



## Company Presentation

4<sup>th</sup> April 2022

SmallCap Event – Paris



# I. Company Highlights

## Bruno Conterno main shareholder, CEO and Chairman



- **15 years** of experience **in the footwear industry**
- *Degree in Economics and Business and Master in International Business Economics*
- Previous experiences as **CEO for Favor Trade S.r.l.** and **Nicelander Ltd**
- Since 2009 he holds the position of CEO of Nice Footwear (former ALM) and from 2016 he has control (initially 100% stake, now 80%) of the company

## Angelo Sinico CFO



- Certified auditor and accountant with over **30 years** of experience as financial and administrative officer;
- Enrolled in the Register of Chartered Accountants and Auditors
- Previous business experience as Attorney, Chief Executive Officer and Administrative and Financial Director
- Since 2015 **Nice Footwear CFO**

## Francesco Torresan Head of Product



- **over 20 years** experience **in footwear**
- Master at Politecnico calzaturiero
- Previous experience as a designer in **Bonis S.p.A. for Tommy Hilfiger, Levi's and Napapijri**
- Product manager for **Lotto**
- From 2017 COO and R&D manager of Nice Footwear

## Alessandro Perletti Sales marketing



- **over 20 years** experience **in footwear**
- Previous experience as Sales Manager **at Febos Brand Diffusion** contributing to **Tommy Hilfiger's** success
- Export Manager for **Diadora**
- Sales Manager for the **Sixty, Replay e Stonefly** footwear division
- Since 2018 he is Sales and Marketing Manager of Nice Footwear

## Company Overview

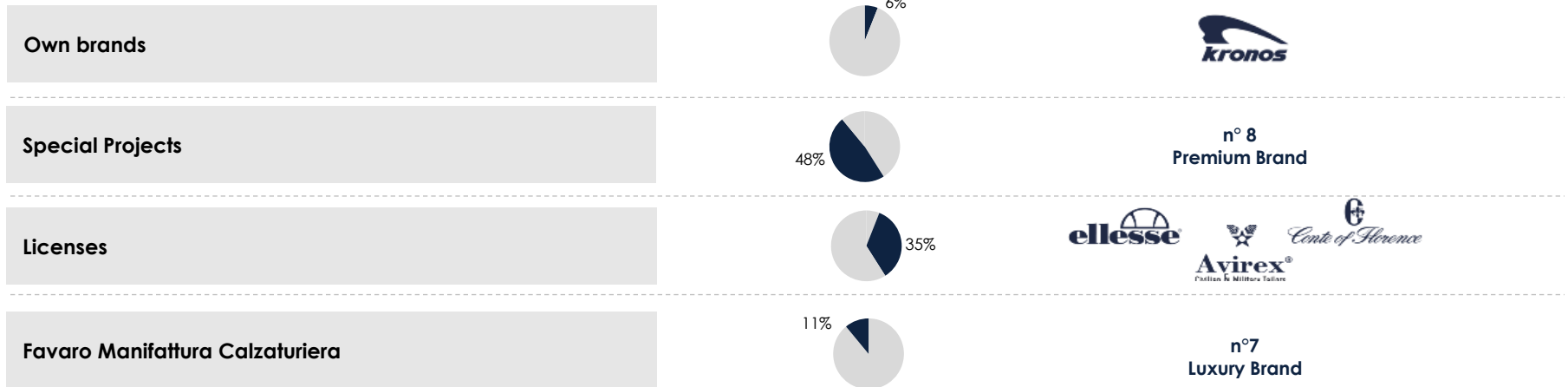
- International player specialized in the **design, development, production and distribution of sneakers**
- **Innovative business model:**
  - Design and marketing of **own brands**
  - Design and development of collections for **third parties ('special projects')**
  - Design and marketing of **licensed trademarks**
  - Made in Italy production (**Favaro Manifattura Calzaturiera**)
- **Control over all stages of the production chain**
- Focus on **R&D** (with investment of € 2.2m in the last three years)
- **specialized international distribution, organized retailer chains and small retailers**
- With the acquisition of **Favaro Manifattura Calzaturiera S.r.l.** («Favaro»), NF enters the Made in Italy footwear sector for the prestigious luxury brands
- **44 employees**
- Pro forma consolidated key financials as at 30.4.2021<sup>1</sup>:
  - **€ 24m in revenues (CAGR 27% last 5y<sup>2</sup>)**
  - **€ 2.8m EBITDA (CAGR 56% last 5y<sup>2</sup>)**
- Consolidated key financials as at 31.10.2021 half year:
  - **€ 14m in revenues**
  - **€ 1.1m EBITDA**



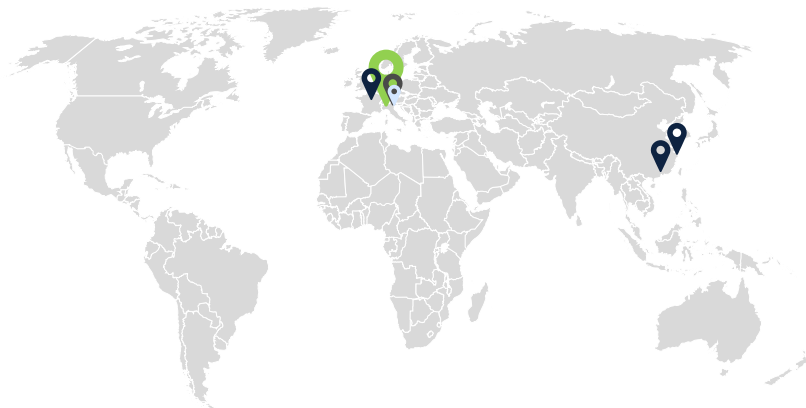
1. The Group closes its annual financial statements as at 30 April. Inclusive data of Favaro Manifattura Calzaturiera S.r.l.

