

PRESS RELEASE

THE BOARD OF DIRECTORS OF ALA S.P.A. HAS APPROVED THE CONSOLIDATED INTERIM FINANCIAL REPORT AT 30 JUNE 2023

ALL ECONOMIC INDICATORS SHOW DOUBLE DIGIT GROWTH

SIGNIFICANT ORGANIC GROWTH CONFIRMS THE ALA GROUP'S CENTRAL POSITION IN SECTOR OF INTEGRATED LOGISTICS AND SUPPLY-CHAIN SERVICES

EXCELLENT MARGINS CONFIRMED

- **VALUE OF PRODUCTION:** € 113.6 million (€ 63.9 million at 30 June 2022) **+77.8%**
- **EBITDA:** € 12.3 million (€ 7.1 million at 30 June 2022) **+73.4%**
- **EBIT:** € 10.0 million (€ 5.8 million at 30 June 2022) **+72.0%**
- **NET PROFIT:** € 5.8 million (€ 3.5 million at 30 June 2022) **+66.1%**
- **NET FINANCIAL POSITION (net debt):** - € 33.2 million (- € 28.7 million at 31 December 2022)

Naples, 20 September 2023 – The Board of Directors of ALA S.p.A. (**EGM: ALA**), leader in Italy and a main global player in the offer of integrated logistics services and the distribution of products and components for the aerospace industry in both the civil and defense sectors (“Aerospace & Defense”), met this morning, under the chairmanship of Fulvio Scannapieco and approved the Draft Financial Statements and the Draft Consolidated Financial Statements at 30 June 2023. For the first time, the report includes the results of the Spanish Group SCP Sintorsa acquired on 30 September 2022 (see [Press Release](#)).

Roberto Tonna, Chief Executive Officer of the ALA Group, commented: *“We are fully satisfied with the consolidated results at 30 June 2023, which show a significant improvement in the Group’s economic and financial performance compared to the same period of the previous year. More importantly, in the first half of 2023 the ALA Group achieved major objectives in terms of organic growth and profitability, also thanks to the consolidation of the assets of the recently acquired SCP Sintorsa for the entire period. The experience and skills acquired with the Spanish companies are proving to be invaluable, allowing us to improve our offer of products and services, which will help the further growth of our business in the coming years. International development and the development of our foreign subsidiaries remain a priority for ALA, and the opening of our new Sales Office in Texas, one of the largest aerospace hubs in the US, moves in this direction.*”

These operations allow us to consolidate our presence in key markets, improving our ability to serve customers at a global level and to offer an increasingly broad and integrated range of high-quality services and products.”

Fulvio Scannapieco, Chairman of the ALA Group, stated: *“We are proud of the results achieved in the first half of 2023. This success is the direct effect of our long-term corporate vision and our strategy for growth through targeted acquisitions.*

The strength of our business model has also been confirmed by the upgrading of our Cerved rating from B1.1 to A3.1 in August. This important result demonstrates our Company’s strong market positioning and confirms our role as a leading operator in the sector.

We are pleased with our achievements to date and are confident about the future, and will continue to pursue our mission focused on excellence, responsibility and sustainable growth. I would like to thank the entire team and everyone who contributed to these extraordinary results: dedication, expertise and commitment are the secrets to our success. We will continue to invest in people and innovation to ensure that this growth remains sustainable over time.”

MAIN CONSOLIDATED FINANCIAL RESULTS

In the first half of 2023, the ALA Group achieved excellent results in terms of organic growth, due to its solid and scalable business in high-potential markets, and externally, thanks to its growth strategy through recent acquisitions.

Value of Production showed a marked increase of 77.8% compared to the same period of the previous year, up from € 63.9 million to € 113.6 million. This significant increase was attributable to the performance of the main business lines, as well as the major contribution of the turnover generated from the ALA Group’s recent integration of the Spanish group SCP-Sintersa in September 2022. As the first financial report that includes the recently acquired Spanish subsidiaries SCP and Sintersa it should be noted that, even net of their contribution, the Group recorded growth of 47.6% compared to the first half of 2022.

The **Gross Margin** came in at € 34,2 million. The percentage of revenues was equal to 30.1%, slightly lower than the 30.6% recorded in the first half of 2022. This figure confirms the ALA Group's excellent ability to contain costs, despite persistent inflation in the first 6 months of 2023.

