



Press release

**The Indel B S.p.A. BoD approves the draft financial statements for FY 2019**

**Positive results once again for the Indel B Group  
Consolidated income up 3.9%  
EDITDA Margin +16.6%  
Proposed allocation of period profit to reserve**

- Consolidated income: Euro 154.8 million vs Euro 149.0 million for FY 2018, up 3.9%
- Adjusted EBITDA Euro 24.4 million vs Euro 23.7 million for FY 2018, up 2.8% (reported EBITDA: Euro 25.6 million vs Euro 20.7 million as at 31.12.2018).
- Adjusted EBIT: Euro 19.7 million vs Euro 19.8 million for FY 2018, down -0.4% (reported EBIT: Euro 21.0 million vs Euro 16.8 million as at 31.12.2018).
- Adjusted net profit: Euro 14.4 million vs Euro 14.5 million for FY 2018 (-0.7%) (Reported net profit: Euro 15.8 million vs Euro 11.5 million as at 31.12.2018).
- Net Financial Position negative at Euro -12.5 million, compared to Euro -5.9 million as at 31.12.2018
- Parent company revenues Euro 114.7 million, up 1.7%
- Proposal to allocate profit to reserve

*Sant'Agata Feltria (Rimini), 16 April 2020 – Indel B S.p.A. - company listed on the Borsa Italiana MTA, heading a group that operates in the production of cooling systems and air-conditioning for mobile and mobile living for the Automotive, Hospitality and Leisure Time markets (pleasure boats and recreational vehicles) - reports that the Board of Directors met today and has approved the consolidated financial statements as at 31 December 2019 and the draft separate financial statements as at that same date, to be submitted for approval by the Shareholders' Meeting. The Board of Directors will also propose that the Shareholders' Meeting allocates the FY 2019 profit of Euro 13.9 million, to the reserve.*

**Luca Bora – Chief Executive Officer of Indel B** – *"2019 was yet another positive year for our Group, both in terms of turnover and profitability. Despite the international commercial tension and the slowdown recorded in the last quarter on the Automotive market, and particularly North America, the end results were in line with expectations. With more than 72% of turnover coming from export, Indel B confirms its vocation as a business operating on all the major international markets. 2020 will be a year marked by the COVID-19 issue and its impact on the global economy, as well as on the health of the general population and which will also reflect on Indel B. Despite this, in the solid equity and financial position and the action being taken allow us to be certain that we will overcome this period in the best possible way and be ready to make the most of the ensuing recovery".*

## Consolidated total revenues

In FY 2019, the Indel B Group recorded revenues of Euro 154.8 million, up 3.9% on 2018 (Euro 149.0 million).

### Revenues from sales by market

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>%</b>	<b>31/12/2018</b>	<b>%</b>	<b>Var.</b>	<b>% var.</b>
Automotive	91,887	61.6%	91,920	63.0%	(33)	0.0%
Hospitality	15,520	10.4%	15,697	10.8%	(177)	-1.1%
Leisure time	13,709	9.2%	12,334	8.5%	1,375	11.1%
Cooling Appliances	5,636	3.8%	5,105	3.5%	531	10.4%
Components and spare parts	22,516	15.1%	20,857	14.3%	1,659	8.0%
<b>% Revenues from product sales</b>	<b>149,268</b>	<b>100.0%</b>	<b>145,913</b>	<b>100.0%</b>	<b>3,355</b>	<b>2.3%</b>
Other revenues	3,095	2.0%	837	0.6%	2,258	269.8%
<b>Revenues from sales</b>	<b>152,363</b>	<b>98.4%</b>	<b>146,750</b>	<b>98.5%</b>	<b>5,613</b>	<b>3.8%</b>
Other revenues	2,434	1.6%	2,295	1.5%	139	6.1%
<b>Total revenues</b>	<b>154,797</b>	<b>100%</b>	<b>149,045</b>	<b>100%</b>	<b>5,752</b>	<b>3.9%</b>

2019 turnover growth mainly comes from the Leisure (+11.1%) and Cooling Appliances (+10.4%) markets, which recorded good growth rates. More specifically, performance of Leisure products was determined above all by the Marine market, whose sales increased both thanks to a good segment performance and a greater penetration of the nautical market.

