

**indelB**  
Group

2023

HALF YEAR  
FINANCIAL  
REPORT

As at 30 June 2023

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2023

INTERIM REPORT  
ON OPERATIONS  
As at 30 June 2023

## Company data

### Registered office

Indel B S.p.A.

Via Sarsinate, 27

47866 Sant'Agata Feltria (RN) – Italy

### Statutory information

Authorised and subscribed share capital Euro 5,842,000

VAT no., Tax code and Chamber of Commerce registration no.: 02037650419

Rimini R.E.A. (Economic and Administrative Index) registration no. 312757

## Corporate Bodies

### Board of Directors <sup>(\*)</sup>

Chairman	Antonio Berloni <sup>(4)</sup>
Deputy Chairman	Paolo Berloni <sup>(4)</sup>
Chief Executive Officer	Luca Bora <sup>(4)</sup>
Directors	Mirco Manganello
	Oscardo Severi <sup>(6)</sup>
	Claudia Amadori <sup>(1) (2)</sup>
	Monique Camilli
	Annalisa Berloni
	Giovanni Diana <sup>(1) (2) (3) (5)</sup>
	Fernanda Pelati <sup>(1) (2) (3) (5)</sup>

### Board of Statutory Auditors

Chairman	Sergio Marchese
Standing auditors	Emmanuel Perakis
	Nicole Magnifico
Alternate Auditors	Matteo Fosca
	Gian Luca Succi

### Supervisory Body

Chairman	Marco Genghini
	Emmanuel Perakis
	Massimiliano Nardini

### Financial Reporting Officer

Mirco Manganello

### Independent Auditors

PricewaterhouseCoopers S.p.A.

(\*) Composition of committees as at 30 June 2023

(1) Member of the Control and Risk Committee

(2) Member of the Remuneration Committee

(3) Member of the Related Parties Committee

(4) The Chairman/Deputy Chairman/Chief Executive Officer is the legal representative of the company; the Board of Directors has granted him/her specific powers to manage the company.

(5) Non-executive and independent directors pursuant to Art. 148, paragraph 3 of the Consolidated Law on Finance (as required by Articles 147-ter, paragraph 4, and 147-quater of the Consolidated Law on Finance) and Art. 2 - Recommendation no. 7 of the Corporate Governance Code (January 2020 edition).

(6) The Board of Directors has granted him/her specific powers for the management of the company, as well as the delegation of powers pursuant to Art. 2381 of the Italian Civil Code on occupational health and safety (pursuant to Italian Legislative Decree no. 81/2008, as amended by Italian Legislative Decree no. 106/2009), environmental protection and waste management.

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# Report on Operations

Dear Shareholders,

In the first half of 2023, the Indel B Group achieved a consolidated net profit of Euro 9,182 thousand, after amortisation, depreciation, provisions and write-downs totalling Euro 3,165 thousand and provisions for taxes of Euro 2,766 thousand. The Group's financial position and results of operations for the past financial year are analysed as follows.

## 1. Group activities and reference markets

The Group is a major global player in the mobile refrigeration sector for the Automotive and Leisure time and in the refrigeration sector for the Hospitality market. It is also active in the "parking" air-conditioning sector for industrial vehicles and in the sector of other technological accessories for the Hospitality market and of refrigeration for the home and Ho.Re.Ca. segments. The Group's activity consists of the production and marketing of a wide range of products, designed and developed with two main values in mind: offering high quality products tailored to customer requirements and constantly innovating these products in terms of energy saving, eco-sustainability and design.

Within the aforementioned business unit, the Group's products can be divided into the following categories, depending on the target market:

- "Automotive": includes the production of a wide range of products such as mobile refrigerators, vehicle air conditioning systems for minibuses, industrial vehicles and special vehicles (e.g. ambulances, mobile clinics, civil defence vehicles, medicine transport vehicles, trams and trains) and refrigeration systems for the transport of foodstuffs at controlled temperatures. These systems are designed for large manufacturers, processing companies/body-builders and multi-sector distributors;
- "Hospitality": includes the production or marketing of a wide range of minibars equipped with the most advanced technology and adaptable to different customer requirements, as well as technological accessories such as safes, electronic locks and latest generation LED televisions, to be used by two main categories of users: hotels (hotels) and cruise ships (cruise);
- "Leisure time": includes the production of built-in or portable refrigerators for both pleasure and luxury boats, such as sailing boats and motorboats and yachts (Marine) and recreational vehicles, such as cars, campers and caravans;

- 
- "Cooling Appliances": includes the production of accessories intended for the retail (home) or professional (Ho.Re.Ca.) market, such as wine cellars and "frigolatte" (milk cooling tank) to be included in or combined with professional machines for preparing and serving drinks on the counter;
  - "Components & Spare parts": includes the production and marketing of spare parts and, through its subsidiary Condor B, components.

The Group's coverage of these market sectors is shown in the diagram below together with the relevant sales channel:

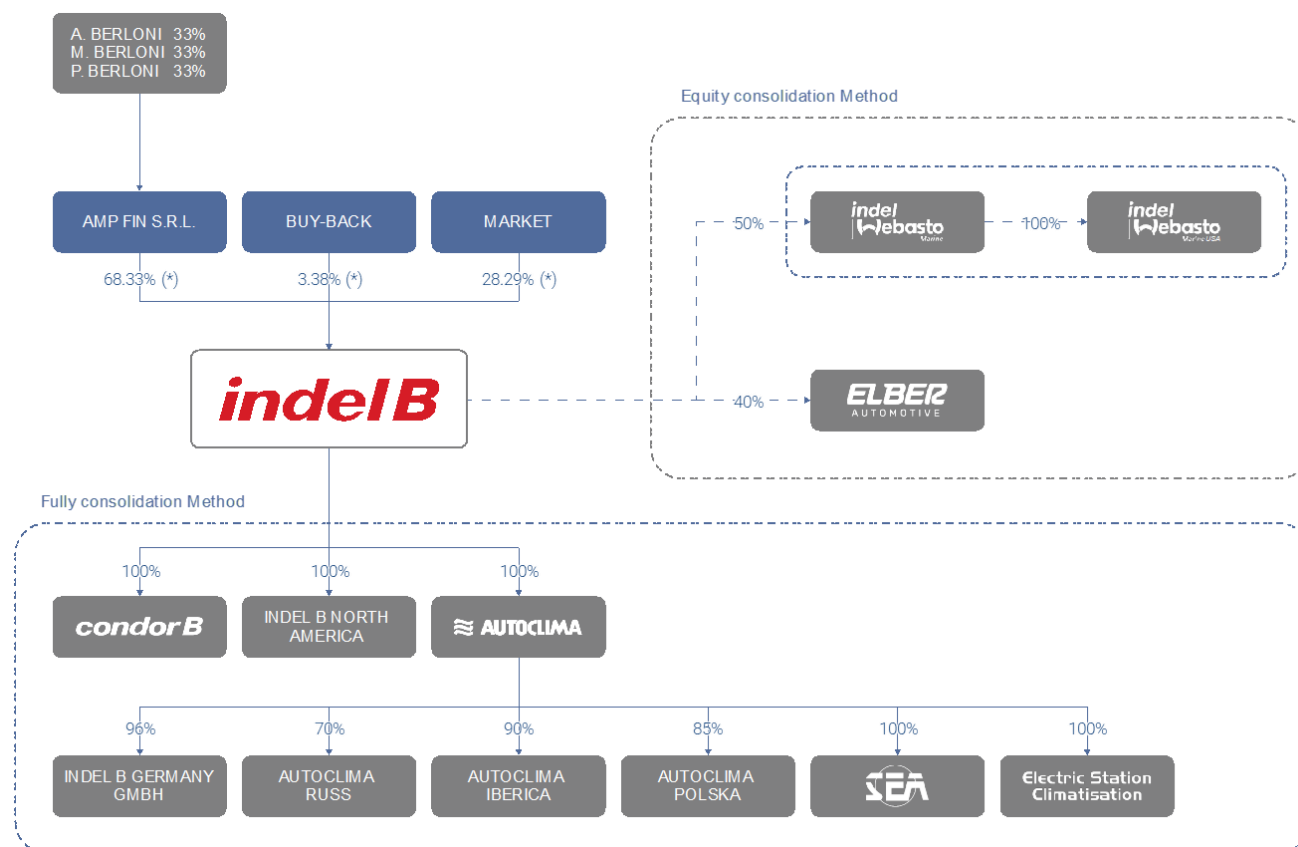
	AUTOMOTIVE		HOSPITALITY		COOLING APPLIANCES		LEISURE TIME	
							Recreational Vehicles (Motorhome & Roulotte)	Marine
Markets	INDEL B ELBER INDEL B NORTH AMERICA, INC.	INDEL B AUTOCLIMA SEA ESC	INDEL B		INDEL B ELBER		INDEL B INDEL WEBASTO	ELBER INDEL WEBASTO
Sale Channels	OEM After Market (AM)	OEM After Market (AM)	Hotel (AM) Cruise (AM)	Home (OEM) Professional (OEM)	OEM After Market (AM)	Cabin cruiser yacht		
Products	Fridge Integrated & freestanding fridge	Parking air conditioning	Handle & lock Hotel TV Frigobar Safe	Minibar Safe	Wine cellar Other cooling appliances Mini milk Fridge	Built-in & portable fridge Built-in fridge	Built-in & portable fridge Water Heater Cooling Unit Ice Maker Freezer	
Components and spare parts								

The Group's activities are concentrated in five main production and assembly plants two of which are located in Sant'Agata Feltria (RN), one in the municipality of Novafeltria (RN), one in Cambiano (TO), one in Russi (RA) and in other smaller production facilities in the same geographical area, as well as in the Pesaro-Montelabbate logistics hub. The Group is also present in the United States of America through the Indel Webasto Marine joint venture, which markets products for the Marine and, in part, Recreational Vehicles segments, and through Indel B North America, which markets products for the Automotive After Market. In Brazil, through its associate Elber for the production of mini-fridges and refrigeration systems for the automotive, cooling appliances and leisure sector. Finally, in France in Sartrouville, through the subsidiary Electric Station Climatisation for the production and marketing of Automotive OEM products.



The following chart shows the structure of the Indel B Group as at 30 June 2023.

## Group Structure



Notes: ESC was acquired on 18 January 2021 - SEA S.r.l. was acquired on 10 May 2021

(\*) data updated to 30 June 2023

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## 2. Economic framework

### Macroeconomic scenario

The global economy recovered from the difficult period caused by the Covid-19 pandemic and the geopolitical scenarios of recent years. However, there is still a long and challenging road ahead to achieve solid and sustainable growth. Indeed, global GDP trends slowed in 2022 and in the first half of this year, although many of the factors that had a negative impact are gradually fading away. The fall in energy prices, the normalisation of global logistics activities and supply markets without significant bottlenecks are contributing to a general improvement in the global economic situation. Growth estimates published by the OECD also envisage a recovery, albeit weak by historical standards, with global growth expected to be around 2.7% in 2023 and slightly higher in 2024, both below pre-pandemic rates.

The main challenge for the most developed economies in recent months has been inflationary tensions, which have led to a sudden rise in interest rates in Europe and the US.

Rising interest rates, economic uncertainty and the end of bond purchase programmes by the European Central Bank and the Fed led to an increase in the interest rates paid on public debt, as shown by the analysis of yields on 10-year Italian government bonds. This increase will have an impact on future public debt issues, increasing pressure on public finances and on the sustainability of the debt itself.

### Eurozone

Europe continued to show remarkable resilience in a difficult environment characterised by the ongoing Russian-Ukrainian conflict. The EU managed to reduce its dependence on Russian fossil fuels, limit the negative impact on the economy and enter 2023 with better-than-expected figures. However, the impact of high inflation on the purchasing power of households, particularly among the most vulnerable groups, has been severe. In a broadly positive European scenario, Germany's GDP, which is expected to flatten out in 2023 and recover slightly in growth from 2024, is out of place. High inflation is reducing real income and savings, thereby holding down private consumption. For France, GDP is estimated to grow by 0.8% in 2023 and 1.3% in 2024. In Spain, GDP growth is expected to slow to 2.1% in 2023 and 1.9% in 2024: lower inflation and a resilient labour market should support Spanish household consumption. In Italy, GDP growth is expected to slow from 3.8% in 2022 to 1.2% in 2023 and 1.0% in 2024, as high inflation erodes real income significantly. With modest wage growth, financial conditions are tightening and the exceptional fiscal support linked to the energy crisis is gradually disappearing, weighing on private consumption and investment. In any case, the substantial savings accumulated by households could support a faster recovery in domestic demand than currently expected.