EBITDA stood at € 12.3 million (€ 7.1 million in the first half of 2022) with an **EBITDA Margin** of 10.8%, in line with the same period of the previous year. The gross operating margin showed a significant growth of 73.4% in absolute terms, mainly due to combined effect of the increase in gross margins and the contribution of the Spanish subsidiaries. This result shows the Group’s excellent positioning in the reference sector and the effective merger process of the new acquisitions within the ALA Group.

In the first six months of 2023, **EBIT** reached € 10.0 million, +72.0% compared to € 5.8 million in the same period of the previous year. **Net Profit** was equal to € 5.8 million, compared to € 3.5 million in the first half of 2022.

The **Net Financial Position (NFP)** at the end of the period stood at € 33.2 million, up approximately € 4.5 million compared to € 28.7 million at 31 December 2022. The level of leverage appears to be largely sustainable.

At 30 June 2023, the Group showed further improvement in terms of capitalization, rising from € 60.4 million at 31 December 2022 to € 62.0 million.

SIGNIFICANT EVENTS DURING THE FIRST HALF OF THE YEAR

On **1 January 2023**, the integration of ALA Israel in the Group management system was completed as it went live on SAP 4/HANA. This initiative aims to optimize the control, interaction and development activities of ALA Israel, allowing the subsidiary to focus more effectively on the commercial development of the thriving internal market while improving its management efficiency.

On **23 January 2023**, in execution of the development plan for the German subsidiary led by the new General Manager, Jan Dohmeyer, the headquarters of ALA Germany moved from Neumarkt to Hamburg, the main German aviation hub. This move offers the advantages of greater proximity to main customers and greater accessibility to specialized resources.

In **March 2023**, Leonardo awarded two major prizes to the ALA Group: the Vision for Growth Award for its dynamism in achieving the objectives of the LEAP (Leonardo Empowering Advanced Partnerships) Program, and the Sustainability Award for its constant commitment to generating sustainable value, confirming the Company's constant and firm commitment to sustainability.

On **1 March 2023**, the UK subsidiary transferred its headquarters from Walton-On-Thames to Esher, a few miles away. This new location will allow ALA UK to support business growth more efficiently.

In **March 2023**, the ALA Group starting using the AirSupply portal with some key suppliers, as a member of the BoostAeroSpace SAS Community, confirming the Group's commitment to innovation and digitization with a view to improving efficiency in supply chain management.

In **April 2023**, the parent company ALA S.p.A. published its sustainability report for financial year 2022. This document has become increasingly important for transparent stakeholder communications. The latest edition was drawn up in full compliance with the Sustainability Reporting Standards of the Global Reporting Initiative (GRI). In addition, the ESG performance analysis gave the parent company ALA S.p.A. a sustainability score that shows a high level of awareness on environmental, social and governance issues.

SIGNIFICANT EVENTS AFTER THE FIRST HALF OF THE YEAR

On **31 July 2023**, the ALA Group announced the important upgrade of ALA S.p.A.'s public rating from B1.1 to A3.1. by Cerved Rating Agency, a rating agency specialized in assessing the creditworthiness of Italian non-financial companies. This upgrade reflects: (i) ALA's growing competitiveness within the industry; (ii) the positive result of operations posted in 2022, consistent with budget targets; and (iii) the continuing good financial equilibrium (NFP/EBITDA<2.0x) at the end of 2022, despite the M&A deal completed.

In **July 2023**, the ALA Group completed the second surveillance audit for its EN9120 global certification, passing the stringent audit plan that involved the largest commercial and operational offices of the Group without any findings of non-compliance.

In **September 2023**, ALA opened a new sales office in Fort Worth, Texas, US, dedicated exclusively to the development of business in the North American market.

BUSINESS OUTLOOK

Following the excellent results recorded in the first half of the year, in the second half of 2023 the Group will aim to achieve ambitious budget objectives for 2023 and to further strengthen its positioning as a leading global operator in the sector.

Special attention and emphasis will be given to cross-selling opportunities with the recently acquired SCP Sintorsa and the development of the North American market, which offers great growth opportunities for ALA.

From an operational point of view, attention will remain high in order to continue guaranteeing excellent service levels for customers in both the Service Provider and Distribution divisions, which have made it possible to offset the less than satisfactory performance of certain major suppliers.



