



GROUP OVERVIEW – Mid & Small 2024

SUPPLY CHAIN INTEGRATOR

December 3, 2024



Agenda

- Overview
- Business Model
- Market
- Business Updates 2024
- Financials H1 2024
- Strategy
- Key Success Factors

TODAY'S SPEAKERS

RAFFAELE CARRIOLA



CFO

- IN **ALA GROUP** SINCE **2011**
- **12YRS** OF EXPERIENCE IN THE A&D INDUSTRY

EMILIO BOCCIA



LEGAL ADVISOR

- IN **ALA GROUP** SINCE **2015**

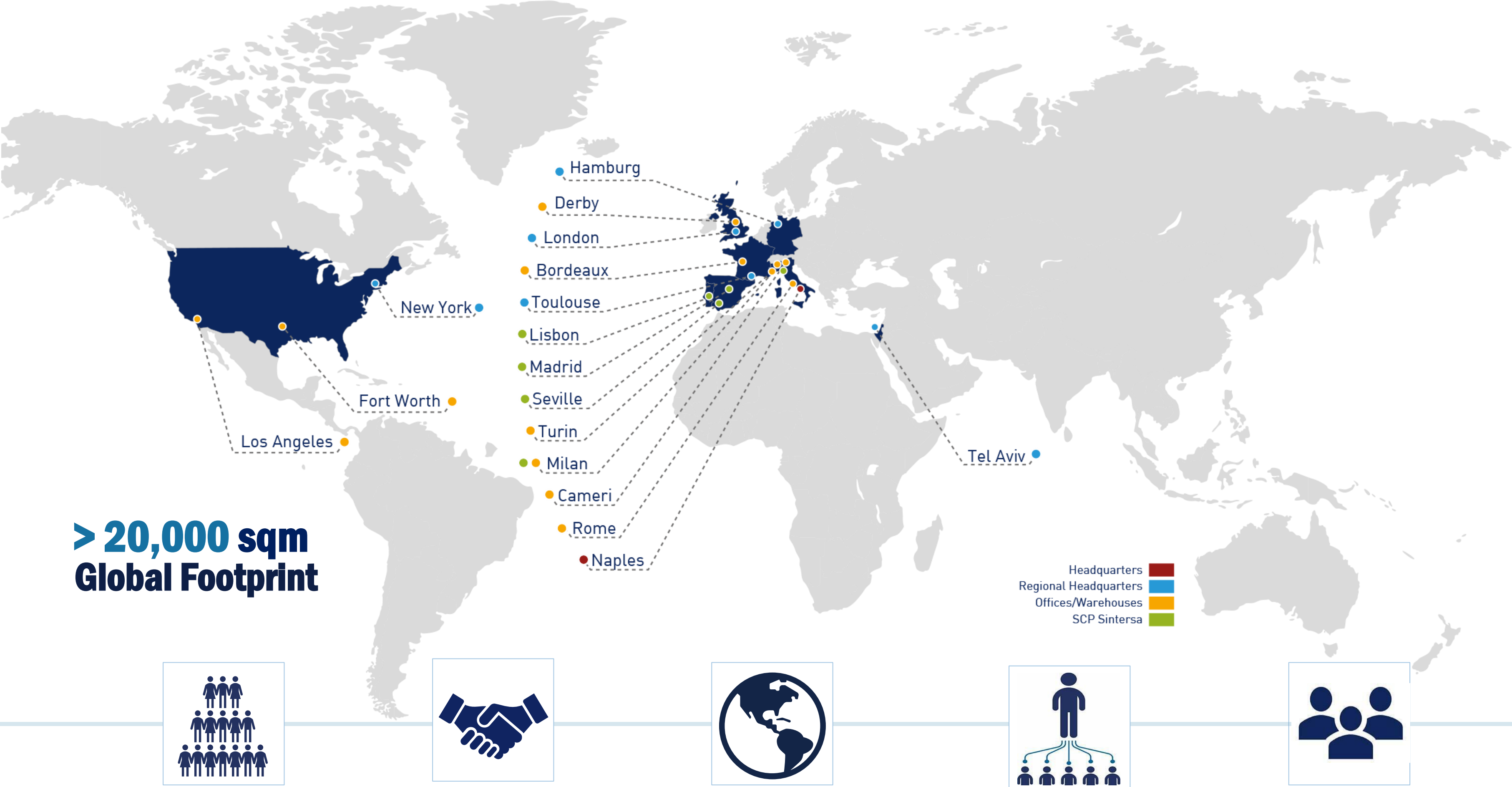


ALA

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



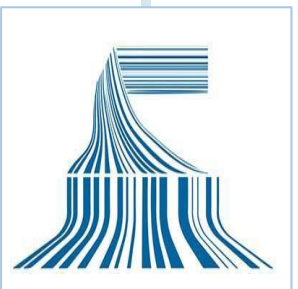
> 20,000 sqm
Global Footprint

35+

Years
of industry experience



>99.5%
OTIF



>200,000
SKUs managed



Highest QA & Compliance
Standards



COST EFFECTIVE
Solutions



