



**Press release**

**COVID-19 effect on revenues from sales in the first quarter of 2020  
down 22%**

Sant'Agata Feltria (Rimini), 08 May 2020 – The Board of Directors of **Indel B S.p.A.** – company listed on the Borsa Italiana MTA, heading a group that operates in the production of cooling and conditioning systems for mobile and mobile living for the automotive, Hospitality and Leisure Time markets (pleasure boating and recreational vehicles) - has today approved the consolidated revenues from sales as at 31 March 2020.

**Luca Bora – Managing Director of Indel B** – comments: "*During the first quarter of 2020, the social-economic scene changed at the start of the year with the sudden onset of COVID-19, resulting in a halt to business, first in China and thereafter in the rest of the world; naturally this was detrimental to companies, customers and suppliers alike and paved the way for a severe recession. The virus has had a significant impact on all our lives and on industrial activities in the market segments in which we operate, which geographically have suffered a major recession that will also be reflected in the second quarter of 2020, already looking to record a considerable downturn. After a period of forced closure, the plants are now up and running once again, in China, Italy and Brazil, albeit not at full capacity. Amidst this recession it is extremely difficult to form any firm ideas as to the timing and speed of recovery and, accordingly, to prepare any future estimates, particularly in the medium-term. Positive signs will be seen once our key customers have fully reopened. At present, we remain true to our strategy: close attention paid to cash flow, to protecting and strengthening the company's financial health, to keeping our employees safe with suitable protocols applied throughout our companies and to continuing to act ethically and with integrity, taking all action possible to strive to overcome this period of global uncertainty as effectively as possible, ready to rise with the forthcoming recovery*".

**Consolidated revenues from sales as at 31 March 2020**

After years of two-figure growth, in Q1 2020, the Group records a significant downturn to revenues linked to the significant impact of the COVID-19 on all markets, channels and geographic areas in which the Group operates, markets which were already suffering a congenital slowdown linked to the relevant commercial segments. First and foremost, the adverse cycle recorded by the manufacture and sale of trucks in North America and Europe, which was reflected on the Automotive market, resulting in the recession seen starting late 2019. The impact of the COVID-19 on the downturn to revenues is around 35-40%.

Revenues from sales have therefore come in at Euro 31.1 million, as compared with the Euro 40.0 million recorded during the same period of 2019, down 22.1% at current exchange rates (-22.4% at constant exchange rates).

## Revenues from sales by market

<i>(in thousands of Euro)</i>	<b>Q1 2020</b>	<b>%</b>	<b>Q1 2019</b>	<b>%</b>	<b>Change</b>	<b>% change</b>
Automotive	16,960	56%	24,635	62%	-7,675	-31.2%
Hospitality	3,531	11%	4,058	10%	-527	-13.0%
Leisure	3,928	13%	4,597	12%	-669	-14.6%
Cooling Appl.	1,709	6%	760	2%	949	124.9%
Components & Spare parts	4,377	14%	5,546	14%	-1,169	-21.1%
<b>REVENUES FROM PRODUCT SALES</b>	<b>30,505</b>	<b>100%</b>	<b>39,596</b>	<b>100%</b>	<b>-9,091</b>	<b>-23.0%</b>
Other revenues	642		387		255	65.9%
<b>REVENUES FROM SALES</b>	<b>31,147</b>		<b>39,983</b>		<b>-8,836</b>	<b>-22.1%</b>

The negative trend, brought about by the phenomena described, is linked to a reduction of almost all markets on which the Group operates.

The Automotive market records a decline of 31.2%, coming in at Euro 17.0 million as compared with the Euro 24.6 million of the same period 2019.

The Hospitality market recorded a reduction of 13.0%, going from Euro 4.1 million in the first quarter of 2019 to Euro 3.5 million in the first quarter of 2020.

The Leisure market recorded a reduction of 14.6%, going from Euro 4.6 million in the first quarter of 2019 to Euro 3.9 million in the first quarter of 2020.