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## United States

As for the USA, OECD economists expect GDP to grow by 1.6 % in 2023 and 1.0 % in 2024. The increase in private consumption and investment is expected to moderate as a result of tighter monetary and financial conditions and the further impoverishment of savers. With the slowdown in demand, employment is expected to fall and the unemployment rate is expected to rise gradually towards 4.0% in 2024, one of the lowest in the last thirty years (it is currently +3.7%). The economic outlook could deteriorate if rising interest rates expose the country to further financial fragility.

## BRICS

China's economic growth will reach 5.4% in 2023, after 3.0% in 2022, and stabilise at 5.1% in 2024. The lifting of the zero-Covid restrictions unblocked pent-up domestic demand for services, boosting revenues in service sectors hard hit by blockades, such as tourism or entertainment. The easing of prudent housing regulations and lower mortgage costs have stabilised property sales and the carry-over of large infrastructure projects from the previous year will fuel a likely construction boom. However, export growth will be mitigated by weak global demand. The impact of consumer price inflation will remain contained due to a moderate recovery in domestic demand.

Moreover, weak global demand and the impact of monetary policy tightening will limit India's exponential economic growth in 2023 in order to manage inflationary pressures. GDP will grow by 6.0% in 2023, compared to 7.2% in 2022 and 9.1% in 2021. Moderating inflation and easing monetary policy in the second half of 2024 will help domestic household spending regain momentum. This, together with improving global conditions, will help accelerate economic activity, with GDP growth of 7.0% in 2024/2025.

In Brazil, economic activity is slowing down due to weak private consumption and exports. The latter will be penalised by lower commodity prices and still subdued global demand. Inflation, which has fallen significantly from 2022 levels, will nevertheless remain above target in 2023. Estimates for the current year point to GDP growth of 1.7% and 1.2% in 2024, following an encouraging 3.0% in 2022.

Russia's GDP continues to decline due to the continuing war in Ukraine, which has led to a 40% drop in revenues from the sale of oil to Western countries. The OECD estimates GDP at -1.5% in 2023 and -0.4% in 2024.

## Raw materials and logistics

Overall, in 2023, commodity prices, which have already fallen considerably, are expected to fall by an average of 21% compared to last year, while energy prices are expected to fall by more than 25%. The price of Brent crude oil is expected to decrease by 16% compared to 2022, averaging USD 84 per barrel. Issues concerning the availability of materials are also being resolved. Global logistics continued to improve, with a significant reduction in costs compared to previous post Covid years.

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## Business performance

In particular, the **Automotive** market, which is the most relevant for the Indel B Group, benefited from the positive cycle affecting both the European (including Italy) and US markets, recording an increase of 11.2% and showing a turnover of Euro 76.6 million compared to Euro 68.9 million in the same period of 2022.

The **Cooling Appliances** market showed a significant decrease in revenue of -16.5% with a profit of Euro 5.2 million, due to a decline in the Professional section and orders for milk cooling tanks.

The **Hospitality** market, which showed significant growth last year, decreased 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 decline is due to the hotel sector (-6.2%), while the cruise sector (+6.4%) is growing.

The **Leisure** market also decreased from Euro 18.3 million in the first half of 2022 to Euro 16.9 million in the first half of 2023, a decrease of -7.6%. This decrease is entirely due to the Marine sector (-21.3%), while the RV sector grew (+21.2%).

The market for **Components & Spare parts** also declined by -8.3%, mainly due to the decline in the sale of components.

THE IMPORTANCE  
OF DATA AND NUMBERS  
IN THE RUNNING  
OF THE COMPANY

## 3. Overall Group performance

### Analysis of the economic performance

The following table shows the Group's income statement as at 30 June 2023 compared to 30 June 2022:

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Revenues	120,504	96.9%	116,804	98.7%	3,700	3.2%
Other Revenues and income	3,859	3.1%	1,501	1.3%	2,358	157.1%
<b>Total revenues</b>	<b>124,363</b>	<b>100.0%</b>	<b>118,305</b>	<b>100.0%</b>	<b>6,058</b>	<b>5.1%</b>
Purchases and consumption of raw materials, semi-finished and finished products	(73,188)	-58.9%	(62,263)	-52.6%	(10,925)	17.5%
Costs for services	(14,373)	-11.6%	(21,096)	-17.8%	6,723	-31.9%
Personnel costs	(20,557)	-16.5%	(18,273)	-15.4%	(2,284)	12.5%
Other operating costs	(2,566)	-2.1%	(1,199)	-1.0%	(1,367)	114.0%
Portion of the result of equity investments measured using the equity method	2,082	1.7%	(827)	-0.7%	2,909	-351.8%
Amortisation, depreciation, provisions and write-downs	(3,165)	-2.5%	(3,809)	-3.2%	644	-16.9%
<b>EBIT</b>	<b>12,596</b>	<b>10.1%</b>	<b>10,838</b>	<b>9.2%</b>	<b>1,758</b>	<b>16.2%</b>
Finance income	500	0.4%	644	-0.8%	(144)	-22.4%
Finance costs	(1,148)	-0.9%	(1,633)	0.1%	485	-29.7%
<b>Pre-tax profit (loss)</b>	<b>11,948</b>	<b>9.6%</b>	<b>9,849</b>	<b>8.3%</b>	<b>2,099</b>	<b>21.3%</b>
Income tax	(2,766)	-2.2%	(3,631)	-3.1%	865	-23.8%
<b>Profit/(loss) for the period</b>	<b>9,182</b>	<b>7.4%</b>	<b>6,218</b>	<b>5.3%</b>	<b>2,964</b>	<b>47.7%</b>
Minority profit (loss) for the period	111	0.1%	63	0.1%	48	76.2%
<b>Group profit/(loss) for the period</b>	<b>9,071</b>	<b>7.3%</b>	<b>6,155</b>	<b>5.2%</b>	<b>2,916</b>	<b>47.4%</b>
Basic and diluted earnings per share (in Euro)	1.61		1.09			

In order to assess the Group's performance, the Company's management monitors, among other things, Total revenues including Adjusted, EBITDA and Adjusted EBITDA, EBIT including Adjusted and Profit/(loss) for the year including Adjusted. Total Adjusted revenues, EBITDA, Adjusted EBITDA, Adjusted EBIT and Adjusted Profit/(loss)

for the period are not identified as accounting measures under IFRSs and, therefore, should not be considered as alternatives to the measures presented in the Company's financial statements for assessing the Group's economic performance. The tables below show how these indicators are calculated.

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Revenues	124,363	100.0%	118,305	100.0%	6,058	5.1%
Other non-recurring revenues and income (1)	-	0.0%	-	0.0%	-	-
<b>Total Adjusted revenues</b>	<b>124,363</b>	<b>100.0%</b>	<b>118,305</b>	<b>100.0%</b>	<b>6,058</b>	<b>5.1%</b>

(1) There were no non-recurring revenues for the half-years ended 30 June 2022 and 30 June 2023.

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Profit/(loss) for the period	9,182	7.4%	6,218	5.3%	2,964	47.7%
Income tax	2,766	2.2%	3,631	3.1%	(865)	-23.8%
Net finance (income)/costs	648	0.5%	989	0.8%	(341)	-34.5%
Amortisation, depreciation, provisions and write-downs	3,165	2.5%	3,809	3.2%	(644)	-16.9%
<b>EBITDA</b>	<b>15,761</b>	<b>12.7%</b>	<b>14,647</b>	<b>12.4%</b>	<b>1,114</b>	<b>7.6%</b>
Non-recurring (income)/costs (2)	486	0.4%	2,763	2.3%	(2,277)	-82.4%
<b>Adjusted EBITDA</b>	<b>16,247</b>	<b>13.1%</b>	<b>17,410</b>	<b>14.7%</b>	<b>(1,163)</b>	<b>-6.7%</b>

(2) For the half-year ended 30 June 2022, non-recurring charges mainly related to the write-down of the investment in Elber Industria de Refrigeraçao as a result of the Impairment Test of Euro 2.6 million and Covid consultancy and prevention costs. For the half-year ended 30 June 2023, the non-recurring costs refer almost exclusively to consultancy costs.

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
EBIT	12,596	10.1%	10,838	9.2%	1,758	16.2%
Non-recurring (income)/costs (3)	486	0.4%	3,163	2.7%	-2,677	-84.6%
<b>Adjusted EBIT</b>	<b>13,082</b>	<b>10.5%</b>	<b>14,001</b>	<b>11.8%</b>	<b>-919</b>	<b>-6.6%</b>

(3) Please refer to Note (2) on Adjusted EBITDA. Non-recurring costs also include the write-down of the Indel B North America goodwill of Euro 400 thousand following an impairment test.

The most significant changes in the main items of the income statement for the years under review are briefly commented on below.

## Total revenues

During the first half of 2023, "Total Revenues" increased by Euro 6,058 thousand (+5.1%), from Euro 118,305 thousand in the half-year ended 30 June 2022 to Euro 124,363 thousand in the half-year ended 30 June 2023. This trend is due to the increase in "Revenues" of Euro 3,700 thousand and to the increase in "Other revenues and income" Euro 2,358 thousand. Mainly due to the income arising from the reimbursement insurance incurred as a result of the heavy snowfall that occurred on January 23, 2023 on Indel B SpA's building located in Sant'Agata Feltria.

## Revenues from sales

The table below provides a breakdown of the item "Revenues from sales" for the financial periods ended 30 June 2023 and 30 June 2022:

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Revenues from product sales	118,898	95.6%	114,956	97.2%	3,942	3.4%
Sundry revenues	1,606	1.3%	1,848	1.6%	-242	-13.1%
<b>Revenues from sales</b>	<b>120,504</b>	<b>96.9%</b>	<b>116,804</b>	<b>98.7%</b>	<b>3,700</b>	<b>3.2%</b>

"Revenues from sales" increased by Euro 3,700 thousand (+3.2%), from Euro 116,804 thousand in the half-year ended 30 June 2022 to Euro 120,504 thousand in the same period of 2023.

"Revenues from product sales" increased by Euro 3,942 thousand, from Euro 114,956 thousand in the half-year ended 30 June 2022 to Euro 118,898 thousand in the half-year ended 30 June 2023.

"Sundry revenues" decreased by Euro 242 thousand, from Euro 1,848 thousand in the half-year ended 30 June 2022 to Euro 1,606 thousand in the half-year ended 30 June 2023, mainly due to lower revenues from the charge-back of transport costs on sales.





## AUTOMOTIVE

We have been working for years together with leading international manufacturers of commercial vehicles. We are bound for future.

An analysis of "Revenues from product sales" is provided below, based on:

- reference market,
- geographical area.

## "Revenues from product sales" by reference market

The table below provides a breakdown of "Revenues from product sales" by reference market for the half-years ended 30 June 2023 and 30 June 2022.

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Automotive	76,579	64.4%	68,855	59.9%	7,724	11.2%
Hospitality	8,623	7.3%	8,937	7.8%	-314	-3.5%
Leisure time	16,911	14.2%	18,303	15.9%	-1,392	-7.6%
Cooling Appliances	5,163	4.3%	6,183	5.4%	-1,020	-16.5%
Components and spare parts	11,623	9.8%	12,678	11.0%	-1,055	-8.3%
<b>Revenues from product sales</b>	<b>118,898</b>	<b>100.0%</b>	<b>114,956</b>	<b>100.0%</b>	<b>3,942</b>	<b>3.4%</b>

As shown in the table above, 64.4% of the Group's "Revenues from product sales" in the half-years ended 30 June 2023 and 2022 is achieved through sales on the *Automotive* market.