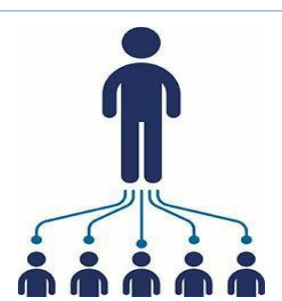
650 employees



5 markets



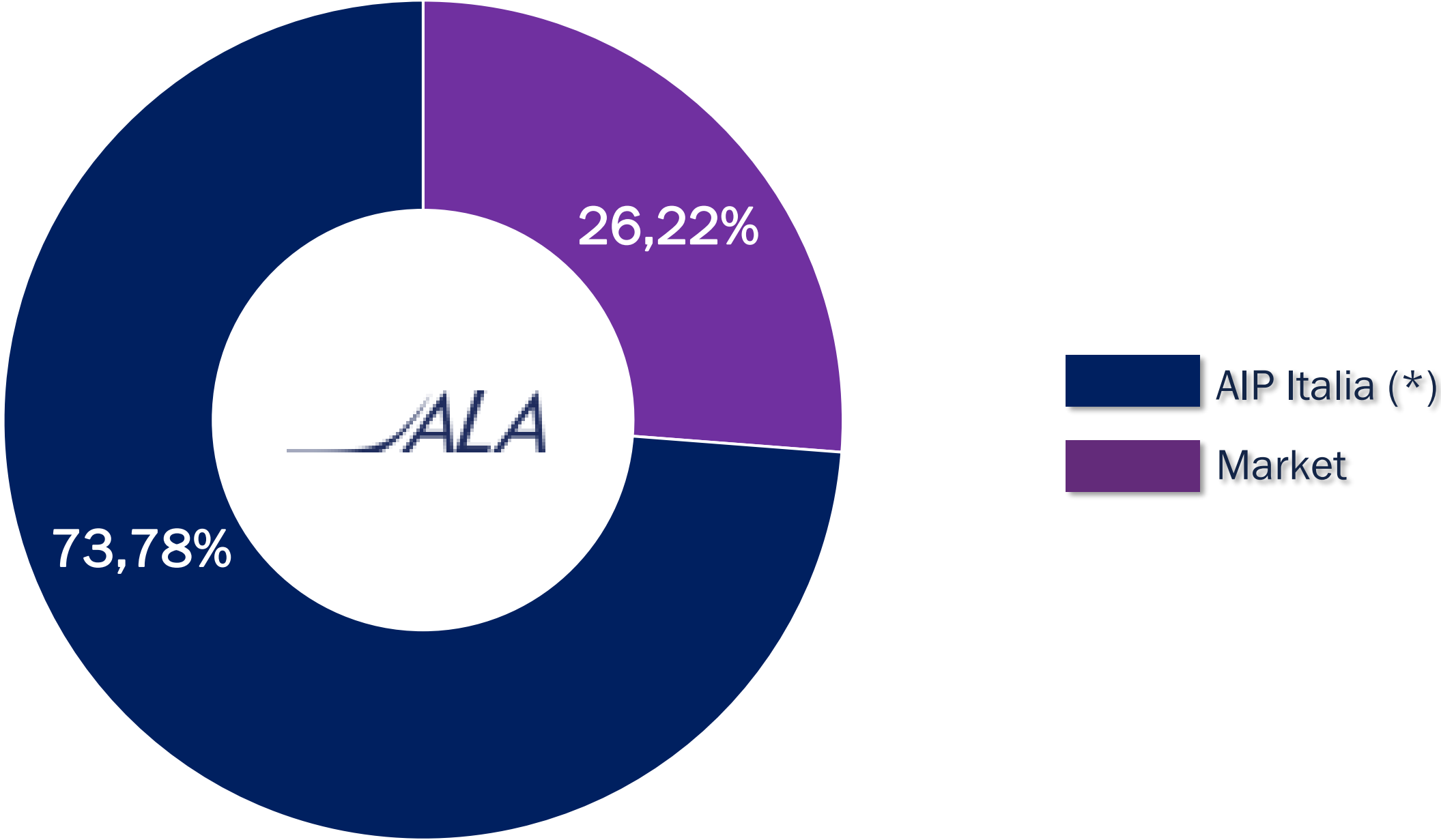
8 countries



1,500 suppliers



1,100 customers



**Today AIP Italia shareholding is as follows 60% Fulvio Scannapieco, 40% Vittorio Genna.
As at 23/09/2024*

BOARD OF DIRECTORS



FULVIO SCANNAPIECO
FOUNDER AND CHAIRMAN



VITTORIO GENNA
FOUNDER AND VICE-CHAIRMAN



ROBERTO TONNA
CEO



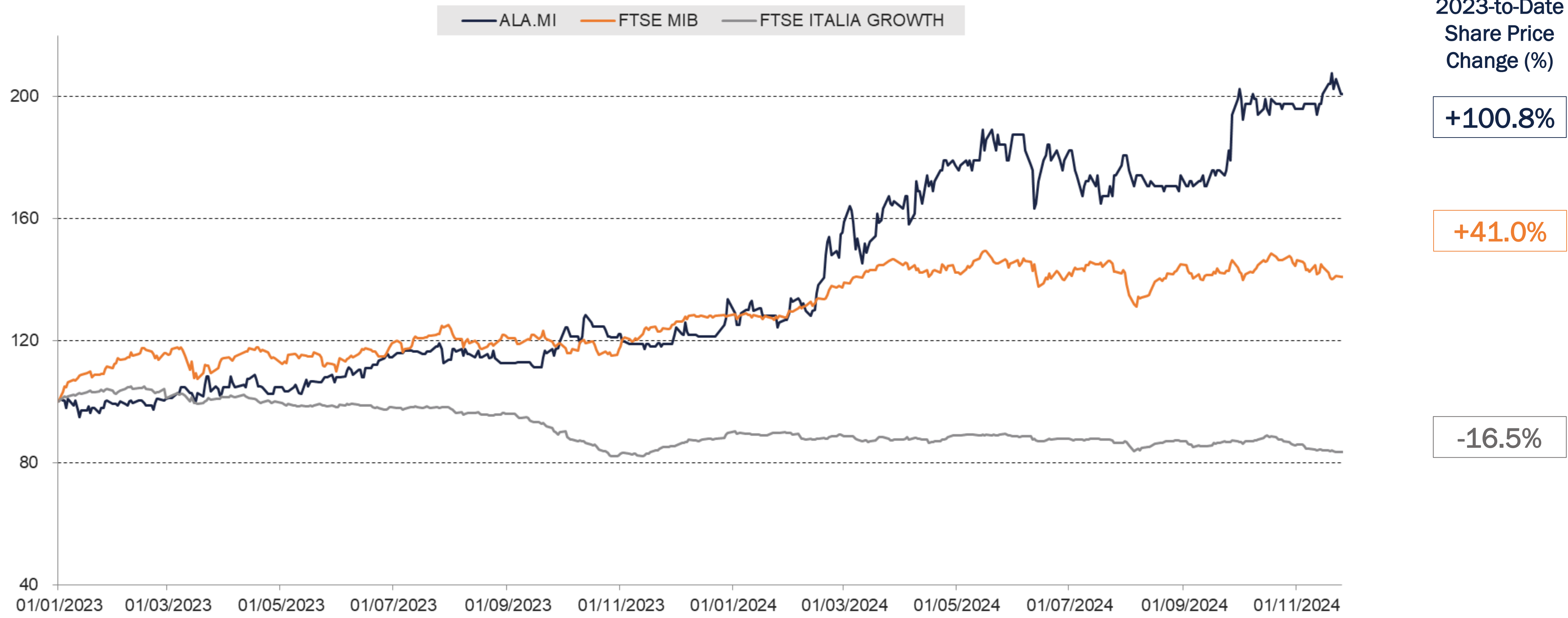
MATTEO SCANNAPIECO
DIRECTOR



ANDREA COSTANTINI
INDEPENDENT DIRECTOR

ALA SHARE PERFORMANCE

OUTSTANDING VALUE GROWTH



ALA Mkt Cap ~ EUR 216 million



 **ALA**

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

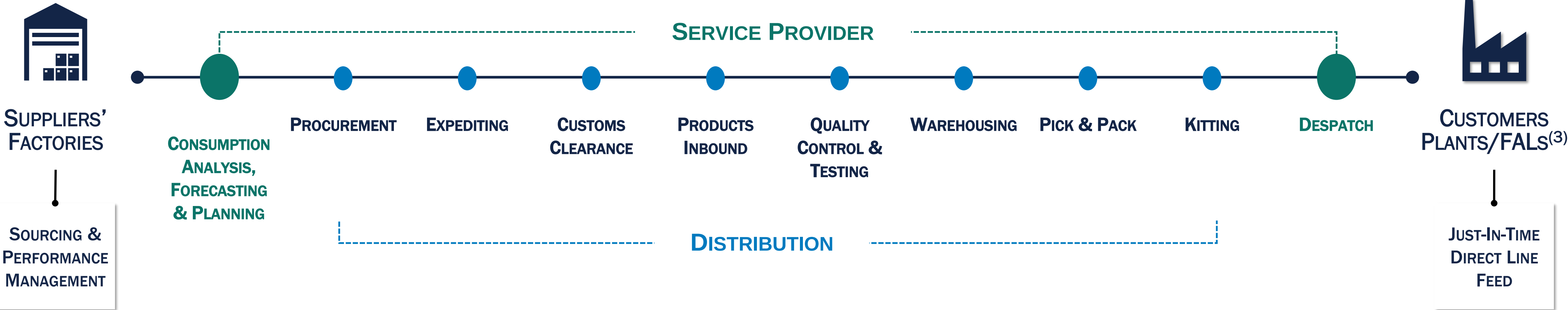
EDI & FULL INTEGRATION WITH
CUSTOMER ERP

