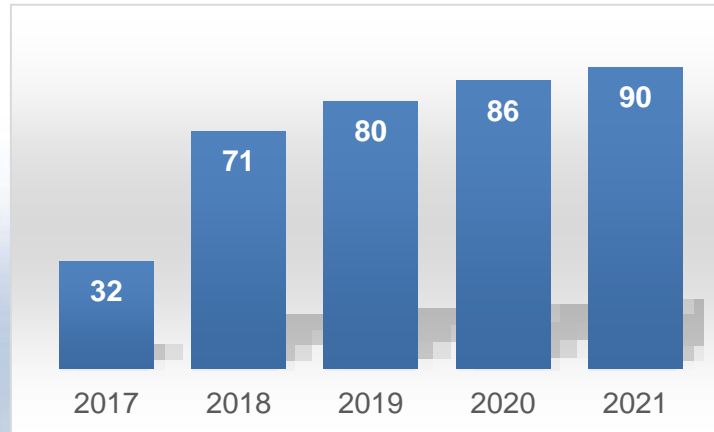
- Careful protection policy for Intellectual Property
- Focus on product launches:
high-tech content,
continuous improvement overtime



Nice new product launches



New Product Launches



Business to People Approach

TheNicePlace is home to our training room program: to welcome customers, colleagues and anybody who wants to receive training in our products, sales techniques and much more, for a complete professional development.



Business to People Approach

Closer to the professionals

The Support section of the www.niceforyou.com website is enriched with new contents dedicated to the professional, such as:

- Installation and programming tutorial videos, with the answers to the most frequently asked questions;
- Library to download, including instruction manuals, quick guides, catalogues, brochures, the latest software and firmware releases.