The increase in "Revenues from product sales" recorded in the first half of 2023 is mainly due to the combined effect of the following factors:

1. the increase of Euro 7,724 thousand (+11.2%) in "Revenues from product sales" recorded in the *Automotive* market, from Euro 68,855 thousand for the half-year ended 30 June 2022 to Euro 76,579 thousand for the half-year ended 30 June 2023;
2. the slight decrease of Euro 314 thousand (-3.5%) in "Revenues from product sales" in the *Hospitality* sector, from Euro 8,937 thousand for the half-year ended 30 June 2022 to Euro 8,623 thousand for the half-year ended 30 June 2023;
3. the decrease of Euro 1,392 thousand (-7.6%) in "Revenues from product sales" recorded in the *Leisure* time market, from Euro 18,303 thousand for the half-year ended 30 June 2022 to Euro 16,911 thousand for the half-year ended 30 June 2023;

4. the decrease of Euro 1,020 thousand (-16.5%) in "Revenues from product sales" in the *Cooling Appliances* sector, from Euro 6,183 thousand for the half-year ended 30 June 2022 to Euro 5,163 thousand for the half-year ended 30 June 2023;
5. the decrease of Euro 1,055 thousand (-8.3%) in "Revenues from product sales" recorded in the *Components & spare parts* market, from Euro 12,678 thousand for the half-year ended 30 June 2022 to Euro 11,623 thousand for the half-year ended 30 June 2023.

the increase recorded in the first half of 2023 compared to the first half of 2022 in "Revenues from product sales" in the Automotive sector is due to the positive market cycle in Europe, Italy and North America.

The Hospitality sector, which recorded a significant double-digit growth in 2022, stabilised in the first half of 2023 and recorded a slight decline in the Hotel sector while the Cruise sector grew.

The decrease in "Revenues from product sales" in the Leisure sector in the first half of 2023 compared to the first half of 2022 is mainly due to the slowdown in the Marine sector, partly offset by a good performance in the RV sector.

"Revenues from product sales" in the Cooling Appliances sector decreased significantly in the first half of 2023, both due to a slowdown in the Home and Professional sector, which grew significantly in 2022.

The decrease in the Components & Spare parts market is mainly related to a decline in sales of components and spare parts.



## LEISURE TIME

Travel anywhere and feel at home.  
Our outdoor solutions rewrite  
the boundaries of climatic  
comfort and the best solutions  
for mobile refrigeration.

## “Revenues from product sales” by geographical area

The table below provides a breakdown of revenues from product sales by the main geographical areas in which the Group operates as at 30 June 2023 compared to 30 June 2022.

(in thousands of Euro)	30/06/2023	%	30/06/2022	%	Chg	% chg
Europe (excluding Italy)	64,121	53.9%	59,502	51.8%	4,618	7.8%
Italy	32,021	26.9%	35,186	30.6%	-3,164	-9.0%
The Americas	20,188	17.0%	17,747	15.4%	2,440	13.7%
Rest of the world	2,568	2.2%	2,521	2.2%	47	1.9%
<b>Revenues from product sales</b>	<b>118,898</b>	<b>100.0%</b>	<b>114,956</b>	<b>100.0%</b>	<b>3,942</b>	<b>3.4%</b>

As shown in the table above, in the first half of 2023, approximately 73% of the Group's "Revenues from product sales" was achieved outside Italy, and approximately 19% outside Europe.

In the first half of 2023, the incidence of each area did not change significantly compared to the total. However, note that the percentage of Revenues from Europe increased from 51.8% in the first half of 2022 to 53.9% in the first half of 2023, and Revenues from the Americas increased from 15.4% in the first half of 2022 to 17.0% in the first half of 2023, to the detriment of the percentage of Revenues from Italy, which decreased from 30.6% in the first half of 2022 to 26.9% in the first half of 2023.

The increase in the absolute value of "Revenues from product sales" recorded in the half-year as at 30 June 2023 is mainly due:

1. for Euro 4,618 thousand to Europe (excluding Italy), whose revenues increased from Euro 59,502 thousand in the half-year ended 30 June 2022 to Euro 64,121 thousand in the half-year ended 30 June 2023;
2. for Euro -3,164 thousand to Italy, whose revenues decreased from Euro 35,186 thousand in the half-year ended 30 June 2022 to Euro 32,021 thousand in the half-year ended 30 June 2023;
3. for Euro 2,440 thousand to the Americas, whose revenues increased from Euro 17,747 thousand in the half-year ended 30 June 2022 to Euro 20,188 thousand in the half-year ended 30 June 2023;

- 
4. for Euro 47 thousand to the increase in sales recorded in the Rest of the World, whose revenues increased from Euro 2,521 thousand in the half-year ended 30 June 2022 to Euro 2,568 thousand in the half-year ended 30 June 2023.

The increase of Euro 4,618 thousand in "Revenues from product sales" in Europe (excluding Italy) is almost entirely concentrated in the Automotive market, partly offset by a decrease in the Leisure and Cooling Appliances markets.

The decrease of Euro -3,164 thousand in "Revenues from product sales" in Italy is generalised across all markets in which the Group operates, particularly in the Leisure, Cooling Appliances and Hospitality markets, with the exception of the Automotive market.

The increase of Euro 2,440 thousand in "Revenues from product sales" recorded in the Americas is almost exclusively due to the growth of the Automotive market; the Leisure market is also positive.

The increase of Euro 47 thousand in "Revenues from product sales" in the Rest of the World is due to the positive performance of the Hospitality market, partly offset by a decrease in the Cooling Appliances and Automotive markets.



## HOSPITALITY

Iconic design and advanced comfort.  
The perfect combination of timeless  
design and the most advanced  
technology to respect the environment.

## EBITDA and Adjusted EBITDA

During the first half of 2023, EBITDA increased by Euro 1,114 thousand (+7.6%), from Euro 14,647 thousand in the half-year ended 30 June 2022 to Euro 15,761 thousand in the half-year ended 30 June 2023. This effect is due to the fact that the Group recorded an increase in "Total Revenues" of Euro 6,058 thousand (+5.1%), from Euro 118,305 thousand in the first half of 2022 to Euro 124,363 thousand in the first half of 2023, as well as an increase in the portion of the result of equity investments measured using the equity method of Euro 2,909 thousand (+351.8%), from a loss of Euro 827 thousand in the half-year ended 30 June 2022 to a profit of Euro 2,082 thousand in the half-year ended 30 June 2023. In percentage terms, the ratio of EBITDA to "Total revenues" increased from 12.4% for the half-year ended 30 June 2022 to 12.7% for the half-year ended 30 June 2023. EBITDA, net of non-recurring items, decreased by Euro 1,163 thousand (-6.7%), from Euro 17,410 thousand in the half-year ended 30 June 2022 to Euro 16,247 thousand in the half-year ended 30 June 2023. In percentage terms, the ratio of Adjusted EBITDA to Adjusted Total revenues was 14.7% for the half-year ended 30 June 2022 and 13.1% for the half-year ended 30 June 2023. This decrease is mainly attributable to a different sales mix where important is the growth of the Automotive OE market.

## EBIT and Adjusted EBIT

During the first half of 2023, EBIT increased by Euro 1,758 thousand (+16.2%), from Euro 10,838 thousand in the half-year ended 30 June 2022 to Euro 12,596 thousand in the half-year ended 30 June 2023. This trend is due to the increase of Euro 1,114 thousand in EBITDA and to the decrease of Euro 644 thousand in "Amortisation, depreciation, provisions and write-downs" mainly due to the fact that the goodwill of Indel B North America was written down in the first half of 2022 as a result of an impairment test of Euro 400 thousand.

It should be noted that, net of the non-recurring income and costs commented above, EBIT would amount to Euro 14,001 thousand in the first half of 2022 and to Euro 13,082 thousand in the first half of 2023, showing a decrease of Euro 919 thousand between the two financial years.





## COOLING APPLIANCES

Indel B's specialised team and manufacturing excellence result in products that strike the right balance between quality and affordability for the home and Restaurant & Catering market.

## Analysis of the statement of financial position

The table below shows the reclassified statement of financial position of the Group by "Sources and Uses" in the half-year ended 30 June 2023 and in the year ended 31 December 2022.

(in thousands of Euro)	30/06/2023	31/12/2022	Chg	% chg
<b>Uses</b>				
Net fixed assets (*)	71,121	70,413	708	1.01%
Net working capital (*)	76,034	79,282	-3,248	-4.10%
<b>Net invested capital (*)</b>	<b>147,155</b>	<b>149,695</b>	<b>-2,540</b>	<b>-1.70%</b>
<b>Sources</b>				
Shareholders' equity	126,482	121,240	5,242	4.32%
Net financial indebtedness (*)	20,673	28,455	-7,782	-27.35%
<b>Total sources of funds</b>	<b>147,155</b>	<b>149,695</b>	<b>-2,540</b>	<b>-1.70%</b>

(\*) It should be noted that Net fixed assets, Net working capital, Net invested capital and Net financial indebtedness are not identified as accounting measures under IFRS and, therefore, should not be considered as alternative measures to those provided by the Company's consolidated financial statements for measuring the Group's economic performance and relative financial position.

A brief analysis of the main items included in the reclassified statement by "Sources and Uses" as at 30 June 2023 and as at 31 December 2022 is shown below.

## Net fixed assets

The table below provides a breakdown of "Net fixed assets" as at 30 June 2023 and as at 31 December 2022.

(in thousands of Euro)	30/06/2023	31/12/2022	Chg	% chg
Goodwill	8,127	8,127	0	0.00%
Intangible assets	10,936	11,260	-324	-2.88%
Property, plant and equipment	39,497	39,670	-173	-0.44%
Right of use	3,194	3,526	-332	-9.42%
Equity investments measured using the equity method	15,622	14,024	1,598	11.39%
Non-current financial assets	13	13	0	0
Provisions for risks and charges	-3,011	-2,951	-60	2.03%
Employee benefits	-1,442	-1,438	-4	0.28%
Other non-current assets and liabilities (*)	-1,815	-1,818	3	-0.17%
<b>Total net fixed assets</b>	<b>71,121</b>	<b>70,413</b>	<b>708</b>	<b>1.01%</b>

(\*) Includes the following items drawn from the consolidated statement of financial position: (I) Other equity investments; (II) Other receivables and other non-current assets; and (III) Deferred tax assets and liabilities.

The item "Goodwill" of Euro 8,127 thousand as at 30 June 2023 is related to the acquisitions of Clima Motive and Autoclima in 2017 and of Indel B North America at the beginning of 2019. As at 31 December 2022, the goodwill generated by the acquisition of Indel B North America was written down by Euro 400 thousand following an impairment test.

The item "Intangible assets" of Euro 10,936 thousand as at 30 June 2023 (Euro 11,260 thousand as at 31 December 2022) mainly includes: (I) brand, the value of which mainly resulted from the Purchase Price Allocation process related to the acquisitions of Clima Motive and Autoclima during 2017 amounting to Euro 3,256 thousand; (II) know-how and customer list, the value of which resulted from the Purchase Price Allocation process related to the acquisitions of Clima Motive and Autoclima during 2017, amounting to Euro 672 thousand and for the acquisition of SEA during 2021, amounting to Euro 6,228; (III) development costs amounting to Euro 388 thousand related to specific projects, in particular: (I) the development of milk storage refrigerators for specific manufacturers of automatic espresso machines, (II) the development of refrigerators (with compressor or thermoelectric refrigeration system) and different locking systems for the "Hospitality" market, (III) the development of refrigerators for the ambulance and van markets, (IV) the development of refrigerators and

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freezers for the Leisure Time market with a focus on the Marine segment, and (V) development of new types of parking air conditioning for trucks.

The item "Property, plant and equipment" of Euro 39,497 thousand as at 30 June 2023 (Euro 39,670 thousand as at 31 December 2022) mainly refers to land, buildings, plant and machinery that are functional to the Group's activities. In particular, this item mainly includes the value of: (I) buildings owned by the Group of Euro 21,425 thousand as at 30 June 2023 (Euro 21,846 thousand as at 31 December 2022); (II) plant and machinery of Euro 8,595 thousand as at 30 June 2023 (Euro 8,898 thousand as at 31 December 2022); and (III) land of Euro 4,074 thousand as at 30 June 2023 (Euro 4,079 thousand as at 31 December 2022).