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

BUSINESS MODEL

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

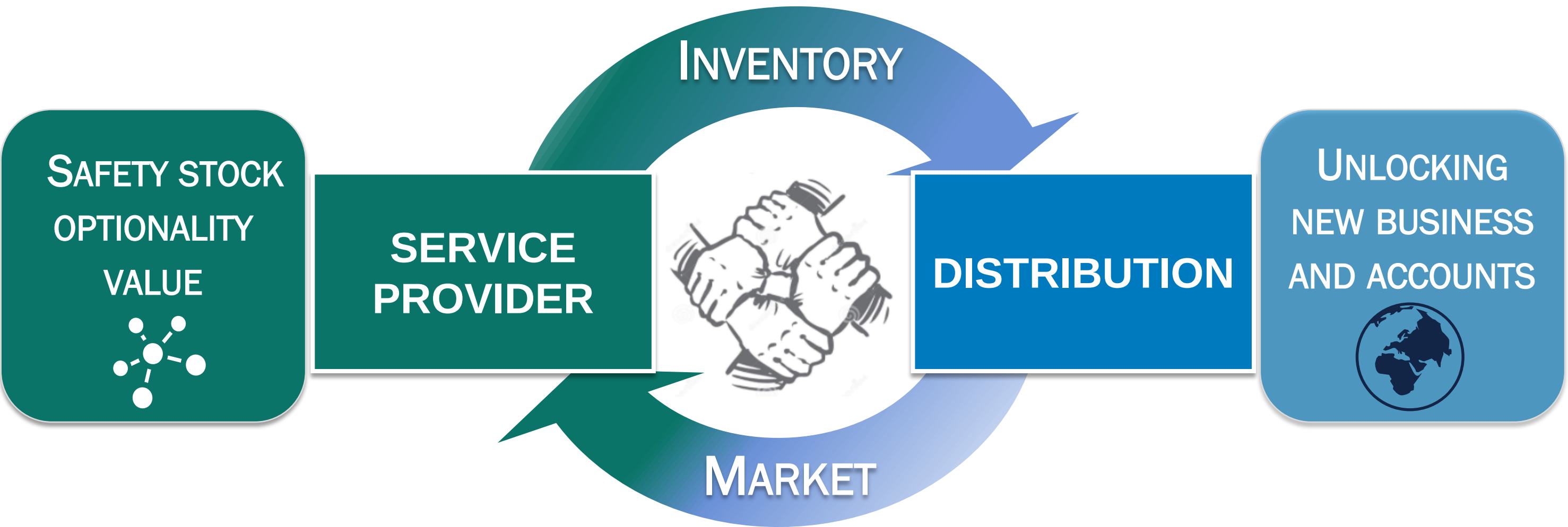
Source: Management

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

SCALABLE BUSINESS MODEL

IN AEROSPACE AND DEFENCE...

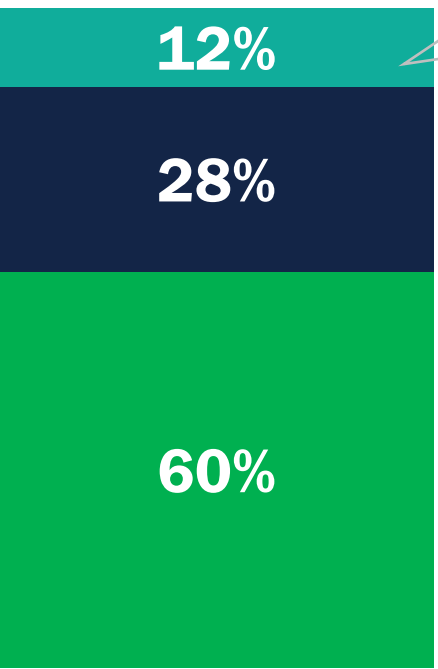
- WAREHOUSES SERVE BOTH THE SERVICE PROVIDER AND THE DISTRIBUTION BUSINESS UNITS
- SAFETY STOCK CAN BE USED FOR DISTRIBUTION



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

SUPPLIERS CONCENTRATION % ON SPENDING*

FY 2023



■ Others ■ TOP 5 ■ Next 5

* Based on ALA Suppliers' only

- 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.



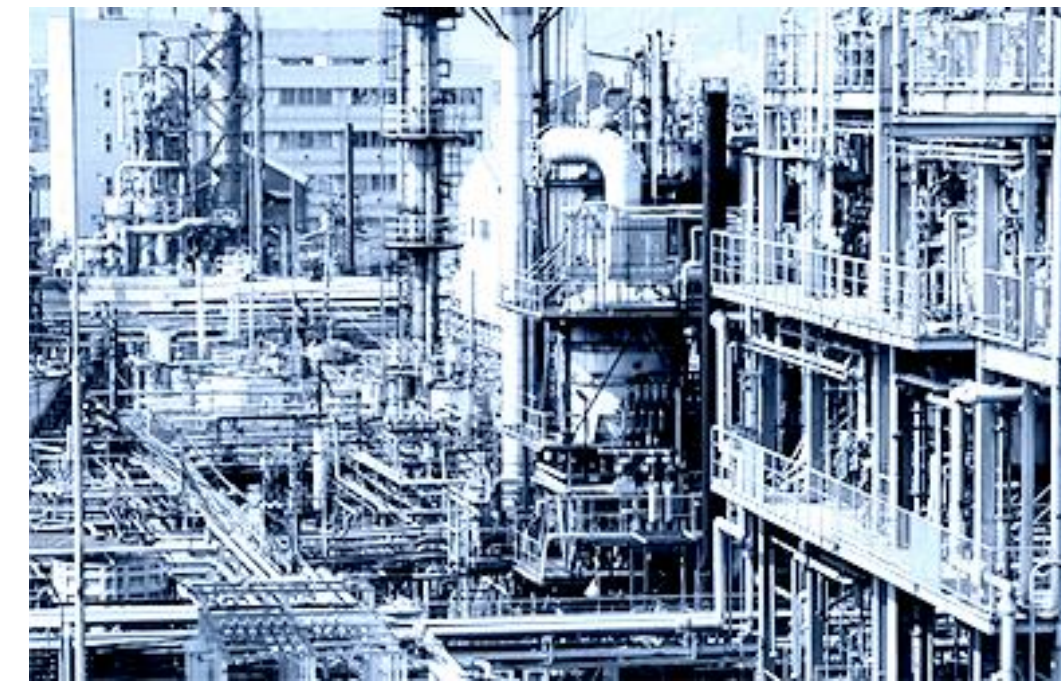
Aerospace OEM & MRO

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)

50 «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



ALA

Business Updates 2024

BUSINESS UPDATES 2024

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 Sintorsa S.A. ("Sintorsa"), located in Northern Italy.

