

PRESS RELEASE

**THE BOARD OF DIRECTORS OF ALA S.P.A. APPROVED THE CONSOLIDATED
HALF-YEAR REPORT AT 30 JUNE 2024**

**RECORD PERFORMANCE THANKS TO THE CONTINUED SUCCESS OF ITS
BUSINESS STRATEGIES AND TO THE EFFECTIVENESS OF COST STRUCTURE
OPTIMISATION PROCESS**

**DOUBLE DIGIT GROWTH FOR ALL ECONOMIC INDICATORS, MARGINS UP 140
BPS**

**THE GROUP CONTINUES TO OCCUPY A VERY SOLID AND HIGH POTENTIAL
COMPETITIVE POSITION IN EVER-GROWING SECTORS SUCH AS AEROSPACE,
DEFENCE AND RAILWAY**

- **PRODUCTION VALUE:** Euro 138.5 million (Euro 113.6 million at 30 June 2023) + **21.9%**
- **EBITDA:** Euro 16.9 million (Euro 12.3 million at 30 June 2023) + **37.2% EBITDA Margin** is 12.2% (10.8% at 30 June 2023)
- **EBIT:** Euro 14.3 million (Euro 10.0 million at 30 June 2023) + **42.6%**
- **NET PROFIT:** Euro 7.1 million (Euro 5.8 million at 30 June 2023) + **22.4%**
- **NET FINANCIAL POSITION (net debt):** Euro 46.7 million (Euro 29.2 million at 31 December 2023)

Naples, 23 September 2024 - **ALA S.p.A. (EGM: ALA)**, leader in Italy and among the main players at global level in the offering of integrated logistics services and in the distribution of products and components for the aeronautics and aerospace industry, both in the civil and defence sectors ("Aerospace & Defence"), listed on the Euronext Growth Milan Market managed by Borsa Italiana, met today under the chairmanship of Fulvio Scannapieco, and approved the consolidated half-year report at 30 June 2024.

Roberto Tonna, Chief Executive Officer of the ALA Group, commented as follows: *The ALA Group achieved new record results in the first six months of 2024, sustaining a run-rate in terms of production value and EBITDA that was clearly up on the previous year and, as far as the company is aware, according to publicly available data, once again well above the reference market average. In addition, during the first half of the year, the subsidiary Sintorsa SA consolidated its geographical positioning, starting work on the opening of a new operating branch in Northern Italy, and inaugurating the new Seville office in Spain.*

The new Spanish plant, three times larger than the previous one, significantly increases our production capacity and will enable us to respond more effectively to the growing demand for products and services for the Aerospace and Defence industry.

These results are a further confirmation of the potential and great ability of the ALA Group to continue to strengthen its competitive position among the world leading players in the sector and at the same time, create value for its shareholders.

CONSOLIDATED FINANCIAL HIGHLIGHTS

In the first six months of 2024, the ALA Group once again registered record and sharply rising performance levels, thanks to the continued success of its business strategies and to the effectiveness of its cost structure optimisation process.

The **Production Value** amounted to Euro 138.5 million compared to Euro 113.6 million in the first half of 2023, marking an important growth of about 21.9%. The increase of about Euro 24.8 million was certainly due to a significant improvement in the performance of the main business lines, as well as to the contribution of the Spanish group SCP Sintorsa.

The **Gross Margin** reached a value of Euro 42.5 million compared to Euro 34.2 million at 30 June 2023. The Group Gross Margin as a percentage of Revenues was about 30.7%, compared to 30.1% in the first half of 2023 related to the increase in the value of revenues.

EBITDA amounted to Euro 16.9 million, compared to Euro 12.3 million in the first half of 2023, and showed a more than significant growth of +37.2%, mainly due to the increase in gross margins, as well as to the growth in revenue. The **EBITDA Margin** stood at 12.2% with a significant growth of 1.4 percentage points compared to 30 June 2023 (10.8%).

EBIT amounted to Euro 14.3 million, +42.6% compared to Euro 10.0 million in the same period of the previous year, mainly due to the increase in the production value and to the contribution of the Spanish group SCP Sintorsa. **Net profit** amounted to Euro 7.1 million, compared to Euro 5.8 million in the first half of 2023.

The **Net Financial Position (NFP)** at the end of the first half of the year amounted to Euro 46.7 million, an increase of about Euro 17.5 million compared to Euro 29.2 million at 31 December 2023, related to the marked increase in net working capital and in particular in inventories.

At 30 June 2024, the Group capitalisation level further improved from Euro 65.5 million to Euro 66.4 million out of the result for the period and at the same time of the distribution of dividends of last May, amounting to approximately Euro 6.8 million.

SIGNIFICANT EVENTS DURING THE FIRST HALF OF THE YEAR

On **5 February 2024**, the ALA Group announced with great satisfaction the opening of the first foreign operating branch of the Spanish subsidiary Sintorsa, located in northern Italy.