A positive trend of 124% is recorded on the Cooling & Appliance market, which goes from Euro 0.8 million in Q1 2019 to Euro 1.7 million for Q1 2020, for the new projects linked to the wine cellars and milk storage refrigerators.

The Components & Spare market, whose decrease of 21.1% is connected with the sale of components, goes from Euro 5.5 million in the first quarter of 2019 to Euro 4.4 million in the same period of 2020.

As regards the sales channels, the OEM<sup>1</sup> (Original Equipment Manufacturer) channel booked revenues of Euro 14.9 million as compared with Euro 20.2 million during the first quarter of 2019, down 26% as a result of the negative cycle of Automotive Truck in North America and Europe and the COVID-19 pandemic.

The AM<sup>2</sup> (After Market) channel has booked revenues of Euro 11.0 million as compared with Euro 13.1 million during the first quarter of 2019, down 16%, mainly as a result of the downturn to the Hospitality and Leisure markets.

Finally, the Others channel booked revenues of Euro 4.6 million as compared with Euro 6.3 million for the first quarter of 2019, down 27%.

On a geographic level, the Indel B Group has recorded a downturn to revenues from sales in all geographic areas.

In Europe, revenues from sales are down 17.4%, going from Euro 18.9 million in the first quarter of 2019 to Euro 15.6 million in the same period of 2020, mainly due to the decline in the Automotive OEM market.

In Italy, revenues from sales are down 16.2%, going from Euro 10.7 million in the first quarter of 2019 to Euro 9.0 million in the same period of 2020, for a reduction recorded on almost all markets, except for Cooling Appliances.

In the Americas, revenues from sales are down 42.1%, going from Euro 8.7 million in the first quarter of 2019 to Euro 5.0 million in the same period of 2020, mainly due to the decline in the Automotive OEM market.

In the Rest of the World, revenues from sales are down 31.0%, going from Euro 1.3 million in the first quarter of 2019 to Euro 0.9 million in the same period of 2020.

<sup>1</sup> OEM Original Equipment Manufacturer. Customer segment that purchases third party manufacturer components specifically designed for use in the products sold or finished products, which are therefore marketed under own brand. The OEM channel is transversal to all markets.

<sup>2</sup> AM (After Market) Sales channel characterised by the manufacture of goods developed not according to customised projects commissioned on specific customer request, but rather intended for marketing under own brand or the "ISOTHERM" brand owned by Indel Webasto Marine, by Indel B.

Other revenues of Euro 642 thousand in the first quarter of 2020 mainly related to the charge-back to certain American customers of duties introduced by the American administration for products manufactured in China and sold in the USA, supported by the Company and the recovery of transport costs.

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This press release is available to the public at the Company's registered office, at Borsa Italiana, on the storage mechanism authorised by Consob "1info" ([www.1info.it](http://www.1info.it)) and in the specific sections of the website [www.indelbgroup.com](http://www.indelbgroup.com).

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*"The Manager appointed to prepare the company accounting documents, Mirco Manganello, declares in accordance with paragraph 2, Article 154 bis of the Consolidated Finance Act that the accounting disclosure contained in this release coincides with the results of the documents, books and accounting entries".*

*Please note that the data relative to revenues from sales given in this press release has not been audited.*

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*Indel B S.p.A. is a company listed on the MTA segment of the Italian stock exchange and is controlled by AMP.FIN S.r.l., in turn held entirely by the Berloni family. Indel B S.p.A. heads an important Group that operates worldwide and has been active for the last 50 years in the mobile cooling sector applicable to the Automotive, Leisure time and Hospitality cooling segments. The Group also operates in mobile climate control, with specific reference to the Automotive market, represented by commercial vehicles, minibuses, ambulances, agricultural and earth-moving machinery, and in the Cooling Appliances sector, which mainly comprises cellars for storing wine and small refrigerators for storing milk. The company has a market cap of approximately Euro 80 million.*

### **Contact details**

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