2. CAGR 30.4.2017-30.4.2021PF





## Sales breakdown (consolidated data pro forma<sup>1</sup>, april 2021A)



## International presence



Monte Napoleone in **Milan** (showroom), **Vicenza** (operational headquarters), **Hong Kong, Shanghai, Paris** (international offices)

-  Registered Office
-  Operational Headquarters
-  Foreign branches
-  Favaro Manifattura Calzaturiera

# Historical Milestones

- **ALM Licensing** is born, a Vicenza-based company active in the management of the Kronos brand
- Revenues are mainly related to royalties for the granting of the brand to third-party manufacturers

- Establishment of **Nice Footwear Asia Ltd.** in Hong Kong (strategic headquarters)
- Obtaining the **Avirex and Conte of Florence trademark** licenses

- Issuance of a Minibond listed on ExtraMotPro3 and presentation of the first **Sustainability Report**
- Entry into the cluster of the Veneto region **Face-Design**
- **Shanghai Nice International Trading Co. Ltd.** Establishment
- Obtaining **Lotto** and **Fred Mello** licenses
- Acquisition of 80% of the shares of **Emmegi S.r.l**



- Bruno Conterno **acquires the Company** and changes its name to **Nice Footwear**
- **The business model changes**, the Company becomes a **complete partner for the development and production of higher quality footwear**
- Obtaining the license of the **Ellesse trademark**

- Moving of the registered office to the fashion center of via Monte Napoleone in **Milan (showroom)**

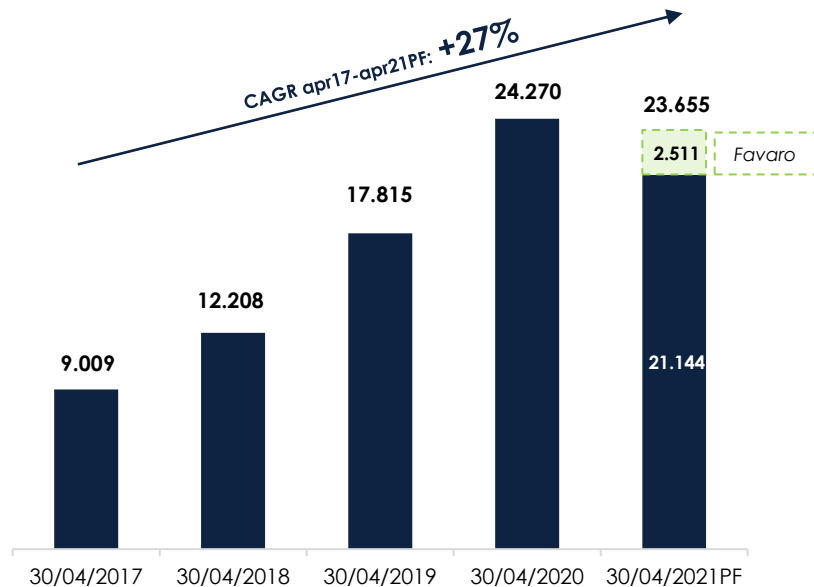
- **Nice Footwear France S.A.S.** establishment – based in Paris
- Acquisition of 80% of the shares of **Favaro Manifattura Calzaturiera S.r.l.**
- **IPO on Euronext Growth Milan**

# Proven track record of growth and profitability

- Since the acquisition by Bruno Conterno (2016), Nice Footwear's business model has been transformed, with **continued growth in revenue and margins**
- The business is also characterized by **low capital intensity, reduced credit risk and substantially no warehouse risk**

