



Press Release

MISITANO & STRACUZZI S.P.A.: THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED RESULTS AS OF JUNE 30, 2024

REVENUES UP BY AROUND 9% AND SIGNIFICANT IMPROVEMENT IN THE MAIN PROFITABILITY INDICATORS

- Sales revenues as of June 30, 2024: Euro 35.8 million, up 9.3% compared to the first half of 2023
- EBITDA of Euro 8.4 million, +35.7% compared to the first half of 2023; EBITDA margin at 23.4% of sales revenues (compared to 18.8% in the first half of 2023)
- EBIT of Euro 7.7 million in the first half of 2024, compared to Euro 5.5 million in the first half of 2023
- Net profit of Euro 5.1 million, up 48.4% compared to the first half of 2023
- Net Financial Position (net debt) of Euro 25.2 million as of June 30, 2024 (before the proceeds from the IPO occurred in July and equal to Euro 17.7 million)

Messina (ME), Italy – 20th September, 2024 – The Board of Directors of **Misitano & Stracuzzi S.p.A.**, one of the main Italian business to business (B2B) operator active at international level in the creation, production and marketing of citrus essential oils mainly of natural origin and to a lesser extent in the production of citrus juice ("**M&S** or the "**Company**"), listed on the Euronext Growth Milan market, held today and approved the Consolidated Interim Financial Statements as of June 30, 2024, prepared in accordance with Italian accounting standards and subject to a limited audit by KPMG.

Antonio Stracuzzi, Chairman and CEO of the Company, commented: " *We are pleased to announce excellent financial results for the first half of 2024, which demonstrate solid and continued growth for the Group. Our main market, represented by the healthy food sector, still has untapped dynamics and potential. The market appeal of our products, whose quality is a distinctive feature, together with a client-customized commercial strategy with 'tailor-made' products, reaffirms the strength of our vision, also at international level. I would*

Note: The data as of 06/30/2023 is presented for comparative purposes only and does not originate from an approved and audited consolidated interim financial statement.



Misitano & Stracuzzi S.p.a.
Citrus Products
Via Ghibellina, 64 – 98122 Messina (Italy)

Share capital € 1.277.550,00 fully paid up
Messina Business Register
Tax ID and VAT 00170700835

Tel.: + 39 090 2922571
Email: info@misitanoestracuzzi.com
Website: misitanoestracuzzi.com



like to highlight that overall performance of the turnover is in line with our expectations, and profitability, almost comparable to that of full-year 2023, is significantly higher than in the first half of 2023. All of this makes us satisfied and confident to face the next steps of our new important journey."

In a global macroeconomic scenario still marked by uncertainty, M&S's target markets have continued to expand. In particular, the global AFF (Aromas, Flavors, and Fragrances) market is experiencing significant growth. Similarly, the global juice market continues to grow due to increased awareness and focus on health-related issues, with a preference for organic and 100% natural juices over those derived from different raw materials. Producers choose to add flavors to enhance the taste, thereby improving olfactory and taste sensations without significantly impacting the final product's cost. Market trends confirm that internationalization is a key success factor for companies operating in the essential oils sector.

Confirming this, **the analysis of M&S's sales by geographical area** in the first half of 2024 shows that **about 46%** of the revenue comes from the **EMEA market** and **over 33%** from the **American market**.

KEY CONSOLIDATED RESULTS

P&L data (Euro/m)	as of June 30				Change	
	2024	%	2023	%	2024 vs 2023	2024 vs 2023 %
Sales Revenues	35.8	100%	32.8	100%	3.1	9.3%
EBITDA	8.4	23.4%	6.2	18.8%	2.2	35.7%
EBIT	7.7	21.5%	5.5	16.8%	2.2	39.4%
Pre-tax results	7.1	19.8%	5.0	15.2%	2.1	42.3%
Net profit	5.1	14.3%	3.4	10.5%	1.7	48.4%

In the first half of 2024, the **top line** continued to grow thanks to a mix of increased volumes and price effect; in particular, the volume growth is mainly attributable to orders received from long-standing clients represented by the global leaders in the production of flavors, fragrances, and fruit juices, this is therefore an important signal of continued, renewed, and increased trust in M&S.

Sales revenue reached Euro 35.8 million, compared to Euro 32.8 million in the first half of 2023 (+9.3% compared to the first half of 2023).

The improvement in all major profitability indicators is mainly due to the significant increase in revenue, which more than offset the rise in costs for certain raw materials. The company continues to seize market opportunities by increasingly focusing on a combination of high-margin products.

