



GROUP OVERVIEW

SUPPLY CHAIN INTEGRATOR



Agenda

- Overview
- Business Model
- Market
- Updates FY 2023
- Financials FY 2023
- Strategy
- Key Success Factors
- Appendix

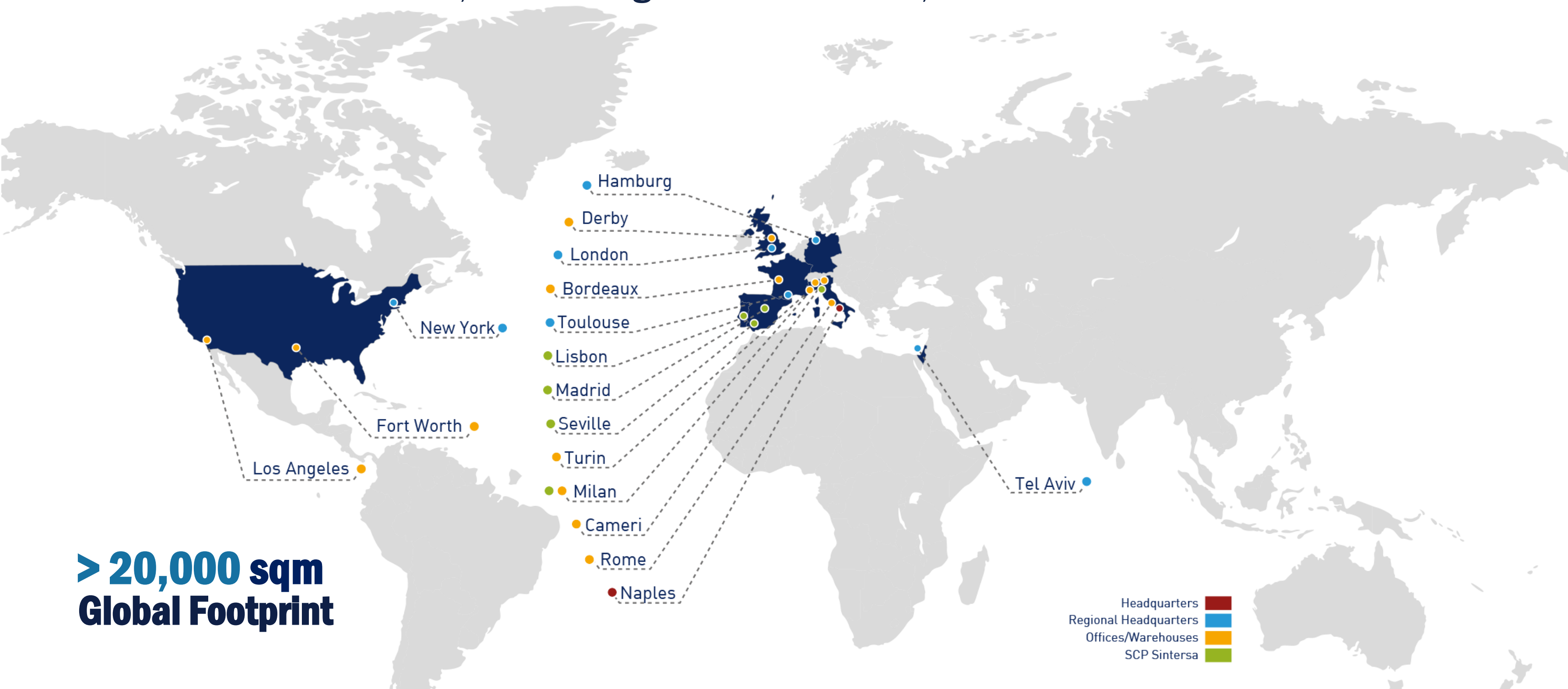


ALA

Overview

AT A GLANCE

ALA is a global diversified **supply chain integrator** to the Aerospace, Defense, Power Generation, Rail & High-Tech Industries, listed at the EGM since 2021



