



Press Release

*The Indel B BoD approves
the consolidated half-year report as at 30 June 2023*

*Group revenues continue to show growth at 124.4 million
in H1 2023 (+5.1%)*

- Consolidated income: Euro 124.4 million, up 5.1% on the Euro 118.3 million of H1 2022;
- EBITDA: Euro 15.8 million, up 7.6% on the Euro 14.6 million of H1 2022, with an impact of 12.7% on turnover;
- Adjusted EBITDA ¹: Euro 16.2 million, down -6.7% on the Euro 17.4 million of H1 2022;
- EBIT: Euro 12.6 million, up 16.2% on the Euro 10.8 million of H1 2022, with an impact of 10.1% on turnover
- Adjusted EBIT: Euro 13.1 million, down -6.6% on the Euro 14.0 million of H1 2022;
- Net profit: Euro 9.2 million compared with Euro 6.2 million in H1 2022 , with an impact of 7.4% on turnover;
- Net financial position as at 30 June 2023 negative for Euro 20.7 million, as compared with Euro -28.5 million as at 31 December 2022 and Euro -35.8 million as at 30 June 2022.

Sant'Agata Feltria (Rimini), 27 September 2023 – Indel B S.p.A. - a company listed on the Borsa Italiana EXM and parent of a group that operates in the manufacture of cooling systems for mobile and mobile living for the automotive, hospitality and leisure time (pleasure boats and recreational vehicles) markets - reports that the Board of Directors met today and approved the consolidated half-year report as at 30 June 2023.

Luca Bora – Managing Director of Indel B: *"More positive results for the Group, which achieved consolidated revenues of Euro 124.4 million in the first half of 2023, an increase in excess of 5%. This result was achieved thanks to the automotive market, which proved to be particularly resilient to crisis factors, both in Europe (including in Italy) and in North America, and which is expected to confirm its dynamism in the coming months as well. As regards the other segments in which the Group operates, we instead are looking at a certain degree of weakness in the short term, whilst expectations in the medium to long term, barring significant changes in the macroeconomic and geopolitical context, remain good, both in relation to the foreseeable market trends and the specific actions that the Group is undertaking, aimed in particular at developing the Leisure, Hospitality and Cooling Appliances markets. It will therefore be important, over the coming months, to continue to constantly monitor this situation, in order to be able to adjust, where necessary, the actions already taken to preserve the company's financial health".*

¹ Total Adjusted revenues and income, EBITDA, Adjusted EBITDA, Adjusted operating profit and Adjusted profit for the year are not accounting measures under the IFRS and therefore should not be considered as substitute measures to those provided by the Company's financial statements for the purpose of assessing the Group's economic performance

Results of the first half of 2023

During the first six months of 2023, the Indel B Group recorded revenues from sales of Euro 124.4 million, 5.1% up on the same period of 2022 (Euro 118.3 million).

Revenues from sales by market

<i>(in thousands of Euro)</i>	H1 2023	%	H1 2022	%	Change	% change
Automotive	76,579	65%	68,855	60%	7,724	11.2%
Leisure	16,911	14%	18,303	16%	-1,393	-7.6%
Components & Spare parts	11,623	10%	12,678	11%	-1,055	-8.3%
Hospitality	8,623	7%	8,937	8%	-314	-3.5%
Cooling Appl.	5,163	4%	6,183	5%	-1,021	-16.5%
REVENUES FROM PRODUCT SALES	118,898	100%	114,956	100%	3,942	3.4%
Other revenues	1,606	1%	1,848	2%	-241	-13.1%
SALES REVENUES	120,504	97%	116,804	99%	3,701	3.2%
Other income	3,859	3%	1,501	1%	2,358	157.1%
TOTAL INCOME	124,363	100%	118,305	100%	6,059	5.1%

In greater detail:

The increase in "Revenues from product sales" in the first half of 2023, compared to the first half of 2022, is exclusively attributable to the Automotive market.