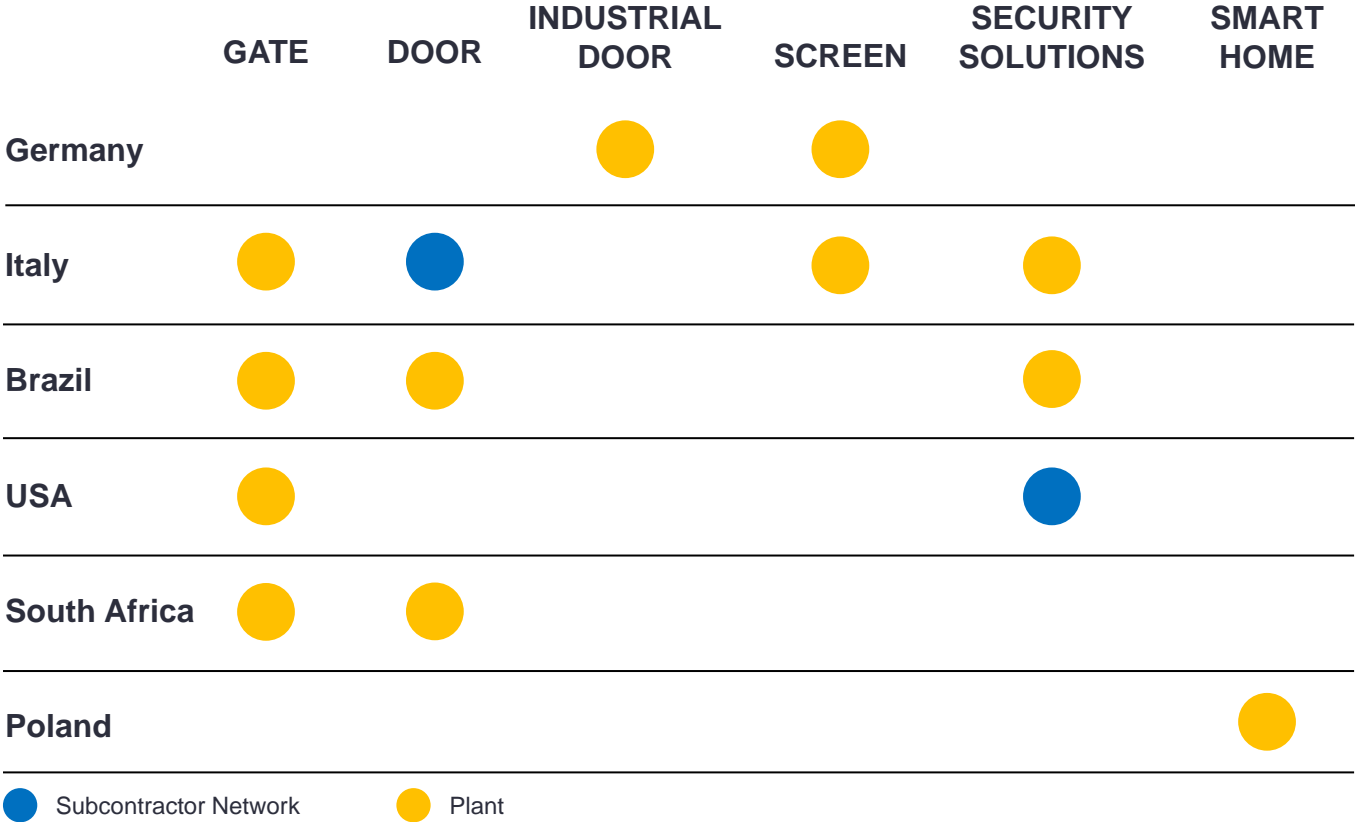
Mixed reality

 Microsoft
HoloLens



Multi-Market Approach

Industrial Footprint



Focused Factory

Industrial Footprint with Competence Centres

The Group approach is towards a “focused factory”, to consolidate the production of excellence in specific business lines.

New plants operating in:

- Germany - Sun shading systems (Screen) and Industrial doors
- Brazil - Electronics controls
- Poland - Smart Home electronics
- USA - Gate operators

Next steps will be:

- Brazil
- Italy - Gate Europe



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2017 FY & 1H2018 Results

Nice



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1993
2018

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Highlights FY2017 vs FY2016

Consolidated Sales

€ 325.0m (+5.1% vs. FY 2016)

Gross margin

53.2% (vs. 53.1% in FY 2016)

EBITDA margin *adjusted (1)*

16.1% (vs. 14.8% in FY 2016 *adjusted (1)*)

Group Net Income margin *adjusted (2)*

7.5% (vs. 6.2% in FY 2016 *adjusted (2)*)

Operating Free Cash Flow

€ 20.4m (vs. € 18.6m in FY 2016)

NFP

€ 1.4m (vs. € 5.9m as of 31/12/2016)

€m	FY 2017		FY 2016		Δ %	Δ % (*)
Net Sales	325.0	100.0%	309.1	100.0%	5.1%	4.6%
Gross Profit	172.9	53.2%	164.2	53.1%	5.3%	
EBITDA <i>adjusted (1)</i>	52.4	16.1%	45.7	14.8%	14.7%	
Group Net Income <i>adjusted (2)</i>	24.3	7.5%	19.0	6.2%	27.6%	
Operating Free Cash Flow	20.4		18.6			
Net Financial Position	1.4		5.9			

(*) At constant exchange rates

For additional disclosures regarding information in this presentation, please see the slide “Notes to the presentation”

Highlights 1H2018 vs 1H2017

Consolidated Sales

€ 168.2m (+2.6% vs. 1H 2017)

Gross margin

53.8% (vs. 53.8% in 1H 2017)

EBITDA margin *adjusted* ⁽¹⁾

15.8% (vs. 16.6% in 1H 2017)

Group Net Income margin *adjusted* ⁽²⁾

7.1% (vs. 7.6% in 1H 2017)

Operating Free Cash Flow

€ -7.9m (vs. € 2.2m in 1H 2017)

NFP

€ -46.2m (vs. € -13.5m as of 30/06/2017)