For this reason, and also thanks to the effect of operational leverage, **EBITDA** saw a significant increase, rising from a 18.8% share of sales revenue (first half of 2023) to 23.4% (first half of 2024). **The EBITDA margin percentage** also showed growth compared to December 31, 2023 (23.4% vs 22.0%).



EBIT amounted to Euro 7.7 million in the first six months of 2024, showing a strong increase compared to the first half of 2023, with a margin on sales revenue rising from 16.8% (first half of 2023) to 21.5% (first half of 2024). The **EBIT margin percentage** also grew compared to 31/12/2023 (21.5% vs 19.3%).

The half-year closed with a **Group net result** of Euro 5.1 million, up by 48.4% compared to the same period in 2023, with a margin on sales revenue of 14.3%.

From an equity standpoint, **Shareholders' equity** reached a value of Euro 14.1 million as of 30 June 2024 (thus before the IPO), Euro 14 million as of December 31, 2023, affected by the distribution of a dividend of Euro 5.2 million in April 2024.

Net Working Capital (NWC) increased from Euro 16.3 million (December 31, 2023) to Euro 26.1 million (June 30, 2024), mainly due to the increase in inventory and trade receivables, which in turn rose because of the significant growth in revenue. It is also worth noting that, in line with recent years, the company's strategy focuses on securing raw materials with a higher risk of market shortage to avoid disruptions in the production process. The "inventory policy" is therefore also influenced by particularly advantageous purchasing conditions for non-perishable raw materials.

The **Net Financial Position** (net debt) amounted to Euro 25.2 million compared to Euro 15.1 million as of December 31, 2023, both due to the investments in the two new production plants and the aforementioned change in working capital. It should be noted that the Net Financial Position as of June 30, 2024 does not include the proceeds of Euro 17,695,200 from the successful listing on the Euronext Growth Milan market, which was completed on July 29, 2024.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

On July 25, 2024, with provision no. 31648, the ordinary shares of the Company were admitted by Borsa Italiana S.p.A. to trading on the Euronext Growth Milan (EGM) market, with trading starting on July 29, 2024. The offering price per share was Euro 2.92, and the total capital increase, related to 6,060,000 newly issued shares, amounted to Euro 17,695,200.

Moreover, the renovation works for the two new production plants in the Giammoro industrial area (Messina), which will house the current production of "essential oils" and "juices," are continuing on schedule. It is also to mention that and that on August 5, 2024, the Strategic Advisory Board was established, consisting of international professionals with proven experience in the specific or related sectors in which M&S operates, such as Fragrances and Food & Beverage. Among them are Bhavesh Shah, with over 30 years of experience in leadership, operations, and procurement positions at major companies like Procter & Gamble and Firmenich, the world's largest family-owned fragrance and flavor company, and Alain Frix, former VP Sales at Symrise, a historic Swiss multinational engaged in the development, production, and sale of fragrances, flavors, and food ingredients.

EXPECTED BUSINESS OUTLOOK

The ongoing global crisis is also having effects on 2024, particularly regarding the impact of inflation. Nonetheless, the Company believes it can achieve the strategic objectives set, both in terms of completing the planned investments and regarding business performance.



The Consolidated Interim Financial Report as of June 30, 2024, will be made available to the public at the company's headquarters and is available on the website in the "Investor Relations" section – <https://www.misitanoestracuzzi.com/>. This press release is also available in the "Investor Relations" section of the website.

Please note that, for the dissemination of regulated information, the Company uses the 1INFO circuit managed by Computershare.

ABOUT MISITANO & STRACUZZI

The Misitano & Stracuzzi Group is one of the main Italian one of the main Italian business to business (B2B) operator active at international level in the creation, production and marketing of citrus essential oils mainly of natural origin and to a lesser extent in the production of citrus juice. The Company purchases citrus essential oils worldwide and produces proprietary solutions tailored to each individual customer's needs. The citrus essential oils are highly appreciated at the international level and are applied in a variety of fields, including food and drink, perfumes and fragrances, cosmetics and aromatherapy.

The products made by the M&S Group are mainly intended for international customers, including large producers of flavours and fragrances and sometimes directly for producers active in food and beverage, personal and home care, aromatherapy, perfumery, cosmetics and pharma.

Today the Company can use two plants based in Sicily, respectively the Furci Siculo (Me) plant and in S. Teresa di Riva (Me), supported by various warehouses located in Italy, Northern Europe and on the west coast of the United States as well as by a dense and structured sales network spread throughout the world also made up of agents who support the relationship with the Group's customers. In December 2016, Misitano & Stracuzzi USA Corp. was established, a company incorporated under US law, wholly owned by Misitano & Stracuzzi S.p.A. M&S USA carries out distribution activities of essential oils and aromatic essences in the United States. The strategic position assumed by the subsidiary represents a key factor in the development of the Group's business.

