



Press release

The Chinese Guangdong Tianhu fund waives acquisition of the equity investment held by Indel B Spa in *Guangdong Iceco Enterprise Co. Ltd.*

Sant'Agata Feltria (Rimini), 09 March 2020 – Indel B S.p.A. – company listed on the Borsa Italiana MTA, heading a group that operates in the production of cooling and air-conditioning systems for mobile and mobile living for the automotive, Hospitality and Leisure Time markets (pleasure boating and recreational vehicles) - reports that the Chinese fund Guangdong Tianhu Asset Management Co. Ltd, ("**Guangdong Tianhu**"), has decided not to complete on the framework agreement stipulated on 11 April 2019, which had already been postponed until 31 March 2020, for the purchase of the entire equity investment held in the share capital of Guangdong Iceco Enterprise Co. Ltd ("**Guangdong**"), equal to 27.3% of the share capital.

Indel B Spa will therefore maintain its 27.3% stake held in Guangdong and will collect the amount paid by way of transaction guarantee, into a trust account held with a major Chinese bank, of RMB 9,000,000 (approximately Euro 1.1 million at today's exchange rate), equating to 10% of the price agreed by the parties. The amount will be collected after completion of the procedures, which have already been initiated, to release the account.

The Fund's choice was mainly dictated by the economic situation of the country, which, partly as a result of the worsening of the duty war with the USA and, most recently, the Coronavirus emergency, is experiencing a significant reduction in domestic economic growth, to such an extent as to drive Guangdong Tianhu to review its strategies in respect of the investment in the company Guangdong and consequently not to proceed with the purchase of Indel B Spa's investment held in such.

Luca Bora - Chief Executive Officer of Indel B – has declared *"Despite the uncertainty experienced in the last few months, we believe that continuing to invest in China represents an opportunity to develop the Chinese market; this is a very vast market but currently with a low penetration rate, as the Heavy-Duty Trucks currently circulating and of new production, have far less optional extras than in Europe and North America. Relations with our Chinese majority shareholder over the last 15 years have always been excellent and we are sure that we will together find new opportunities for shared development."*

As regards the Coronavirus emergency and with reference to the Ministries' Decree of 08 March 2020, please note that the Company had already taken action to minimise the risk of contagion and

spread of the virus and these actions will clearly be strengthened wherever necessary, but at present are not such as to affect the normal production.

Please also note that the investee Guangdong is already 75% operative after the precautionary downtime to production that lasted for about a month. Following this downtime, Indel B may suffer a temporary stock breakage, which, however, will only involve a few customers with a consequent delay in the related turnover. To date, no concerning impacts are expected on the continuity of procurement of supplies of Chinese origin, insofar as both the company Guangdong, which is once again up and running, and its suppliers, are located outside the zones severely struck by the COVID19.

In general, the situation is in any case monitored constantly in order to promptly take all action necessary that can guarantee the market the best possible service.

In light of the climate of uncertainty and the continuous evolution of the general context, it is presently difficult to make forecasts of any developments and the concrete reach of the future effects of the Coronavirus on the company's business.

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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) and in the specific sections of the website www.indelbgroup.com.

Contact details

<i>INDEL B</i> <i>Controller & IR</i> <i>Consuelo Vagnini</i> <i>+39 0541 848 855</i> <i>consuelo.vagnini@indelb.com</i>	<i>POLYTEMS HIR</i> <i>IR and Financial Disclosures</i> <i>Bianca Fersini Mastelloni</i> <i>+39 06.69923324; +39 3775248478</i> <i>b.fersini@polytemshir.it</i>	<i>FAST-COM</i> <i>Media Relations</i> <i>Paolo Santagostino</i> <i>+39 349 3856585</i> <i>paolo.santagostino@fast-com.it</i>
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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 81 million.