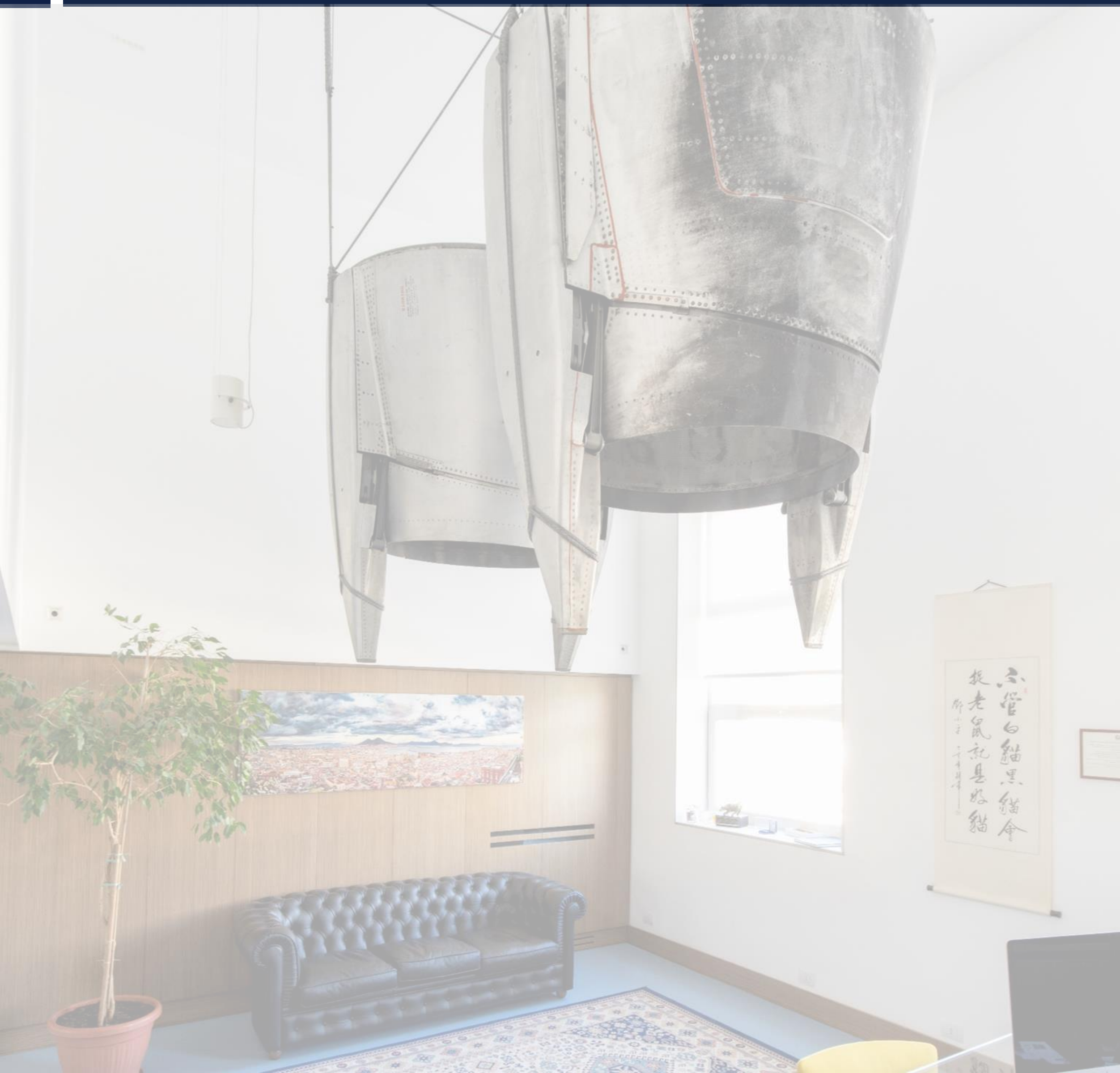
MARCH 2024

Full Year 2023 Results

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

Value of production reaches a record **€233.1 million**
EBITDA came in **€25.4 million**. **EBITDA Margin** stood at **10.9%**





JUNE 2024

ALA Group hosted an **Investor Day** at its headquarters in **Naples** to meet with national and international institutional investors. Investors had the opportunity to engage with the Company's Management Team and visit both the Pozzuoli production site and the Naples headquarters.

JUNE 2024

ALA Group continued at a brisk pace the operational activities of ALA's logistics platform in **Bordeaux**, inaugurated in 2022 and dedicated to the multi-year service contract with customer **Dassault Aviation**.

DURING H1 2024

For the first time in its history, the **ALA Group** has implemented an **RFID-based tracking system** in its **Pozzuoli, Italy warehouse**. This system, connected to the SAP ERP system, uses RFID tags applied to the envelope labels of the products in the warehouse to ensure complete traceability, from the moment of reception and quality control, through the various internal movements to exit at delivery.

BUSINESS UPDATES 2024

JULY 2024

ALA Group has appointed Banco BPM S.p.A. to act as Specialist, replacing Intesa Sanpaolo S.p.A.

JULY 2024

ALA Group attended the Farnborough Aerospace Show in the UK, the second most important exhibition for the Aerospace & Defence sector worldwide after Le Bourget in France.

JULY 2024



ALA Group announced the **confirmation** of ALA S.p.A.'s public rating at **A3.1**. by Cerved Rating Agency, a rating agency specialised in assessing the creditworthiness of Italian non-financial companies.

JULY 2024

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

OCTOBER 2024

ALA Group announced a new partnership with Toshiba Tec Italia Imaging Systems for the launch of an innovative monitoring process to improve the traceability of the supply chain in the aeronautical and industrial sectors.