> 20,000 sqm
Global Footprint

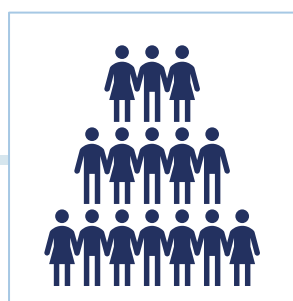
35+ Years
of industry experience

>99.5%
OTIF

>200,000
SKUs managed

Highest QA & Compliance
Standards

COST EFFECTIVE
Solutions



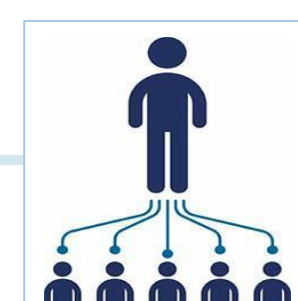
600+ employees



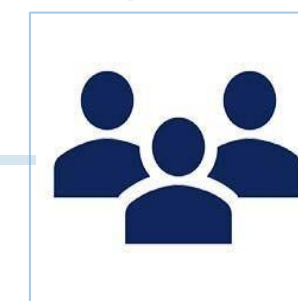
5 markets



8 countries

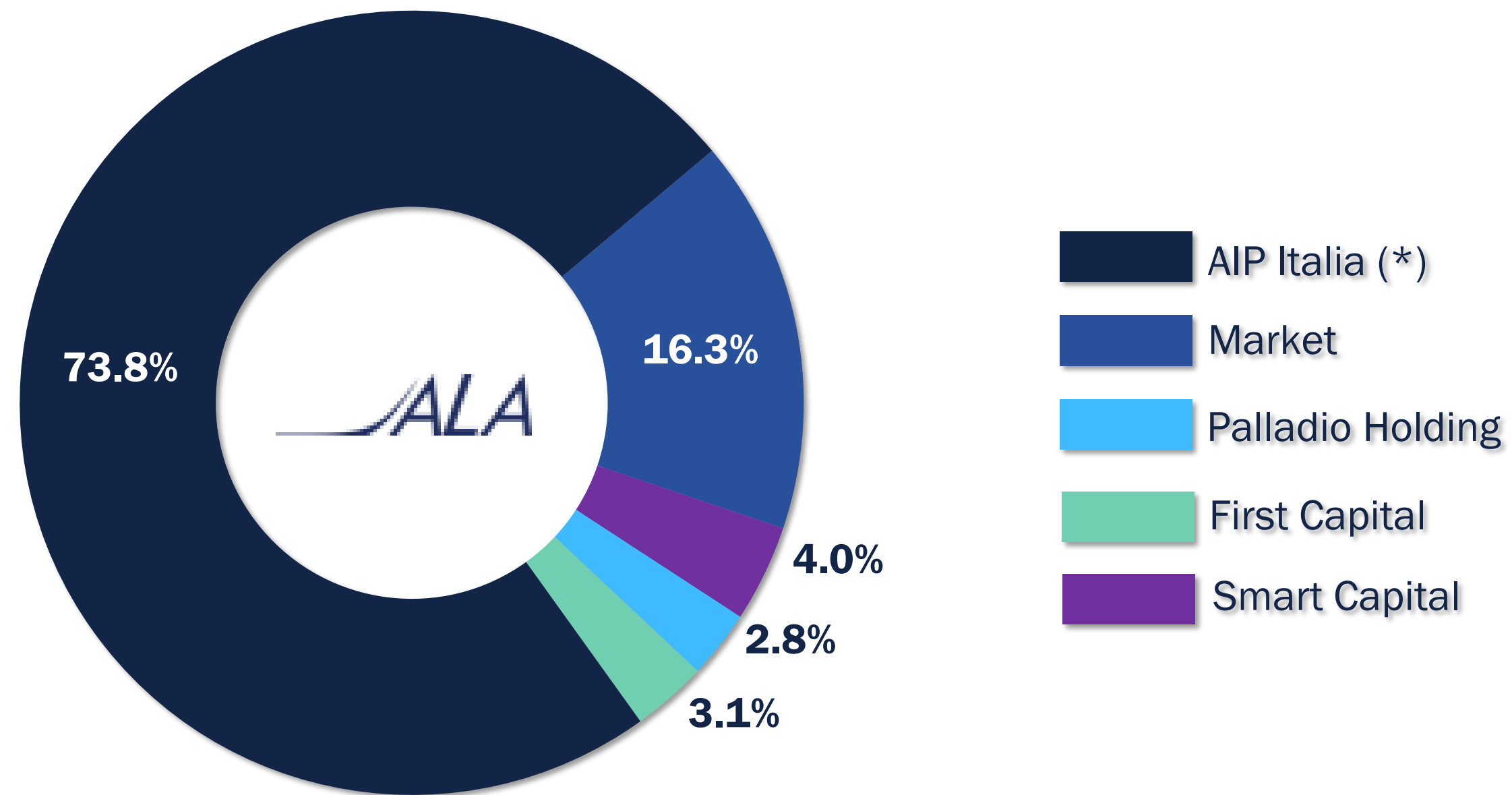


1,500 suppliers



1,100 customers





BOARD OF DIRECTORS



FULVIO SCANNAPIECO
FOUNDER AND CHAIRMAN



VITTORIO GENNA
FOUNDER AND VICE-CHAIRMAN



ROBERTO TONNA
CEO



MATTEO SCANNAPIECO
DIRECTOR

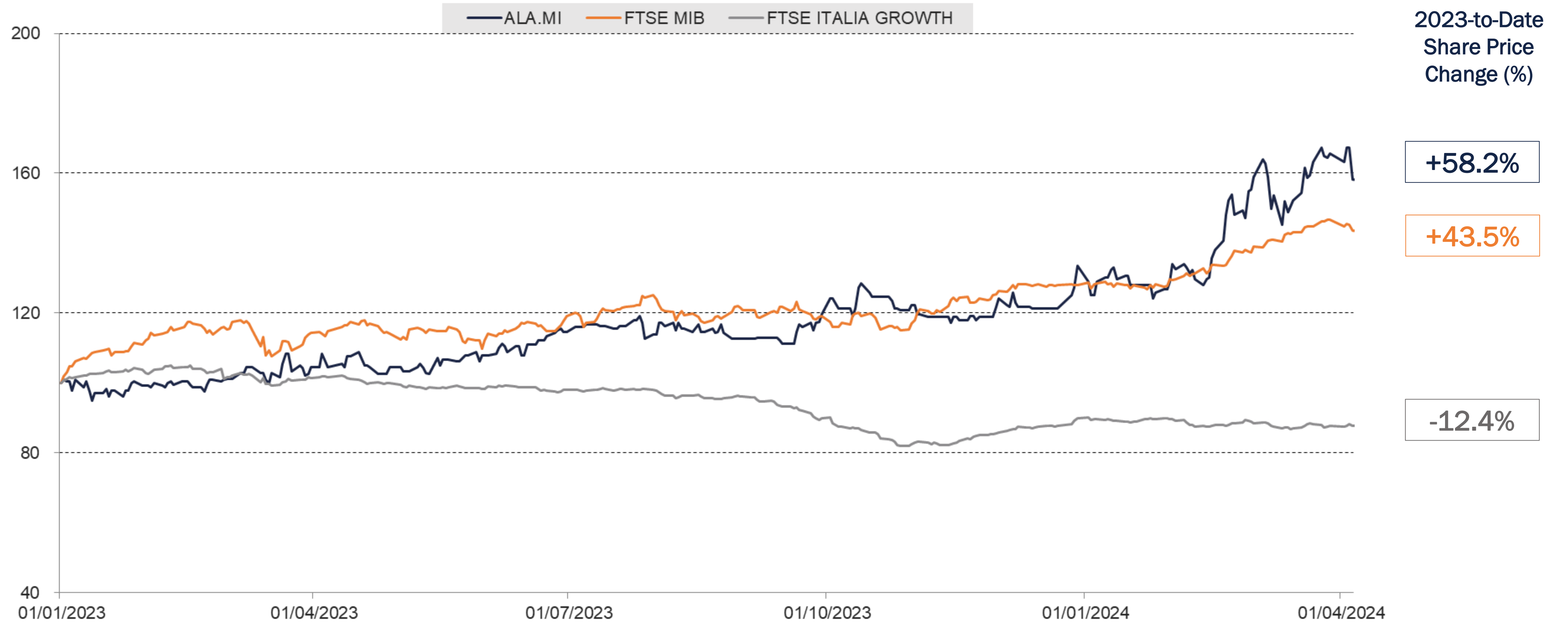


ANDREA COSTANTINI
INDEPENDENT DIRECTOR

*Today AIP Italia shareholding is as follows 60% Fulvio Scannapieco, 40% Vittorio Genna.

As at 27/04/2023

OUTSTANDING VALUE GROWTH



ALA Mkt Cap ~ EUR 180 million



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Business Model

OUR ACTIVITIES

DISTRIBUTION

FULLY SCALABLE ACROSS A WIDE RANGE OF COMMODITIES TO PENETRATE NEW SECTORS
AND ADJACENT MARKETS

PRODUCTS

FASTENERS

INDIRECT MATERIALS

**RAW MATERIAL, ELECTRONICS,
INTERIORS PRODUCTS**

ALA is a stocking distributor of a virtually unlimited range of commodities in support to the most demanding requirements of the Aerospace OEM & MRO, Defense, Power Generation as well as Rail & Industrial global organizations.

SERVICE PROVIDER

MULTI-YEAR FULL SUPPLY-CHAIN OUTSOURCING

CORE COMPETENCES

**TOTAL INVENTORY &
SUPPLY CHAIN MANAGEMENT**

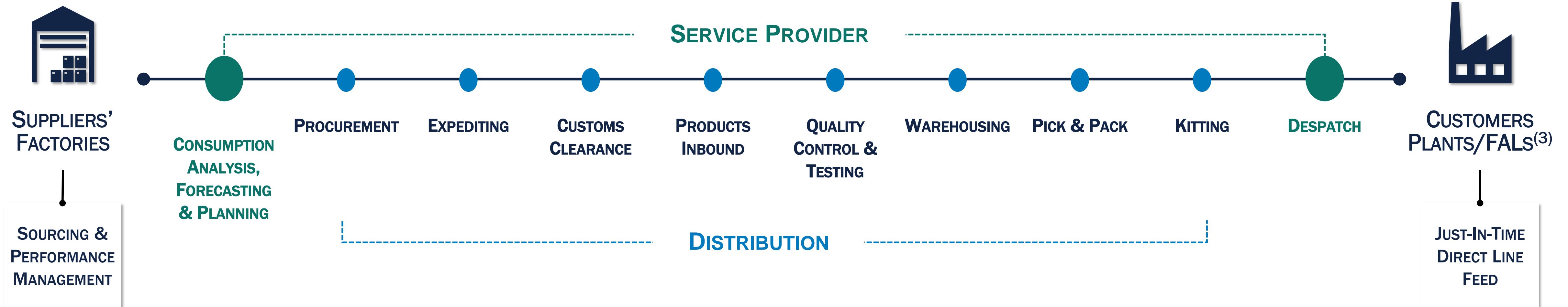
**FSL, DLF, VENDING &
KITTING SOLUTIONS**

**EDI & FULL INTEGRATION WITH
CUSTOMER ERP**

ALA specializes in lean supply chain management solutions to deliver significant benefits to its customers' operations. These include, but are not limited to, supplier relationship management, inventory management, Just In Time delivery, third-party logistics, consignment stock, Direct Line Feed and Kitting.

DISTRIBUTION AND SERVICE PROVIDER SHARE THE SAME MARKET AND INVENTORY AND THEY CONSTITUTE A MUTUALLY REINFORCING BUSINESS CYCLE

ONE-STOP-SHOP VALUE PROPOSITION TO HELP CLIENTS IN MANAGING COMPLEXITY



...MISSION CRITICAL TO GLOBAL CUSTOMERS...



>500,000
BIN REPLENISHMENTS P.A.



<30 MINUTES
DISTANCE FROM
CUSTOMERS' PREMISES



ANALYTICS
KPIs CONSTANT
MONITORING



>99.5%
ON TIME & IN FULL
(OTIF)



UP TO 30%
TCA SAVINGS

ALA'S EXPERTISE REPRESENTS A KEY COMPETITIVE ADVANTAGE FOR MULTINATIONAL CUSTOMERS WITH COMPLEX SUPPLY CHAINS

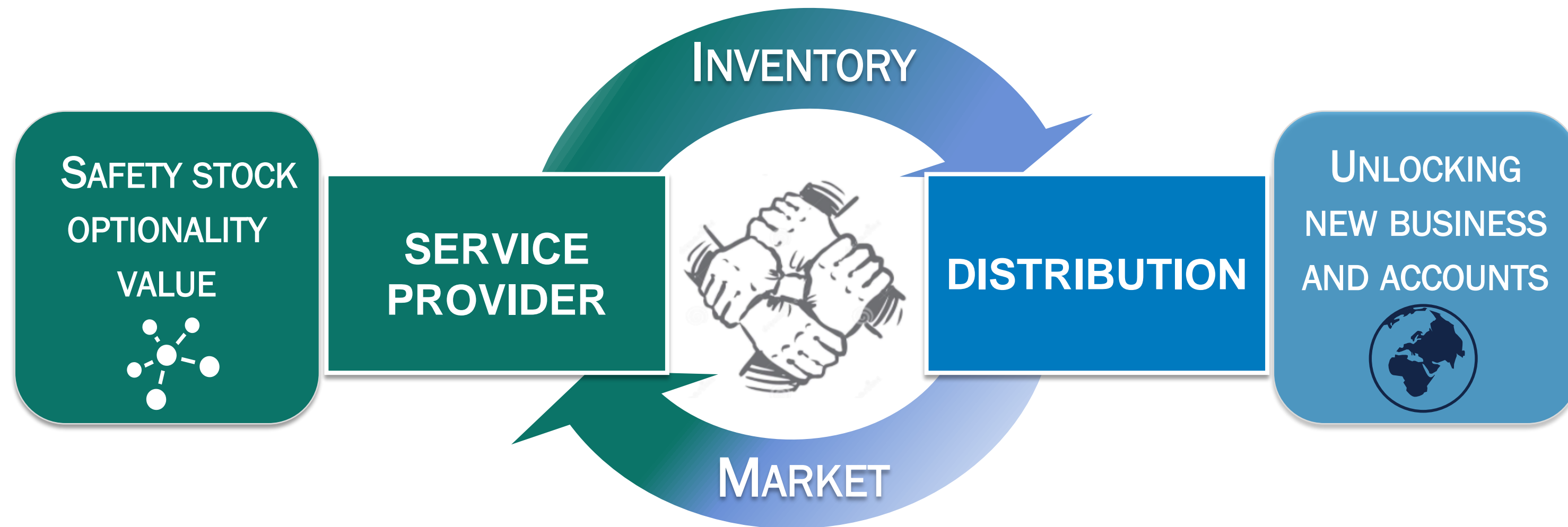
Source: Management

(1) FSL: Forward Stocking Locations; (2) DLF: Direct Line Feed; (3) FAL: Final Assembly Line