In **April 2024**, the subsidiary Sintorsa finalised the preparation of the new operating office in Seville and completed the relocation of all production activities in June 2024.

During the **first quarter of 2024**, as part of the continued growth of the entire ALA Group, with a particular focus on its foreign subsidiaries, ALA North America completed the bureaucratic process for the opening of its own office in Canada, initially to be set up as a Business Number.

In **April 2024**, the Parent Company ALA S.p.A. also published its sustainability report for the 2023 financial year, a tool that is becoming increasingly important year after year in the transparent and continuous communication that the Group is committed to having with its stakeholders.

In the **first six months of 2024**, the ALA Group reached a significant milestone in its commitment to sustainability: the ALA Trees Forest. An initiative to plant 1,000 trees in Africa and South America in cooperation with Treedom was launched as part of our ongoing efforts to reduce our ecological footprint and contribute positively to the environment.

On **5 June 2024**, the ALA Group hosted the Investor Day at its office in Naples to meet national and international institutional investors. During the event, the investors who attended had the opportunity to meet the Company Management Team, visiting both the Pozzuoli production site and the Naples headquarters, located inside the Mostra d'Oltremare. The excellent success of the event, which has attracted considerable interest among investors, has confirmed the appreciation for initiatives of this kind, which will be re-proposed.

At the **end of May 2024**, the parent company ALA S.p.A. received the Industria Felix Award, distinguishing itself among the best companies in the business sector for its management and financial reliability.

In the **first six months of 2024**, the ALA Group logistics platforms carried on a series of initiatives to continuously improve their efficiency.

In the **first half of 2024**, confirming the great attention paid to security, the ALA Group corporate IT network was redesigned, reorganized and segmented to make it even more efficient and secure.

During the **first half of 2024**, an RFID-based tracking system was implemented for the first time in the history of the ALA Group in the Pozzuoli, Italy, warehouse. This system, connected to the SAP ERP one, uses RFID tags applied to the labels of the envelopes of products in the warehouse to ensure complete traceability, from receipt and quality control, through the various internal movements to exit at delivery. This is to the benefit of cycle-counting activities and stock accuracy. In addition, the ALA Group has launched a new innovative process that will be definitively implemented and presented by October 2024.

During the **first six months of 2024**, the ALA Group participated in a significant number of international trade fairs and events in order to continue to promote its product and service offerings on the market and further raise brand visibility. The following participations are particularly noteworthy: Singapore Airshow in February, the largest international Aerospace and Defence exhibition in Asia; Aerospace & Defence Supplier Summit in Seattle in March; MRO Americas in April; Aerospace & Defence Meetings in Seville in May; Aircraft Interiors Expo in Hamburg, also in May.

At the **end of June 2024**, the operating activities of the ALA logistics platform in Bordeaux, inaugurated in 2022 and dedicated to the multi-year service contract with the customer Dassault Aviation, continue at a fast pace.

During the **first half of 2024**, the ALA Group completed the development of its own Customer Portal. With this tool, customers can independently consult all information related to their purchase orders, such as stock levels, delivery dates, invoices, etc.

SIGNIFICANT EVENTS AFTER THE FIRST HALF OF THE YEAR

During **July 2024**, the ALA Group participated at the Farnborough Aerospace Show in the UK, the second most important exhibition for the Aerospace & Defence industry worldwide after Le Bourget in France.

The event was attended by over 75,000 industry professionals representing 1,262 exhibitors from 44 different countries.

On **5 July 2024**, the ALA Group appointed Banco BPM S.p.A to act as Specialist, replacing Intesa Sanpaolo S.p.A.

On **30 July 2024**, Cerved Rating Agency, a rating agency specialised in assessing the creditworthiness of Italian non-financial companies, confirmed to the Parent Company ALA S.p.A. the significant upgrading of the public rating to A3.1 (“Security”) assigned the previous year.

In **July 2024**, the special audit concerning the integration into the Quality Management System according to EN9120:2018 of the new sales office in Fort Worth, Texas, USA, was successfully conducted, again without any non-conformities. The new EN9120:2018 certificate thus obtained by the ALA Group will be valid until 2027.

BUSINESS OUTLOOK

It is legitimate to expect that air traffic demand and Defence spending will continue to grow in the second half of 2024 and beyond, and consequently orders for new aircraft and MRO (Maintenance, Repair and Overhaul) services.

Continuing trends in advanced technologies, increased sustainability, reduced emissions, higher performance systems and lower costs will continue to drive the Aerospace and Defence sector towards more innovation and new product introductions in the future. In the coming years, emerging markets such as Urban Air Mobility (UAM) could also contribute to the development of the sector, depending of course on the ability of the many start-ups to successfully pass all the relevant testing, qualification and certification phases.