The Cooling Appliances market shows an increase in Revenues, mainly deriving from new orders in the Home section, i.e. wine cellars.

The increase recorded in the Components & Spare Parts products (+8%) is generated by the rise in volumes of components sold, mainly as a result of the economic recovery, in particular in Europe.

Revenues from the Automotive market in 2019 came in similar to those recorded in FY 2018 (which had booked an excellent +27.4%), despite the sudden decline recorded in the last quarter of 2019, following the negative cycle that had struck the Automotive market, above all in the United States of America and Europe. The Hospitality market is also in line with that recorded in 2018, with a slight decrease of -1.1% booked in FY 2019, mainly connected with lesser volumes of products for hotels than last year.

As regards the reclassification by sales channels, the OEM<sup>1</sup> (Original Equipment Manufacturer) channel booked a rise of +1.3%, equal to Euro 75.9 million. The AM<sup>2</sup> (After Market) channel saw an increase in Revenues of 3.9%, for a total of Euro 50.0 million, whilst the Others sale channel recorded a rise of +2.2% or Euro 23.4 million on the Euro 22.8 million booked for the same period of 2018.

Geographically, FY 2019 saw approximately 72.4% of the Group's "Revenues from product sales" from outside Italy, whilst more than 25.2% come from outside Europe, thereby confirming Indel B as a global company. In 2019, the incidence of each area on the total did not change significantly, remaining in line with FY 2018.

The greatest change was seen in Revenues from the Americas (+10.2%), the value of which goes from 19.9% in FY 2018 (Euro 29.1 million) to 21.5% in 2019 (Euro 32.1 million), mainly thanks to a greater penetration of Automotive and Leisure market customers.

<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.

Revenues from Europe (excluding Italy) (-0.2%) also remained basically in line with FY 2018, the result of which, of Euro 70.6 million (48.4%), was instead booked as Euro 70.5 million (47.2%) in 2019, due to the downturn recorded on the Automotive and Cooling Appliance markets, offset by the increase in the Leisure and Components & Spare Parts markets.

Italy confirms its growth trend (+3.9%), going from 27.2% market incidence in 2018 (Euro 39.6 million) to 27.6% in 2019 (Euro 41.2 million), mainly thanks to the rise in sales recorded by the Group on the Cooling Appliance and Leisure markets.

In the Rest of the World, "Revenues from product sales" reduced by -15.7%, going from a 2018 result of Euro 6.6 million to Euro 5.5 million in 2019 as an effect of the reduction in revenues from product sales booked on almost all the markets on which the Group operates.

Other revenues go from Euro 0.8 million in 2018 to approximately Euro 3.1 million in FY 2019, following the charge-back to certain American customers of duties introduced by the American administration for products manufactured in China and sold in the USA, paid by the Company.

## **Analysis of the Group's economic, equity and financial performance**

### EBITDA and Adjusted EBITDA

During the year, EBITDA rose by Euro 4.9 million, with an EBITDA margin of +16.6%, going from Euro 20.7 million in the year closed at 31 December 2018 to Euro 25.6 million in the financial year closed as at 31 December 2019.

During the year under review, the Group recorded an increase in "Total revenues and income" of Euro 5.7 million (+3.9%), from Euro 149.0 million in the year ended 31 December 2018 to Euro 154.8 million in the year ended 31 December 2019. As a percentage of Total revenues, EBITDA rose by 13.9% in the year ended 31 December 2018 to 16.6% in the year ended 31 December 2019, mainly due to non-recurring items that had a positive impact on this indicator in the years ended 31 December 2019 and 2018. In particular, the non-recurring components refer to the revaluation of the equity investment in Guangdong Iceco Enterprise Co. Ltd. in 2019 and the write-off of the same in 2018.

Net of non-recurring items, EBITDA rose by approximately Euro 0.7 million (+2.8%), from Euro 23.7 million in the year ended at 31 December 2018 to Euro 24.4 million in the year ended at 31 December 2019. In percentage terms, the incidence of adjusted EBITDA on adjusted total revenues is 15.9% for the year ended on 31 December 2018 and 15.8% for the year ended on 31 December 2019, remaining constant on the previous year.