SCALABLE BUSINESS MODEL

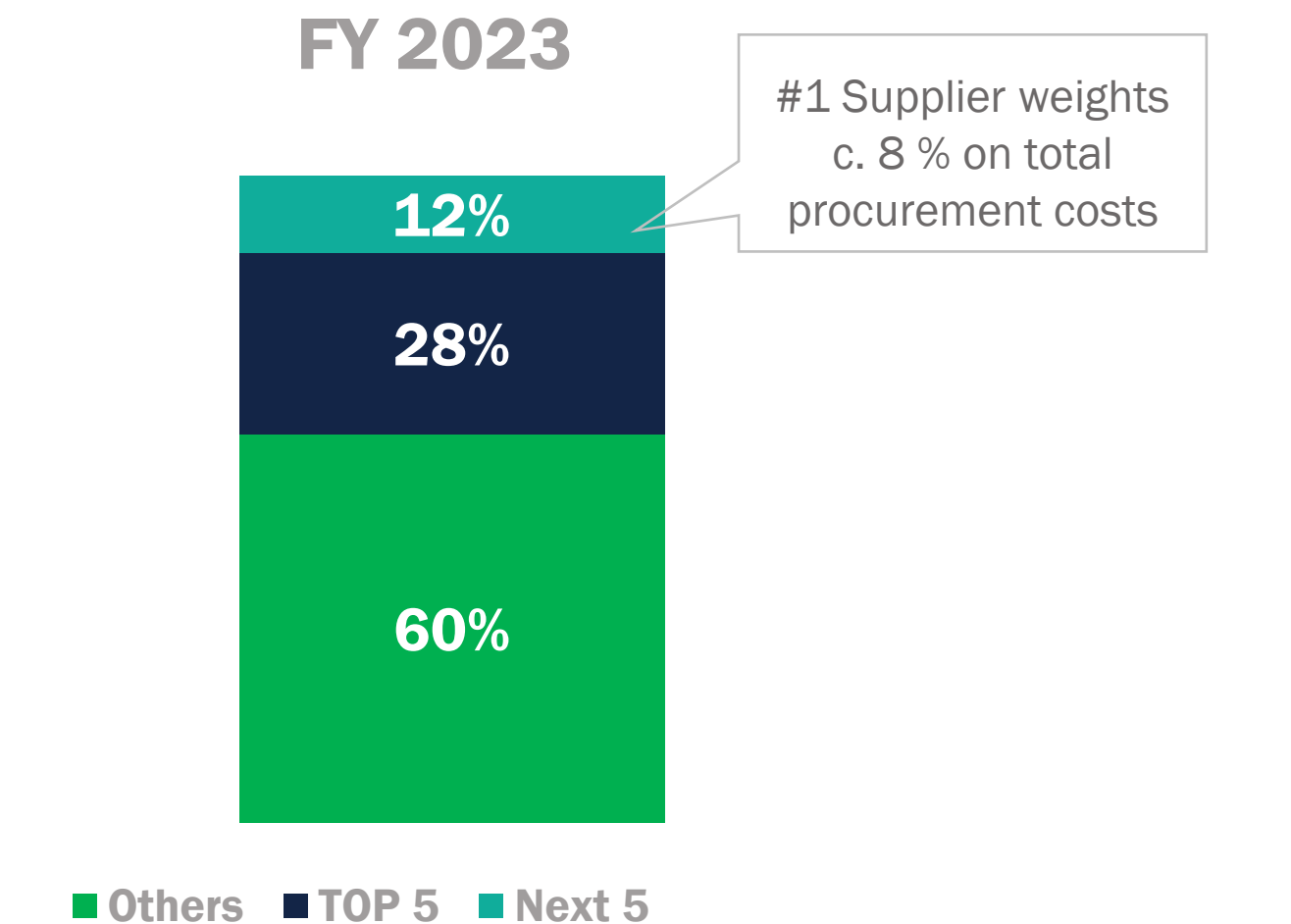
IN AEROSPACE AND DEFENCE...

- WAREHOUSES SERVE BOTH THE SERVICE PROVIDER AND THE DISTRIBUTION BUSINESS UNITS
- SAFETY STOCK CAN BE USED FOR DISTRIBUTION



- SUPPLIERS: SHARED GLOBAL NETWORK
- CUSTOMER RELATIONSHIP: THE RELATIONSHIP CAN THEN EVOLVE TOWARDS SERVICE PROVIDER

SUPPLIERS CONCENTRATION % ON SPENDING*



- LEVERAGE ON A WIDE SUPPLIERS' NETWORK
- OPPORTUNITY TO SWITCH FROM RIGHT-TO-BUY TO BUY-AND-SUPPLY CONTRACTS WITH CUSTOMERS
- PLENTY OF ROOM TO EXPLOIT FURTHER CROSS-SELLING

SERVICE PROVIDER AND DISTRIBUTION ARE HIGHLY SYNERGIC AS THEY SHARE MARKET AND STOCKED INVENTORY, ALLOWING TO ENLARGE CUSTOMERS' BASE



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Market

GLOBAL PRESENCE WITH STRATEGIC PROXIMITY TO KEY BUSINESS TARGETS



TOP 30⁽¹⁾ A&D PLAYERS: MOST OF THEM ARE SERVED BY ALA'S FACILITIES



LEVERAGING ITS INTERNATIONAL PRESENCE, ALA INCREASINGLY REPRESENTS A POINT OF REFERENCE FOR LARGE GLOBAL PLAYERS

Source: <https://www.salesartillery.com/fs/top-100-aerospace-companies>

Committed to the highest quality standards, ALA offers its products and services to a wide range of markets: Aerospace OEM & MRO, Defense & High-Tech Industries. ALA works to optimize its Customers' supply chain and offer the best service and buying experience possible within the shortest lead times.



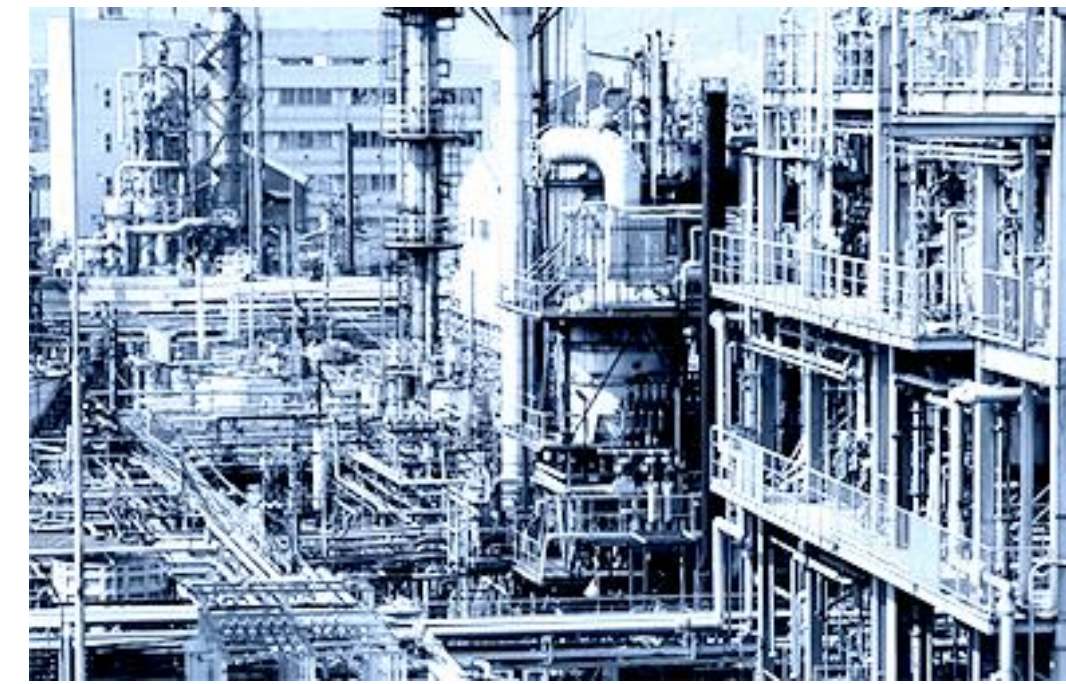
Aerospace OEM & MRO

ALA serves OEMs and their Supply Chains. ALA products are used to build engines, airframe, equipment, systems and cabin interiors. Dedicated teams follow MRO customers by providing them with parts and customized services.