The item "Right of Use" as at 30 June 2023 amounts to Euro 3,194 thousand and refers to the adoption of IFRS 16.

The item "Equity investments measured using the equity method" of Euro 15,622 thousand as at 30 June 2023 (Euro 14,024 thousand as at 31 December 2022), includes the investments: (I) in the company Indel Webasto Marine, jointly controlled with the company Webasto Thermo & Comfort SE of Euro 7,766 thousand; and (II) in the associate Elber Industria de Refrigeracao of Euro 7,856 thousand, the equity investment of which was acquired during 2017.

The item "Provisions for risks and charges" of Euro 3,011 thousand as at 30 June 2023 (Euro 2,951 thousand as at 31 December 2022) includes: (i) the provision for agents' leaving indemnities of Euro 247 thousand as at 30 June 2023 (Euro 230 thousand as at 31 December 2022); (ii) the product guarantee fund of Euro 828 thousand as at 30 June 2023 (Euro 892 thousand as at 31 December 2022) determined based on historical information on the nature, frequency and average cost of repairs under guarantee on Group products, increased by an additional Euro 200 thousand as a result of a report received from the customer Daf due to a defective component and used for Euro 144 thousand relating to the specific provision allocated in 2022 for the product recall campaign initiated by the customer Iveco due to a defective component; and (iii) other provisions for risks and charges amounting to Euro 1,937 thousand as at 30 June 2023 (Euro 1,828 thousand as at 31 December 2022), whose changes in the period mainly refer to: (i) the allocation of Euro 109 thousand to the provision for charges related to the three-year LTIP concerning strategic executives.

The item "Employee benefits" of Euro 1,442 thousand as at 30 June 2023 (Euro 1,438 thousand as at 31 December 2022) includes the provision for post-employment benefits that includes the estimate of the obligation, determined on the basis of actuarial techniques, related to the amount to be paid to employees of Indel B, Condor B, Autoclima and SEA upon termination of employment.

The item "Other non-current assets and liabilities" amounting to liabilities of Euro -1,815 thousand as at 30 June 2023 (liabilities for Euro -1,818 thousand as at 31 December 2022), includes Deferred Tax Liabilities deriving from

the Purchase Price Allocation process related to the acquisitions of Clima Motive and Autoclima during 2018 and to the acquisition of SEA during 2021.

## Net working capital

The table below provides a breakdown of "Net working capital" as at 30 June 2023 and as at 31 December 2022.

(in thousands of Euro)	30/06/2023	31/12/2022	Chg	% chg
Inventories	68,891	69,105	-214	-0.3%
Trade receivables	54,423	44,560	9,863	22.1%
Income tax receivables	259	1,151	-892	-77.5%
Trade payables	-45,660	-40,068	-5,592	14.0%
Income tax payables	-957	-673	-284	42.2%
Other current assets and liabilities (*)	-922	5,207	-6,129	-117.7%
<b>Total net working capital</b>	<b>76,034</b>	<b>79,282</b>	<b>-3,248</b>	<b>-4.1%</b>

(\*) Includes the following items drawn from the consolidated statement of financial position: (i) Other receivables and other current assets and (ii) Other current liabilities.

During the first half of 2023, net working capital decreased by Euro 3,248 thousand compared to 31 December 2022, mainly due to the combined effect of: (i) an increase in the item Trade receivables of Euro 9,863 thousand due to the increase in turnover; (ii) an increase in Trade payables of Euro 5,592 thousand; (iii) a decrease in assets of the item Other current assets and liabilities of Euro 6,129 following the collection of the open receivable as at 31 December 2022 for the sale of the Chinese company Guangdong Iceco.

The main items included in Net working capital for the half-year under review are briefly commented on below.

The item "Trade receivables" of Euro 54,423 thousand as at 30 June 2023 (Euro 44,560 thousand as at 31 December 2022) includes the value at the end of the reporting period of the Group's receivables from: (i) customers of Euro 49,739 thousand as at 30 June 2023 (Euro 42,128 thousand as at 31 December 2022); and (ii) related parties of Euro 4,684 thousand as at 30 June 2023 (Euro 2,432 thousand as at 31 December 2022).

Trade receivables past due and/or in litigation not covered by the provision amounted to Euro 1,694 thousand as at 30 June 2023 (3.1% of total trade receivables) and Euro 4,561 thousand as at 31 December 2022 (10.2% of total trade receivables) and mainly referred to those past due within 90 days. The Group believes that most of past due receivables, not covered by the provision, refer to physiological situations related to the business activity carried on and for which no critical issues are identified.

The item "Trade payables" of Euro 45,660 thousand as at 30 June 2023 (Euro 40,068 thousand as at 31 December 2022) mainly includes the value of payables related to the supply of raw materials, components, equipment, machinery and the provision of services.

## Net financial indebtedness

The table below shows the breakdown of net financial indebtedness of the Group as at 30 June 2023 and as at 31 December 2022, determined in accordance with CONSOB Communication of 28 July 2006 and in compliance with ESMA Recommendations/2013/319.

(in thousands of Euro)	30/06/2023	31/12/2022
A. Cash and cash equivalents	36,250	17,322
B. Cash equivalents	0	0
C. Other current financial assets	0	0
<b>D. Liquidity (A)+(B)+(C)</b>	<b>36,250</b>	<b>17,322</b>
E. Current financial payable (including debt instruments, but excluding the current portion of non-current financial payable)	-4,342	-1,920
F. Current portion of the non-current financial payable	-23,476	-19,725
<b>G. Current financial indebtedness (E)+(F)</b>	<b>-27,818</b>	<b>-21,645</b>
<b>H. Net current financial indebtedness (G)+(D)</b>	<b>8,432</b>	<b>-4,323</b>
I. Non-current financial payable (excluding the current portion and debt instruments)	-29,105	-24,132
J. Debt instruments	0	0
K. Other trade payables and other non-current payables	0	0
<b>L. Non-current financial indebtedness (I)+(J)+(K)</b>	<b>-29,105</b>	<b>-24,132</b>
<b>M. Total financial indebtedness (H) + (L)</b>	<b>-20,673</b>	<b>-28,455</b>

As at 30 June 2023, the Group's financial indebtedness is mainly expressed in fixed interest rates. Consequently, the Group is not exposed to the risks related to interest rate fluctuations.

In the first half of 2023, the group took out new loans of approximately Euro 17 million causing bank debt to increase, net of reimbursements made on existing loans. This was necessary to finance the company's growth in turnover, the payment of a dividend amount of Euro 0.80 per share, and finally to finance the expansion of Indel

B's production plant in Novafeltria. Thanks to the cash flows generated during the period, the financial position at the end of the first half improved.

Other current and non-current financial payables include the payable for finance and operating lease payables related to the recognition of the right of use following the introduction of IFRS 16 of Euro 3,310 thousand, the payable to the Ministry of Euro 809 thousand and the payable for SIMEST loans of Euro 480 thousand.

It should be noted that as at 30 June 2023, the Group's gross financial indebtedness is represented by loans denominated in Euro, the Group's functional currency.

At the same date, a portion of Euro 4,614 thousand of the Group's cash and cash equivalents was denominated in currencies other than the euro.

The Group's net financial indebtedness as at 30 June 2023 includes positions with related parties; for further details, please refer to paragraph 2.14 of the Notes to the Condensed Consolidated Financial Statements.

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## 4. Significant events after the reporting period

No significant events occurred after the end of the half-year and until 27 September 2023

## 5. Related party transactions

The Group's transactions with related parties are mainly of commercial and financial and are carried out on an arm's length basis.

The Group has transactions with the following related parties:

- the company Amp. Fin. Srl;
- the company Indel Webasto Marine S.r.l. and the company Elber Industria de Refrigeraçao Ltda;
- key management personnel;
- other parties in which the Group has an interest through the Parent company and/or members of Top Management.

We can state that the terms of contractual applied in the transactions listed below do not differ from those that could theoretically be obtained in negotiations with third parties.

With reference to the transactions of the parent company and investee companies with related parties, and in particular with associates, parent companies and companies subject to the control of the latter, reference is made to the Notes to the Interim Consolidated Financial Statements.

## 6. Hedging policies for currency, commodity price and interest rate risks

Effective risk management is a key factor in protecting the value of the Group in a historical period characterised by high volatility and uncertainty at a global level. In particular, as part of the Corporate Governance system, Indel B has defined an Internal Control and Risk Management System (SCIR) consistent and compatible with the provisions of the Corporate Governance Code.



## Currency risk

The Group's operations in currencies other than the euro (the Group's functional currency) expose the Group to currency risk. Revenues and costs denominated in foreign currencies can be affected by exchange rate fluctuations with an impact on trade margins (economic risk), just as trade payables and receivables in foreign currencies can be affected by the conversion rates used, with an impact on the economic result (transaction risk). Finally, exchange rate fluctuations are also reflected in the consolidated results and on shareholders' equity since the financial statements of some companies included in the consolidation area are prepared in currencies other than the Euro and subsequently translated (translation risk).

The main exchange ratio to which the Group is exposed in the three-year period under review is the Euro/US Dollar (USD) ratio, with reference mainly to cash held in USD and purchases and sales made in USD.

The Group hedges currency risk based on systematic assessments of market conditions and the level of net exposure to risk, implementing, where possible, a natural hedging policy, i.e. a risk management strategy that aims to match both economic and financial flows (revenues-costs, collections-payments, known as economic currency risk) and statement of financial position asset and liability items that are denominated in the same foreign currency and have a consistent time frame (known as transaction currency risk) so as to minimise net exposures to currency risk.

Moreover, the Group does not usually use derivative financial instruments to hedge currency risk.

It should be noted that for the Brazilian investee company Elber Industria de Refrigeracao, part of the purchases of raw materials and components are carried out in USD and EUR, while sales are almost entirely in local currency. This may result in temporary margin losses if the local currency depreciates. However, local management is very careful to keep sales prices in line with changes in raw material and component costs.

The Group continues to monitor the impact of the military conflict between Russia and Ukraine that 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.

## Commodity price risk

The production costs of the Company and the Group are affected by the price trends of the main raw materials used such as, in particular, metals, plastics and electronic components. The price of such materials varies depending on a number of factors, many of which are beyond the Company's control and difficult to predict.

With reference to the purchases made by the Group on the Chinese market and denominated in USD or Euro, it is also exposed to a price risk due to the development of the exchange rate with the local currency; the price of products purchased in USD or Euro can vary based on the exchange rate of the local currency (Renminbi) against the US dollar and the Euro, respectively, in accordance with customary commercial practices in the Chinese market.

The Group's strategy is to reduce the risk of price increases of goods or raw materials by entering into fixed-price supply contracts on the one hand and by contractually renegotiating the prices charged to After Market customers

(Automotive dealers and installers and Hospitality and Leisure time customers) on the other hand, while the OEM component of revenues shows a lower flexibility of contractual price conditions.

The Group Companies are and were able, albeit with some difficulty due to the effects of the Ukrainian conflict, to source and purchase raw materials and semi-finished products in sufficient quantities to meet its requirements and maintain its quality standards. With respect to the half-year ended 30 June 2023, no forms of volatility risk hedging for raw material costs were adopted.

## Liquidity risk

This risk may manifest itself in the inability to raise the financial resources required to guarantee Indel B's operations. In order to minimise this risk, the Treasury area carries out the following main activities:

- constant monitoring of forecast financial requirements in order to implement any corrective measures in good time;
- obtaining adequate credit lines;
- correct balance between net financial indebtedness and investments made;
- proper allocation between short-term and medium- to long-term indebtedness in order to adequately monitor liquidity.

## Interest rate risk

The interest rate risk derives mainly from the possible increase in net finance costs as a result of unfavourable changes in market rates on floating-rate financial positions, which expose the Group to a "cash flow" risk arising from interest rate volatility.