### Operating profit and Adjusted Operating profit

"Operating profit" rose by Euro 4.2 million (+25.0%), from Euro 16.8 million in the year ended 31 December 2018 to Euro 21.0 million in the year ended 31 December 2019. This performance was attributable to the increase of Euro 4.9 million recorded by EBITDA and the increase of Euro 0.7 million in "Amortisation, depreciation provisions and impairments". As a percentage of "Total revenues", there was an increase of 2.3 percentage points from 11.3% in the year ended 31 December 2018 to 13.5% in the year ended 31 December 2019.

### Net profit and adjusted net profit

The Indel B Group closes FY 2019 with net profit of approximately Euro 15.8 million, up around Euro 4.3 million (+37%) on 2018's Euro 11.5 million.

Net of non-recurring items, period profit comes in at Euro 14.4 million in the year ended 31 December 2019, as compared with Euro 14.5 million for the same period of 2018, accounting for 9.3% of total adjusted revenues for the year ended 31 December 2019, as compared with 9.7% for the year ended at 31 December 2018.

### Net financial position

The Net Financial Position as at 31 December 2019 is negative for Euro 12.5 million, a worsening of Euro 6.6 million on 31 December 2018, when the negative balance came to Euro 5.9 million.

Other financial payables include an earn-out of Euro 5.4 million relative to the acquisition of Elber for the period 2018-2021 and the payable for right of use in the amount of Euro 2.9 million.

### **Annual financial statements of the parent company, Indel B S.p.A.**

The Board of Directors has also approved the draft 2019 annual financial statements of the parent company, Indel B S.p.A.

In FY 2019, the Company recorded revenues of Euro 114.7 million, up 1.7% on the Euro 112.8 million booked for FY 2018.

Adjusted EBITDA as at 31 December 2019 is Euro 17.9 million vs Euro 17.4 million for FY 2018, up 3%.

Adjusted EBIT comes to Euro 15.6 million, as compared with Euro 15.8 million in FY 2018, down -1%.

Net adjusted profits are Euro 12.4 million, down -3% on the Euro 12.8 million of FY 2018. The worsening is brought about by greater amortisation/depreciation in 2019 as compared with 2018 and exchange gains deriving from the earn-out payable linked to the acquisition of the Brazilian company, expressed in BRL, recorded in FY 2018.

The Indel B S.p.A. statement of financial position reports shareholders' equity of Euro 82.5 million (Euro 74.4 million in 2018) and Net Financial Position of Euro 12.8 million (net debt of Euro 5.5 million as at 31 December 2018). Other financial payables include an earn-out of Euro 5.4 million relative to the acquisition of Elber for the period 2018-2021 and the payable for right of use in the amount of Euro 2.9 million.

### **Significant events after 31 December 2019**

On 09 March 2020, the Chinese fund Guangdong Tianhu Asset Management Co. Ltd, ("Guangdong Tianhu"), reported that it would not be completing 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, 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) before taxes, 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.

Since January 2020, Italy and indeed the whole world has been experiencing a particularly difficult context due to the pandemic caused by the COVID-19 virus. The Italian government and the various authorities have taken various restrictive measures impacting the population to reduce the contagion and Indel B has taken all the precautions necessary to seek to limit the risks of contagion. These actions, which are compliant with the recommendations given by the Ministry of Health, have since been further strengthened and since early March, all employee travel and third party visits to Indel B have gradually been blocked, common spaces where it is not possible to guarantee the one metre safety distance closed, use of the vending machines prohibited, the environments sanitised, the offices and other working areas equipped with sanitisers and all staff with health masks, also organising smart working wherever possible. The Decree of the President of the Council of Ministers of 20 March then led us to decide to close corporate business in Italy. To date, the production work of Indel B and its Italian subsidiaries is on hold whilst the business of the Group's companies elsewhere across the globe, is continuing to a limited extent, with the exception of China, which is almost fully up and running again now. Italian employees have been assigned the supplementary earnings fund ("CIG") benefit. Some continue to smart work part-time. A great many customers and suppliers throughout the world have also temporarily ceased operating. At present, the Indel B Group is focussed on taking all precautions necessary to protect its workers.