Defense

ALA is partner of the main defense projects and certified to distribute products for the manufacturing of military ground vehicles, naval ships, military aircrafts, weapon systems, Fire Control Systems, and Tactical communications.



Power Generation

ALA is a global innovative provider of a wide range of products for the Energy market: On and Off-shore, Pipeline & Distribution, Floating Production Storage & Offloading Unit (FPSO), Refinery, Petrochemical, and Power Generation.



Rail & Industrial

ALA is a Supply Chain Service Provider for a wide range of products supporting Production & Maintenance requirements of High-Speed Trains, Metro Trains, and Railway Systems. It is also certified to operate Industrial Automation systems, machine tooling, windmills, etc.

MARKET: HIGH BARRIERS TO ENTRY

COMPLEXITY

HIGH LEVEL OF OVERALL COMPLEXITY EVIDENTLY REQUIRES A STRONG KNOW-HOW AND SECULAR EXPERIENCE



Strategic Locations
deliveries and
Drop-shipment



> 200,000
SKUs managed



>38,000
Deliveries for year



1,100
customers

QUALITY CONTROL

UNCOMPROMISED SERVICE QUALITY CEMENTING REPUTATION, ENABLING TO OPERATE AS DELEGATED AUTHORITY OF TRUST IN HARD-TO-ENTER BUSINESSES (E.G. MILITARY)

5σ «filter level»



Free Pass Quality



SPECIFIC CERTIFICATIONS ARE NECESSARY

TO CARRY OUT MANDATORY QUALITY-CHECK ON MANAGED PARTS

SUPPLIERS

STRONG AND CONSOLIDATED ORGANIZATIONAL KNOW-HOW AND EXPERIENCE ARE CRITICAL ENABLERS TO MANAGE EFFICIENTLY SUCH WIDESPREAD AND DIVERSIFIED SUPPLIER BASE



Specialized in
Hard-To-Find
Materials



>1,300
Suppliers Managed

RELATIONSHIP WITH CUSTOMERS

A CONSOLIDATED, LONG-TERM AND TRUSTWORTHY RELATIONSHIP IS REQUIRED IN ORDER TO CARRY OUT ACTIVITIES WITH SUCH A HIGH LEVEL OF PRECISION AND ACCURACY



Extensive Customer
Facing Time



40 Customers'
Countries

HIGH BARRIERS TO ENTRY LIMITING TREATS FROM NEW INCUMBENTS



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Updates FY 23



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.

JULY 2023



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.

INVESTMENT GRADE	A1.1	AAA	Aaa	AAA
	A1.2	AA+/AA	Aa1/Aa2	AA+/AA
	A1.3	AA-	Aa3	AA-
SECURITY	A2.1	A+	A1	A+
	A2.2	A	A2	A
	A3.1	A-	A3	A-1
SOLVIBILITY	B1.1	BBB+/BBB	Baa1/Baa2	BBB+/BBB
	B1.2	BBB-	Baa3	BBB-
	B2.1	BB+/BB	Ba1/Ba2	BB+/BB
VULNERABILITY	B2.2	BB-	Ba3	BB-
	C1.1	B+/B	B1/B2	B+/B
	C1.2	B-	B3	B-
SPECULATIVE GRADE	C2.1	CCC/C	Caa/Ca/C	CCC/C
	C2.1	S&P	Moody's	Fitch

ALA is here

JULY 2023

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.

SEPTEMBER 2023

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



UPDATES FY 2023

OCTOBER 2023

Three years after acquiring 60% of the share capital of ALA Germany GmbH, the parent company ALA S.p.A. exercised its purchase option on the remaining 40% in advance, thus gaining full control of the company.

Q4 2023

ALA logistics platform in Bordeaux inaugurated in 2022, dedicated to the multiyear service agreement with Dassault Aviation, became fully operational. The agreement is currently in the ramp-up phase confirming that the initial delays due to the slow adaptation of the customer (and its suppliers) to the new commercial-operational structure have been overcome.

DECEMBER 2023

The new Midlands office of the ALA Group was inaugurated in Derby, UK, close to strategic customers such as Rolls-Royce.

THROUGHOUT 2023

Activities for the integration of the Spanish subsidiaries SCP and Sintersa continued at a rapid pace. Just over a year after joining the ALA Group, they achieved highly satisfactory service performance and recorded commercial and financial results exceeding the expectations of the business plan drawn up during the acquisition phase.

JANUARY 2024

ALA UK opens a new sales office in Derby. This strategic move reinforces our dedication to strengthening our supply chain and fostering connections with numerous key business partners.

FEBRUARY 2024

ALA opens the first foreign branch of its Spanish subsidiary Sintersa S.A. ("Sintersa"), located in Northern Italy.

FEBRUARY 2024

Preliminary Consolidated Results for financial year 2023 (not yet audited).

Revenues and margin at record high significant increase thanks to the contribution of organic Growth and the acquisition of Spanish group SCP Sintersa.

Value of production reaches a record **€233.1 million**.





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Financials FY 2023

SIGNIFICANT PERFORMANCE OF ALL ECONOMIC INDICATORS

REVENUES
€ 233.1 M
+46.8 % YoY
€ 158.7 M FY 2022

EBITDA
€ 25.4 M
+51.1 % YoY
€ 16.8 M FY 2022

EBIT
€ 21.2 M
+55.5% YoY
€ 13.6 M FY 2022

NET INCOME
€ 9.8 M
+25.1 % YoY
€ 7.8 M FY 2022

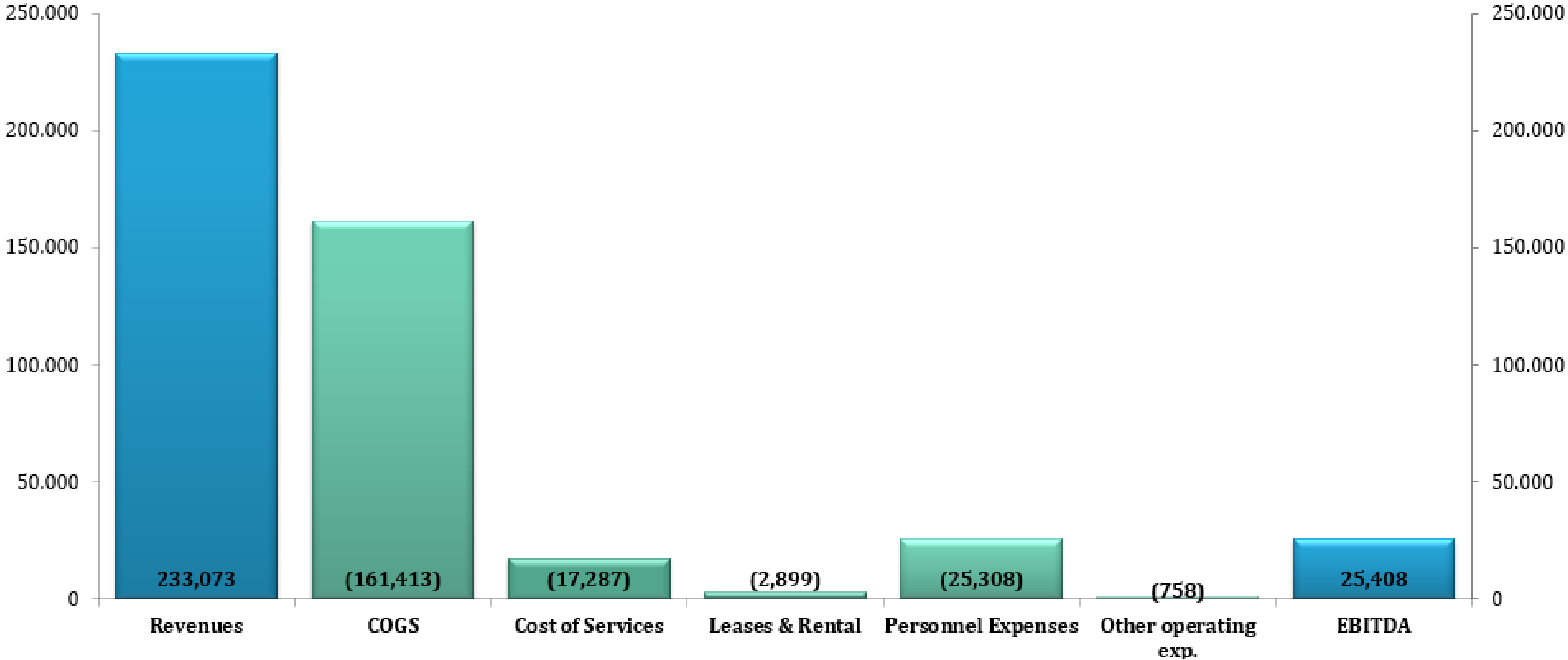
REVENUES
€ 233.1 M
+25.8 % YoY*
€ 185.3 M FY 2022*