€m	1H 2018		1H 2017		Δ %	Δ % (*)
Net Sales	168.2	100.0%	164.0	100.0%	2.6%	7.2%
Gross Profit	90.6	53.8%	88.3	53.8%	2.6%	
EBITDA <i>adjusted</i> ⁽¹⁾	26.5	15.8%	27.3	16.6%	(2.8%)	
Group Net Income <i>adjusted</i> ⁽²⁾	12.0	7.1%	12.5	7.6%	(4.4%)	
Operating Free Cash Flow	-7.9		2.2			
Net Financial Position	-46.2		-13.5			

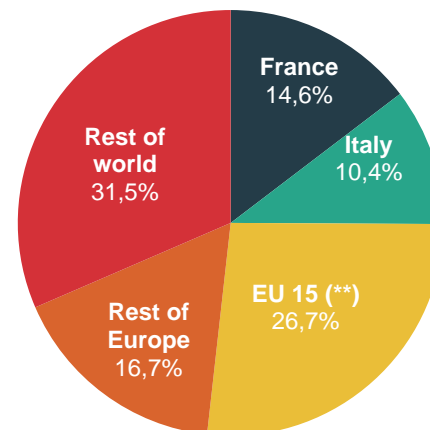
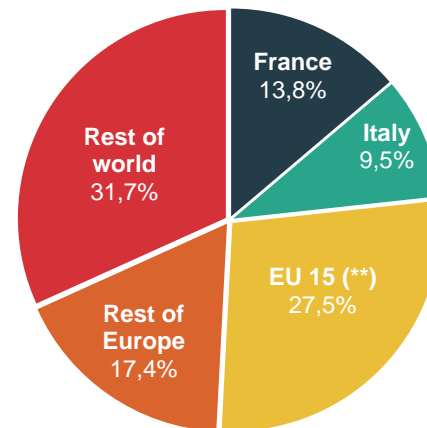
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Net Sales Breakdown by Region

€m	1H 2018	1H 2017	Δ %	Δ % (*)
France	23.2	24.0	(3.3%)	(3.3%)
Italy	15.9	17.1	(6.9%)	(6.9%)
EU 15(**)	46.3	43.8	5.9%	6.2%
Rest of Europe	29.3	27.4	6.8%	10.8%
Rest of World	53.4	51.6	3.4%	15.6%
Net Sales	168.2	164.0	2.6%	7.2%

(*) At constant exchange rates

(**) Excluding Italy and France



Profit & Loss

€m	1H 2018	%	1H 2017 ⁽³⁾	%	Δ %
Revenues	168.2	100.0%	164.0	100.0%	2.6%
Cost of goods sold	(77.7)	-46.2%	(75.7)	-46.2%	
Gross Profit	90.6	53.8%	88.3	53.8%	2.6%
Industrial costs	(5.3)	-3.1%	(4.3)	-2.6%	
Marketing costs	(6.1)	-3.6%	(4.9)	-3.0%	
Trade costs	(8.1)	-4.8%	(7.4)	-4.5%	
General costs	(12.0)	-7.1%	(11.0)	-6.7%	
Personnel costs	(36.3)	-21.6%	(33.3)	-20.3%	
Total Operating Costs	(67.7)	-40.2%	(61.0)	-37.2%	
EBITDA	22.9	13.6%	27.3	16.6%	
EBITDA adjusted (1)	26.5	15.8%	27.3	16.6%	-2.8%
Depreciation and amortisation	(5.5)	-3.3%	(5.1)	-3.1%	
EBIT	17.3	10.3%	22.2	13.5%	
EBIT adjusted (1)	21.0	12.5%	22.2	13.5%	-5.6%
Financial management and other costs	(0.6)	-0.4%	(2.1)	-1.3%	
Pre-tax profit	16.7	9.9%	20.1	12.3%	
Taxes	(6.4)	-3.8%	(7.3)	-4.5%	
Net profit/loss	10.3	6.1%	12.8	7.8%	
Net profit/loss adjusted (2)	12.3	7.3%	12.8	7.8%	-4.1%
Profit/Loss attributable to non-controlling interests	0.3	0.2%	0.3	0.2%	
Group net profit/loss	10.0	5.9%	12.5	7.6%	
Group net profit/loss adjusted (2)	12.0	7.1%	12.5	7.6%	-4.4%