### **Outlook**

Following the pandemic that struck all countries starting early 2020, and which is not, as yet, even approaching a complete resolution, the general economic situation remains complex, significantly modifying

the performance of all markets and making it very difficult to forecast the Group's financial results and performance.

### **Proposed authorization to purchase treasury shares**

The Board of Directors has also resolved to submit to the Shareholders' Meeting the proposal to authorise the purchase and disposal of treasury shares, being the previous plan in the final phase, for a period of 18 months in compliance with current EU and national regulations in order to:

- implement equity incentive plans in whatever form they are structured or make free allocations to shareholders and fulfil obligations deriving from warrants, convertible financial instruments,
- acquire a portfolio of treasury shares available for use in the context of extraordinary finance transactions and/or other uses deemed to be of financial, management and strategic interest to the Company,
- use its own shares as an investment object for an efficient use of the liquidity generated by the Company's characteristic assets, and finally
- contain abnormal price movements and regularise trading and price trends, to support the liquidity of the stock and market efficiency.

Authorisation is requested for the purchase of own shares, in one or more times and up to a maximum number that, considering the Indel B shares held each time in the portfolio by the Company and by its subsidiaries, shall not exceed one fifth of the Company's share capital or for a maximum total value of Euro 3 million.

The Board of Directors resolved to propose to the Shareholders' Meeting that the purchase of own shares be carried out on regulated markets and that the purchase price shall be no more than 10% above or below the official stock market price of the shares recorded by Borsa Italiana S.p.A. in the session prior to each individual operation, in any case in compliance with the terms and conditions set out by applicable national and European Community legislation and admitted market practices in force at the time.

Finally, it should be noted that, as of today, the Company directly holds no. 96,230 treasury shares, equal to 1.65% of the share capital.

For further information regarding the proposal for request of authorisation for the purchase and disposal of own shares, please make reference to the directors' explanatory report, which shall be published within the time limits and according to the procedures established by the legislation and regulations in force.

### **Other decisions**

The Board has also today approved:

- the Report on Corporate Governance and Ownership Structures in accordance with Art. 123-*bis* of Italian Legislative Decree no. 58 of 24 February 1998
- the Report on the remuneration policy and compensation paid, in accordance with Art. 123-*ter* of Italian Legislative Decree no. 58 of 24 February 1998 and Art. 84-*quater* of CONSOB Regulation no. 11971/1999
- the 2019 Non-Financial Statement pursuant to the Italian Legislative Decree no. 254/2016 prepared as part of the Management Report of which it constitutes a specific section

The Board of Directors has called the Shareholders' Meeting for 27 May, 2020, at a single call, applying the option of ruling on a designated representative in accordance with Art. 135-*undecies* of the Consolidated Law on Finance for the exercise of the voting rights, in application of the Decrees of the President of the Council of Ministers of 08 March 2020 and 09 March 2020 (the "Cura-Italia" Decree), which prohibit all movement of natural persons throughout national territory and all forms of assembly of people in public places or places open to the public, in order to respect the various anti-contagion COVID-19 measures. The

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relative call notice to the Shareholders' Meeting shall be published and made available on the company website and on the centralised storage mechanism, where the illustrative reports to the Shareholders' Meeting on the proposals concerning the matters on the agenda shall also be made available in accordance with the legally-established deadlines and means.

The Company's Board of Directors has also both assessed the independence of its non-executive directors, Enrico Loccioni and Salvatore Giordano and, on the basis of the declarations made by the parties concerned and the information available to the Board, has resolved that they meet the independence requirements in accordance with the provisions of Articles 147-ter, paragraph 4 and 148, paragraph 3 of the Consolidated Finance Act and Art. 3 of the Governance Code; and considered whether the requirements of honour and professionalism are met by the Board of Auditors, again, on the basis of communications received from the parties concerned and the additional information available to the Board, it resolved that these assessments were successful in accordance with the provisions of Article 148 of the Consolidated Finance Act and the implementing regulation adopted by Decree of the Ministry of Grace and Justice no. 162/2000.

### **Allocation of FY 2019 profit**

The Board of Directors will propose to the Shareholders' Meeting convened for this coming 27 May 2020 at single call, to allocate the profit of Euro 12.2 million to the reserve, having observed the provisions of Art. 2430 of the Italian Civil Code.