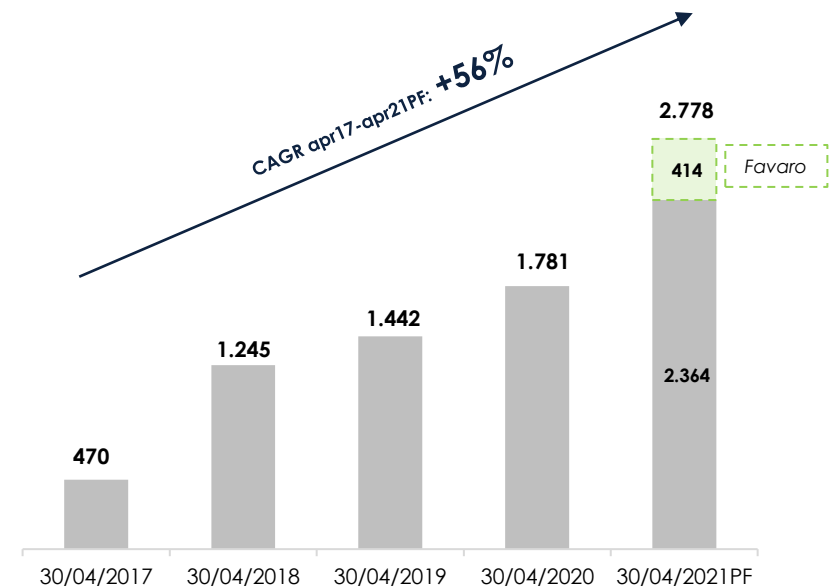
## Turnover evolution apr17-apr21PF

Euro k

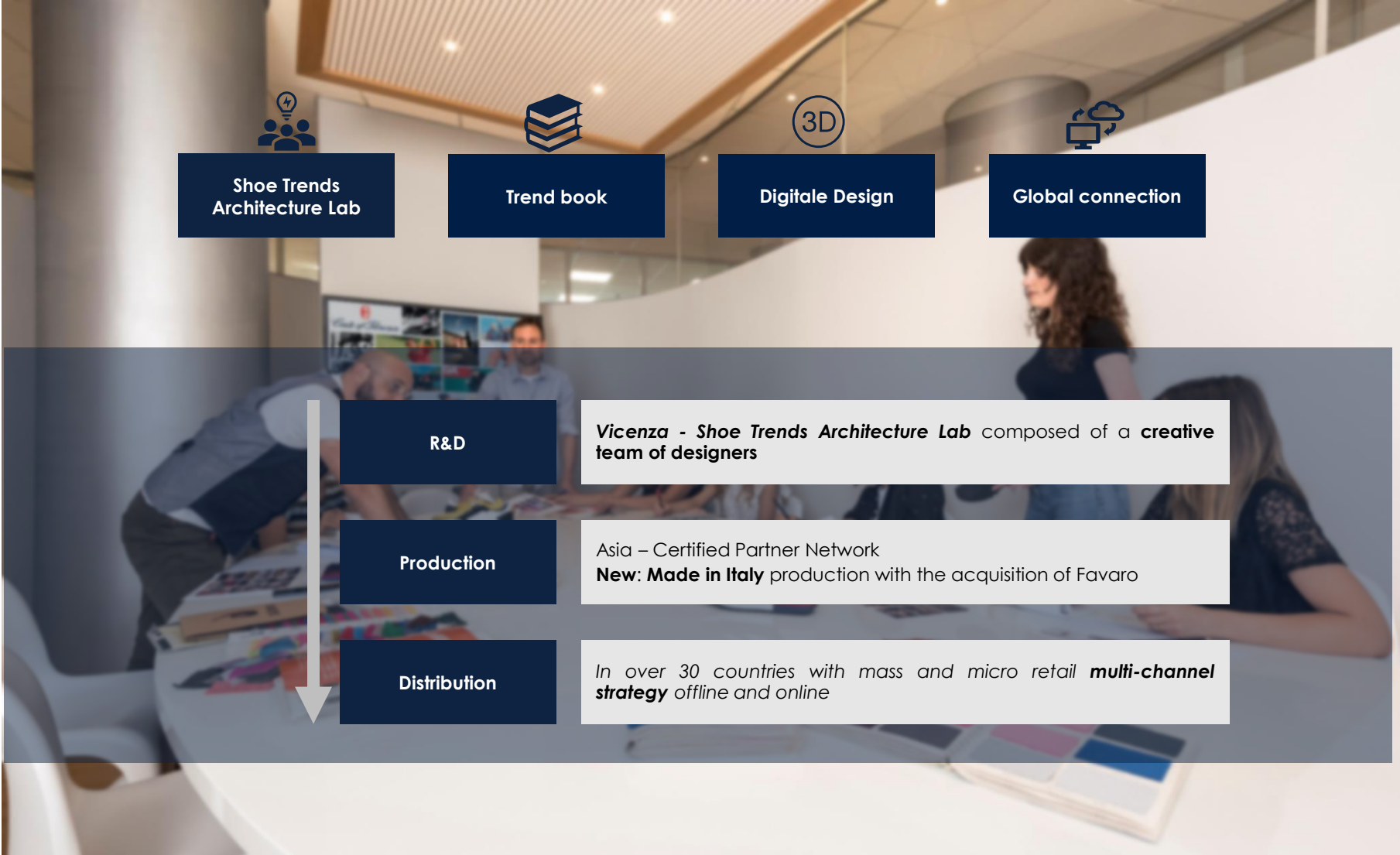


## EBITDA evolution apr17-apr21PF

Euro k



Note: The charts show consolidated data (Nice Footwear Asia established in May 2018); pro forma data as of April 2021 (including Favaro Manifattura Calzaturiera S.r.l. L12M)  
1. Statistics about Nice Footwear S.p.A.





## R&D activities

3%  
R&D expenditure in  
relation to turnover  
(30/04/21PF)

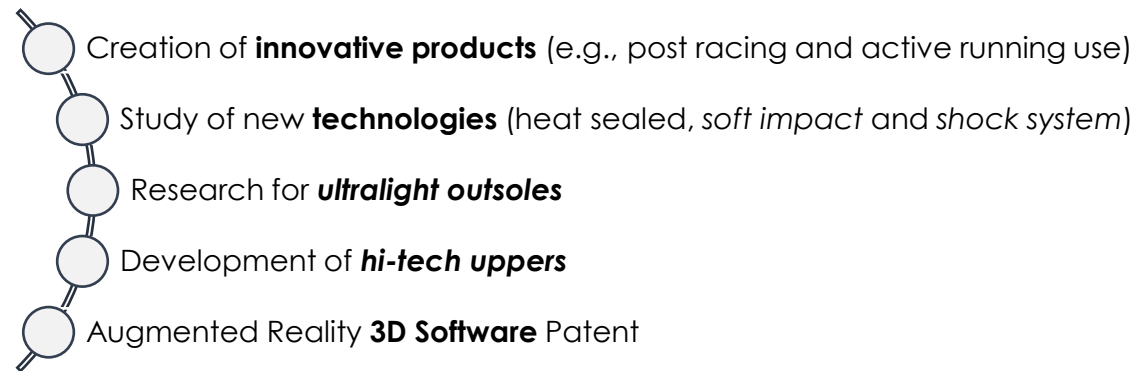
> 10,000 hours  
dedicated to R&D  
activities