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



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Financials H1 2024

SIGNIFICANT PERFORMANCE OF ALL ECONOMIC INDICATORS

REVENUES

€ 138.5 M
+21.9 % YoY

€ 113.6 M H1 2023

EBITDA

€ 16.9 M
+37.2 % YoY

€ 12.3 M H1 2023

EBIT

€ 14.3 M
+42.6% YoY

€ 10.0 M H1 2023

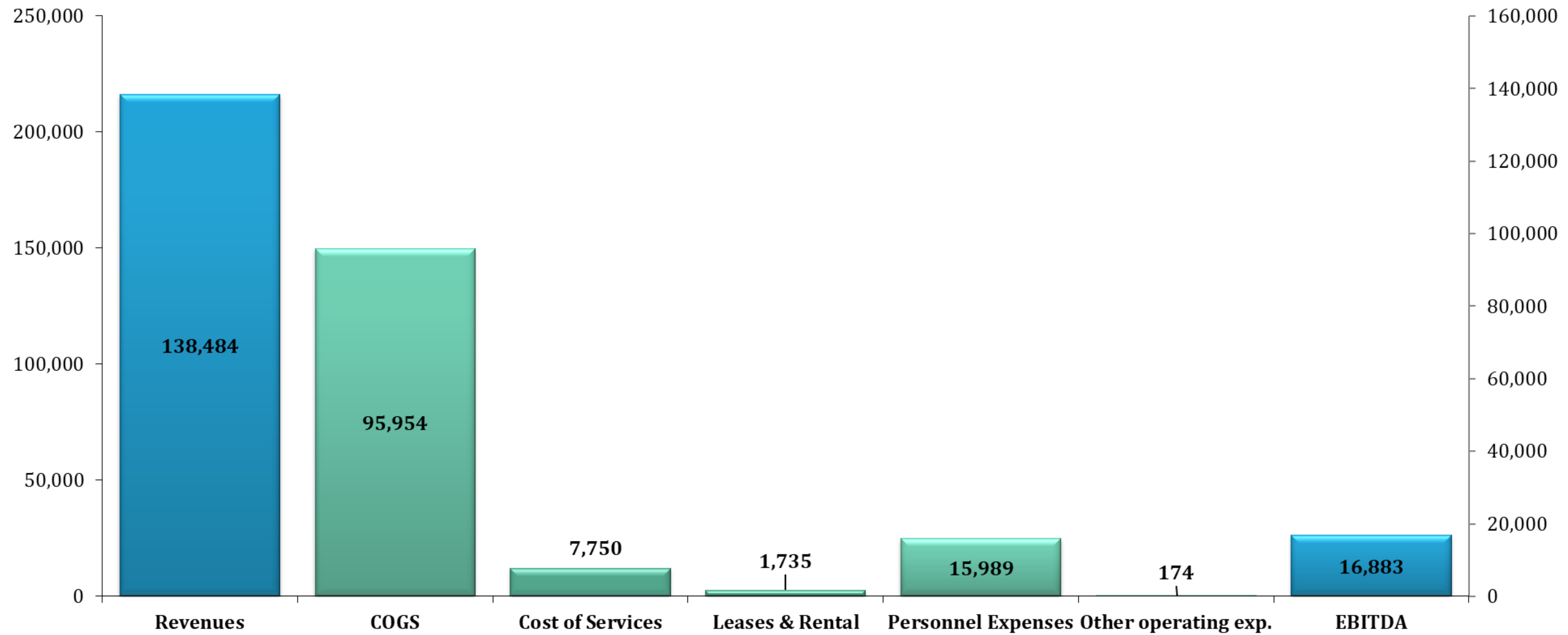
NET INCOME

€ 7.1 M
+22.4 % YoY

€ 5.8 M H1 2023

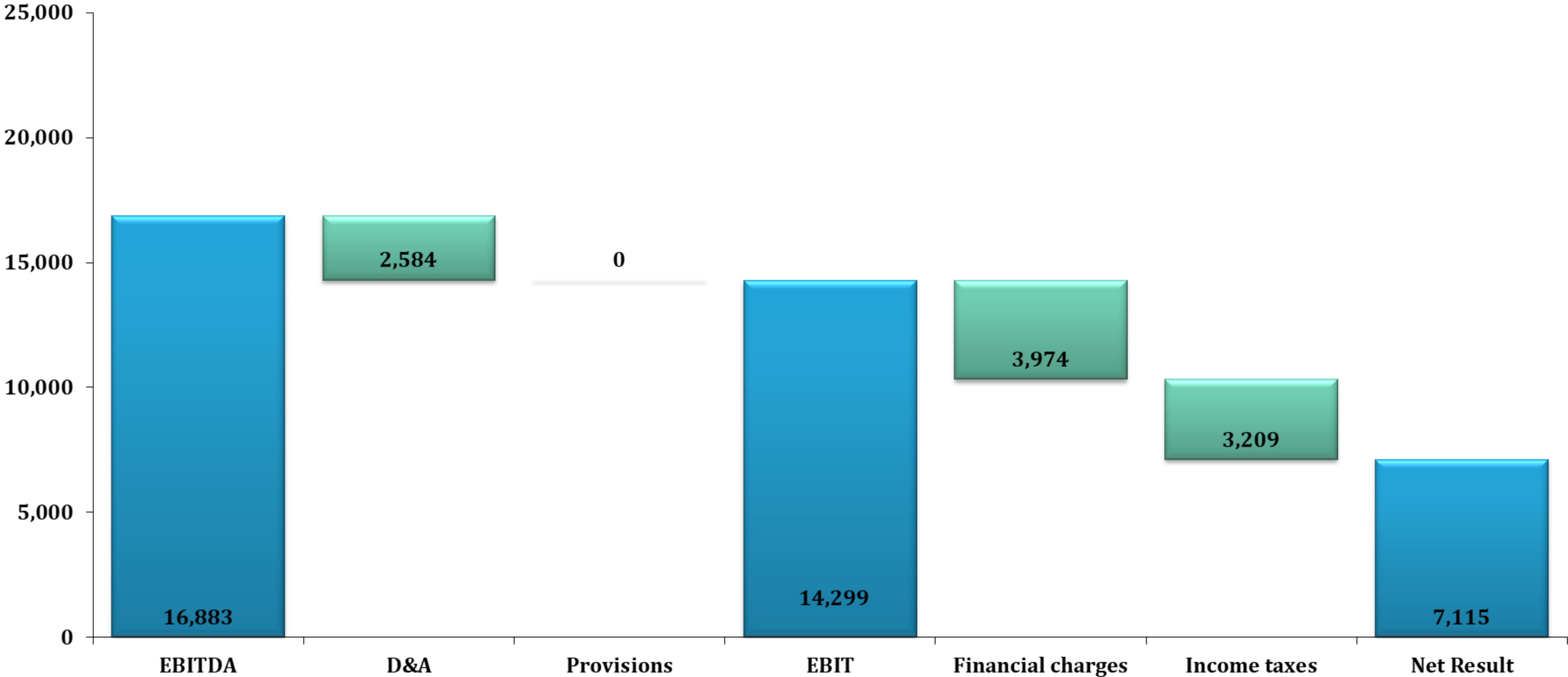
H1 2024: BRIDGE – FROM REVENUES TO EBITDA