The second half of 2023 will see the Company engaged in the ramp-up of the logistics platform dedicated to Dassault Aviation.

We reasonably believe that the above, combined with the usual attention and careful management of all fixed and variable cost items, will allow the Company to continue on the path of international growth, constant improvement of profitability and creation of value for shareholders taken so far.

In accordance with current legislation, please note that the Interim Financial Report at 30 June 2023, together with the Audit Report for the Consolidated Interim Financial Statements, is available to the public at the registered office of the Company and on the website of the Company (<https://www.alacorporation.com>, Investor Relations section).

A.L.A. S.p.A. (Euronext Growth Milan: ALA) is a leading international supply chain partner in the Aerospace, Defence, Railway and High-Tech sectors. For more than 35 years, ALA has served as a one-stop partner for the management and distribution of high-performance products, services and engineering solutions designed to streamline and improve its customers' supply chain management operations. Headquartered in Naples, Italy, ALA – together with its subsidiary S.C.P. Sintesa – currently relies on a talented workforce of more than 500 people and on the strength of a growing network of sales offices and operations offices across Europe (Italy, Spain, Portugal, the United Kingdom, France and Germany), Israel and North America. ALA serves customers in 40 countries and manages more than 1300 suppliers worldwide.

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ANNEX

ALA S.p.A. – Consolidated Income Statement H1 2022 / 2023

INCOME STATEMENT	H1_2023		H1_2022	
	Euro M	%	Euro M	%
Revenues	110.9	98%	63.1	99%
Change in finished products	2.6	2%	-	0%
Work in progress	-	0%	-	0%
Additions to fixed assets	-	0%	0.3	0%
Other revenues	0.1	0%	0.6	1%
Value of Production	113.6	100%	63.9	100%
Raw materials	(91.2)	-80%	(44.0)	-69%
Cost of services	(6.5)	-6%	(4.0)	-6%
Leases and rentals	(1.5)	-1%	(1.0)	-2%
Personnel expenses	(12.1)	-11%	(6.5)	-10%
Change in inventory of raw and consumable materials	10.1	9%	(1.0)	-2%
Other operating expenses	(0.2)	0%	(0.3)	0%
EBITDA	12.3	11%	7.09	11%
Amortization	(1.5)	-1%	(1.0)	-2%
Depreciation	(0.4)	0%	(0.2)	0%
Write-down of receivables	(0.4)	0%	(0.1)	0%
Provisions	-	0%	-	0%
EBIT	10.0	9%	5.8	9%
Interest (expense)/income	(2.8)	-2%	(1.1)	-2%
Revaluations/Write downs of financial assets	-	0%	-	0%
Extraordinary items	-	0%	-	0%
Net profit before taxes	7.3	6%	4.7	7%
Taxes	(1.5)	-1%	(1.2)	-2%
Net Profit/(Loss)	5.8	5%	3.5	5%
Net Profit / (Loss) to third parties	0.0		0.1	
Net Profit /(Loss) to the Group	5.8	5%	3.4	5%

ALA S.p.A. - Consolidated Balance Sheet H1 2023 / FY 2022

BALANCE SHEET	H1_2023	FY_2022
	Euro M	Euro M
Uses		
Inventories	78.8	66.0
Trade receivables, net of advances	25.5	24.9
Other current assets	5.3	6.1
Current assets	109.6	97.0
Trade payables	(39.4)	(34.4)
Other current payables	(10.2)	(7.5)
Current payables	(49.7)	(41.9)
Net Working Capital	59.9	55.1
Property, Plant and Equipment, net	3.9	3.4
Intangibles	31.6	31.1
Financial assets	0.7	0.5
Fixed assets	36.3	35.1
Invested capital	96.2	90.2
Severance indemnity fund	(0.3)	(0.3)
Other funds	(0.6)	(0.7)
Net invested capital	95.3	89.1
Sources		
Short-term financial debt	13.1	10.8
Long-term financial debt	40.8	46.1
Other debts	1.0	0.7
Financial debt	54.8	57.6
Cash & near-cash	(21.6)	(28.9)
Net Debt	33.2	28.7
Debts vs shareholders	-	-
Share capital	9.5	9.5
Reserves	46.6	43.1
Net result	5.8	7.7
Group Equity	61.9	60.3
Minorities	0.2	0.2
Stockholders' equity	62.0	60.4
Total sources	95.3	89.1