EBITDA
€ 25.4 M
+28.6 % YoY*
€ 19.8 M FY 2022*

*FY 2022: Full Year SCP – Sintorsa

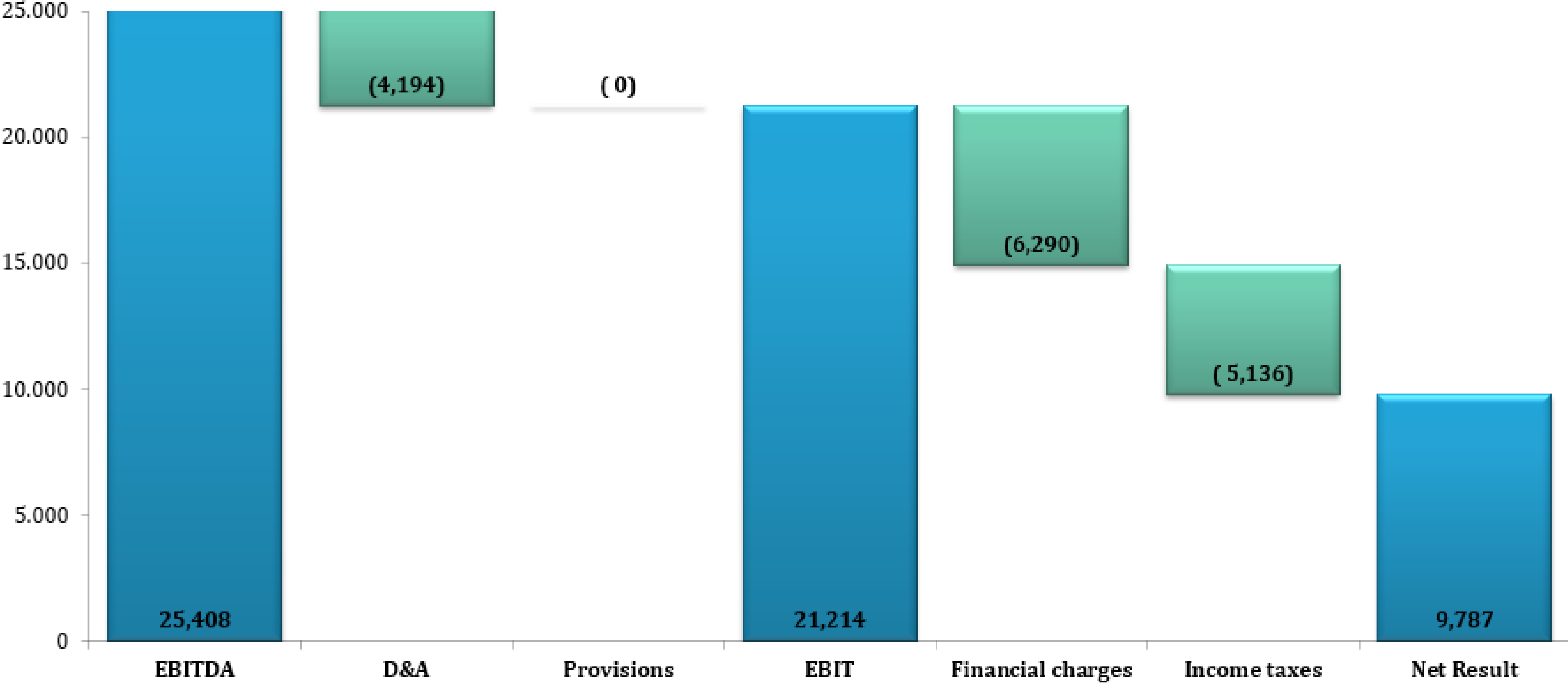
FY 2023: BRIDGE – FROM REVENUES TO EBITDA