€ 2.2m  
value of investments in  
R&D in the last three  
years

Development of  
innovative products  
and methods



## R&D activities





**Sustainable materials**

Choice of **sustainable, recyclable, organic and plant-based materials**



**Green logistics**

Solutions for the **transport, delivery and recycling** of goods and products in accordance **with respect for the environment**



**Sustainable innovation**

Approach to the development of **innovative** ideas and sustainable



**Sustainable Chain**

The selection and **evaluation of suppliers** is based on principles of transparency, fairness and sustainability



**Peoples's Value**

The importance of the **human, professional and creative contribution** of people in carrying out daily activities is recognized

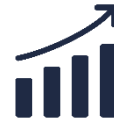
## REDUCE, REUSE, REPURPOSE, RECYCLE, REFUSE

In 2021 Nice Footwear creates the **first sustainable sneaker** by Fred Mello, LINCOLN model in the off-white dirty finishing.

The shoe expresses all the ambition to protect the planet through the use of components and materials that are highly sustainable and at the same time offer uncompromising quality.



# Significant opportunities for organic growth and through acquisitions

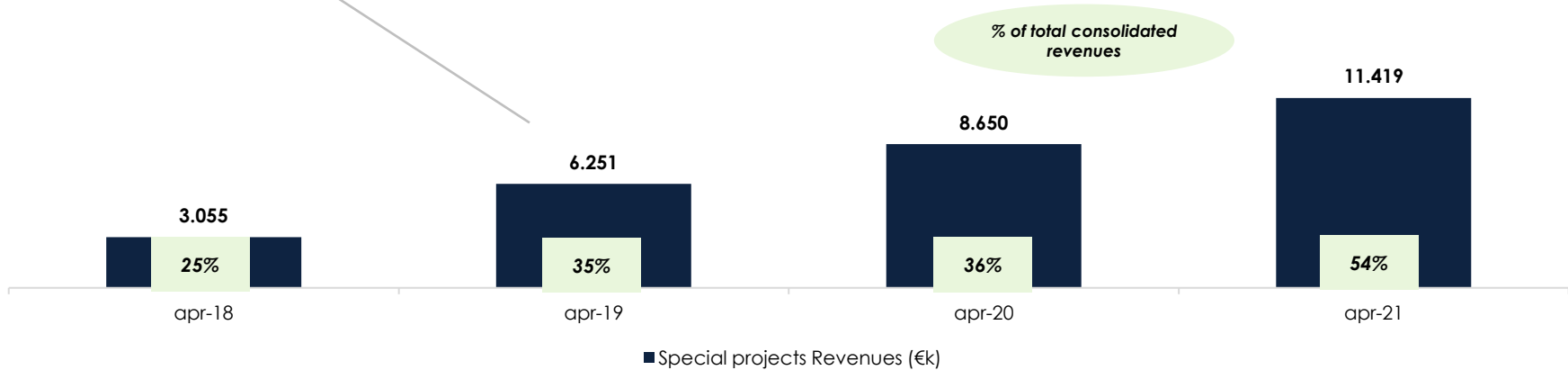


## **II. Business Overview & Products**

- The Company makes its creativity and expertise available to brand customers by creating continuous collections with a complete method to create tailor-made solutions.
- The process concerns:
  - **Trends study**
  - **development of prototypes and samples**
  - **production**
  - **distribution** (if required)



Significant increase favored by the inclusion of a new project with a Premium Brand. Nice Footwear has passed all production tests in Chinese factories, obtaining the necessary certifications from the Group that owns the brand.



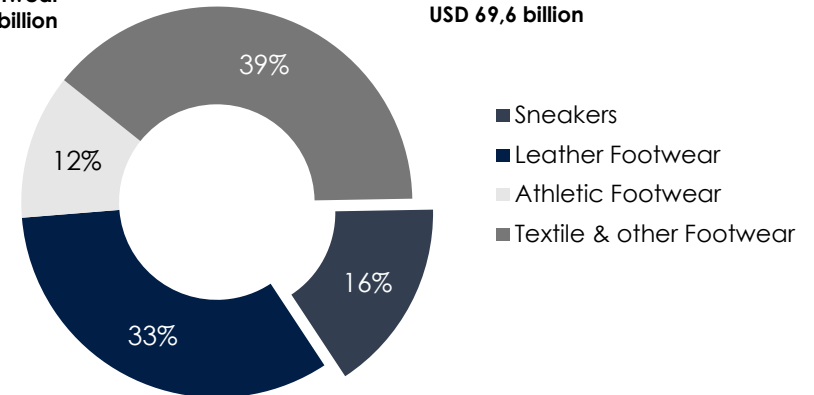
Note: The chart shows the consolidated data

- **Sneakers** are the most dynamic segment of the Footwear sector, with a **2012A-2019A CAGR of 10.6%**, thanks to **sustained growth in all geographical areas of the world**
- The growing popularity of athleisure and streetwear clothing, especially among generation Y and Z, drives the trend of the global sneaker market, with **strong expectations of growth also in the coming years**

Worldwide Footwear Market by Segment (FY2019)