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Working Capital



Working Capital / LTM Net Sales equivalent

21.3%

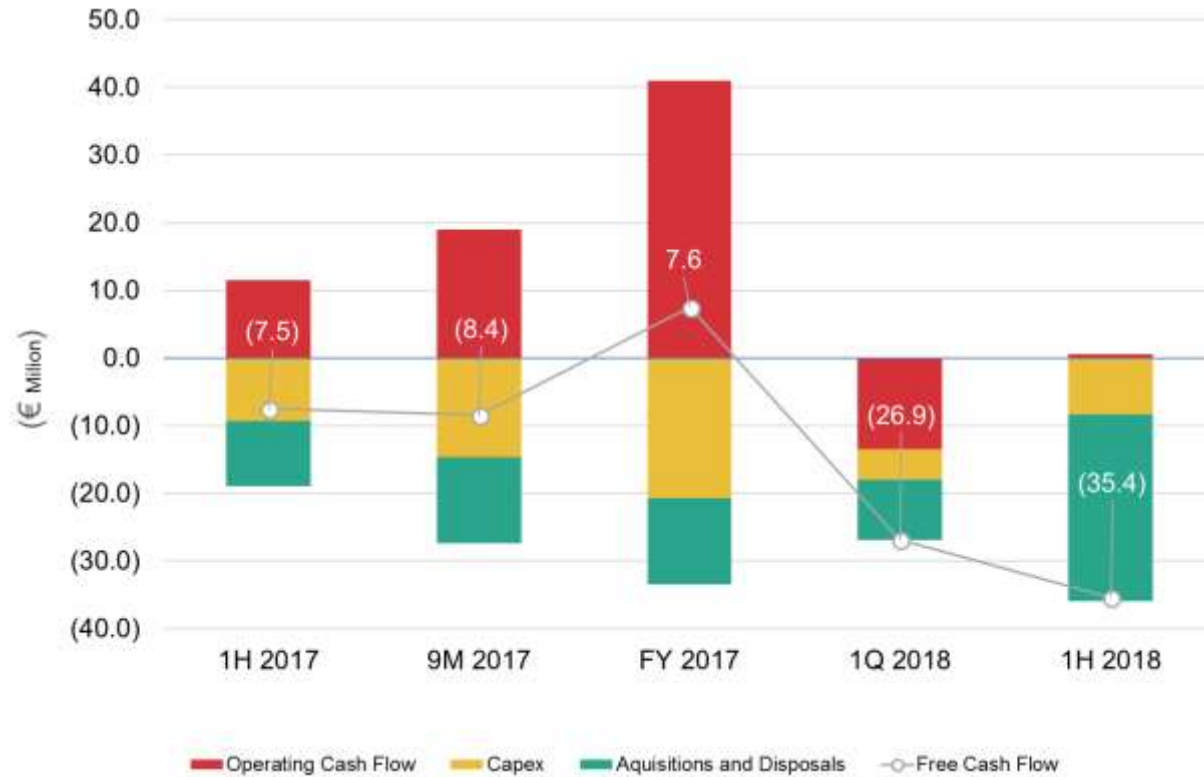
21.9%

16.9%

22.9%

20.6%

Free Cash Flow



Statement of Financial Position

€m	1H 2018	FY 2017	1H 2017
Intangible assets	148.2	114.6	113.0
Tangible assets	57.0	56.1	54.2
Other fixed assets	10.1	9.8	11.4
Fixed Assets	215.3	180.5	178.6
Trade receivables	65.8	54.1	66.4
Inventory	74.0	62.6	62.4
Trade payables	(61.7)	(54.8)	(49.6)
Other curr. assets / (Liab.)	(7.7)	(7.1)	(11.0)
Net Working Capital	70.4	54.9	68.3
Severance and other funds	(26.1)	(17.7)	(19.8)
Net Invested Capital	259.6	217.8	227.1
Shareholders' equity	214.0	220.0	214.5
Minorities	(0.6)	(0.8)	(0.9)
Total Shareholders' Equity	213.4	219.2	213.6
Cash & cash equivalents	(45.3)	(55.7)	(46.9)
Financial assets	(2.4)	(2.8)	(5.0)
Total debt	93.9	57.1	65.4
Net Debt	46.2	(1.4)	13.5
Net Capital Employed	259.6	217.8	227.1