€/000



FY 2023: BRIDGE – FROM EBITDA TO NET RESULT

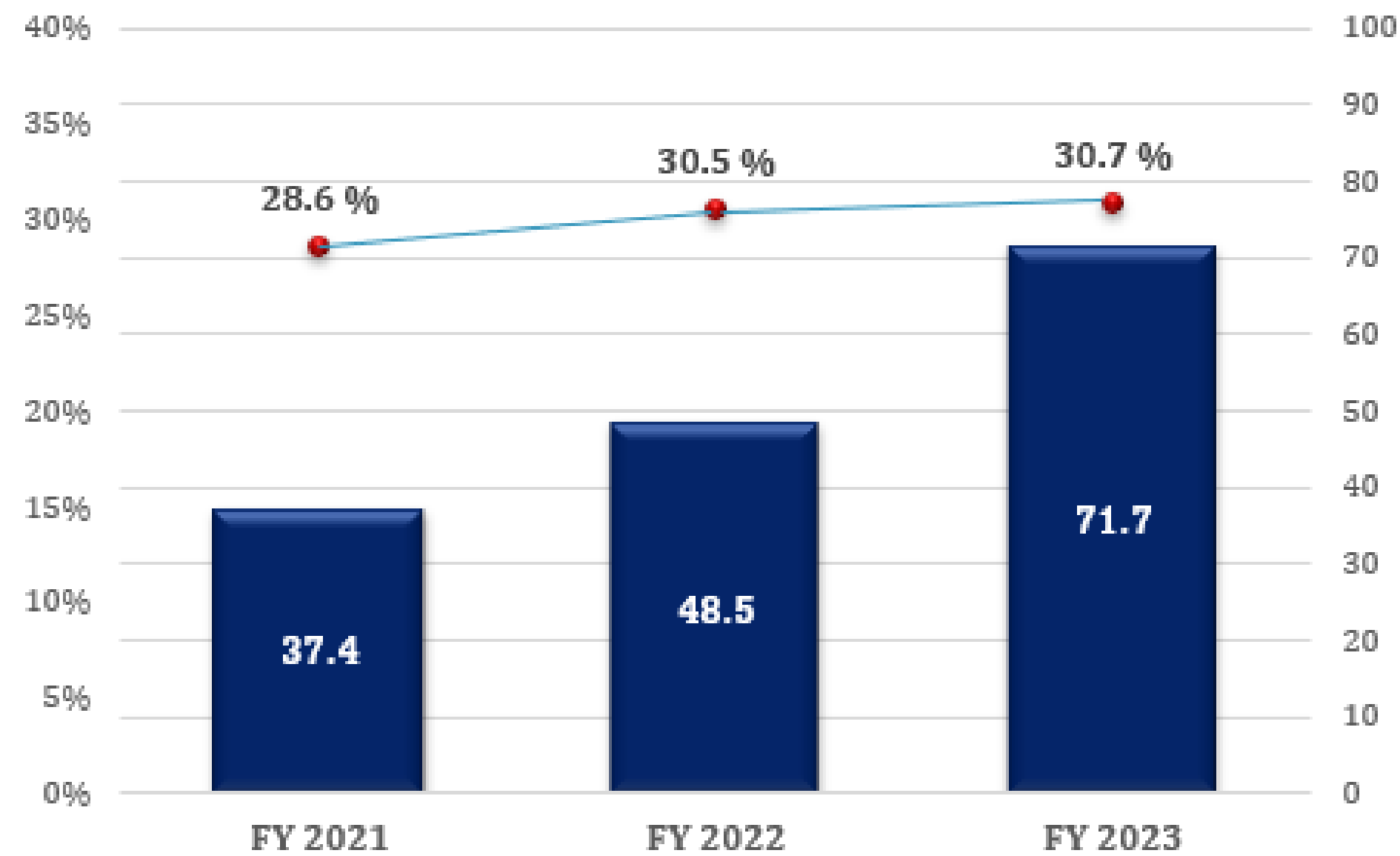
€/000



FY 2023: FINANCIAL TRENDS 1/2

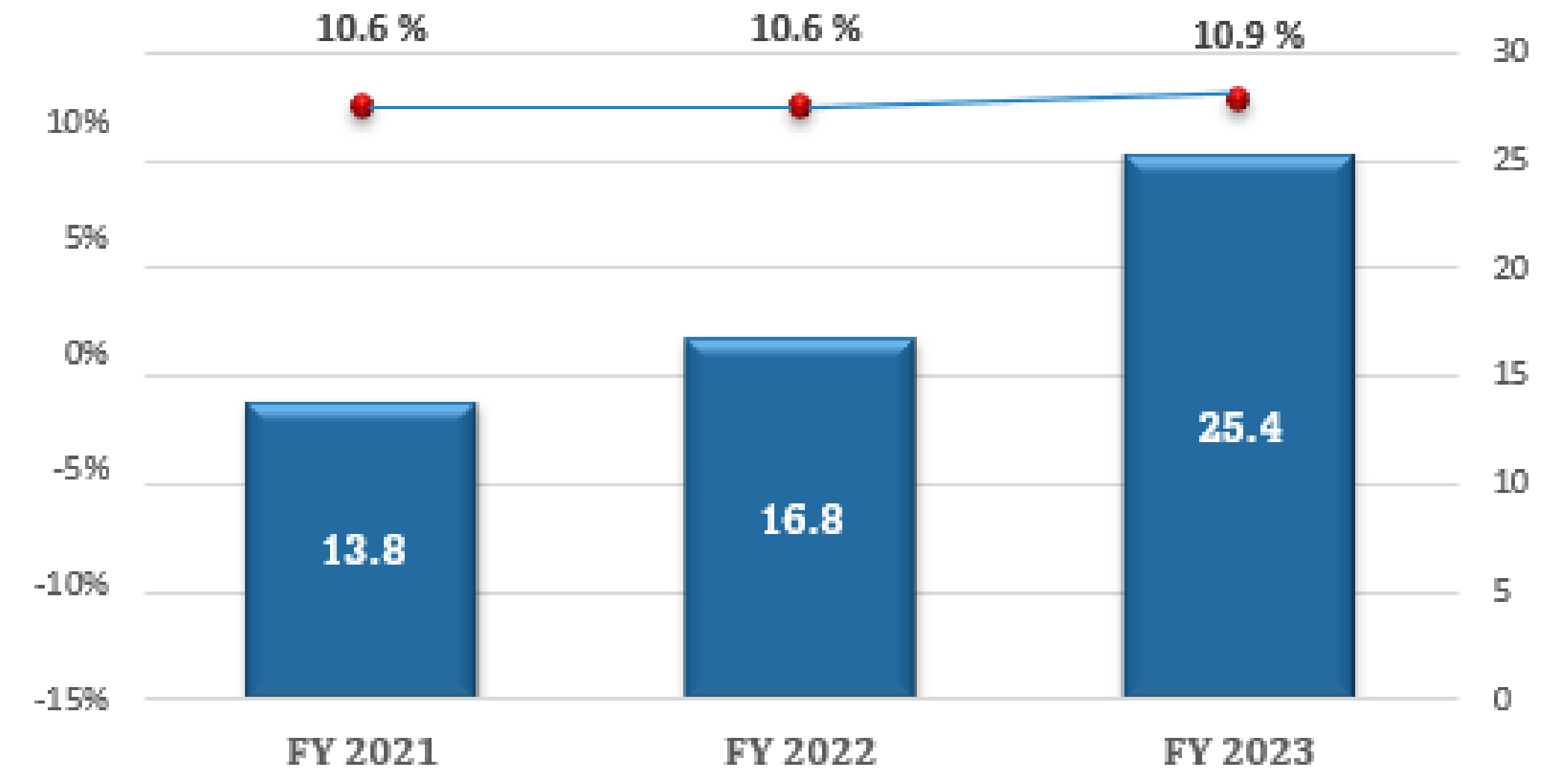
GROSS MARGIN FY 2021 – FY 2023

€/mln



EBITDA FY 2021 – FY 2023

€/mln



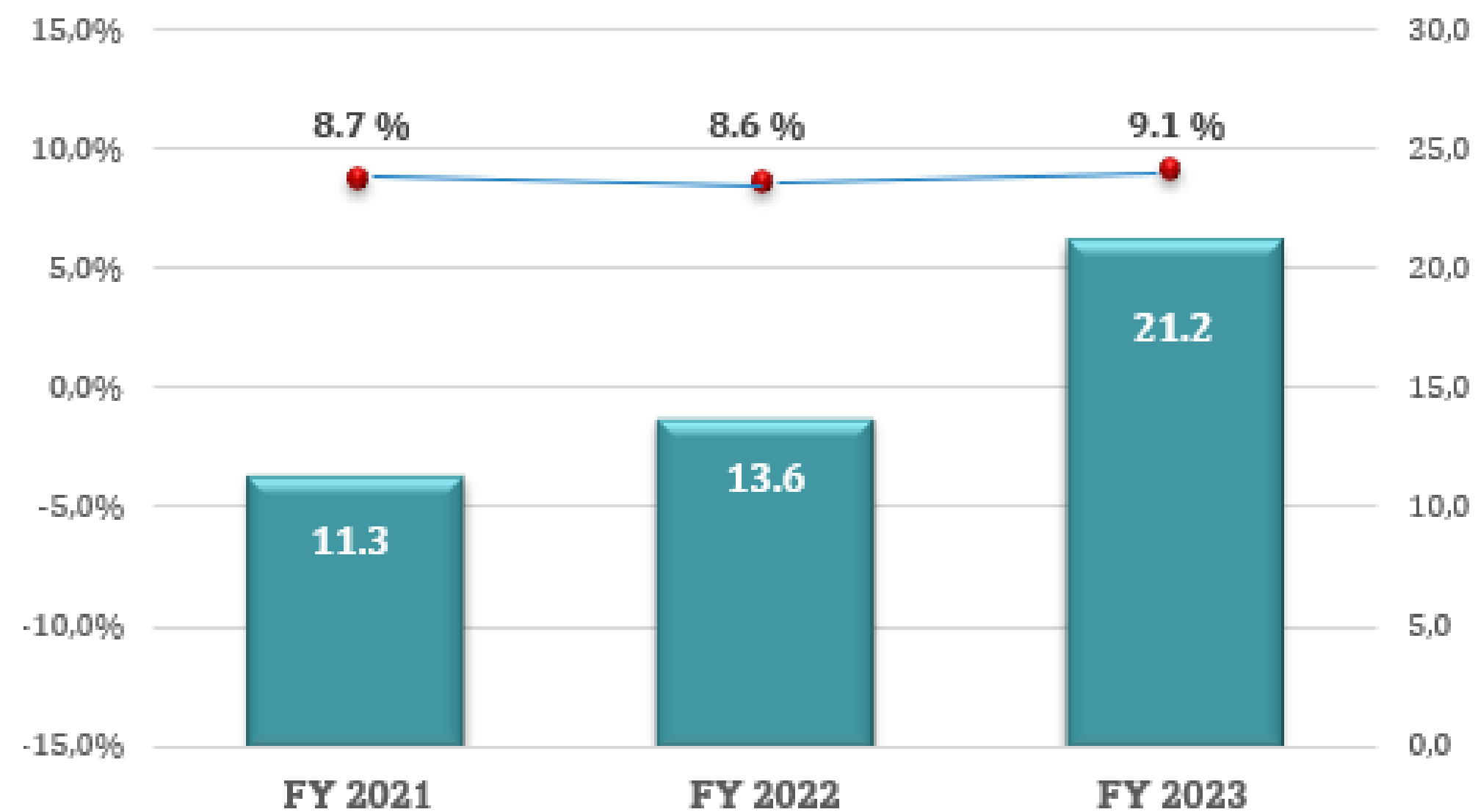
Scalable business model as there is virtually no limit to the array of managed SKUs and target customer universe, even in adjacent industries