More specifically, the Automotive industry benefited from the positive cycle that hit both the European and the North American markets, and recorded an increase of 11.2% showing a result of Euro 76.6 million compared to Euro 68.9 million in the same period of 2022.

A decline has been seen in the Leisure market, despite signs of recovery in the second quarter of 2023, having fallen from Euro 18.3 million in the first half of 2022 to Euro 16.9 million in the first half of 2023, a drop of -7.6% that is attributable to a slowdown in the Marine market; the RV market, on the other hand, performed positively.

The Hospitality market, which recorded significant double-digit growth in 2022, declined slightly by -3.5%, from Euro 8.9 million in the first half of 2022 to Euro 8.6 million in the first half of 2023. The decrease is attributable to the Hotel sector, while the performance of the Cruise sector is instead positive.

The market for Cooling Appliances shows a decrease in revenue of -16.5%, from Euro 6.2 million in the first half of 2022 to Euro 5.2 million in the first half of 2023.

The market for Components & Spare parts also declines (-8.3%), going from Euro 12.7 million in the first half of 2022 to Euro 11.6 million in the first half of 2023, mainly due to a drop in the sale of components.

Geographically, the Company's international vocation is confirmed, with about 73% of the Group's "Sales revenues" generated outside Italy and about 19% outside Europe.

The most significant increase (13.8%) was recorded in the Americas with revenues coming in at Euro 20.2 million (compared with Euro 17.8 million in the first half of 2022), mainly attributable to the Automotive market and, to a lesser degree, the good results also recorded by the Leisure market, with the proportion of total revenues rising from 15.4% in the first half of 2022 to 17.1% in the same period of 2023.

Europe also recorded growth of 7.8%, consolidating the Group's leading market position, with revenues amounting to Euro 64.1 million compared to Euro 59.5 million in H1 2022 and a share of total revenues rising

from 51.8% in H1 2022 to 53.9% in H1 2023. The increase is almost entirely concentrated in the Automotive market partly offset by a decline in the Leisure and Cooling Appliances markets.

Italy is the only geographic region to record a decrease, i.e. -9.0%, with revenues of Euro 32.0 million (Euro 35.2 million in H1 2022) and a decrease also in the percentage of total revenues from 30.6% in H1 2022 to 26.9% in H1 2023). The decrease is generalised in all markets in which the Group operates, particularly in the Leisure, Cooling Appliances and Hospitality markets, and with the exception of the Automotive market.

Finally, in the Rest of the World, the increase was 1.9% with revenues amounting to Euro 2.6 million, compared to Euro 2.5 million in the same period of 2022, and a margin on total revenues of 2.2% for the 2023 period.

EBITDA

During the year, EBITDA rose by Euro 1.2 million, going from Euro 14.6 million in H1 2022 to Euro 15.8 million in H1 2023 (+7.6%). In percentage terms, the EBITDA Margin increased from 12.4% in H1 2022 to 12.7% in H1 2023. In addition to the growth in sales, EBITDA was also positively impacted by the share of profit of equity-accounted investees, which increased by Euro 2.9 million (+351.8%), from a loss of Euro 0.8 million in the six months ended 30 June 2022 to a profit of Euro 2.1 million in the six months ended 30 June 2023.

Adjusted EBITDA, net of non-recurring items, amounted to Euro 16.2 million (-6.7%) compared to Euro 17.4 million in the six months ended 30 June 2022 and with an impact on Adjusted Total Revenues of 13.1% (14.7% in the first half of 2022).

EBIT

In the period under review, the **Operating Result** amounted to Euro 12.6 million, an increase of +16.2% compared to Euro 10.8 million in the six months ended 30 June 2022.

The EBIT Margin is 10.1% in H1 2023 compared to 9.2% in H1 2022.

Adjusted EBIT, net of non-recurring charges, amounted to Euro 13.1 million in the first half of 2023, down -6.6% on the Euro 14.0 million recorded for H1 2022.

The EBIT Margin increased from 11.8% in H1 2022 to 10.5% in H1 2023.