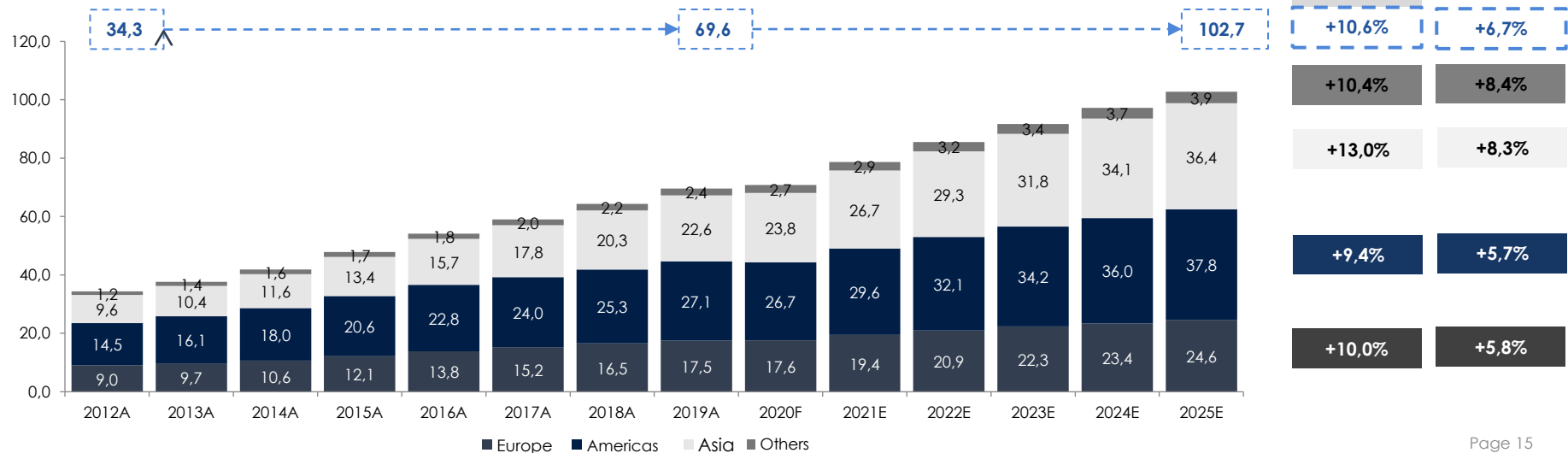
Total Footwear  
USD 439 billion

Sneakers  
USD 69,6 billion



Sneakers Sales Trend 2012A-2025E (USD/bln)

USD mld



Source: Statista Consumer Market Outlook 2020

# Focus on luxury products

Made in Italy production – Acquisition of Favaro Manifattura Calzaturiera S.r.l.

II. Business Overview & Products

In June 2021 Nice Footwear acquired 80% of the company's shares with the aim of **integrating the supply chain** and promoting its inclusion in the **premium/luxury segment**.

## Favaro Manifattura Calzaturiera

- Favaro is specialized since the 70s in the **production of high-end women's shoes for prestigious fashion houses in the Riviera del Brenta**
- It deals **with production, sampling and technical assistance** employing **pre-feasibility analysis on materials, processes and structures**
- In June 2021 **Nice Footwear took over 80%** of the shares; Alessandro and Roberta Favaro (second generation) will keep 20% and remain operational in the company
  - Price: € 800k (80% of the Equity Value of € 1m)
  - Call option to be exercised by 30/09/2024 and Put to be exercised between 01/10/2024

## Main economic and financial data<sup>1</sup>

Data in €k	31/12/2018	31/12/2019	31/12/2020	30/04/2021
Revenues	1,932	2,989	2,416	2,511 <sup>2</sup>
EBITDA	301	780	415	414 <sup>2</sup>
Equity	177	(268)	26	129
Net financial debt (cash)	132	303	140	(356)



It should be noted that before the closing Favaro carried out a demerger of the property owned and the provisions for pensions and similar benefits in place

1. Until 31/12/2020 Favaro Manifattura Calzaturiera was a general partnership (S.n.c.). Favaro Manifattura Calzaturiera has changed its legal form to S.r.l. - a transformation deed dated 16 December 2020 whose effectiveness for civil purposes is dated 01/01/2021  
2. LTM



In January 2022 Nice Footwear acquired 80% of the company's shares with the aim of **integrating the supply chain** and promoting its inclusion in the **premium/luxury segment**.

## Emmegi

- **Emmegi** is specialized since the 70s in the production of high-end women's leather goods for prestigious fashion houses in Maserà (Padova).
- It deals **with production, sampling and technical assistance** employing **pre-feasibility analysis on materials, processes and structures**
- In January 2022 **Nice Footwear took over 80%** of the shares; will keep 20% and remain operational in the company
  - Price: € 480k (80% of the Enterprise Value of € 600k)
  - Call option to be exercised by 30/09/2025 and Put to be exercised between 01/01/2025 and 31/12/2025

## Main economic and financial data<sup>1</sup>

Data in €k	31/12/2020	31/12/2021 - PC
Revenues	2.148	1.801
EBITDA	583	426
Equity <sup>2</sup>	1.025	452
Net financial debt (cash)	(186)	(25)



1. Economic and financial data provided by third parties and not audited  
 2. Reduction in equity linked to the scission