€/000



H1 2024: BRIDGE – FROM EBITDA TO NET RESULT

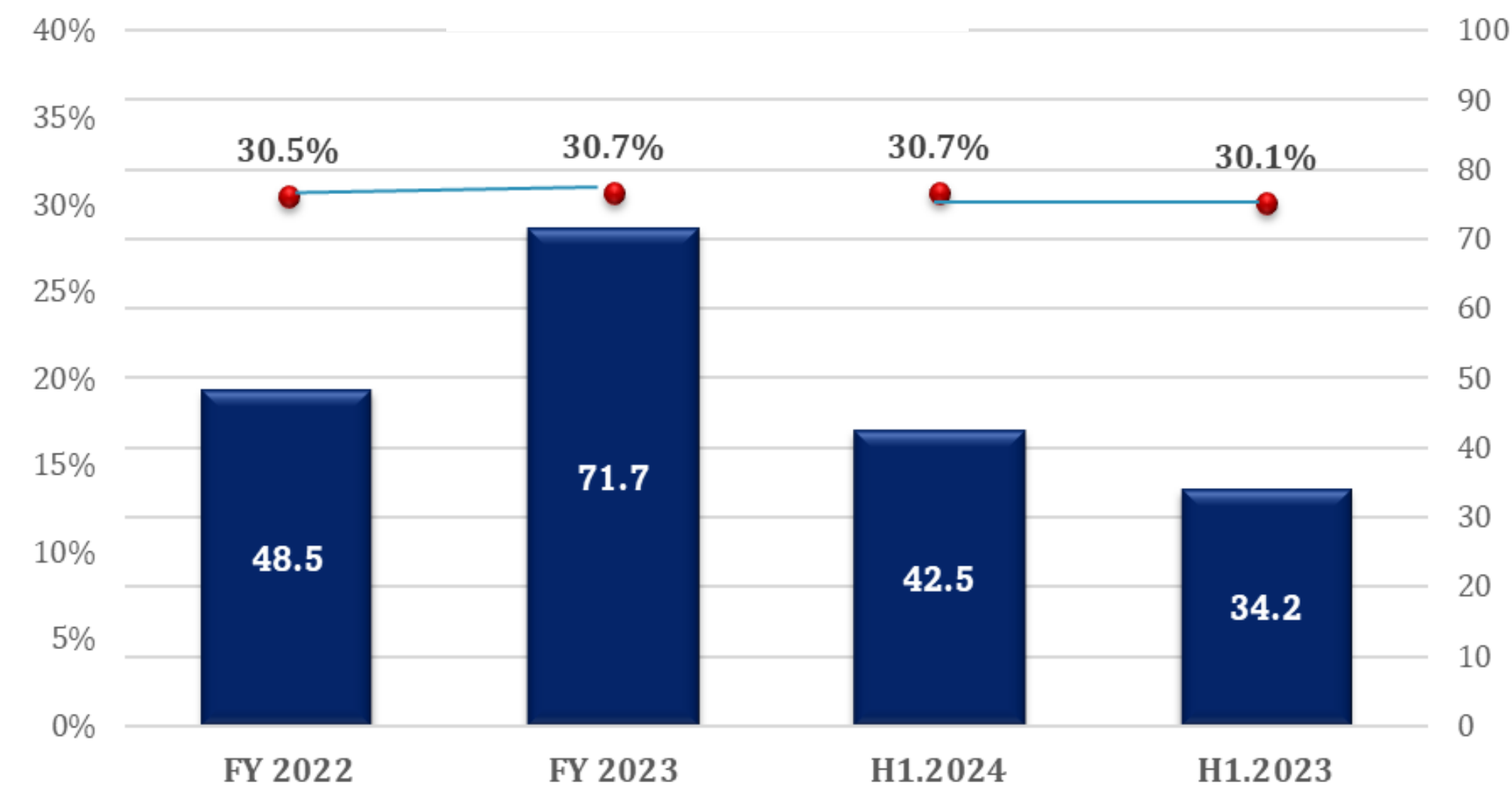
€/000



H1 2024: FINANCIAL TRENDS 1/2

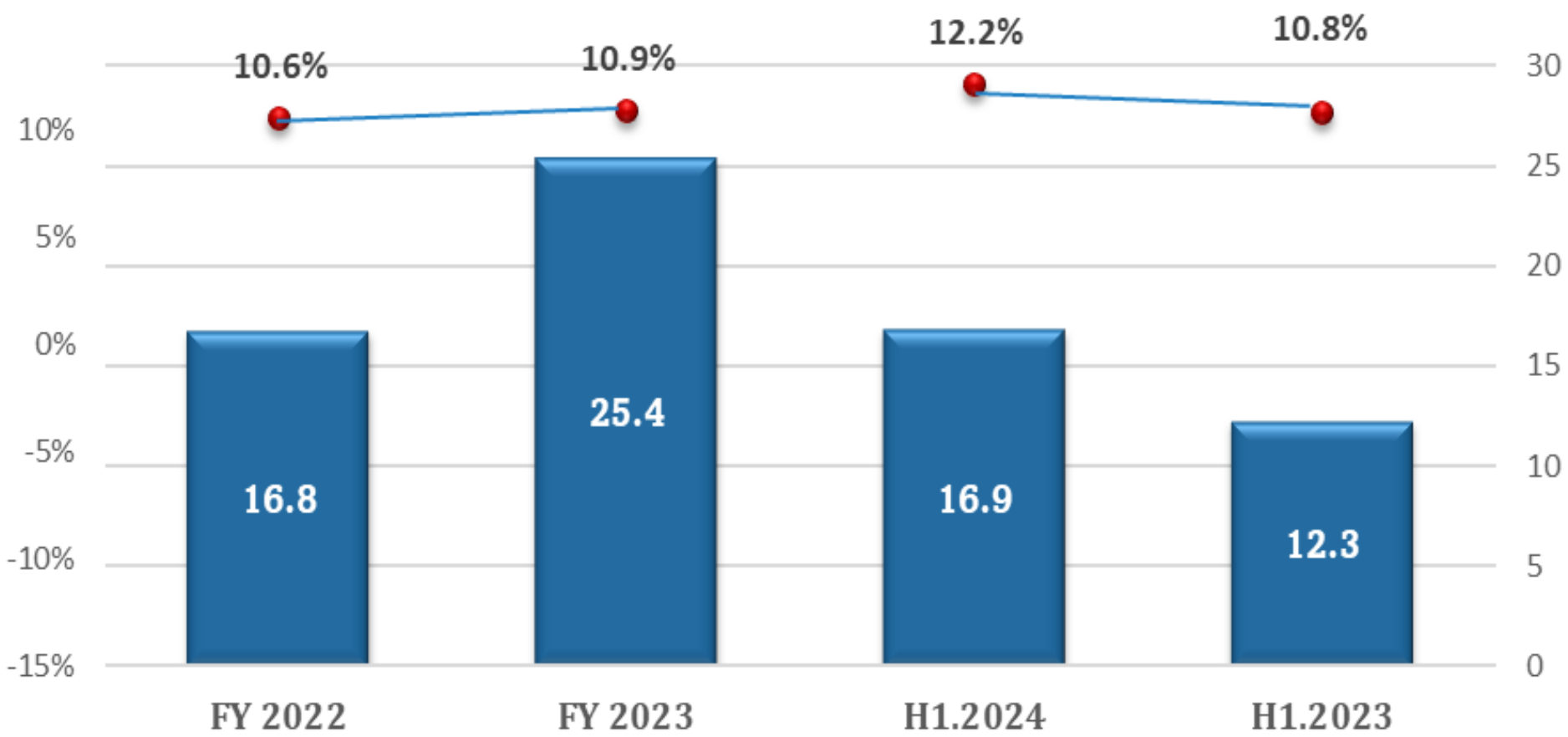
GROSS MARGIN FY 2022 – H1 2024

€/mln



EBITDA FY 2022 – H1 2024

€/mln



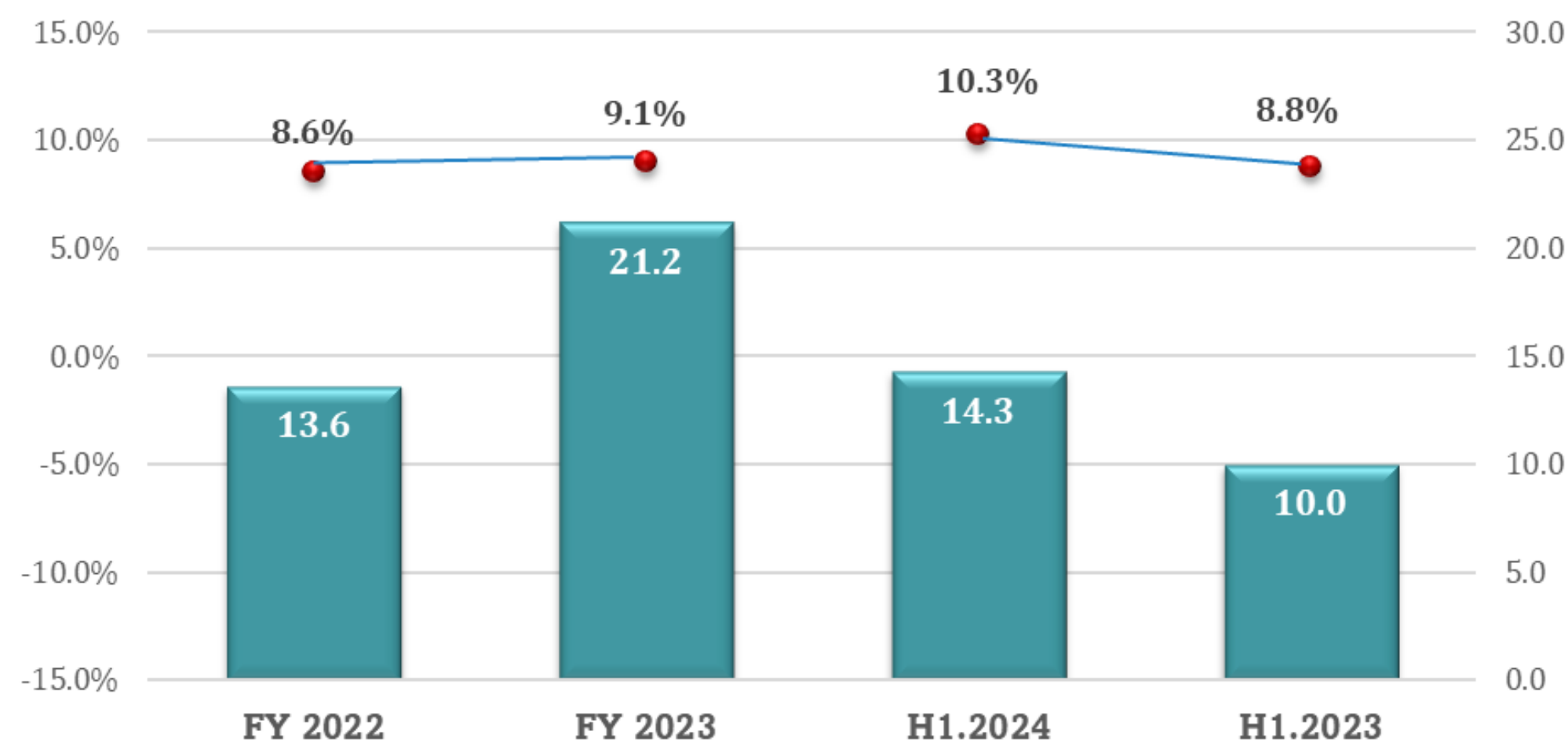
Scalable business model as there is virtually no limit to the array of managed SKUs and target customer universe, even in adjacent industries