Group net result

The Group closed the first half of 2023 with a **Net profit** of Euro 9.2 million, an increase of +47.7%, compared to Euro 6.2 million as at 30 June 2022, and a ratio of 7.4% (5.3% in the first half of 2022) to Total Revenues.

The **Adjusted Profit for the year**, net of non-recurring items, amounted to Euro 9.5 million for the six months ended 30 June 2023, up 2.1% compared to Euro 9.3 million for the same period of 2022, with a ratio of 7.7% (7.9% for the first half of 2022) to Total Adjusted Revenue.

Net financial position

Net financial position as at 30 June 2023 records debt of Euro 20.7 million, as compared with a negative result of Euro 28.5 million as at 31 December 2022 and Euro 35.8 million as at 30 June 2022. The strong improvement in the Net Financial Position is partly due to the collection of the second and final instalment of the sale price of the shareholding in the Chinese company Guangdong Iccco and partly to the cash generated in the period due to the good results achieved. The main financial outgoings included the payment of a dividend of Euro 0.80 per share and investments in property and machinery related to the expansion of the production area.



Russian-Ukrainian war

The Group continues to monitor the impacts of the military conflict between Russia and Ukraine, which broke out at the end of February 2022, and its developments, in particular by assessing the potential risks that could affect its operations against the Euro and the USD.

Business Outlook

The first half of 2023 saw an increase in the Group's global sales, driven by the Automotive sectors. A slight decline has been seen in Hospitality and Leisure (the latter due to problems caused by production interruptions in the plant damaged by bad weather in the first quarter) and more markedly the Cooling Appliances. Therefore, even in the short term, the continued conflict in Ukraine, various geopolitical tensions, the rise in interest rates that still does not seem to be reversing course, and inflation at significant levels may continue to impact the Group. Expectations in the medium to long term, barring significant changes in the macroeconomic and geopolitical context, remain good, both in relation to the foreseeable market trends and the specific actions that the Group is undertaking, aimed in particular at developing the Leisure, Hospitality and Cooling Appliances markets.

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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".

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This press release is available from the Investor Relations section of the Company website www.indelbgroup.com.

In compliance with the provisions of Consob's Issuers' Regulation, please note that the half-year report as at 30 June 2023 will be made available to the public at the company offices, at Borsa Italiana S.p.A, on the website www.indelbgroup.com, within the legal terms, in the section "Investor Relations / Financial Statements and Reports" and at the storage mechanism "1Info", available for consultation at www.1info.it.

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This press release may contain forward-looking information on future Indel B S.p.A. events and results, based on the current expectations, estimates and projections of the industry in which Indel B works, on events and on the management's current views. By nature, these elements have a component of risk and uncertainty because they depend on the occurrence of future events and on a multiplicity of factors, many of which are beyond the Group's control, including global macroeconomic conditions, changes in business conditions, further deterioration of markets, the impact of competition, political, economic and regulatory developments in Italy.

CONFERENCE CALL

On 27 September 2023, at 4:00pm CET (3:00pm GMT) (10:00am EST), Indel B will hold a conference call with the financial community, during which the Group's economic-financial results will be discussed. Connect by dialling: Italy +39 02 8020911 / UK +44 121 2818004 / USA +1 718 7058796 - USA Green number: +1 8552656958.

Before the telephone conference, the presentation slides can be downloaded from the Investor Relations page www.indelbgroup.com.

Indel B S.p.A. is a company listed on the EXM segment of Borsa Italiana (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 that 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 133 million.

Contact details

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Consolidated income statement