## **III. Financial Highlights H1 2021**

# Consolidated Income Statement - GROUP NICE FOOTWEAR

III. Financial Highlights H1 2021

Income Statement (ITA GAAP) data in €k	apr-19	apr-20	apr-21	apr-21	ott-21	% on revenues				
	Act	Act	Act	Pro Forma	Act	apr-19	apr-20	apr-21	apr-21 PF <sup>1</sup>	ott-21
<b>Revenues</b>	<b>17,815</b>	<b>24,27</b>	<b>21,144</b>	<b>23,655</b>	<b>14,356</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Contributions for the financial year	310	353	594	594	264	1.7%	1.5%	2.8%	2.5%	1.8%
Raw materials consumption	-12,847	-17,36	-14,294	-15,036	9,914	(72.1%)	(71.5%)	(67.6%)	(63.6%)	-69,1%
Services costs	-1,51	-2,657	-2,816	-3,691	2,087	(8.5%)	(10.9%)	(13.3%)	(15.6%)	-14,5%
Costs for the entitlement of third-party property	-1,215	-1,711	-999	-1,011	387	(6.8%)	(7.1%)	(4.7%)	(4.3%)	-2,7%
Personnel costs	-1,112	-1,113	-1,265	-1,732	1,109	(6.2%)	(4.6%)	(6.0%)	(7.3%)	-7,7%
<b>EBITDA</b>	<b>1,442</b>	<b>1,781</b>	<b>2,364</b>	<b>2,778</b>	<b>1,123</b>	<b>8.1%</b>	<b>7.3%</b>	<b>11.2%</b>	<b>11.7%</b>	<b>7,8%</b>
Depreciation of intangible assets	-432	-437	-451	-522	258	(2.4%)	(1.8%)	(2.1%)	(2.2%)	-1,8%
Depreciation of tangible fixed assets	-90	-190	-327	-355	218	(0.5%)	(0.8%)	(1.5%)	(1.5%)	-1,5%
Write-downs of receivables	-76	-244	-80	-80	-	(0.4%)	(1.0%)	(0.4%)	(0.3%)	0,0%
Other revenues and income	2	16	17	58	240	0.0%	0.1%	0.1%	0.2%	1,7%
Miscellaneous operating charges	-114	-101	-56	-61	263	(0.6%)	(0.4%)	(0.3%)	(0.3%)	-1,8%
<b>EBIT</b>	<b>732</b>	<b>824</b>	<b>1,467</b>	<b>1,817</b>	<b>625</b>	<b>4.1%</b>	<b>3.4%</b>	<b>6.9%</b>	<b>7.7%</b>	<b>4,4%</b>
Financial income	0	1	1	1	0	0.0%	0.0%	0.0%	0.0%	0,0%
Interest and other financial charges	-108	-123	-258	-261	133	(0.6%)	(0.5%)	(1.2%)	(1.1%)	-0,9%
Foreign exchange gains and losses	-47	-16	-234	-234	10	(0.3%)	(0.1%)	(1.1%)	(1.0%)	0,1%
Foreign exchange gains and losses for consolidation	9	48	-38	-38	-	0.0%	0.2%	(0.2%)	(0.2%)	0,0%
Financial corrections	-1	0	-1	-1	-	(0.0%)	0.0%	(0.0%)	(0.0%)	0,0%
<b>EBT</b>	<b>584</b>	<b>734</b>	<b>936</b>	<b>1,283</b>	<b>502</b>	<b>3.3%</b>	<b>3.0%</b>	<b>4.4%</b>	<b>5.4%</b>	<b>3,5%</b>
Taxes	-109	-168	-57	-88	144	(0.6%)	(0.7%)	(0.3%)	(0.4%)	-1,0%
<b>Net result</b>	<b>474</b>	<b>566</b>	<b>879</b>	<b>1,195</b>	<b>358</b>	<b>2.7%</b>	<b>2.3%</b>	<b>4.2%</b>	<b>5.1%</b>	<b>2,5%</b>
Result attributable to third parties				77	19					

The following table provides Net sales on the Group's geographical segments:

	EURO	%
Italy	7.4 mln	49,6%
Other Countries	7.5 mln	50,4%
<b>Revenues and other income</b>	<b>14.9 mln</b>	<b>100%</b>

1. Pro-forma financial statements as at 30/04/2021 with inclusion in the scope of consolidation of Favaro Manifattura Calzaturiera S.r.l.  
Note: Shanghai Nice International Trading Co Ltd and Nice Footwear France S.A.S. not included in the scope of consolidation

# Consolidated Balance sheet - GROUP NICE FOOTWEAR

III. Financial Highlights H1 2021

Balance Sheet(ITA GAAP)	apr-19	apr-20	apr-21	apr-21	ott-21
<i>data in €k</i>	Act	Act	Act	Pro Forma <sup>1</sup>	Act
Intangible assets	1,262	830	1429	2,068	2.035
Tangible fixed assets	474	851	1322	1,356	1.146
Financial fixed assets	27	14	118	21	8
<b>Total fixed assets</b>	<b>1,764</b>	<b>1,696</b>	<b>2,87</b>	<b>3,446</b>	<b>3.190</b>
<b>Deferred tax activities</b>	<b>31</b>	<b>88</b>	<b>116</b>	<b>116</b>	<b>80</b>
Inventories	499	1,159	1001	1,138	2.310
Receivables from customers	3,35	4,067	6537	6,686	9.416
Payables to suppliers	-1,369	-3,009	-2986	-3,207 -	3.172
Advances	-69	0	-108	-108 -	1.035
Other current assets	991	1,152	1329	1,422	1.617
Other current liabilities	-467	-405	-446	-495 -	675
<b>Net Working Capital</b>	<b>2,934</b>	<b>2,965</b>	<b>5,327</b>	<b>5,435</b>	<b>8.462</b>
<b>Funds for risks and charges</b>	<b>-51</b>	<b>-55</b>	<b>-130</b>	<b>-130 -</b>	<b>280</b>
<b>Severance Pay</b>	<b>-63</b>	<b>-104</b>	<b>-145</b>	<b>-181 -</b>	<b>237</b>
<b>Net Invested Capital</b>	<b>4,615</b>	<b>4,59</b>	<b>8,038</b>	<b>8,686</b>	<b>11.215</b>
<b>Equity</b>	<b>1,672</b>	<b>2,23</b>	<b>4059</b>	<b>3,982</b>	<b>4.207</b>
<b>Minorities</b>				<b>22</b>	<b>33</b>
Cash equivalents	-13	-1,075	-2563	-2,609 -	2.033
Short-term banks	982	582	3	52	2.657
Banks and other lenders in MLT	1,974	2,852	6539	6,539	6.351
<b>Net Financial Position</b>	<b>2,943</b>	<b>2,36</b>	<b>3979</b>	<b>3,982</b>	<b>6.975</b>
<b>Debts to Favaro sellers</b>				<b>700</b>	<b>-</b>
<b>Funding sources</b>	<b>4,615</b>	<b>4,59</b>	<b>8038</b>	<b>8,686</b>	<b>11.215</b>