In a market situation where difficulties in supply chain management, material procurement times and the ability to meet programme execution schedules are major points of focus for companies, the ALA Group continues to guarantee excellent service levels on all existing service provider contracts, managing to mitigate many of the delivery delays of those manufacturers still struggling with production capacity and raw material availability issues. This is due to its excellent planning and supplier management skills. This performance, together with customers' production estimates, allows us to look forward to the second half of 2024 with great optimism, also considering the robust order intake of the Stocking Distribution business line over the past 12 months.

In the wake of the excellent results achieved in the first half of 2024, the ALA Group will aim to achieve the challenging budget targets for 2024 and to further strengthen its positioning among the top global operators in the sector. Particular attention and emphasis will be given to cross-selling opportunities and business synergies with the subsidiaries SCP and Sintorsa and to the development of the North American market, which has enormous growth potential.

From an operating point of view, the focus will remain on maintaining excellent customer service levels in both Service Provider and Stocking Distribution. In this regard, the ALA Group will continue to invest in key profiles in both Europe and North America to further improve its supply chain management capabilities.

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

Pursuant to current regulations, it is hereby announced that the Half-Year Financial Report at 30 June 2024, accompanied by the Report of the Company appointed to perform the limited audit of the half-year consolidated financial statements, is available to the public at the Company registered office, on the Company website (<https://www.alacorporation.com>, investor Relations section).

This press release is available on the company website www.alacorporation.com in the "Investor Relations/Press Releases" 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. Sintorsa – currently relies on a talented workforce of more than 650 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 1,500 suppliers worldwide. www.alacorporation.com

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APPENDIX

Ala S.p.A. - Income Statement H1 2024 / H1 2023

INCOME STATEMENT	H1_2024		H1_2023	
	Euro M	%	Euro M	%
Revenues	137,7	99,5%	110,9	97,6%
Change in finished products	0,3	0,2%	2,6	2,3%
Work in progress	-	0,0%	-	0,0%
Additions to fixed assets	-	0,0%	-	0,0%
Other revenues	0,4	0,3%	0,1	0,1%
Value of Production	138,5	100,0%	113,6	100%
Raw materials	(110,4)	-79,8%	(91,2)	-80,2%
Cost of services	(8,5)	-6,2%	(6,5)	-5,7%
Leases and rentals	(1,7)	-1,3%	(1,5)	-1,3%
Personnel expenses	(16,0)	-11,5%	(12,1)	-10,6%
Change in inventory of raw and consumable materials	15,3	11,0%	10,1	8,9%
Other operating expenses	(0,2)	-0,1%	(0,2)	-0,1%
EBITDA	16,9	12,2%	12,3	10,8%
Amortization	(1,7)	-1,3%	(1,5)	-1,3%
Depreciation	(0,5)	-0,4%	(0,4)	-0,3%
Writedown of receivables	(0,4)	-0,3%	(0,4)	-0,3%
Provisions	-	0,0%	-	0,0%
EBIT	14,3	10,3%	10,0	8,8%
Interest (expense)/income	(4,0)	-2,9%	(2,8)	-2,4%
Revaluations/Write downs of financial assets	-	0,0%	-	0,0%
Extraordinary items	-	0,0%	-	0,0%
Net profit before taxes	10,3	7,5%	7,3	6,4%
Taxes	(3,2)	-2,3%	(1,5)	-1,3%
Net Profit/(Loss)	7,1	5,1%	5,8	5,1%
Net Profit / (Loss) to third parties	(0,1)		0,0	
Net Profit /(Loss) to the Group	7,2	5,2%	5,8	5,1%

Ala S.p.A. - Balance Sheet H1 2024 / FY 2023

BALANCE SHEET	H1_2024	FY_2023
	Euro M	Euro M
Uses		
Inventories	106,7	91,0
Trade receivables, net of advances	31,4	23,1
Other current assets	6,2	6,6
Current assets	144,3	120,7
Trade payables	(53,9)	(52,0)
Other current liabilities	(13,6)	(7,6)
Current liabilities	(67,4)	(59,5)
Net Working Capital	76,8	61,2
Property, Plant and Equipment, net	5,5	4,6
Intangibles	35,8	37,4
Financial assets	0,4	0,5
Fixed assets	41,7	42,4
Invested capital	118,6	103,6
Severance indemnity fund	(0,4)	(0,4)
Other funds	(5,1)	(8,6)
Net invested capital	113,1	94,6
Sources		
Short-term financial debt	24,4	20,3
Long-term financial debt	43,5	42,7
Other debts	1,0	0,4
Financial debt	68,8	63,4
Cash & near-cash	(22,1)	(34,3)
Net Debt	46,7	29,2
Debts vs shareholders	-	-
Share capital	9,5	9,5
Reserves	49,7	46,1
Net result	7,2	9,8
Group Equity	66,4	65,4
Minorities	(0,1)	0,1
Stockholders' equity	66,4	65,5
Total sources	113,1	94,6