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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 Law on Finance that the accounting disclosure contained in this release coincides with the results of the documents, books and accounting entries.

Please note that the data of the financial statements relative to FY 2019 given in this release has not yet been fully audited by the independent auditing firm.

### **Document filing**

All documents relative to the Shareholders' Meeting will be made available to the public within the deadline set by the laws at the Company's office, at the Italian Stock Exchange's office, on the Consob-authorized storage device "1info" ([www.1info.it](http://www.1info.it)) and the dedicated sections of the website [www.indelbgroup.com](http://www.indelbgroup.com). All other documents and information relative to the shareholders' meeting will also be made available on the company's website.

### **CONFERENCE CALL**

*On Thursday, 16 April 2020, at 5.00pm (CET) - 3.00pm (GMT) 11.00am (EST), the conference call will be held with the financial community, during which the Group's 2019 economic-financial results will be discussed. Connect by calling the following telephone numbers: from Italy + 39 02 805 88 11, from the United Kingdom + 44 121 281 8003, from the USA +1 718 7058794 USA (green line) +1 855 2656959.*

*Before the telephone conference, the presentation slides can be downloaded from the Investor Relations page of the Indel B website <http://www.indelbgroup.com/en/presentations>*

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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 74 million.*

### **Contact details**

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Attached:

- 1 Consolidated income statement
- 2 Consolidated statement of financial position
- 3 Consolidated statement of cash flows
- 4 Income statement of Indel B S.p.A.
- 5 Statement of financial position of Indel B S.p.A.
- 6 Statement of cash flows of Indel B S.p.A.



**Attachments:**

**Table 1 - Consolidated income statement**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>%</b>	<b>31/12/2018</b>	<b>%</b>	<b>Var.</b>	<b>% var.</b>
Income	152,363	98.4%	146,750	98.5%	5,613	3.8%
Other revenues and income	2,434	1.6%	2,295	1.5%	139	6.1%
<b>Total revenues</b>	<b>154,797</b>	<b>100.0%</b>	<b>149,045</b>	<b>100.0%</b>	<b>5,752</b>	<b>3.9%</b>
Purchases and consumption of raw materials, semi-finished and finished products	(87,072)	-56.2%	(84,983)	-57.0%	(2,089)	2.5%
Costs for services	(19,173)	-12.4%	(17,073)	-11.5%	(2,100)	12.3%
Payroll costs	(25,675)	-16.6%	(23,349)	-15.7%	(2,326)	10.0%
Other operating costs	(810)	-0.5%	(1,094)	-0.7%	284	-26.0%
Share of net profit of investments accounted for using the equity method	3,565	2.3%	(1,815)	-1.2%	5,380	-296.4%
Amortisation, depreciation, provisions and impairment	(4,663)	-3.0%	(3,919)	-2.6%	(744)	19.0%
<b>EBIT</b>	<b>20,969</b>	<b>13.5%</b>	<b>16,812</b>	<b>11.3%</b>	<b>4,157</b>	<b>24.7%</b>
Net financial income (expense)	(373)	-0.2%	117	0.1%	(490)	-418.8%
Income from (expense on) equity investments	-	0.0%	-	0.0%	-	#DIV/0!
<b>Pre-tax result</b>	<b>20,969</b>	<b>13.5%</b>	<b>16,812</b>	<b>11.3%</b>	<b>4,157</b>	<b>24.7%</b>
Income taxes	(4,825)	-3.1%	(5,413)	-3.6%	588	-10.9%
<b>Period result</b>	<b>15,771</b>	<b>10.2%</b>	<b>11,516</b>	<b>7.7%</b>	<b>4,255</b>	<b>36.9%</b>
Minority profit (loss) for the period	31	0.0%	(12)	0.0%	43	-358.3%
<b>Group period result</b>	<b>15,740</b>	<b>10.2%</b>	<b>11,528</b>	<b>7.7%</b>	<b>4,212</b>	<b>36.5%</b>
<i>Basic and diluted earnings per share (in Euro)</i>	<i>2.71</i>		<i>1.97</i>			