1. Pro-forma financial statements as at 30/04/2021 with inclusion in the scope of consolidation of Favaro Manifattura Calzaturiera S.r.l.  
Note: Shanghai Nice International Trading Co Ltd and Nice Footwear France S.A.S. not included in the scope of consolidation

Income Statement (ITA GAAP)	ott-20	ott-21
<i>data in €k</i>	Act	Act

<b>Revenues</b>	<b>8.019</b>	<b>10.691</b>
Contributions for the financial year	69	393
Raw materials consumption	- 5.163	- 7.301
Services costs	- 1.177	- 1.677
Costs for the entitlement of third-party property	- 520	- 342
Personnel costs	- 529	- 728
<b>EBITDA</b>	<b>699</b>	<b>1.037</b>
Depreciation of assets	- 318	- 410
Write-downs of receivables	-	-
Other revenues and income	-	-
Miscellaneous operating charges	- 26	- 232
<b>EBIT</b>	<b>355</b>	<b>395</b>
Financial income	-	3
Interest and other financial charges	- 83	- 132
Foreign exchange gains and losses	- 143	42
Foreign exchange gains and losses for consolidation	-	-
Financial corrections	-	-
<b>EBT</b>	<b>128</b>	<b>308</b>
Taxes	- 50	- 112
<b>Net result</b>	<b>79</b>	<b>196</b>

Result attributable to third parties

Balance Sheet(ITA GAAP) data in €k	ott-20 Act	ott-21 Act
Intangible assets	549	1.254
Tangible fixed assets	1.061	1.095
Financial fixed assets	14	1.892
<b>Total fixed assets</b>	<b>1.624</b>	<b>4.242</b>
<b>Deferred tax activities</b>	<b>88</b>	<b>80</b>
Inventories	1.342	2.209
Receivables from customers	3.930	7.301
Payables to suppliers	- 2.571	- 2.409
Advances	- 127	- 578
Other current assets	1.048	1.549
Other current liabilities	- 347	- 501
<b>Net Working Capital</b>	<b>3.275</b>	<b>7.572</b>
<b>Funds for risks and charges</b>	<b>- 55</b>	<b>- 280</b>
<b>Severance Pay</b>	<b>- 123</b>	<b>- 174</b>
<b>Net Invested Capital</b>	<b>4.810</b>	<b>11.439</b>
<b>Equity</b>	<b>2.274</b>	<b>3.826</b>
<b>Minorities</b>	<b>-</b>	<b>-</b>
Cash equivalents	- 2.042	- 1.535
Short-term banks	827	4.846
Banks and other lenders in MLT	3.751	4.302
<b>Net Financial Position</b>	<b>2.536</b>	<b>7.613</b>
<b>Debts to Favaro sellers</b>	<b>-</b>	<b>-</b>
<b>Funding sources</b>	<b>4.810</b>	<b>11.439</b>

Financial Statement (ITA GAAP)	ott-21	
€k		Act
EBITDA		1.037
Δ Inventory	-	867
Δ Receivables	-	3.371
Δ Payables	-	161
Δ Advances		450
Δ Operating Working Capital	-	3.950
Δ Other current receivables	-	501
Δ Other current payables		154
Δ Net Working Capital	-	4.297
Net investments in intangible assets	-	1.116
Net investments in tangible assets	-	34
CAPEX	-	1.149
Δ Prepaid taxes		9
Δ Funds		276
Cash flow from operating activities (pre-tax pre-finance)	-	4.124
Financial investments	-	878
Net financial items	-	319
Taxes	-	112
Kronos brand revaluation	-	1.000
Δ Shareholder's equity (incl. Δ Changes due to consolidation)		1.357
Δ Net financial position	-	5.077
Δ Financial debt		4.570
Δ Cash and cash equivalents	-	507

## **IV. Debut on Euronext Growth Milan**

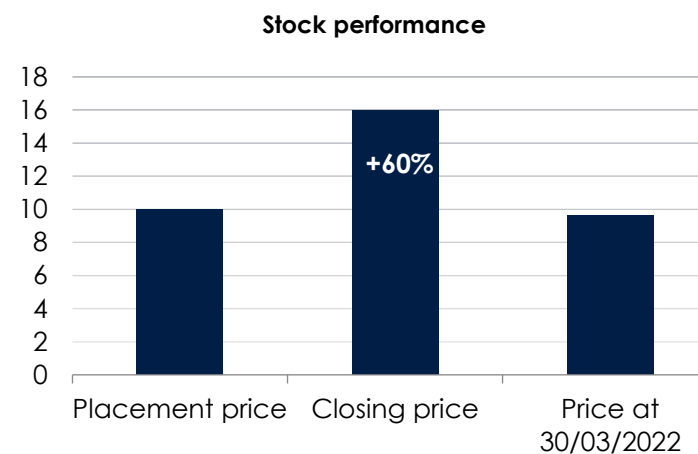


Nice Company is an investment holding company that belongs entirely to Bruno Conterno and Francesco Torresan (who respectively own 80% and 20% of the share capital).