Almost all of the Group's financial indebtedness is expressed at a fixed interest rate.

Fixed-rate payables expose the contracting parties to fair value risk in relation to changes in the fair value of the payable related to market changes in reference rates.

In this regard, the Group does not use interest rate financial derivatives ("Interest Rate Swaps") to hedge interest rate risk.

## Climate Change

Risks related to climate change, which are considered to be external to the Group, are not currently included in the risk management models used by Indel B, as they are not expected to have a significant impact to date due to the nature of the production, the product and the measures already implemented by the Group in previous years.

However, the Group is considering implementing an action plan in the coming years to further reduce these risks and meet the needs of its stakeholders.

## Business interruption

Natural or accidental events (such as earthquakes or fires, bad weather), fraudulent behaviour (vandalism) or plant malfunctioning can cause damage to assets, unavailability of production sites and interruption of operations. Therefore, Indel B strengthened the mitigation process with the planning of engineering activities aimed at eliminating predisposing risk factors in terms of probability of occurrence as well as implementing protections to limit their impact, with the ongoing consolidation of the current business continuity at the Group's production sites.

## 7. Research and development activities

Research and development activities are carried out through the Group's Technical Office and Laboratory. The Group also relies on external collaborations, mainly with engineering companies and independent third-party laboratories, for the development and validation of specific projects, and on architectural studies for the design of new products.

## 8. Investments

The table below shows the amount of investments in intangible assets and property, plant and equipment made by the Group during the half-year ended 30 June 2023 and in the year ended 31 December 2022.

(in thousands of Euro)	30/06/2023	%	31/12/2022	%
Intangible assets	202	10.4%	298	5.5%
Property, plant and equipment	1,737	89.6%	5,093	94.5%
<b>Total</b>	<b>1,939</b>	<b>100.0%</b>	<b>5,391</b>	<b>100.0%</b>

During the first half of 2023, the Group invested a total of Euro 1,939 thousand in intangible assets and property, plant and equipment, of which Euro 202 thousand related to investments in intangible assets and Euro 1,737 thousand related to property, plant and equipment.

## Investments in intangible assets

The table below shows the amount of investments in intangible assets broken down by category, made by the Group during the half-year ended 30 June 2023 and in the year ended 31 December 2022.

(in thousands of Euro)	30/06/2023	%	31/12/2022	%
Development costs	-	-	130	43.6%
Concessions, licences, trademarks and similar rights	159	78.7%	48	15.8%
Patents and know-how	-	-	-	-
Other intangible assets	-	-	-	-
Intangible assets in progress and payments on account	43	21.3%	120	40.6%
<b>Total</b>	<b>202</b>	<b>100.0%</b>	<b>298</b>	<b>100.0%</b>

A brief analysis of the Group's investments in intangible assets in the half-year ended 30 June 2023 is shown below.

The Group's investments in intangible assets during the half-year ended 30 June 2023 amounted to a total of Euro 202 thousand and are mainly related to: (i) concessions, licences, trademarks and similar rights of Euro 159 thousand; (ii) intangible assets in progress and payments on account of Euro 43 thousand.

Investments of Euro 159 thousand in concessions, licences, trademarks and similar rights concern the purchase of perpetual management software licences.

Investments of Euro 43 thousand in intangible assets in progress and payments on account refer to advances for research and development projects and patent registrations.

## Investments in property, plant and equipment

The table below shows the amount of investments in property, plant and equipment broken down by category, made by the Group during the half-year ended 30 June 2023 and in the year ended 31 December 2022.

(in thousands of Euro)	30/06/2023	%	31/12/2022	%
Land	-	-	-	-
Buildings and leasehold improvements	13	0.7%	401	7.9%
Plant and machinery	527	30.3%	1,168	22.9%
Fixtures and fittings, tools and equipment	177	10.2%	586	11.5%
Other assets	180	10.4%	765	15.0%
Property, plant and equipment in progress and payments on account	840	48.4%	2,173	42.6%
<b>Total</b>	<b>1,737</b>	<b>100.0%</b>	<b>5,093</b>	<b>100.0%</b>

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A brief analysis of the Group's investments in property, plant and equipment in the half-year ended 30 June 2023 is shown below.

Investments in property, plant and equipment made by the Group during the half-year ended 30 June 2023 totalled Euro 1,737 thousand and are related to: (i) buildings and leasehold improvements of Euro 13 thousand; (ii) plant and machinery of Euro 527 thousand, (iii) fixtures and fittings, tools and equipment of Euro 177 thousand, (iv) other assets of Euro 180 thousand; (v) property, plant and equipment in progress and payments on account of Euro 840 thousand.

In particular, investments in property, plant and equipment are determined by:

- plant and machinery of Euro 527 thousand, mainly referring to *i)* new plants relating to the new buildings at Secchiano and at the company canteen adjacent to the main factory; *ii)* purchase of vertical warehouses; *iii)* purchase of new moulds for production; *iv)* improvements to production lines; *v)* improvements to generic plants;
- fixtures and fittings, tools and equipment of Euro 177 thousand, mainly referring to the purchase of equipment for workshops and for assembly lines;
- other assets of Euro 180 thousand, mainly referring to *i)* the purchase of new motor vehicles; *ii)* the purchase of internal means of transport; *iii)* the purchase of PCs and printers; *iv)* the purchase of other assets, such as furniture and shelves;
- property, plant and equipment in progress and payments on account of Euro 840 thousand, mainly referring to the expansion of a new area adjacent to the already operational production area located in via Montefeltro, 118 Secchiano (RN) and payments on account for new production moulds.

## 9. Number and nominal value of treasury shares and parent company shares purchased or sold

During the first half of 2023, the Company purchased 3,054 treasury shares for a value of Euro 75 thousand. It should also be noted that the Company has not sold any treasury shares or shares in parent companies.

## 10. Business outlook



Despite the ongoing conflict in Ukraine, various geopolitical tensions, rising interest rates that still show no signs of reversing and inflation at significant levels, the Group's global turnover increased in the first half of 2023, driven by the Automotive segment. Hospitality and Leisure decreased slightly (the latter due to problems caused by production interruptions at the plant damaged by bad weather in the first quarter) and Cooling Appliances more markedly.

For this reason, although these negative conditions may continue to affect the Group in the short term, expectations for the medium to long term, unless there are significant changes in the macroeconomic and geopolitical environment, remain good, both in terms of foreseeable market trends and the specific actions the Group is taking to develop the Leisure, Hospitality and Cooling Appliances markets, in particular.

It will therefore be important to continue to monitor the situation in the coming months in order to adjust, if necessary, the measures already taken to maintain the company's financial health, turnover and margins.

The starting position of the Group's companies, with low debt and stable sales, is crucial in this respect.

*We thank you for the trust you placed in us  
and ask you to approve the financial statements as presented.*

Sant'Agata Feltria, 27 September 2023

**Chairman of the Board of Directors**  
Antonio Berloni



2023

CONDENSED CONSOLIDATED  
HALF-YEAR FINANCIAL  
STATEMENTS

As at 30 June 2023

# CONDENSED CONSOLIDATED HALF- YEAR FINANCIAL STATEMENTS AS AT 30 JUNE 2023

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# 1. Consolidated financial statements of the Indel B S.p.A. group

## 1.1. Consolidated statement of financial position

(in thousands of Euro)

	Notes	30 June 2023	Of which related parties	% weight	31 December 2022	Of which related parties	% weight
<b>ASSETS</b>							
• Non-current assets							
Goodwill	2.9.1	8,127			8,127		
Other intangible assets	2.9.1	10,936			11,260		
Property, plant and equipment	2.9.2	39,497			39,670		
Right of use	2.9.3	3,194	1,577	49.4%	3,527	1,665	47.2%
Equity investments measured using the equity method	2.9.4	15,622			14,024		
Other equity investments	2.9.5	66			66		
Non-current financial assets		13			13		
Other receivables and other non-current assets	2.9.5	390	50	12.8%	462	50	10.8%
Deferred tax assets	2.9.13	1,299			1,381		
<b>Total non-current assets</b>		<b>79,144</b>	<b>1,627</b>	<b>2.1%</b>	<b>78,530</b>	<b>1,715</b>	<b>2.2%</b>
• Current assets							
Inventories	2.9.6	68,891			69,105		
Trade receivables	2.9.7	54,423	4,684	8.6%	44,560	2,432	5.5%
Cash and cash equivalents	2.9.8	36,250			17,322		
Income tax receivables	2.9.15	259			1,151		
Other receivables and other current assets	2.9.5	9,661			14,729		
<b>Total current assets</b>		<b>169,484</b>	<b>4,684</b>	<b>2.8%</b>	<b>146,867</b>	<b>2,432</b>	<b>1.7%</b>
<b>Total assets</b>		<b>248,628</b>	<b>6,311</b>	<b>2.5%</b>	<b>225,397</b>	<b>4,147</b>	<b>1.8%</b>

## SHAREHOLDERS' EQUITY AND LIABILITIES

- Shareholders' Equity

Share capital		5,842			5,842		
Reserves		111,180			103,020		
Profit/(loss) for the period		9,071			12,048		
<b>Total shareholders' equity</b>	<b>2.9.9</b>	<b>126,093</b>			<b>120,910</b>		

- Minority interests

Minority interests in share capital and reserves		278			189		
Minority interests in profit/(loss) for the period		111			141		
<b>Total minority interests</b>	<b>2.9.9</b>	<b>389</b>			<b>330</b>		

- Non-current liabilities

Provisions for risks and charges	2.9.10	3,011			2,951		
Employee benefits	2.9.11	1,442			1,438		
Non-current financial liabilities	2.9.12	29,105	1,470	5.1%	24,132	1,554	6.4%
Deferred tax liabilities	2.9.13	3,447			3,602		
Other non-current liabilities	2.9.16	123			126		
<b>Total non-current liabilities</b>		<b>37,128</b>	<b>1,470</b>	<b>4.0%</b>	<b>32,249</b>	<b>1,554</b>	<b>4.8%</b>

- Current liabilities

Trade payables	2.9.14	45,660	129	0.3%	40,068	97	0.2%
Income tax payables	2.9.15	957			673		
Current financial liabilities	2.9.12	27,818	167	0.6%	21,645	166	0.8%
Other current liabilities	2.9.16	10,583			9,522	7	0.1%
<b>Total current liabilities</b>		<b>85,018</b>	<b>296</b>	<b>0.3%</b>	<b>71,908</b>	<b>270</b>	<b>0.4%</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>248,628</b>	<b>1,766</b>	<b>0.7%</b>	<b>225,397</b>	<b>1,824</b>	<b>0.8%</b>

## 1.2. Consolidated income statement

(in thousands of Euro)	Notes	30/06/2023	Of which related parties	% weight	30/06/2022	Of which related parties	% weight
Revenues	2.10.1	120,504	9,939	8.2%	116,804	12,596	10.8%
Other Revenues and income	2.10.2	3,859	256	6.6%	1,501	194	12.9%
<b>Total revenues</b>		<b>124,363</b>			<b>118,305</b>		
Purchases and consumption of raw materials, semi-finished and finished products	2.10.3	(73,188)	(121)	0.2%	(62,263)	(115)	0.2%
Costs for services	2.10.4	(14,373)	(25)	0.2%	(21,096)	(30)	0.1%
Personnel costs	2.10.5	(20,557)			(18,273)		
Other operating costs	2.10.6	(2,566)	(15)	0.6%	(1,199)	(1)	0.1%
Portion of the result of equity investments measured using the equity method	2.10.7	2,082			(827)		
Amortisation, depreciation, provisions and write-downs	2.10.8	(3,165)	(88)	2.8%	(3,809)	(88)	2.3%
<b>EBIT</b>		<b>12,596</b>			<b>10,838</b>		
Finance income	2.10.9	500			644		
Finance costs	2.10.9	(1,148)	(18)	1.6%	(1,633)	(20)	1.2%
Income (costs) from equity investments	2.10.10						
<b>Pre-tax profit (loss)</b>		<b>11,948</b>			<b>9,849</b>		
Income tax	2.10.11	(2,766)			(3,631)		
<b>Profit/(loss) for the period</b>		<b>9,182</b>			<b>6,218</b>		
Minority profit (loss) for the period		111			63		
<b>Group profit/(loss) for the period</b>		<b>9,071</b>			<b>6,155</b>		
Basic and diluted earnings per share (in Euro)	2.11	1.61			1.09		