<i>(In thousands of Euro)</i>	30 June 2023	%	30 June 2022	%
Income	120,504	96.9%	116,804	98.7%
Other Revenues and Income	3,859	3.1%	1,501	1.3%
Total revenues	124,363	100.0%	118,305	100.0%
Purchases and consumption of raw materials, semi-finished and finished products	(73,188)	-58.9%	(62,263)	-52.6%
Costs for services	(14,373)	-11.6%	(21,096)	-17.8%
Payroll costs	(20,557)	-16.5%	(18,273)	-15.4%
Other operating costs	(2,566)	-2.1%	(1,199)	-1.0%
Share of net profit of investments accounted for using the equity method	2,082	1.7%	(827)	-0.7%
Amortization, provisions and depreciations	(3,165)	-2.5%	(3,809)	-3.2%
EBIT	12,596	10.1%	10,838	9.2%
Financial income	500	0.4%	644	-0.8%
Finance costs	(1,148)	-0.9%	(1,633)	0.1%
Income from (expense on) equity investments	-	0.0%	-	0.0%
Pre-tax result	11,948	9.6%	9,849	8.3%
Income taxes	(2,766)	-2.2%	(3,631)	-3.1%
Period result	9,182	7.4%	6,218	5.3%
Minority profit (loss) for the period	111	0.1%	63	0.1%
Group period result	9,071	7.3%	6,155	5.2%

Consolidated Statement of Financial Position

<i>(In thousands of Euro)</i>	30 June 2023	31 December 2022
ASSETS		
Non-current assets		
Goodwill	8,127	8,127
Other intangible assets	10,936	11,260
Tangible assets	39,497	39,670
Right of use	3,194	3,527
Equity investments measured using the equity method	15,622	14,024
Other investments	66	66
Non-current financial assets	13	13
Other receivables and non-current assets	390	462
Deferred tax assets	1,299	1,381
Total non-current assets	79,144	78,530
Current assets		
Inventories	68,891	69,105
Trade receivables	54,423	44,560
Available liquidity and equivalents	36,250	17,322
Income tax receivables	259	1,151
Current financial assets	-	-
Derivative financial instruments	-	-
Other receivables and current assets	9,661	14,729
Available-for-sale assets	-	-
Total current assets	169,484	146,867
TOTAL ASSETS	248,628	225,397
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	5,842	5,842
Reserves	111,180	103,020
Period result	9,071	12,048
Total shareholders' equity	126,093	120,910
Net minority interest		
Minority interests in capital share and reserves	278	189
Minority interests period result	111	141
Total net equity of minority interests	389	330
Non-current liabilities		
Provisions for risks and charges	3,011	2,951
Employee benefits	1,442	1,438
Non-current financial liabilities	29,105	24,132
Deferred tax liabilities	3,447	3,602
Other non-current liabilities	123	126
Total non-current liabilities	37,128	32,249
Current liabilities		
Trade payables	-	-
Income tax payables	45,660	40,068
Current financial liabilities	957	673
Derivative financial instruments	27,818	21,645
Other current liabilities	-	-
Total current liabilities	10,583	9,522
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	85,018	71,908

Consolidated Statement of Changes in Equity

<i>(In thousands of Euro)</i>	Share capital	Reserves	Period result	Equity attributable to owners of the parent	Net minority interest	Total shareholders' equity
As at 1 January 2022	5,842	83,423	24,247	113,512	169	113,681
Allocation of the result of the previous year		24,247	(24,247)	-		-
Transactions with shareholders:						
Distribution of dividends		(5,658)		(5,658)		(5,658)
Share capital increase	-	-		-		-
Purchase of treasury shares		(567)		(567)		(567)
Change in scope of consolidation/minorities' conversion reserve		-		-		-
Total transactions with shareholders	-	(6,225)	-	(6,225)	-	(6,225)
Comprehensive income for the year:						
Period result			6,155	6,155	63	6,218
Actuarial gains/(losses) on employee benefits and provisions for supplementary customer indemnity, after the tax effect		207		207		207
Difference from conversion for valuation of investments using the equity method		2,560		2,560	88	2,648
Total comprehensive result of the year	-	2,767	6,155	8,922	151	9,073
As at 30 June 2022	5,842	104,212	6,155	116,209	320	116,529