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**Table 2 - Consolidated statement of financial position**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>31/12/2018</b>	<b>Var.</b>	<b>% var.</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Goodwill	8,527	7,146	1,381	19.3%
Other intangible assets	8,852	10,203	(1,351)	-13.2%
Tangible assets	33,018	27,085	5,933	21.9%
Right of use	2,965	-	2,965	100%
Equity investments measured using the equity method	17,279	10,870	6,409	59.0%
Other investments	66	66	-	0.0%
Other receivables and non-current assets	91	243	(152)	-62.6%
Deferred tax assets	1,169	913	256	0.0%
<b>Total non-current assets</b>	<b>71,967</b>	<b>56,526</b>	<b>15,441</b>	<b>27.3%</b>
<b>Current assets</b>				
Inventories	37,576	38,811	(1,235)	-3.2%
Trade receivables	26,786	28,446	(1,660)	-5.8%
Cash and equivalents	20,880	19,009	1,871	9.8%
Income tax receivables	526	77	449	583.1%
Other receivables and current assets	4,574	2,996	1,578	52.7%
Available-for-sale assets	-	-	-	0.0%
<b>Total current assets</b>	<b>90,342</b>	<b>89,339</b>	<b>1,003</b>	<b>1.1%</b>
<b>TOTAL ASSETS</b>	<b>162,309</b>	<b>145,865</b>	<b>16,444</b>	<b>11.3%</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	5,842	5,842	-	0.0%
Reserves	69,085	63,476	5,637	8.9%
Period result	13,958	11,528	2,430	21.1%
<b>Total shareholders' equity</b>	<b>90,667</b>	<b>80,846</b>	<b>9,821</b>	<b>12.1%</b>
<b>Net minority interest</b>				
Minority interests in capital share and reserves	40	32	8	25.0%
Minority interests period result	31	(12)	43	-358.3%
<b>Total net equity of minority interests</b>	<b>71</b>	<b>20</b>	<b>51</b>	<b>255.0%</b>
<b>Non-current liabilities</b>				
Provisions for risks and charges	1,855	1,715	140	8.2%
Employee benefits	1,941	1,902	39	2.1%
Non-current financial liabilities	21,685	18,642	3,043	16.3%
Deferred tax liabilities	2,738	3,035	(297)	-9.8%
<b>Total non-current liabilities</b>	<b>28,219</b>	<b>25,294</b>	<b>2,925</b>	<b>11.6%</b>
<b>Current liabilities</b>				
Provisions for risks and charges	-	-	-	0.0%
Trade payables	24,360	25,376	(1,016)	-4.0%
Income tax payables	19	1,214	(1,195)	-98.4%
Current financial liabilities	11,748	6,228	5,520	88.6%
Other current liabilities	7,225	6,887	338	4.9%
<b>Total current liabilities</b>	<b>43,352</b>	<b>39,705</b>	<b>3,647</b>	<b>9.2%</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>162,309</b>	<b>145,865</b>	<b>16,444</b>	<b>11.3%</b>

**Table 3 - Consolidated statement of cash flows**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>OPERATIONS</b>		
Pre-tax result	20,596	16,929
<i>Adjustments for:</i>		
Amortisation/depreciation of tangible and intangible assets	4,318	3,728
Provisions for doubtful debt	107	124
Provisions for risks and charges	756	185
Provisions for obsolete warehouse	115	(55)
Share of net profit of investments accounted for using the equity method	(3,565)	1,815
Net financial income / (expenses)	384	(117)
Net exchange differences	-	(261)
Other non- monetary components	(529)	-
<b>Cash flow from operations before changes to working capital</b>	<b>21,932</b>	<b>22,348</b>
Cash flow generated/(absorbed) by changes in working capital:	1,031	(2,138)
- Trade receivables and other assets	(82)	504
- Inventories	1,690	(4,450)
- Trade payables and other liabilities	(577)	1,808
Tax paid	(6,746)	(4,041)
Net financial expenses paid	(139)	(272)
Use of provisions	(489)	(595)
Net exchanges differences realised	583	639
<b>Cash flow generated/(absorbed) by operations (A)</b>	<b>16,172</b>	<b>15,941</b>
<b>INVESTMENTS</b>		
Net investments in tangible and intangible assets	(8,453)	(4,553)
Net investments in equity investments	-	(166)
Cash flows for the year from acquisitions of subsidiaries	(2,420)	-
Dividends collected	808	828
<b>Cash flow generated/(absorbed) by investments (B)</b>	<b>(10,047)</b>	<b>(3,891)</b>
<b>FINANCING</b>		
Stipulation of mortgages and loans	8,000	21,500
Repayment of mortgages and loans	(6,171)	(18,386)
Dividends paid	(4,027)	(3,973)
Purchase of treasury shares	1,751	-
Other changes in financial assets and liabilities	(179)	(6,247)
<b>Net cash generated from (used in) financing activities (C)</b>	<b>(4,128)</b>	<b>(7,106)</b>
<b>Increase /(decrease) in liquid funds (A)+(B)+(C)</b>	<b>1,997</b>	<b>4,944</b>
Opening cash and equivalents	19,009	14,039
Net effect of the conversion of cash and equivalents carried in foreign currencies	(126)	26
Closing cash and equivalents	20,880	19,009