Cash Flow Statement

€m	1H 2018	FY 2017	1H 2017
Net profit	10.3	23.4	12.8
D&A and other non cash items	5.7	13.8	6.9
Change in Net Working Capital	(15.4)	3.9	(8.2)
Operating Cash Flow	0.5	41.1	11.5
Capex	(8.4)	(20.7)	(9.3)
Operating Free Cash Flow	(7.9)	20.4	2.2
Aquisitions and Disposals	(27.5)	(12.7)	(9.7)
Free Cash Flow	(35.4)	7.7	(7.5)
Dividend paid out	(11.1)	(11.1)	(11.1)
Net Financial Position of the acquired companies	0.6	0.0	0.0
Other	(1.8)	(1.1)	(0.9)
Subtotal	(12.3)	(12.2)	(12.0)
Variation of Net Financial Position	(47.7)	(4.5)	(19.5)
Initial Net Financial Position	1.4	5.9	5.9
Final Net Financial Position	(46.2)	1.4	(13.5)

The Path Ahead

2018: The Opportunities

Continuous investments
in smart technologies
and digital platforms.

Solid cash generation.

Investments in focused factories.

Further International Expansion

Growth by acquisitions

Accelerated sales growth
outside Europe.

Growth in core markets.

Further Actions

Increase our market share
in “Gate and Screen”
automation business.

On going partnerships
and sustainability approach

New companies in Nice group



- Reinforced **market presence** of Nice group in the South American market
- Increased **product selection** for home automation, anti-intrusion systems and access control for **apartment security**
- Improved level of **customer service**



- Smart solutions for **Home Security** and integrated **Home Automation**
- **Cross-selling** opportunities
- Appealing, easy to install **DIY Home Security** systems
- **E-commerce** platform for end-users
- Further expansion in the US market



- Leader of **automation systems for shutters and awnings**
- **Simple to install** and **customisable** solutions
- **"Made in Italy"** quality



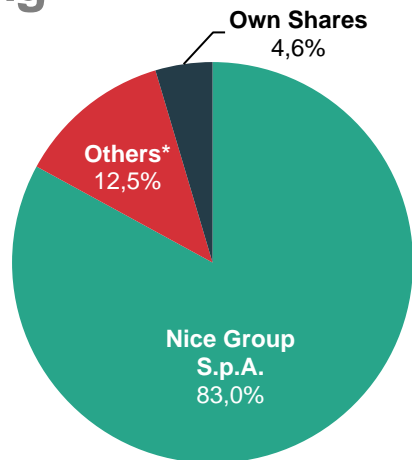
- Integrated **wireless Smart Home systems** for home alarms, automation and sensor control
- Maximum **simplicity** in installation, plug&play
- **End-user app** for remote access
- **Voice control** options and **compatibility** with **third-party systems** such as Apple HomeKit®, Z-Wave, Google Assistant®, Amazon Alexa®, Apple's Siri®



- Complete range for **Home Automation** systems and **industrial applications**
- **App for professionals** to manage, control and configure remotely installations
- **Quality, safety** and **reliability**
- Strengthens **presence in South Europe** and **North Africa**