<i>(In thousands of Euro)</i>	Share capital	Reserves	Period result	Equity attributable to owners of the parent	Net minority interest	Total shareholders' equity
As at 1 January 2023	5,842	103,020	12,048	120,910	330	121,240
Allocation of the result of the previous year		12,048	(12,048)	-		-
Transactions with shareholders:						
Distribution of dividends		(4,514)		(4,514)		(4,514)
Share capital increase	-	-		-		-
Purchase of treasury shares		(75)		(75)		(75)
Change in scope of consolidation/minorities' conversion reserve		-		-		-
Total transactions with shareholders	-	(4,589)	-	(4,589)	-	(4,589)
Comprehensive income for the year:						
Period result			9,071	9,071	111	9,182
Actuarial gains/(losses) on employee benefits and provisions for supplementary customer indemnity, after the tax effect		(13)		(13)		(13)
Conversion difference		714		714	(52)	662
Total comprehensive result of the year	-	701	9,071	9,772	59	9,831
As at 30 June 2023	5,842	111,180	9,071	126,093	389	126,482

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Share capital Euro 5,842,000 fully paid-up - Economic and Administrative Index (REA) RN - 312757 - Companies Register - VAT no./Tax Code 02037650419 – Code of International Standard Organization IT02037650419

Consolidated Statement of Cash Flows

<i>(In thousands of Euro)</i>	30 June 2023	30 June 2022
OPERATIONS		
Pre-tax result	11,948	9,849
<i>Adjustments for:</i>		
Depreciation/amortisation of tangible and intangible assets	2,751	2,884
Provisions for doubtful debt	160	183
Provisions for risks and charges	363	441
Provisions for obsolete warehouse	171	397
Share of net profit of investments accounted for using the equity method	(2,082)	827
Net financial income / (expenses)	648	989
Income from equity investments	-	-
Net exchange differences	625	(227)
Other non-monetary components	(39)	400
Cash flow from operations before changes to working capital	14,545	15,743
Cash flow generated/(absorbed) by changes in working capital:	771	(28,164)
- Trade receivables and other assets	(4,021)	(15,976)
- Inventories	43	(13,714)
- Trade payables and other liabilities	4,749	1,346
Tax paid	(856)	(1,114)
Net financial expenses paid	(51)	(180)
Use of provisions	(328)	(115)
Net exchanges differences realized	(709)	290
Cash flow generated/(absorbed) by operations (A)	13,372	(13,540)
INVESTMENTS		
Net investments in tangible and intangible assets	(1,939)	(2,596)
Cash flows for the year from acquisitions of subsidiaries	-	-
Dividends collected	1,334	-
Cash flow generated/(absorbed) by investments (B)	(605)	(2,596)
FINANCING		
Stipulation of mortgages and loans	17,000	29,500
Repayment of mortgages and loans	(7,730)	(14,227)
Dividends paid	(4,514)	(5,658)
Purchase of treasury shares	(75)	(567)
Other changes in financial assets and liabilities	1,488	1,925
Cash flow generated/(absorbed) by financing (C)	6,169	10,973
Increase/(decrease) in available liquidity (A)+(B)+(C)	18,936	(5,163)
Available liquidity and equivalents at FY open	17,322	24,187
Net effect of the conversion of cash and equivalents carried in foreign currencies	(8)	35
Available liquidity and equivalents at FY close	36,250	19,059



The Group uses some alternative performance indicators that are not identified as accounting measures under the scope of the IFRSs to allow for a better assessment of Group performance. Therefore, the determination criterion applied by the Group may not be the same as the criterion adopted by other groups and the balance obtained may not be comparable with the result obtained by them. These alternative performance indicators, determined in compliance with the provisions of the Guidelines to alternative performance indicators issued by ESMA/2015/1415 and adopted by CONSOB by communication no. 92543 of 03 December 2015 only refer to the performance of the accounting period concerned by this press release and the periods provided by way of comparison.

The Group uses the following alternative performance indicators to assess economic performance: EBITDA, EBITDA Margin, Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted EBIT, Adjusted period result.

Starting 01 January 2019, IFRS 16 is applied, which requires companies to book the right of use of leased assets and the related liability corresponding to the obligation to make lease payments. These assets and liabilities deriving from the lease contracts are valued at current value. The effects of the new standard on the income statement are immaterial.