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Share capital € 5,842,000 fully paid-in - Economic and Administrative Index (REA) RN - 312757 - Companies House VAT no./tax code 02037650419 – Code of International Standard Organization IT02037650419

**Table 4 - Income statement of Indel B S.p.A.**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>%</b>	<b>31/12/2018</b>	<b>%</b>	<b>Var.</b>	<b>% var.</b>
Revenues from sales	112,528	98.1%	110,762	98.2%	1,766	1.6%
Other revenues and income	2,178	1.9%	2,005	1.8%	173	8.6%
<b>Total revenues</b>	<b>114,706</b>	<b>100.0%</b>	<b>112,767</b>	<b>100.0%</b>	<b>1,939</b>	<b>1.7%</b>
Purchases and consumption of raw materials, semi-finished and finished products	(64,767)	-56.5%	(65,048)	-57.7%	281	-0.4%
Costs for services	(15,313)	-13.3%	(14,074)	-12.5%	(1,239)	8.8%
Payroll costs	(16,776)	-14.6%	(15,587)	-13.8%	(1,189)	7.6%
Other operating costs	(509)	-0.4%	(717)	-0.6%	208	-29.0%
Amortisation, depreciation, provisions and impairment	(604)	-0.5%	(3,301)	-2.9%	2,697	-81.7%
<b>EBIT</b>	<b>16,737</b>	<b>14.6%</b>	<b>14,040</b>	<b>12.5%</b>	<b>2,697</b>	<b>19.2%</b>
Net financial income/(expense)	(313)	-0.3%	172	0.2%	(485)	-282.0%
Income from equity investments	1,616	1.4%	1,404	1.2%	212	15.1%
<b>Pre-tax result</b>	<b>18,040</b>	<b>15.7%</b>	<b>15,616</b>	<b>13.8%</b>	<b>2,424</b>	<b>15.5%</b>
Income taxes	(4,160)	-3.6%	(4,493)	-4.0%	333	-7.4%
<b>Period result</b>	<b>13,880</b>	<b>12.1%</b>	<b>11,123</b>	<b>9.9%</b>	<b>2,757</b>	<b>24.8%</b>
<i>Basic and diluted earnings per share (in Euro)</i>		2.39			1.90	