### 1.3. Consolidated statement of comprehensive income

(in thousands of Euro)	30/06/2023	30/06/2022
<b>Profit/(loss) for the period (A)</b>	<b>9,182</b>	<b>6,218</b>
Actuarial gains/(losses) on employee benefits and provision for agents' leaving indemnities	(17)	274
Tax effect - Actuarial gains/(losses) on employee benefits and provision for agents' leaving indemnities	4	(67)
<b>Total items that will not be subsequently reclassified to the income statement (B1)</b>	<b>(13)</b>	<b>207</b>
Foreign exchange translation differences	662	2,648
<b>Total items that will be subsequently reclassified to the income statement (B2)</b>	<b>662</b>	<b>2,648</b>
<b>Total other comprehensive income components, net of the tax effect (B)=(B1)+(B2)</b>	<b>649</b>	<b>2,855</b>
<b>Total profit for the period (A)+(B)</b>	<b>9,831</b>	<b>9,073</b>
of which pertaining to the Group	9,772	8,922
of which pertaining to third parties	59	151
Basic and diluted earnings per share (in Euro)	1.74	1.55

## 1.4. Statement of changes in consolidated shareholders' equity

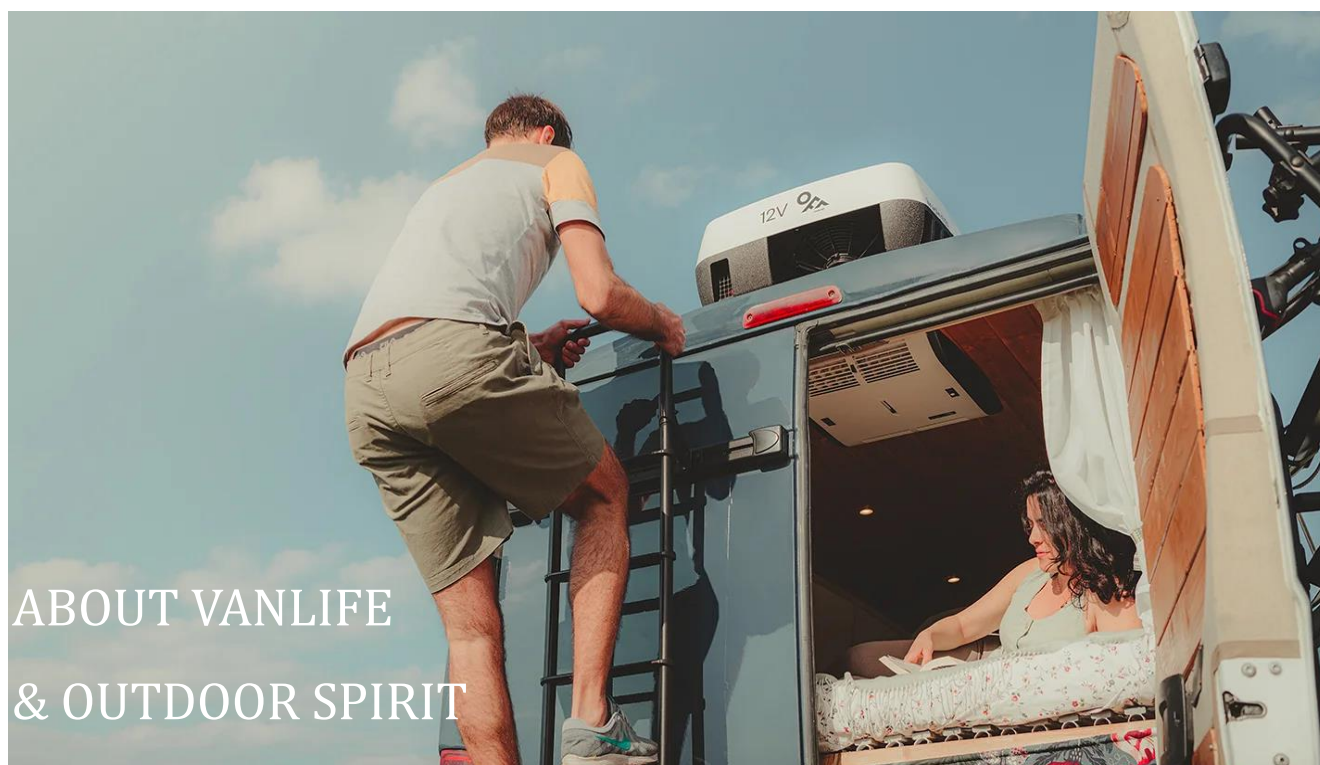
(in thousands of Euro)	Notes	Share capital	Reserves	Profit/(loss) for the period	Group Shareholder's equity	Minority interests	Total Shareholder's equity
<b>Balance as at 01/01/2022</b>	2.9.9	5,842	83,423	24,247	113,512	169	113,681
Allocation of previous year's profit/(loss)			24,247	(24,247)			
• Transactions with shareholders:							
Distribution of dividends			(5,658)		(5,658)		(5,658)
Share capital increase		-					
Purchase of treasury shares			(567)		(567)		(567)
Change in the consolidation area							
<b>Total transactions with shareholders</b>		-	(6,225)	-	(6,225)	-	(6,225)
• Comprehensive income for the period:							
Profit/(loss) for the period				6,155	6,155	63	6,218
Actuarial gains/(losses) on employee benefits and provision for agents' leaving indemnities, net of tax effect			207		207		207
Translation difference			2,560		2,560	88	2,648
<b>Total comprehensive income for the period</b>		-	2,767	6,155	8,922	151	9,073
<b>Balance as at 30/06/2022</b>	2.9.9	5,842	104,212	6,155	116,209	320	116,529

(in thousands of Euro)	Notes	Share capital	Reserves	Profit/(loss) for the period	Group Shareholder s' equity	Minority interests	Total Shareholder s' equity
<b>Balance as at 01/01/2023</b>	2.9.9	5,842	103,020	12,048	120,910	330	121,240
Allocation of previous year's profit/(loss)			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 the consolidation area			-		-		-
<b>Total transactions with shareholders</b>		-	(4,589)	-	(4,589)	-	(4,589)
• Comprehensive income for the period:							
Profit/(loss) for the period				9,071	9,071	111	9,182
Actuarial gains/(losses) on employee benefits and provision for agents' leaving indemnities, net of tax effect			(13)		(13)		(13)
Translation difference			714		714	(52)	662
<b>Total comprehensive income for the period</b>		-	701	9,071	9,772	59	9,831
<b>Balance as at 30/06/2023</b>	2.9.9	5,842	111,180	9,071	126,093	389	126,482

## 1.5. Consolidated statement of cash flows

(in thousands of Euro)	Notes	30/06/2023	30/06/2022
• Operating activities			
Pre-tax profit (loss)		11,948	9,849
Adjustments for:			
Depreciation of property, plant and equipment and amortisation of intangible assets	2.10.8	2,751	2,884
Bad debt provisions	2.10.8	160	183
Provisions for risks and charges	2.10.8	363	441
Provision/(Releases) for inventory obsolescence	2.10.3	171	397
Portion of the result of equity investments measured using the equity method	2.10.7	(2,082)	827
Net finance (income)/costs	2.10.9	648	989
Income from equity investments		-	-
Net exchange rate differences		625	(227)
Other non-monetary components		(39)	400
<b>Cash flows from operations before changes in working capital</b>		<b>14,545</b>	<b>15,743</b>
Cash flow provided by/(used in) changes in working capital		771	(28,164)
- Trade receivables and other assets	2.9.7 2.9.5	(4,021)	(15,796)
- Inventories	2.9.6	43	(13,714)
- Trade payables and other liabilities	2.9.14 2.9.15 2.9.16	4,749	1,346
Taxes paid		(856)	(1,114)
Net finance costs paid		(51)	(180)
Use of provisions		(328)	(115)
Realised net exchange rate differences		(709)	290
<b>Cash flow provided by/(used in) operating activities (A)</b>		<b>13,372</b>	<b>(13,540)</b>
• Investment activities			
Net investments in property, plant and equipment and intangible assets	2.9.1 2.9.2	(1,939)	(2,596)
Net investments in equity investments	2.9.4	-	-

Divestments by associates	2.9.4	-	-
Dividends collected		1,334	-
<b>Cash flow provided by/(used in) investing activities (B)</b>		<b>(605)</b>	<b>(2,596)</b>
• Financing activities			
Taking out mortgages and loans	2.9.12	17,000	29,500
Repayment of mortgages and loans	2.9.12	(7,730)	(14,227)
Dividends paid	2.9.9	(4,514)	(5,658)
Purchase of treasury shares	2.9.9	(75)	(567)
Changes in liabilities for right of use	2.9.12	(318)	36
Other changes in financial liabilities	2.9.12	1,807	1,889
<b>Cash flow provided by/(used in) financing activities (C)</b>		<b>6,169</b>	<b>10,973</b>
<b>Increase/(decrease) in cash and cash equivalents (A)+(B)+(C)</b>		<b>18,936</b>	<b>(5,163)</b>
Cash and cash equivalents at beginning of the period	2.9.8	17,322	24,187
Net effect of translating cash and cash equivalents denominated in foreign currencies		(8)	35
Cash and cash equivalents at end of the period	2.9.8	36,250	19,059





## 2. Explanatory notes to the interim consolidated financial statements

### 2.1. General information

INDEL B SPA (hereinafter referred to as "INDEL B SPA", the "Company" or the "Parent Company") is a company established and domiciled in Italy, with its registered and administrative office in Sant'Agata Feltria, Via Sarsinate 27, and organised under the laws of the Italian Republic.

The INDEL B SPA Group (hereinafter referred to as "the Group") operates in the mobile refrigeration sector, which covers the "Automotive" and "Leisure time" segments and in the refrigeration sector, which covers the "Hospitality" segment. The Group is also active in the mobile air-conditioning sector, with particular reference to the Automotive market represented by commercial vehicles, minibuses, ambulances, agricultural and earthmoving equipment, and in the "Cooling Appliances" sector, which mainly includes wine cellars for storing wine and small refrigerators for storing milk.

As at 30 June 2023, 68.33% of the share capital of the Company of Euro 5,842,000 was held by Amp. Fin. S.r.l., with registered office in Pesaro, 3.43% is treasury shares and 28.24% is free float on the EXM market of Borsa Italiana.

This document was approved by the Board of Directors of the Company on 27 September 2023.

### 2.2. Summary of the adopted accounting standards

The main accounting policies and standards applied in the preparation of the Company's condensed consolidated half-year financial statements as at 30 June 2023 (the "Condensed Consolidated Half-Year Financial Statements") are set out below.

#### 2.2.1. Basis of preparation

The Condensed Consolidated Half-Year Financial Statements were prepared on a going concern basis and in compliance with IAS 34, the standard concerning interim financial reporting. IAS 34 requires the preparation of financial statements in the "condensed" form on the basis of a minimum reporting level significantly less than that required by the International Financial Reporting Standards, issued by the International Accounting Standards Board and adopted by the European Union (hereinafter "EU IFRS"), if financial statements complete with disclosures prepared in accordance with EU IFRS have been previously made available to the public. These Condensed Consolidated Half-Year Financial Statements were

prepared in the "condensed" form and should therefore be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2022 (the "2022 Consolidated Financial Statements").

The Condensed Consolidated Half-Year Financial Statements comprise the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows, the statement of changes in consolidated shareholders' equity and the related explanatory notes. Comparative figures are disclosed as required by IAS 34 (i.e. the figures as at 31 December 2022 for the consolidated statement of financial position, and the figures relating to the half-year ended 30 June 2022 for the consolidated statement of comprehensive income, the consolidated statement of cash flows and the changes in consolidated shareholders' equity).

The Condensed Consolidated Half-Year Financial Statements were prepared in Euro, which is the currency of the primary economic environment in which the Group operates. All amounts included in this document are presented in thousands of Euro, unless otherwise stated.