The Company is listed on the Euronext Growth Milan market, organized and managed by Borsa Italiana S.p.A., since 29th July 2024. For the financial year ending 31st December 2023, the Company's Revenues reached 59.0 million Euro, increasing by 42.2% respect to 2022's financial year and a Group net result of 7.1 million Euro.

For further information

Misitano & Stracuzzi

Giuseppe Trusso – CFO & IRM

investor.relations@misitanoestracuzzi.com

F +39 (0)90 2922571

Press and Communication Office

HEAR-ir

Simona D'Agostino

simona.dagostino@hear-ir.com

M +39 335 7729138

Luca Macario

luca.macario@hear-ir.com

M +39 335 7478179

Euronext Growth Advisor

Intermonte

ega@intermonte.it

F +39 (0)2 771151



ANNEXES - Consolidated Interim Financial Statements as of 30/06/2024

RECLASSIFIED CONSOLIDATED PROFIT & LOSS

RECLASSIFIED INCOME STATEMENT	30/06/2024	Inc.%	30/06/2023	Inc.%	Change	Change %
Sales Revenues	35.831.199	100,0%	32.770.958	100,0%	3.060.241	9,3%
Cost of sales	20.800.848	58,1%	21.320.254	65,1%	(519.406)	(2,4%)
FIRST MARGIN	15.030.351	41,9%	11.450.704	34,9%	3.579.647	31,3%
Service costs	3.562.434	9,9%	2.966.890	9,1%	595.544	20,1%
Costs for use of third-party assets	420.097	1,2%	364.882	1,1%	55.215	15,1%
Personnel costs	2.608.607	7,3%	1.986.766	6,1%	621.841	31,3%
Miscellaneous management costs	163.347	0,5%	79.440	0,2%	83.907	105,6%
OPERATING COSTS	6.754.485	18,9%	5.397.978	16,5%	1.356.507	25,1%
Other revenues and operating income	91.355	0,3%	111.631	0,3%	(20.276)	(18,2%)
EBITDA	8.367.221	23,4%	6.164.357	18,8%	2.202.864	35,7%
Depreciation, provisions, devaluations	(672.158)	(1,9%)	(643.258)	(2,0%)	(28.901)	4,5%
OPERATING INCOME - EBIT	7.695.063	21,5%	5.521.099	16,8%	2.173.963	39,4%
Financial income	36.236	0,1%	4.892	0,0%	31.344	640,7%
Financial activities		0,0%		0,0%	0	0,0%
Financial expenses	(728.863)	(2,0%)	(407.979)	(1,2%)	(320.884)	78,7%
Profit/Loss on exchange rates	80.808	0,2%	(139.361)	(0,4%)	220.169	(158,0%)
FINANCIAL MANAGEMENT	(611.819)	(1,7%)	(542.448)	(1,7%)	(69.371)	12,8%
RESULT BEFORE TAXES	7.083.244	19,8%	4.978.651	15,2%	2.104.592	42,3%
Income Tax	1.974.542	5,5%	1.535.668	4,7%	438.874	28,6%
NET PROFIT	5.108.702	14,3%	3.442.983	10,5%	1.665.719	48,4%



RECLASSIFIED CONSOLIDATED BALANCE SHEET

RECLASSIFIED BALANCE STATEMENT	30/06/2024	30/06/2023	Change	Change %
Intangible Assets	1.770.311	1.699.761	70.550	4,2%
Tangible fixed assets	12.690.224	12.183.620	506.604	4,2%
Financial Fixed Assets	11.452	11.421	31	0,3%
Immobilized Assets	14.471.987	13.894.802	577.185	4,2%
Inventories of finished products and merchandise	27.522.147	16.740.219	10.781.928	64,4%
Accounts Receivable	15.891.591	8.898.164	6.993.427	78,6%
Payables to suppliers	(13.242.822)	(6.369.023)	(6.873.799)	107,9%
Net Operating Working Capital (NOCW)	30.170.916	19.269.360	10.901.556	56,6%
Other activities	1.813.921	1.141.975	671.946	58,8%
Accrued income and prepayments	162.176	88.137	74.039	84,0%
Additional liabilities	(5.223.159)	(3.143.614)	(2.079.545)	66,2%
Accrued expenses and deferred income	(847.253)	(1.012.659)	165.406	(16,3%)
Net Working Capital (NWC)	26.076.601	16.343.199	9.733.402	59,6%
Severance pay	(569.279)	(570.068)	789	(0,1%)
Provision for risks and charges	(677.146)	(615.356)	(61.790)	10,0%
Net Invested Capital (NIC)	39.302.163	29.052.577	10.249.586	35,3%
Equity	(14.081.405)	(13.975.183)	(106.222)	0,8%
NFP short term	(9.013.896)	(10.171.783)	1.157.887	(11,4%)
NFP long term	(16.206.862)	(4.905.611)	(11.301.251)	230,4%
Equity and net financial debt	(39.302.163)	(29.052.577)	(10.249.586)	35,3%