Source: elaboration from Company financial statements and management accounts

FY 2023: FINANCIAL TRENDS 2/2

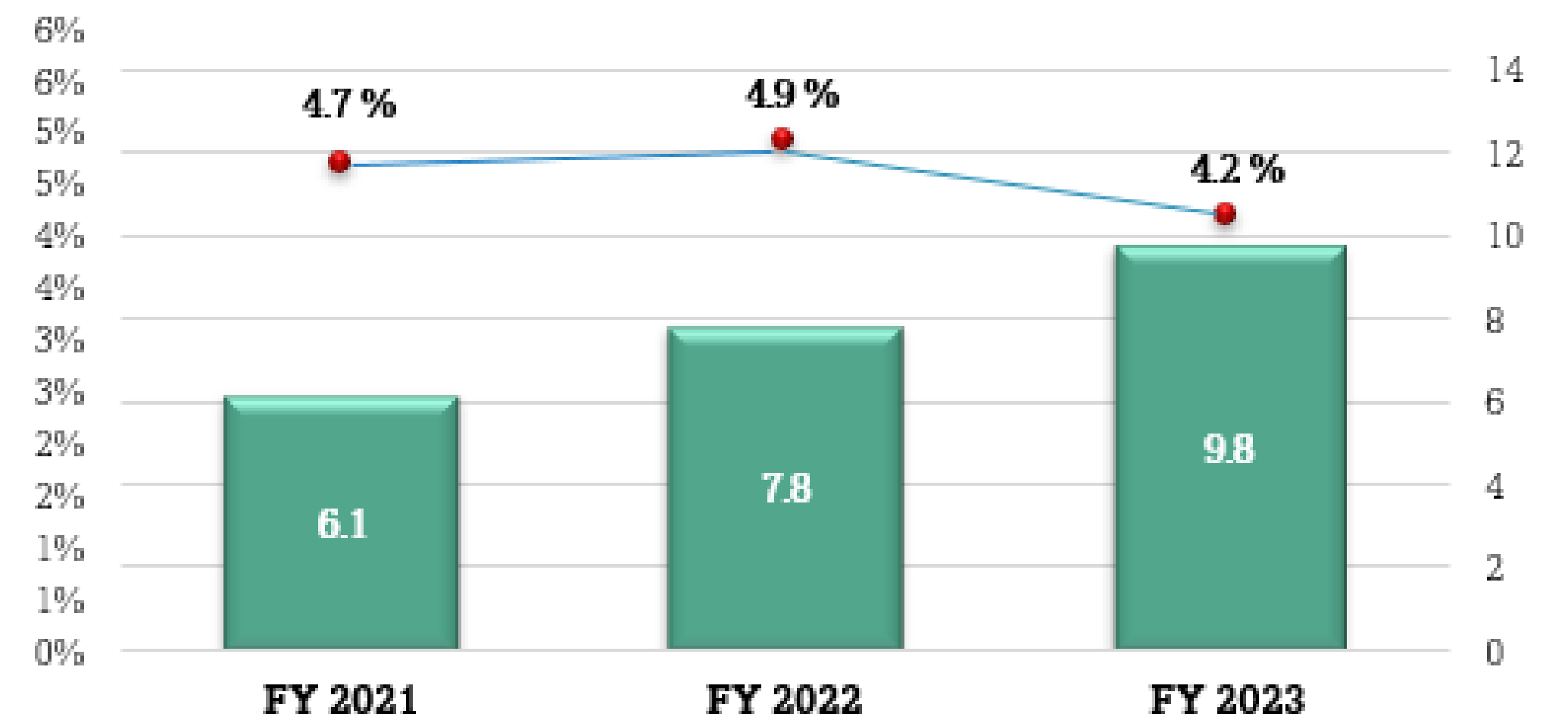
EBIT FY 2021 – FY 2023

€/mln



NET INCOME FY 2021 – FY 2023

€/mln

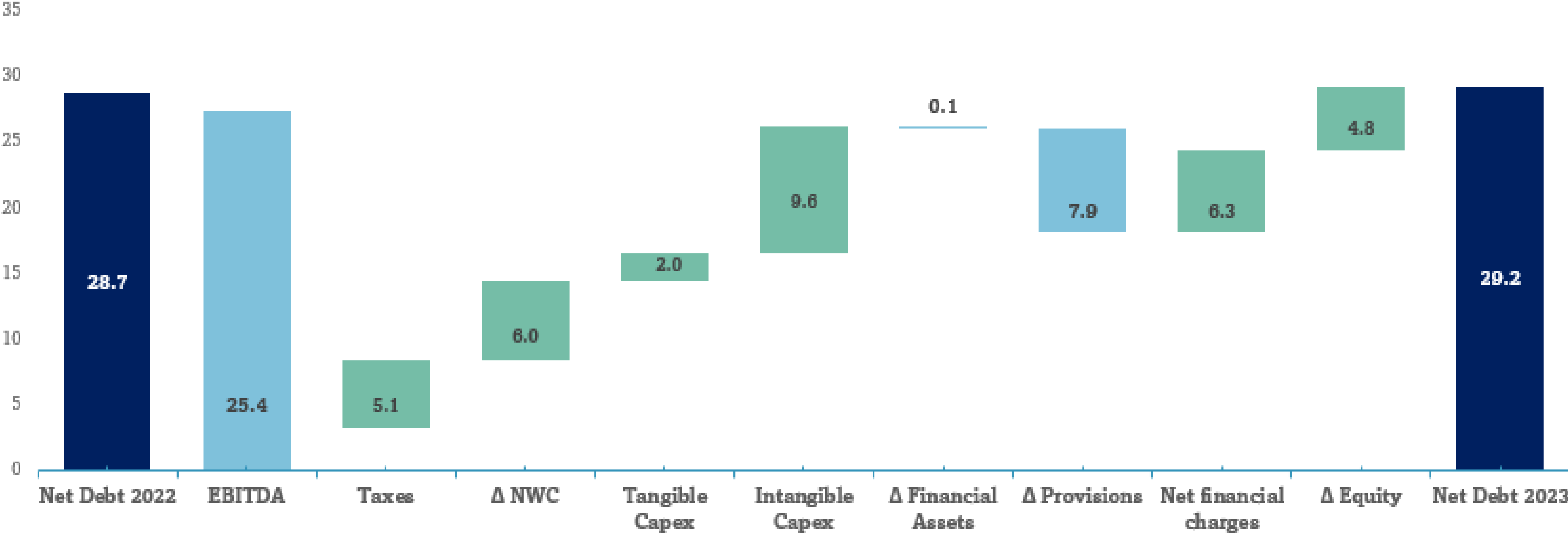


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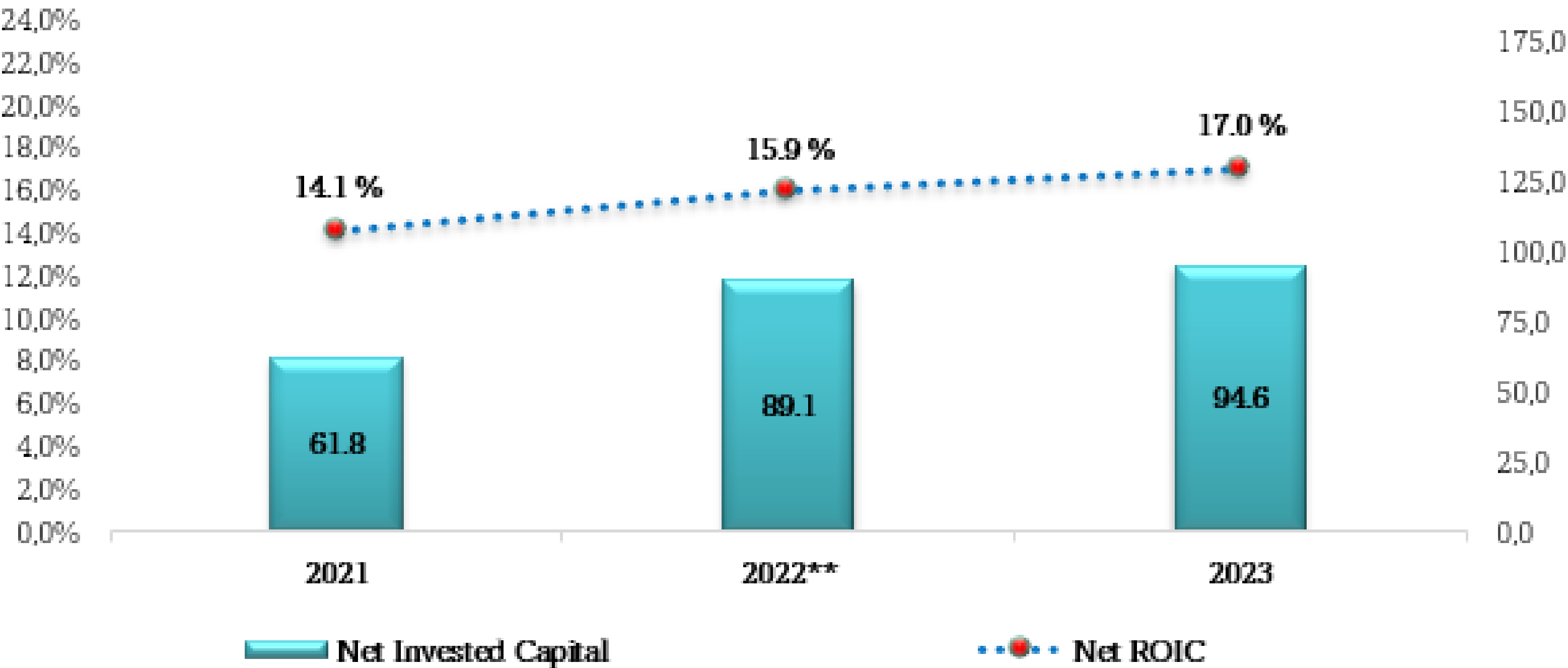
FY 2023: NFP BRIDGE