The financial statements and related classification criteria adopted by the Group as part of the options envisaged by IAS 1 - Presentation of Financial Statements are shown below:

- The consolidated statement of financial position was prepared by classifying assets and liabilities on a "current/non-current" basis;
- The consolidated income statement was prepared separately from the consolidated statement of comprehensive income, and was prepared by classifying operating costs by nature;
- The consolidated statement of comprehensive income includes, in addition to the result for the period, other changes in shareholders' equity items attributable to transactions not carried out with the Company's shareholders;
- The consolidated statement of cash flows was prepared by presenting cash flows generated by operating activities according to the "indirect method".

Like 2022, the first half of 2023 was characterised by an unstable macroeconomic scenario due to the persistent consequences of the war between Russia and Ukraine, the rise in inflation and interest rates, which affected the Group's operations. However, there was an improvement in raw material and energy prices, as well as in world logistics, with a significant reduction in costs compared to previous post-Covid years.

In this context, and despite the various difficulties caused by the conflict between Russia and Ukraine, its repercussions and the rise in interest rates, the Group was able to grow thanks to its planning, organisation and ability to adapt, achieving the best half-year in terms of turnover ever recorded by the Indel B Group. The information in the Half-Year Report should be read with the Consolidated Financial Statements as of December 31, 2022, prepared in accordance with IFRS.

## 2.2.2. Measurement bases of financial statement items

The measurement bases adopted for the preparation of the Condensed Consolidated Half-year Financial Statements are consistent with those used for the preparation of the 2022 Consolidated Financial Statements to which reference is made for completeness with the exception:

1. of income taxes, which are recognized on the basis of the best estimate of the weighted average rate expected for the entire year;
2. of the following standards and amendments, which are applied effective January 1, 2023, as they have become mandatory following the completion of the relevant endorsement procedures by the relevant authorities, where applicable.

## 2.2.3. Accounting standards

### Accounting standards, amendments and interpretations effective from 2023

The accounting standards and policies adopted for the preparation of the half-year financial report as at 30 June 2023 are consistent with those used for the preparation of the financial report as at 31 December 2022, to which reference is made for further information.

The amendments and interpretations to the accounting standards effective from 1 January 2023 are set out below:

- Amendments to IFRS 17 Insurance contracts: Initial application of IFRS 17 and IFRS 9 - Comparative information (published on 9 December 2021)
- IFRS 17 Insurance Contracts (published on 18 May 2017); including the Amendments to IFRS 17 (published on 25 June 2020)
- Amendments to IAS 12 Income taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction (published on 7 May 2021)
- Amendments to IAS 1 Presentation of Financial Statements and to IFRS Practice Statement 2: Disclosure of Accounting Standards (published on 12 February 2021)
- Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (published on 12 February 2021)

The application of the above standards has not had a material impact on the Group's financial position, the results of the operations and of the cash flows.

### Accounting standards issued but not yet effective

The main standards and interpretations already issued at the end of the reporting period, but not yet effective, are listed below:

- Amendments to IAS 12 Income Taxes: International Tax Reform—Pillar Two Model Rules (published on 23 May 2023)
- Amendments to IAS 1 Presentation of financial statements: - Classification of Liabilities as Current or Non-Current (published on 23 January 2020)
- Classification of liabilities as current or non-current - Deferral of Effective Date (published on 15 July 2020); and Effective date (published on 15 July 2020); and - Non-current liabilities with covenants (published on 31 October 2022)
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (published on 22 September 2022)

The Group does not expected any significant impact on its financial position, results of operations and financial position resulting from the application of the above standards.

## 2.3. Consolidation principles

The consolidation methods adopted for the preparation of the Condensed Consolidated Half-year Financial Statements are consistent with those used for the preparation of the 2022 Consolidated Financial Statements to which reference is made.

### 2.3.1. Conversion of financial statements of foreign companies

The following table summarises the exchange rates used to translate the financial statements of companies that have a functional currency other than the euro.

Currency	as at 30/06/2023		as at 31/12/2022	
	Actual	Average	Actual	Average
BRL	5.2788	5.4827	5.6386	5.5565
PLN	4.4388	4.6244	4.6808	4.5883
RUB	95.1052	83.6510	75.6553	83.7419
USD	1.0866	1.0807	1.0666	1.0934

It should be noted that in the absence of an exchange rate for the rouble since the beginning of the Russian-Ukrainian conflict, the figure provided by the Russian Central Bank was used, which is not significantly different from the figure provided by Bloomberg.

## 2.4. Consolidation area

The list of companies included in the consolidation area indicating the method of consolidation for the half-year ended 30 June 2023 and the year ended 31 December 2022 is shown below:

Company name	Registered Office	Currency	Share capital as at 30/06/2023 (in currency units)	% held	
				30/06/2023	31/12/2022
• Parent Company:					
INDEL B S.p.A.	Italy	EUR	5,842,000		
• Subsidiaries - consolidated on a line-by-line basis					
Condor B S.r.l.	Italy	EUR	728,000	100.0%	100.0%
Indel B North America - ex Commercial Products Ltd	USA	USD	10,133	100.0%	100.0%
Autoclima S.p.A.	Italy	EUR	2,750,000	100.0%	100.0%
Indel B Germany GMBH	Germany	EUR	100,000	96.0%	96.0%
Autoclima Russ	Russia	RUB	7,500,000	70.0%	70.0%
Autoclima Iberica	Spain	EUR	150,000	90.0%	90.0%
Autoclima Polska	Poland	PLN	500,000	85.0%	85.0%
Electric Station Climatisation	France	EUR	1,000,000	100.0%	100.0%
SEA s.r.l.	Italy	EUR	100,000	100.0%	100.0%
• Associates - jointly controlled entities, consolidated using the equity method					
Indel Webasto Marine S.r.l.	Italy	EUR	101,490	50.0%	50.0%
Elber Industria de Refrigeracao Ltda	Brazil	BRL	260,000	40.0%	40.0%

In the first half of 2023, there were no changes in the consolidation area. As at 30 June 2023, none of the companies included in the consolidation area operated in hyperinflationary countries.

### 2.4.1. Business combinations

During the first half of 2023, there were no acquisitions or business combinations.

## 2.5. Use of estimates

With reference to the description of the use of accounting estimates, reference is made to the 2022 Consolidated Financial Statements. It should be noted that some measurement processes - in particular, the most complex ones such as the calculation of any impairment of non-current assets - are generally carried out in full only during the preparation of the annual financial statements, when all the information that may be required is available, except in cases where there are impairment indicators requiring an immediate measurement of any impairment. In this regard, it should be noted that the Directors of the Parent Company, identified an impairment indicator on the CGU related to Indel B North America, as the half-year performance of these companies was lower than the planned values, and consequently carried out an impairment test with the consultancy of Deloitte & Touche.

The impairment tests were carried out on the basis of the 2023-2027 plan reformulated and approved by the directors of Indel B North America taking into account the results obtained as at 30 June 2023. The impairment test on the value of the equity investment related to the Indel B North America CGU did not reveal any impairment. For more details, see paragraphs 2.9.1 Intangible assets.

With regard to the goodwill generated by the acquisition of the subsidiary Autoclima, the Parent Company's Directors, by virtue of the excellent trend of the half-year results, which went beyond the forecasts both in terms of turnover and margins, did not identify any indicators to date that would suggest a write-down or impairment of the goodwill recognised in the consolidated financial statements.

## 2.6. Typology and procedures for the management of financial risks

The Group's business is exposed to a number of financial risks that can affect its financial position, the results of the operations and of the cash flows.

The main types of such risks are set out below:

- market risk, arising from exposure to fluctuations in exchange rates and interest rates and to changes in the price of certain materials used to supply products;
- credit risk, arising from the possibility that one or more counterparties may become insolvent;
- liquidity risk, arising from the Group's failure to obtain the required financial resources to meet short-term financial commitments.

The operational management of the aforementioned risks is divided among the various organisational units to which the individual types of risk are functionally assigned.

Moreover, the main financial risks are reported and discussed at the Parent Company level in order to create the conditions for hedging and insuring them as well for assessing any residual risk.

The significance of the Group's exposure to the various financial risk categories identified is discussed below.

### Market risk

- Currency risk

The exposure to the risk of changes in exchange rates arises from the Group's business activities carried out in currencies other than the euro. Revenues and costs denominated in foreign currencies can be affected by exchange rate fluctuations with an impact on trade margins (economic risk), just as trade payables and receivables in foreign currencies can be affected by the conversion rates used, with an impact on the economic result (transaction risk). Finally, exchange rate fluctuations are also reflected in the consolidated results and on shareholders' equity since the financial statements of some companies included in the consolidation area are prepared in currencies other than the Euro and subsequently translated (translation risk).

The main exchange ratio to which the Group is exposed is the Euro/US Dollar (USD) ratio, with reference mainly to cash held in USD and purchases and sales made in USD. Another exchange ratio to which the Group is exposed is the Euro/Brazilian real ratio, with reference to the value of the equity investment in the associate Elber.

- Interest rate risk

The interest rate risk derives from the possible increase in net finance costs as a result of unfavourable changes in market rates on floating-rate financial positions, which expose the Group to a "cash flow" risk arising from interest rate volatility.

The interest rate risk to which the Group is exposed mainly derives from outstanding mortgages and bank loans.

Fixed-rate payables expose the Group to fair value risk in relation to changes in the fair value of the payable related to market changes in reference rates.

In view of the expected trend of the economic situation, the Group's decision during the financial period was mainly oriented towards the use of fixed-rate financial indebtedness, in order to limit the cash flow risk related to variable-rate indebtedness.

It should be noted that the Group does not use interest rate derivatives ("Interest Rate Swaps") to hedge interest rate risk.

- Price risk

The Group's production costs are affected by the price trends of the main raw materials used such as, in particular, metals and plastics. The price of such materials varies depending on a number of factors, many of which are beyond the Group's control and difficult to predict.

With reference to the purchases made by the Group on the Chinese market and denominated in USD or Euro, the Group is also exposed to a price risk due to the development of the exchange rate with the local currency; the price of products purchased in USD or Euro can vary based on the exchange rate of the local currency (Renminbi) against the US dollar and the Euro, respectively, in accordance with customary commercial practices in the Chinese market.

The Group's strategy is to reduce the risk of price increases of goods or raw materials by entering into fixed-price supply contracts on the one hand and by contractually renegotiating the prices charged to After Market customers (Automotive dealers and installers and Hospitality and Leisure time customers) on the other hand, while the OEM component of revenues shows a greater rigidity of contractual price conditions.

Despite the increasing global difficulties, the Group has always been able to source and purchase sufficient raw materials and semi-finished products to meet its requirements, maintain its quality standards and fulfil all orders from its customers. With respect to the first half of 2023, the Group has not adopted any form of volatility risk hedging for raw material costs.

### **Credit risk**

Credit risk is the risk that the Group will suffer a financial loss as a result of a third party defaulting on a payment obligation.

With reference to counterparty risk, cash and cash equivalents are held at primary banking and financial institutions, while the risk related to normal commercial transactions is monitored by the Group's management with the aim of minimising the counterparty risk, which is mainly related to payment extensions granted in relation to the sale of products and services, based on historical information on the insolvency rates of the counterparties themselves. Specifically, the strategies to manage this risk consist in selecting its customers also on the basis of solvency criteria, in using internal procedures to assess their creditworthiness, and, to a certain extent, in insuring its receivables and using letters of credit to guarantee the successful completion of collections.

### **Liquidity risk**

Liquidity risk, or funding risk, is the risk that the Group may have difficulty in obtaining the funds necessary to meet its obligations under financial instruments.



The prudent management of liquidity risk in the Group's normal course of business requires the maintenance of an adequate level of cash and cash equivalents and the availability of an adequate level of credit facilities.

### Classes of financial instruments

To complete the disclosure on financial risks, the following is a reconciliation between the classes of financial assets and liabilities as identified in the statement of financial position and the types of financial assets and liabilities identified on the basis of the requirements of the international accounting standard - IFRS 7 - adopted in these Consolidated Financial Statements.