- **Greenshoe Option:** 26 November 2021 BPER Banca S.p.A., in its role as Global Coordinator, exercised in full the greenshoe option granted by Nice Footwear S.p.A. for a total of 49,950 ordinary shares, by subscribing and freeing up in full the respective portion of the capital increase.

- **Shareholder structure:**

Shareholder	Number of shares	%
Nice Company	1.500.000	73%
Other	549.900	27%
Total	2.049.900	100%



In 2020, the Company issued a Minibond listed on ExtraMotPro3

## General features

- Loan consisting of n. 30 dematerialized bonds with a unit nominal value of Euro 100,000, for a total nominal amount of Euro 3,000,000
- Listed on the ExtraMOT PRO3 segment of the ExtraMOT Market
- Loan issued on 2 July 2020 and with a duration until 2 July 2026
- Gross annual nominal fixed rate of 4.375%
- By 31 December 2021, the Issuer has the right to issue additional securities by increasing the global nominal value of the Loan up to a total maximum of an additional 2,000,000 euros

## Issuer Commitments

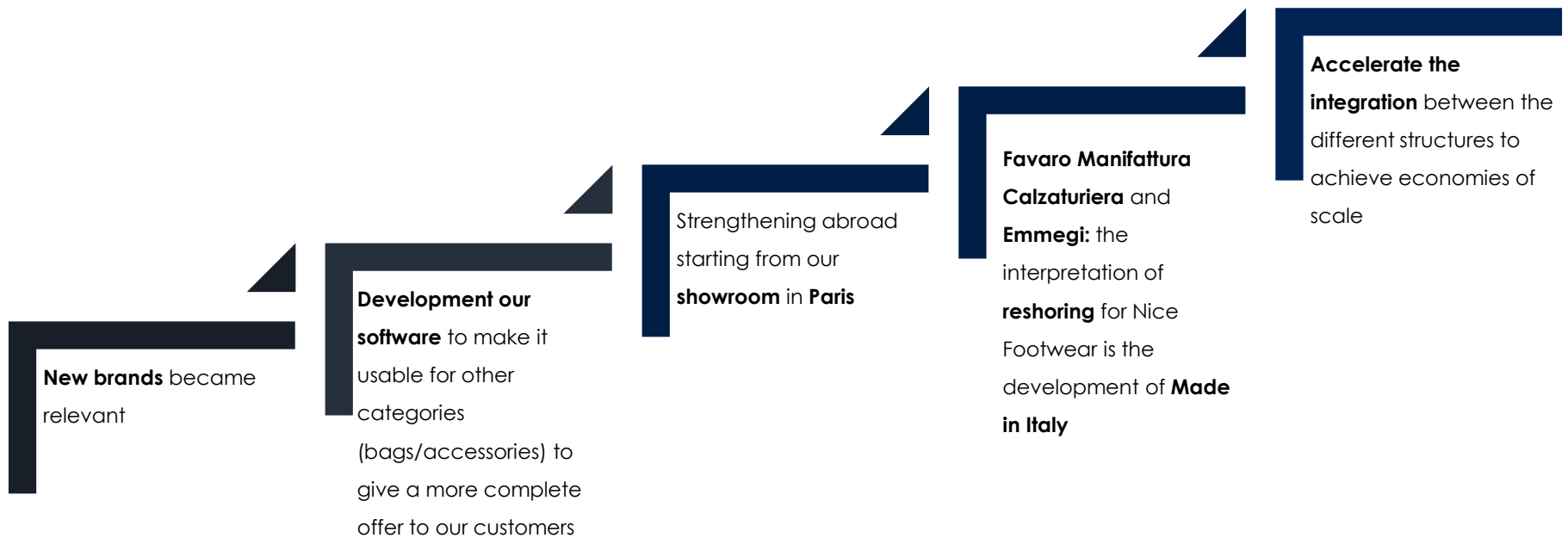
- Maintain a NFP value below Euro 10,000,000; it being understood that, if from any approved Financial Statements, from time to time, an EBITDA value higher than Euro 3,000,000 results, the relative NFP value must, in any case, be lower than Euro 14,000,000
- Maintain, for the entire duration of the Loan, a credit exposure or an investment in Nice Footwear Asia not exceeding Euro 4,000,000
- Starting from the financial year ending April 30, 2020, refrain from paying or distributing profits in any form to an extent greater than 40% of the operating profit and provided that the distribution does not lead to a violation of one or more Financial Covenants, which are shown in the following table:

Ratio	04/2021	04/2022	04/2023	04/2024	04/2025
PFN/EBITDA $\leq$	4.2x	4.0x	3.8x	3.7x	3.6x
PFN/PN $\leq$	2.5x	2.4x	2.3x	2.2x	2.1x

## Early repayment

- Faculty for the Issuer to proceed, starting from the payment date falling on July 1, 2023 (included), to the full or partial early repayment (in this case the repayment taking place pari passu and pro rata among all the Bonds) of the Bonds
- In the event that the Issuer intends to proceed with the early redemption of the Bonds, such redemption will be exercised in respect of the Bondholders: (i) if such redemption is made on a payment date falling in the year 2023, at 102% of the nominal value residual of the Bonds subject to redemption; (ii) if this repayment is made on a payment date falling in the year 2024, at 101.50% of the residual nominal value of the Bonds to be repaid; (iii) if this repayment is made on a payment date falling in the year 2025, at 100.50% of the residual nominal value of the Bonds being repaid; (iv) if this repayment is made on a payment date falling in the year 2026 (other than the maturity date), at 100% of the residual nominal value of the Bonds subject to repayment

**V. What's next?**





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