CONSOLIDATED NET FINANCIAL POSITION

NET FINANCIAL POSITION (NFP)	30/06/2024	30/06/2023	Change	Change %
Bank and postal deposits	23.883.436	8.496.353	15.387.083	181,1%
Cash and valuables in register	3.453	2.532	921	36,4%
Cash and cash equivalents	23.886.889	8.498.885	15.388.004	181,1%
Short-term payables to banks (under 12M)	30.774.060	18.599.023	12.175.037	65,5%
Debts to other lenders	2.126.725	71.645	2.055.080	2868,4%
NFP SHORT TERM	(9.013.896)	(10.171.783)	1.157.887	(11,4%)
Long-term payables to banks (over 12M)	16.206.862	4.905.611	11.301.251	230,4%
NFP LONG TERM	(16.206.862)	(4.905.611)	(11.301.251)	230,4%
TOTAL NFP	(25.220.758)	(15.077.394)	(10.143.364)	67,3%



CONSOLIDATED CASH FLOW STATEMENT (indirect method)

CONSOLIDATED CASH FLOW STATEMENT (indirect method)	30/06/2024	30/06/2023
A. CASH FLOWS DERIVING FROM OPERATIONAL ACTIVITIES		
Profit (Loss) in the period	5.108.702	3.442.983
Income Tax	1.974.542	1.535.668
Passive interests / (Active interests)	611.819	542.448
(Capital gains) / Capital losses from the sale of capital goods		
1. Profit (loss) for the financial year before taxes, interest, gains/losses on disposal	7.695.063	5.521.099
<i>Adjustments for non-monetary items</i>		
Depreciation of fixed assets	599.890	577.501
Devaluation of credits	72.268	52.378
Total Adjustments for non-monetary items	672.158	629.879
2. Cash flow before changes in Net Working Capital (NWC)	8.367.221	6.150.978
<i>Changes in Net Working Capital</i>		
Decrease / (Increase) Inventories	(10.781.928)	(1.724.539)
Decrease / (Increase) Accounts receivable	(7.065.695)	(4.764.369)
Increase / (Decrease) Payables to suppliers	6.873.799	3.099.460
Decrease / (Increase) accrued expenses and prepaid expenses	(74.039)	8.654
Increase / (Decrease) in accruals and deferred income	(165.406)	(87.073)
Decrease / (Increase) Other assets (Other credits, tax credits, deferred tax assets)	(671.946)	76.561
Increase / (Decrease) Other liabilities (Other debts, tax debts, social security debts)	105.003	580.495
Total NWC changes	(11.780.212)	(2.810.811)
3. Cash flow after changes in Net Working Capital (NWC)	(3.412.991)	3.340.167
<i>Other adjustments</i>		
Increase / (Decrease) SP	(789)	18.346
Increase / (Decrease) Provisions for risks and charges	61.790	31.470
Total Other adjustments	61.001	49.816
Total Cash Flow from Operating Activities (A)	(3.351.990)	3.389.983
B. CASH FLOWS FROM INVESTMENT ACTIVITIES		
<i>Tangible fixed assets</i>		
(Investments) / Divestments	(920.897)	(112.776)
<i>Intangible assets</i>		
(Investments) / Divestments	(256.147)	(39.483)
<i>Financial fixed assets</i>		
(Investments) / Divestments	(31)	0
Total Cash Flow from Investing Activities (B)	(1.177.075)	(152.259)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
<i>Third party resources</i>		
Increase (decrease) in short-term debts to banks (only import/export advances)	4.342.917	1.080.135
Provision of financing	29.200.000	30.227.644
(Refund of financing)	(10.066.629)	(25.288.658)
Increase (decrease) in long-term debts to other lenders	2.055.080	712.356
Interest received/(paid)	(611.819)	(542.448)
<i>Own resources</i>		
Dividends paid in the financial year	(5.102.000)	(1.900.000)
Other equity variations	99.520	8
Total Cash Flow from Financing Activities ©	19.917.069	4.289.037
Increase (decrease) in liquidity (A +/- B +/- C)	15.388.004	7.526.761
Cash and cash equivalents at the beginning of the period	8.498.885	5.973.664
Cash and cash equivalents at the end of the period	23.886.889	13.500.425