€/mIn



NET INVESTED CAPITAL & ROIC

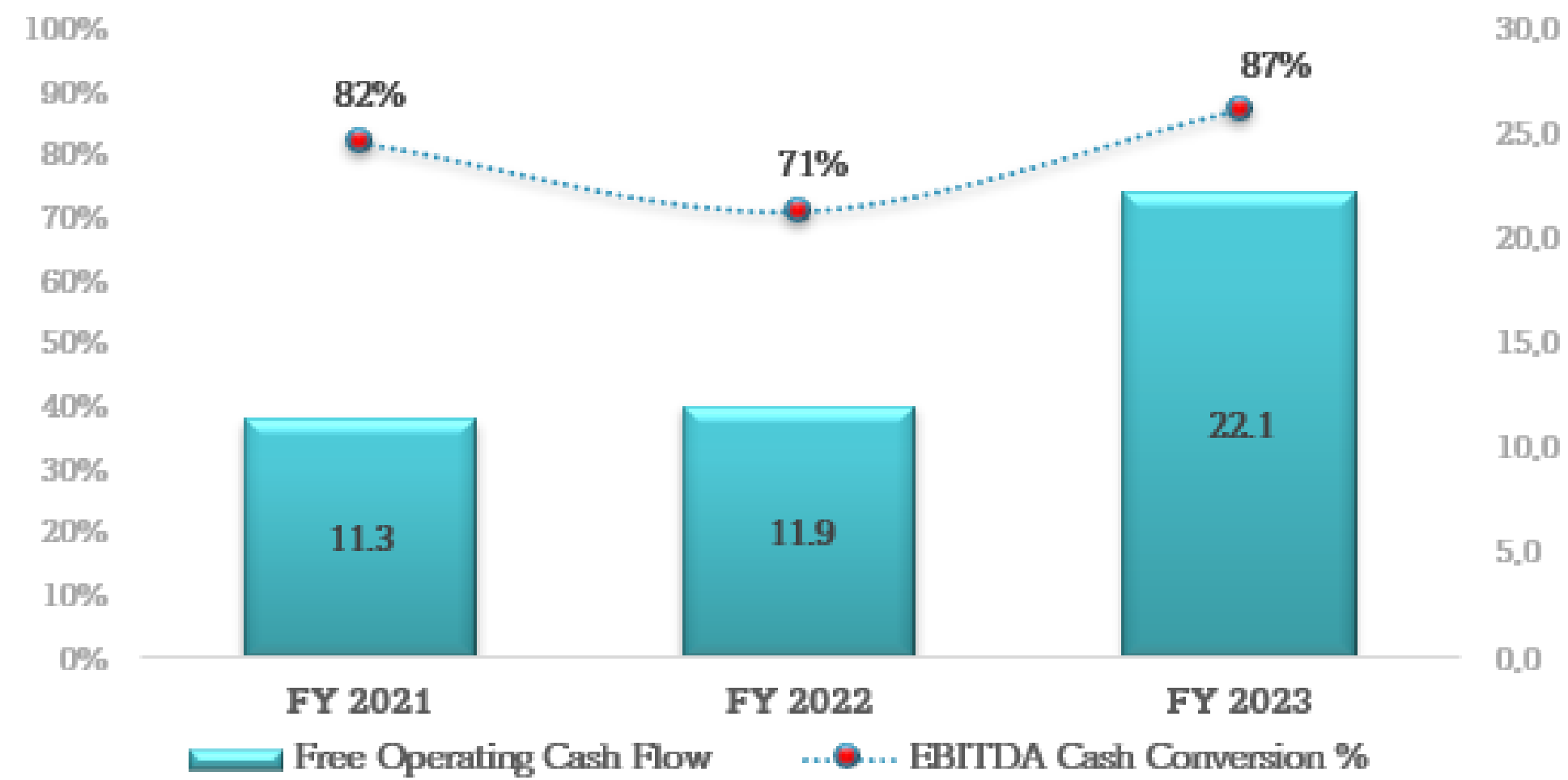
€/mln



FY 2023: FINANCIAL TRENDS 2/2

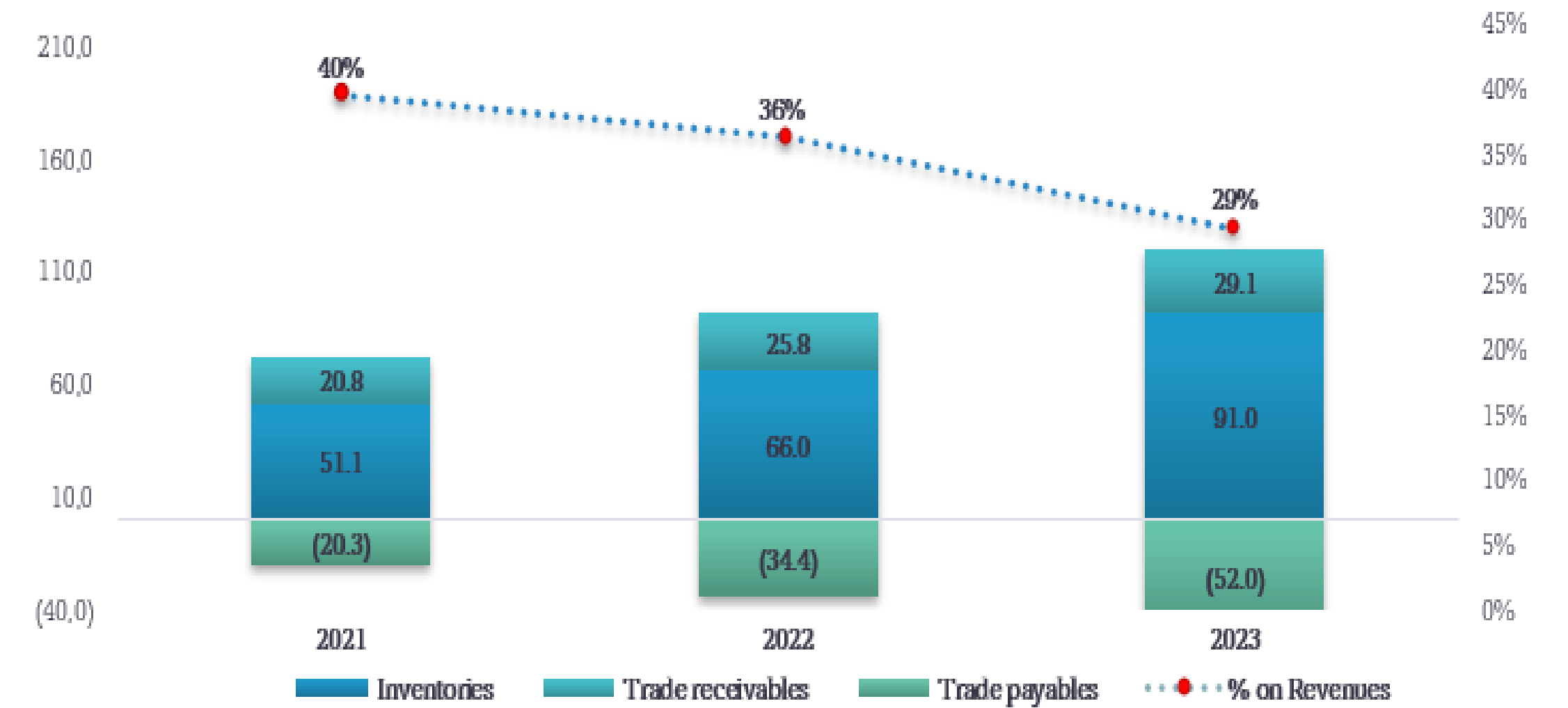
EBITDA CASH CONVERSION

€/mIn



TRADE WORKING CAPITAL

€/mIn





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Strategy

GROWTH ACCELERATION BUILDING BLOCKS

A GROWTH WITHIN EXISTING CUSTOMERS

New Commodities/Suppliers:

Raw materials, chemicals, electronics, indirect materials, machined parts.

New Services:

Procurement agency services, FAL installation services.

New Partnerships/Geographies:

From stocking distributor to service provider.

B WIN NEW CUSTOMERS

New Aero Marketspaces:

Business aviation, trainers, helicopters, engines, equipment & systems, aftermarket.

Full potential of foreign territories:

France, UK, Spain, Germany, Israel, North America.

Other Industries:

Power generation, Rail, Marine, Space.

C TARGETED ACQUISITIONS

Direct Access to New OMEs:

Airbus, Raytheon Technologies, GE Aerospace, Bombardier, Gulfstream, Bell Flight, etc.

Expand Geographical Footprint:

North America, India, Asia-Pacific.

Build Global Brand Awareness:

ALA buying experience as USP.

GROWTH ENABLING WORKSTREAMS

Innovation Focus

Talent attraction, Development and Retention

Cybersecurity



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Key success factors

INVESTMENT HIGHLIGHTS



1. CREDIBILITY IN MANAGING COMPLEX SUPPLY-CHAIN NETWORKS FOR LARGE MULTINATIONAL CLIENTS

2. SOLID CASH GENERATION, ENHANCED BY AN ASSET-LIGHT BUSINESS MODEL

3. FINE-TUNING OVER 30YRS+ OF PROPRIETARY FORECAST ALGORITHMS

4. GLOBAL PRESENCE WITH STRATEGIC PROXIMITY TO KEY BUSINESS TARGETS



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To create sustainable value by providing products and supply chain solutions to the aerospace, defence, and other high-tech industries on a continuous improvement basis.



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Appendix



Investor Relation

ALA

Raffaele Carriola

raffaele.carriola@alacorporation.com

Investor Relation Advisor

CDR Communication

Silvia Di Rosa

silvia.dirosa@cdr-communication.it

Giulio Garoia

giulio.garoia@cdr-communication.it



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