Source: elaboration from Company financial statements and management accounts

H1 2024: FINANCIAL TRENDS 2/2

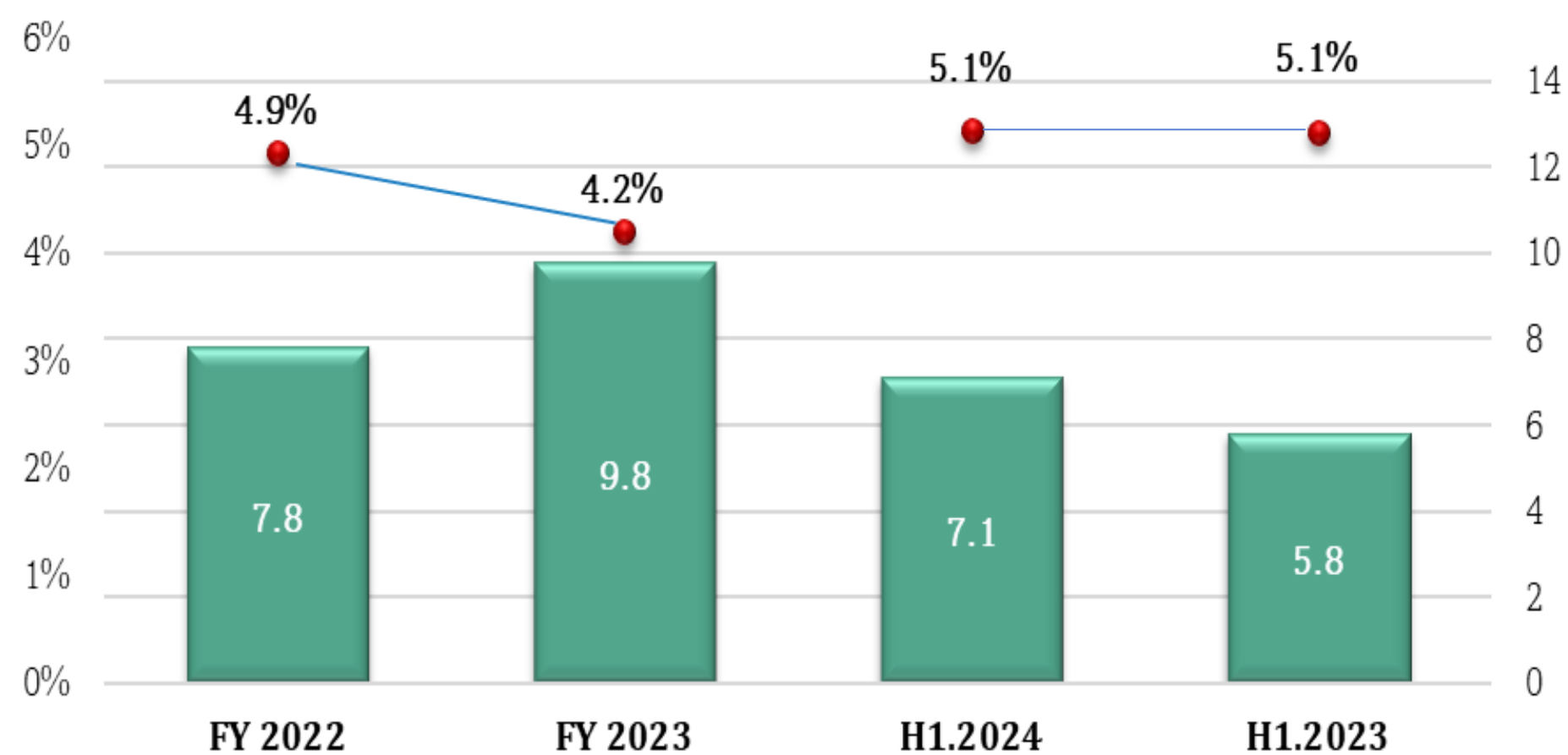
EBIT FY 2022 – H1 2024

€/mln



NET INCOME FY 2022 – H1 2024

€/mln

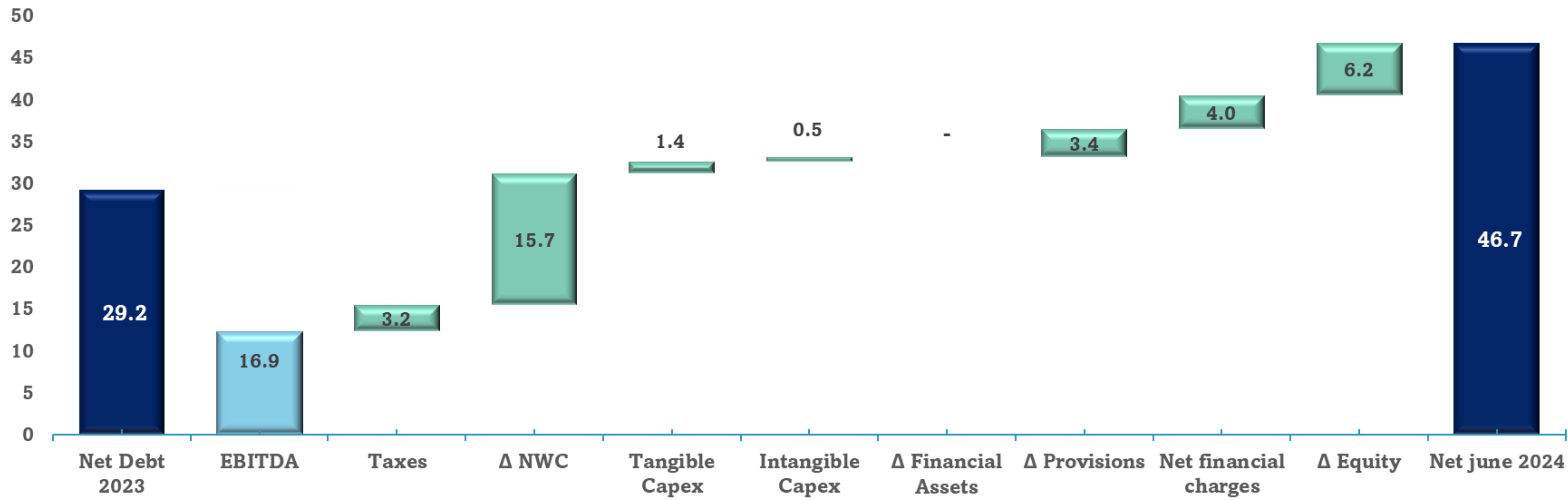


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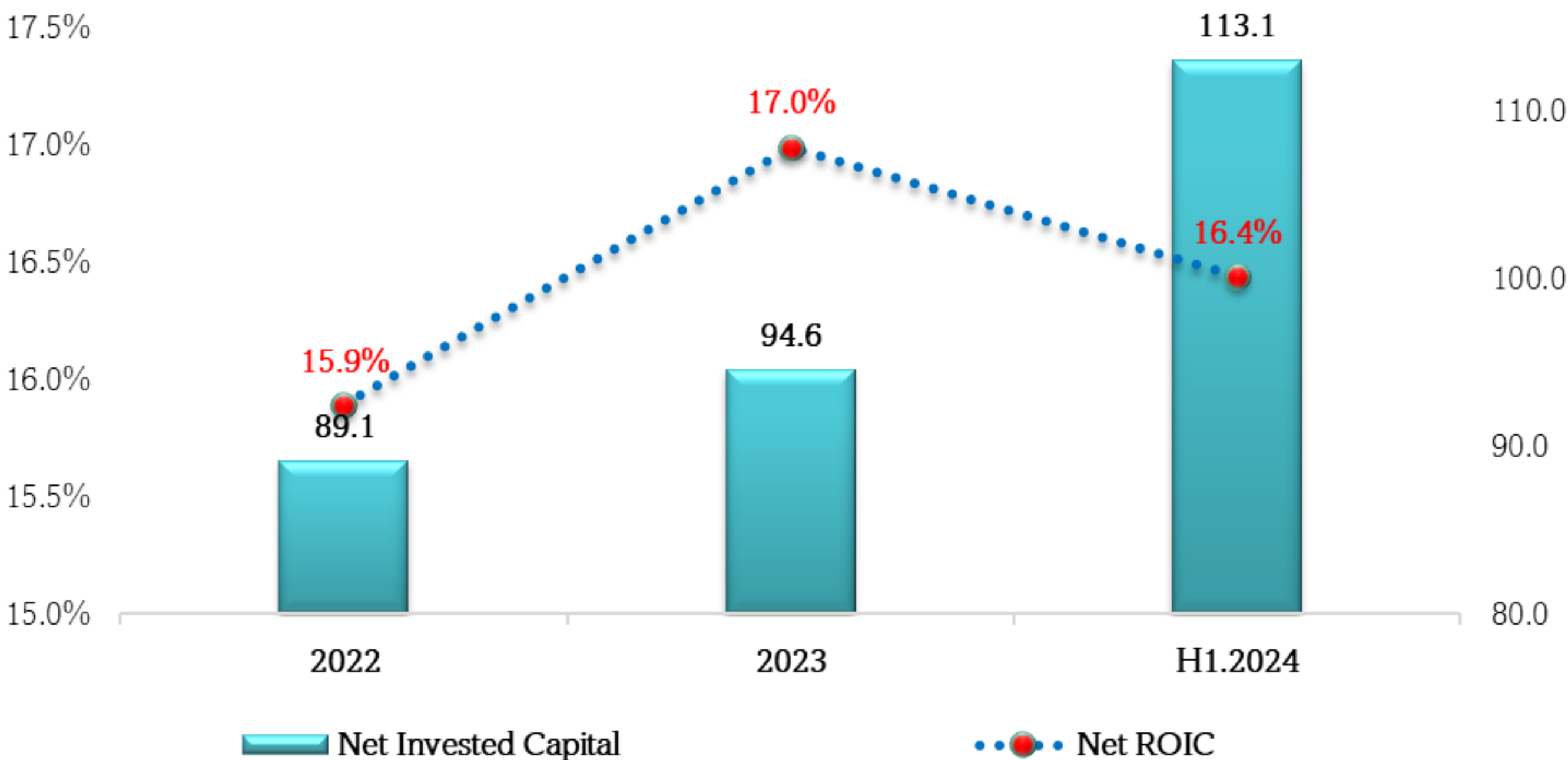
H1 2024: NFP BRIDGE