The Group Structure

Shareholding

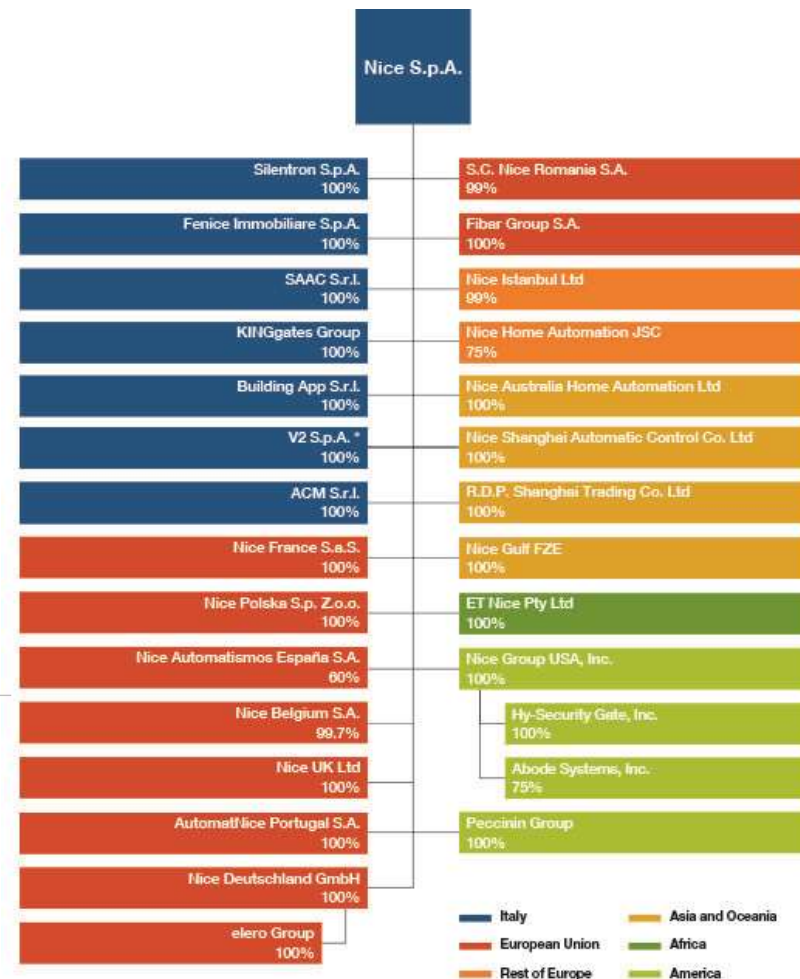


* Free Float

Board of Directors

Lauro Buoro - Chairman
 Roberto Griffa - Chief Executive Officer
 Denise Cimolai - Director
 Emanuela Banfi - Independent Director

Giorgio Zanutto - Director
 Lorenzo Galberti - Director
 Antonio Bortuzzo - Independent Director
 Chiara Mio - Director



* V2 S.p.A. controls 8 Legal Entities.
 Some of those Legal Entities have Minorities

Stock Chart ⁽¹⁾

Share Information



N. of shares outstanding
116.000.000

Ipo Price
€ 5.70

Price as of 30/06/2018
€ 3.26

Market Capitalization
€ 378m

Italian Stock Exchange
STAR segment

Specialist
UBI BANCA

Investor Relator Contact
Nicola Biondo
Ph.: 0039 0422 505468
E-mail: ir@niceforyou.com
www.niceforyou.com

(1) From 01/01/2018 to 30/06/2018

Source: Bloomberg

Notes to the presentation

- (1) As at 30 June 2018, the EBITDA is adjusted excluding the costs incurred for participation in the R+T three-year fair, which was held in February in Stuttgart, for Euro 1.2 million and the expenses incurred for acquisitions and corporate reorganizations for Euro 2.4 million.
- (2) As at 30 June 2018, Group Net Profit is adjusted with what is stated in note (1), the proceeds of 1 million Euro for the price adjustment related to the exercise of the call option on the remaining 49% of the capital of the Brazilian company Omegaport Equipamentos de Seguranca LTDA and the related tax effect of 0.6 million Euro.
- (3) Some items of the Income Statement at 30 June 2017 were reclassified for comparability with figures at 30 June 2018.



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23rd October 2018

Thank you

Nice

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Statements contained in this presentation, particularly the ones regarding any Nice Group possible or assumed future performance, are or may be forward looking statements and in this respect they involve some risks and uncertainties.

Any reference to past performance of the Nice Group shall not be taken as an indication of future performance.

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