**Table 5 - Statement of financial position of Indel B S.p.A.**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>31/12/2018</b>	<b>Var.</b>	<b>% var.</b>
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible assets	1,005	1,083	(78)	-7.2%
Tangible assets	16,594	11,152	5,442	48.8%
Right of use	3,101	-	3,101	100%
Equity investments	35,540	33,107	2,433	7.3%
Equity investments carried at cost	12,086	8,318	3,768	45.3%
Other investments	66	66	-	0.0%
Non-current financial assets	-	-	-	0.0%
Other receivables and non-current assets	41	153	(112)	-73.2%
Deferred tax assets	929	802	127	15.8%
<b>Total non-current assets</b>	<b>71,035</b>	<b>54,681</b>	<b>16,354</b>	<b>29.9%</b>
<b>Current assets</b>				
Inventories	27,116	30,318	(3,202)	-10.6%
Trade receivables	20,454	21,760	(1,306)	-6.0%
Cash and equivalents	19,072	16,555	2,517	15.2%
Income tax receivables	255	-	255	100%
Current financial assets	179	1,400	(1,221)	-87.2%
Other receivables and current assets	3,795	2,083	1,712	82.2%
Available-for-sale assets	-	-	-	0.0%
<b>Total current assets</b>	<b>70,871</b>	<b>72,116</b>	<b>(1,245)</b>	<b>-1.7%</b>
<b>TOTAL ASSETS</b>	<b>141,906</b>	<b>126,797</b>	<b>15,109</b>	<b>11.9%</b>
<b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>				
<b>Shareholders' equity</b>				
Share capital	5,842	5,842	-	0.0%
Reserves	62,775	57,446	5,329	9.3%
Period result	13,879	11,123	2,756	24.8%
<b>Total shareholders' equity</b>	<b>82,496</b>	<b>74,411</b>	<b>8,085</b>	<b>10.9%</b>
<b>Net minority interest</b>				
<b>Non-current liabilities</b>				
Provisions for risks and charges	1,707	1,619	88	5.4%
Employee benefits	945	919	26	2.8%
Non-current financial liabilities	21,240	17,843	3,397	19.0%
<b>Total non-current liabilities</b>	<b>23,892</b>	<b>20,381</b>	<b>3,511</b>	<b>17.2%</b>
<b>Current liabilities</b>				
Trade payables	19,457	20,224	(767)	-3.8%
Income tax payables	-	1,172	(1,172)	-100.0%
Current financial liabilities	10,861	5,611	5,250	93.6%
Other current liabilities	5,200	4,998	202	4.0%
<b>Total current liabilities</b>	<b>35,518</b>	<b>32,005</b>	<b>3,513</b>	<b>11.0%</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>	<b>141,906</b>	<b>126,797</b>	<b>15,109</b>	<b>11.9%</b>

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**Table 6 - Statement of cash flows of Indel B S.p.A.**

<i>(In thousands of Euro)</i>	<b>31/12/2019</b>	<b>31/12/2018</b>
<b>OPERATIONS</b>		
Pre-tax result	18,039	15,616
<i>Adjustments for:</i>		
Amortisation/depreciation of tangible and intangible assets	2,053	1,518
Provisions for doubtful debt	41	80
Provisions for risks and charges	705	146
Provisions for obsolete warehouse	100	-
Provisions made for the impairment of equity investments	-	1,673
Net financial income / (expenses)	(1,303)	(1,576)
Net exchange differences	(558)	(382)
Other non- monetary components	(1,923)	-
<b>Cash flow from operations before changes to working capital</b>	<b>17,154</b>	<b>17,075</b>
Cash flow generated/(absorbed) by changes in working capital:	2,012	(1,363)
- Trade receivables and other assets	(721)	1,152
- Inventories	3,102	(4,083)
- Trade payables and other liabilities	(369)	1,568
Tax paid	(5,496)	(2,864)
Net financial expenses paid	(109)	(229)
Use of provisions	(406)	(532)
Net exchanges differences realised	627	725
<b>Cash flow generated/(absorbed) by operations (A)</b>	<b>13,782</b>	<b>12,812</b>
<b>INVESTMENTS</b>		
Net investments in tangible and intangible assets	(7,628)	(3,399)
Net investments in equity investments	(2,434)	(166)
Change in financial receivables	1,221	1,400
Dividends collected	1,616	1,404
<b>Cash flow generated/(absorbed) by investments (B)</b>	<b>(7,225)</b>	<b>(761)</b>
<b>FINANCING</b>		
Stipulation of mortgages and loans	8,000	20,500
Repayment of mortgages and loans	(5,556)	(17,098)
Share capital increase	(1)	-
Dividends paid	(4,027)	(3,973)
Purchase of treasury shares	(1,751)	-
Other changes in financial assets and liabilities	(579)	(6,242)
<b>Net cash generated from (used in) financing activities (C)</b>	<b>(3,914)</b>	<b>(6,813)</b>
<b>Increase /(decrease) in liquid funds (A)+(B)+(C)</b>	<b>2,643</b>	<b>5,238</b>
Opening cash and equivalents	16,555	11,291
Net effect of the conversion of cash and equivalents carried in foreign currencies	(126)	26
Closing cash and equivalents	19,072	16,555