€/mIn



NET INVESTED CAPITAL & ROIC

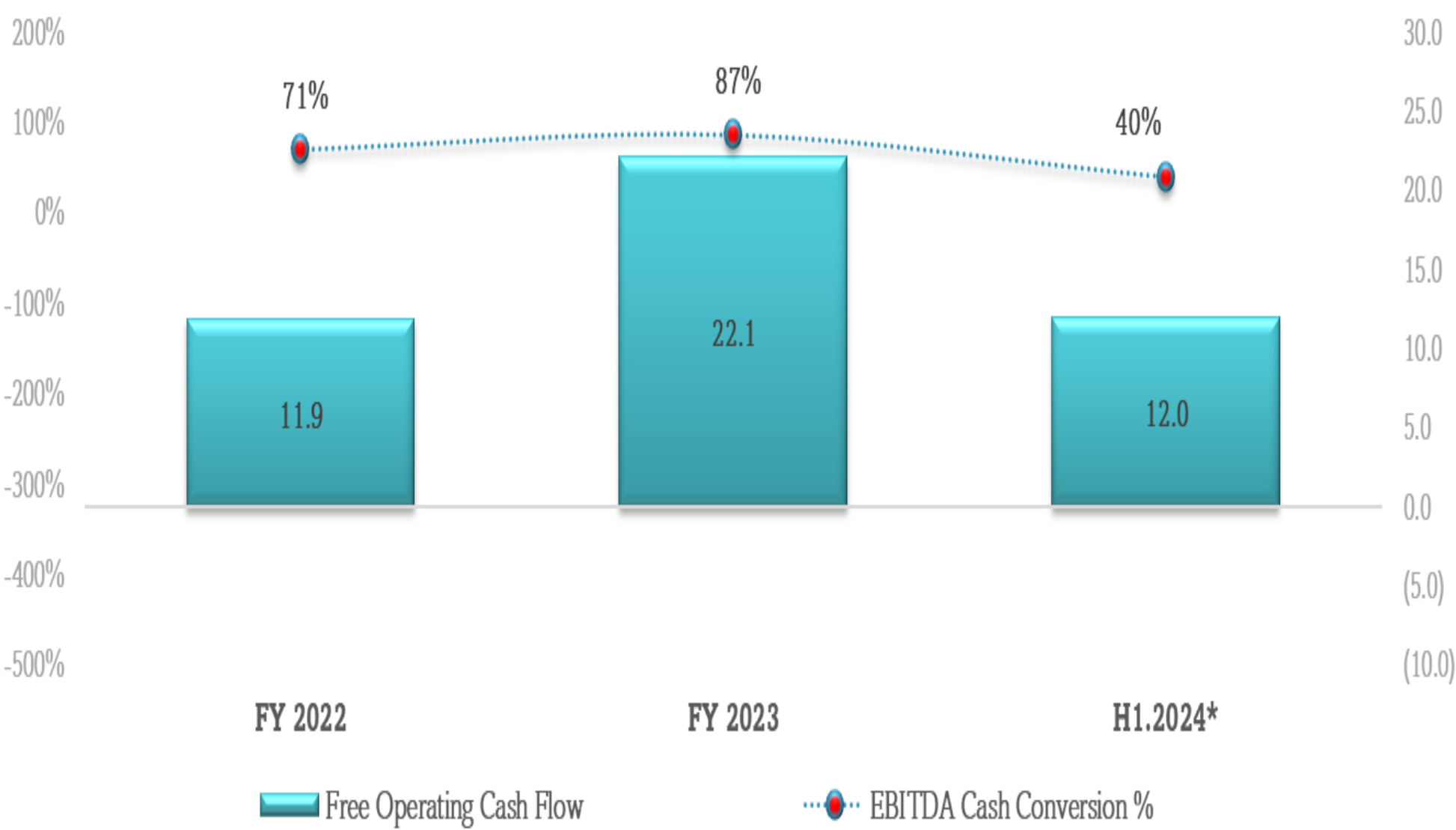
€/mIn



H1 2024: FINANCIAL TRENDS 2/2

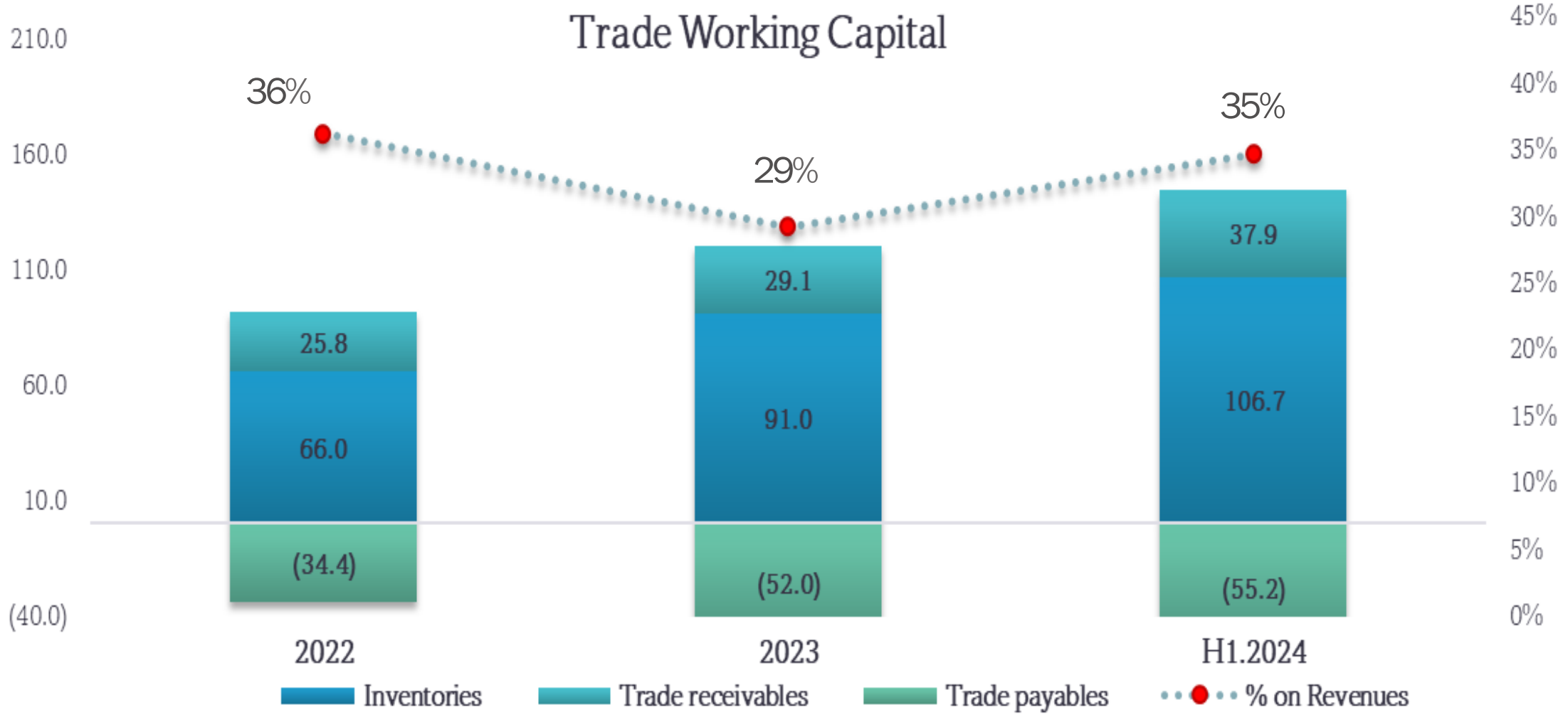
FCF & CASH CONVERSION

€/mIn



TRADE WORKING CAPITAL

€/mIn





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Strategy

GROWTH ACCELERATION BUILDING BLOCKS

A

GROWTH WITHIN EXISTING CUSTOMERS

B

WIN NEW CUSTOMERS

C

TARGETED ACQUISITIONS

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.

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.

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

A close-up, low-angle shot of a jet engine fan. The fan blades are dark, metallic, and curved, radiating from a central hub. The lighting is dramatic, with strong highlights and deep shadows, emphasizing the texture and curvature of the blades. The background is a solid dark blue.

ALA

Key success factors

INVESTMENT HIGHLIGHTS



Source: Management



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.



Investor Relation

ALA

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