(in thousands of Euro)	Amortised cost	Fair value recognised in OCI	Fair value recognised in profit or loss	30/06/2023
• Statement of Financial Position Assets				
Non-current financial assets	13			13
Other receivables and other non-current assets	390			390
Deferred tax assets	1,299			1,299
Other equity investments	-		66	66
Trade receivables	54,423			54,423
Cash and cash equivalents	36,250			36,250
Other receivables and other current assets	9,661			9,661
<b>Total</b>	<b>102,036</b>	<b>-</b>	<b>66</b>	<b>102,102</b>
• Statement of Financial Position Liabilities				
Non-current financial liabilities	29,105			29,105
Current financial liabilities	27,818			27,818
Trade payables	45,660		-	45,660
Other current liabilities	10,583			10,583
<b>Total</b>	<b>113,166</b>	<b>-</b>	<b>-</b>	<b>113,166</b>

(in thousands of Euro)	Amortised cost	Fair value recognised in OCI	Fair value recognised in profit or loss	31/12/2022
<ul style="list-style-type: none"> <li>Statement of Financial Position Assets</li> </ul>				
Non-current financial assets	13			13
Other receivables and other non-current assets	462			462
Deferred tax assets	1,381			1,381
Other equity investments	-		66	66
Trade receivables	44,560			44,560
Cash and cash equivalents	17,322			17,322
Other receivables and other current assets	14,729			14,729
<b>Total</b>	<b>78,467</b>	<b>-</b>	<b>66</b>	<b>78,533</b>
<ul style="list-style-type: none"> <li>Statement of Financial Position Liabilities</li> </ul>				
Non-current financial liabilities	24,132			24,132
Current financial liabilities	21,645			21,645
Trade payables	40,068		-	40,068
Other current liabilities	9,522			9,522
<b>Total</b>	<b>95,367</b>	<b>-</b>	<b>-</b>	<b>95,367</b>

## 2.7. Segment reporting

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- whose operating results are regularly reviewed by the entity's chief operating decision maker (for Indel B SPA the Board of Directors) to make decisions about resources to be allocated to the segment and assess its performance;
- for which discrete financial information is available.

The Group identified only one operating segment. In particular, the management information prepared and made available to the Board of Directors for the above purposes considers the business activities carried out by the Group as a whole; consequently, no segment information is presented in the financial statements.

In the half-years ended 30 June 2023 and 30 June 2022, there was also no concentration of revenues of individual customers exceeding 10%.

## 2.8. Seasonal phenomena

The Group's results are usually affected, albeit not significantly, by the seasonal phenomena typical of its reference markets and in particular the market for "parking" air-conditioning systems. In fact, the Group records a relative concentration of revenues from these products in the second and third quarters of each financial year, as sales of air conditioning systems are concentrated in the summer months.

## 2.9. Notes to the statement of financial position

### 2.9.1. Intangible assets

The changes in this item can be broken down as follows:

(in thousands of Euro)	Goodwill	Development costs	Patents and know-how	Concessions, licences, trademarks and similar rights	Other intangible assets	Intangible assets in progress and payments on account	Total
Net values as at 01/01/2022	8,527	640	40	3,709	8,175	255	21,346
Historical cost as at 01/01/2022	8,527	4,577	98	6,052	12,580	255	32,089
Increases	-	130	-	48	-	120	298
Decreases	-	-	(19)	-	-	(114)	(133)
Foreign exchange translation differences	-	-	-	-	-	-	-
Other changes including reclassifications	(400)	136	-	-	-	(136)	(400)
Historical cost as at 31/12/2022	8,127	4,843	79	6,100	12,580	126	31,855
Accumulated amortisation as at 01/01/2022	-	(3,937)	(58)	(2,343)	(4,405)	-	(10,743)
Amortisation	-	(387)	(2)	(312)	(1,028)	-	(1,729)

Decreases	-	-	7	-	-	-	7
Foreign exchange translation differences	-	-	-	-	-	-	-
Other changes including reclassifications	-	-	-	-	-	-	-
<b>Accumulated amortisation as at 31/12/2022</b>	-	<b>(4,324)</b>	<b>(53)</b>	<b>(2,655)</b>	<b>(5,433)</b>	-	<b>(12,465)</b>
<b>Net values as at 31/12/2022</b>	<b>8,127</b>	<b>519</b>	<b>26</b>	<b>3,443</b>	<b>7,146</b>	<b>126</b>	<b>19,387</b>
<b>Historical cost as at 01/01/2023</b>	<b>8,127</b>	<b>4,843</b>	<b>79</b>	<b>6,100</b>	<b>12,580</b>	<b>126</b>	<b>31,855</b>
Increases	-	-	-	159	-	43	202
Decreases	-	-	-	-	-	-	-
Foreign exchange translation differences	-	-	-	(2)	-	-	(2)
Other changes including reclassifications	-	14	-	-	-	(14)	-
<b>Historical cost as at 30/06/2023</b>	<b>8,127</b>	<b>4,856</b>	<b>79</b>	<b>6,257</b>	<b>12,580</b>	<b>155</b>	<b>32,054</b>
<b>Accumulated amortisation as at 01/01/2023</b>	-	<b>(4,324)</b>	<b>(53)</b>	<b>(2,655)</b>	<b>(5,433)</b>	-	<b>(12,465)</b>
Amortisation	-	(144)	(1)	(165)	(216)	-	(526)
Decreases	-	-	-	-	-	-	-
Foreign exchange translation differences	-	-	-	1	-	-	1
Other changes including reclassifications	-	-	-	-	-	-	-
<b>Accumulated amortisation as at 30/06/2023</b>	-	<b>(4,468)</b>	<b>(54)</b>	<b>(2,819)</b>	<b>(5,649)</b>	-	<b>(12,991)</b>
<b>Net values as at 30/06/2023</b>	<b>8,127</b>	<b>388</b>	<b>25</b>	<b>3,438</b>	<b>6,930</b>	<b>155</b>	<b>19,063</b>

The item "Other changes including reclassifications" for 2022 includes the write-down of goodwill of Euro 400 thousand recognised for the subsidiary Indel B North America following the Impairment test carried out in the half-year financial statements.

Investments mainly concern:

- concessions, licences, trademarks and similar rights referring mainly to the purchase of perpetual licenses for Oracle ERP of Euro 148 thousand and for technical area software relating of Euro 8 thousand.
- Intangible assets in progress and payments on account of Euro 43 thousand refer to payments on account for research and development projects and European patent registrations recognised by the Parent Company.

Goodwill as at 30 June 2023 amounted to Euro 8,127 thousand. Goodwill is regarded as an intangible asset with an indefinite useful life and is therefore not amortised, but is tested for impairment at least annually to determine whether the carrying amount has been impaired. The goodwill recognised in the statement of financial position refers to the subsidiary Autoclima and its subsidiaries of Euro 7,147 thousand and the US company Indel B North America of Euro 980 thousand acquired in March 2019. The Autoclima Group and the US subsidiary represent the two CGUs to which the respective goodwill has been allocated.

For the first half of 2023, on the Indel B North America CGU, having identified an impairment indicator, as better described in section 2.5 "Use of estimates", an impairment test was carried out on the goodwill recognised for that CGU.

This method allows the most effective check of goodwill and future investment plans and provides a homogeneous analysis of the information disclosed to the market.

The purpose of impairment testing is to determine whether the carrying amount of an asset exceeds its estimated recoverable amount.

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The fair value is defined as the amount for which an asset can be exchanged in an orderly transaction between market participants, less the costs to sell.

The value in use is the present value of the estimated future cash inflows and outflows that will result from the continuous use of the asset and its final disposal.

The value in use used in the impairment test of the goodwill of the subsidiary Indel B North America is based on the operating cash flows derived from the economic and financial projections based on the Medium-term business plan approved by the respective Board of Director in September 2023, with an explicit horizon until 2027.

The impairment test on the business plans of the company was carried out by Deloitte & Touche by comparing:

- the value of Net Invested Capital - NIC (including goodwill and other intangibles, if any) recognised in the Group's consolidated financial statements at the end of the reporting period and allocated to the identified CGUs (Carrying Amount);
- The recoverable amount of the CGU identified in terms of value in use, for which goodwill is allocated, resulting from the application of the Unlevered Discounted Cash Flow Method to the expected cash flows.

In accordance with International Accounting Standards and current best practice, the Recoverable Amount in terms of Value in Use has been estimated using the Discounted Cash Flow ("DCF") method.

The Value in Use, determined as the Enterprise Value, was obtained by summing:

- 
- the present value of the discounted Unlevered Free Cash Flows for the explicit projection period 2023 - 2027 for the identified CGU;
  - the present value of the Terminal Value calculated after the last explicit projection year (2027).

To determine the Terminal Value required to estimate the Enterprise Value, we considered the value of the cash flows generated under the assumption of continuity at the end of the explicit projection period (2027). The terminal value was estimated by applying a perpetuity considering the long-term sustainable average normal cash flow, the discount rate and a perpetual growth rate. In particular, the normalised cash flow was calculated using Ebitda and amortisation equal to those of 2027. The Terminal Value was estimated using a growth rate equal to the expected long-term inflation estimates for the reference country.

The discount rate used for discounting the cash flows is the post-tax WACC (Weighted Average Cost of Capital) as at 30 June 2023.

The WACC calculated for the North America CGU is 12.3%, the g-rate is 2.1% (2.0% as at 31 Decembre 2022).

Based on the test performed described above, there is no impairment for the Indel B North America CGU, as it has a cover of Euro 1,309 thousand. It should be noted that in the half-year financial statements as at 30 June 2022, the impairment test on the Indel B NA CGU had shown the need to recognise an impairment loss of approximately Euro 400 thousand.

The sensitivity analyses carried out with reference to the WACC and the "g" rate did not reveal any critical issues.

As at 30 June 2023 and 30 June 2022, intangible assets were not encumbered or secured.

## 2.9.2. Property, plant and equipment

The changes in this item can be broken down as follows:

(in thousands of Euro)	Land	Buildings and leasehold improvements	Plant and machinery	Fixtures and fittings, tools and equipment	Other assets	Property, plant and equipment in progress and payments on account	Total
<b>Net values as at 01/01/2022</b>	4,068	20,383	8,862	916	1,196	2,746	38,170
<b>Historical cost as at 01/01/2022</b>	4,068	25,122	23,254	4,893	7,129	2,746	67,212
Increases	-	401	1,168	586	765	2,173	5,093
Decreases	(4)	-	(76)	(1)	(277)	(11)	(369)
Foreign exchange translation differences	15	28	1	6	(2)	-	48
Other changes including reclassifications	-	1,541	668	128	105	(2,822)	(380)
<b>Historical cost as at 31/12/2022</b>	4,079	27,092	25,015	5,612	7,720	2,086	71,604
<b>Accumulated depreciation as at 01/01/2022</b>	-	(4,739)	(14,392)	(3,977)	(5,933)	-	(29,041)
Depreciation	-	(861)	(1,801)	(453)	(462)	-	(3,577)
Decreases	-	-	76	-	259	-	335
Foreign exchange translation differences	-	(7)	-	(2)	(4)	-	(13)
Other changes including reclassifications	-	362	-	-	-	-	362
<b>Accumulated depreciation as at 31/12/2022</b>	-	(5,245)	(16,117)	(4,432)	(6,140)	-	(31,934)
<b>Net values as at 31/12/2022</b>	4,079	21,847	8,898	1,180	1,580	2,086	39,670
<b>Historical cost as at 01/01/2023</b>	4,079	27,092	25,015	5,612	7,720	2,086	71,604
Increases	-	13	527	177	180	840	1,737
Decreases	-	-	(15)	(5)	(35)	-	(55)
Foreign exchange translation differences	(5)	(9)	-	(15)	-	-	(29)

Other changes including reclassifications	-	-	125	122	4	(250)	-
<b>Historical cost as at 30/06/2023</b>	<b>4,074</b>	<b>27,096</b>	<b>25,652</b>	<b>5,891</b>	<b>7,869</b>	<b>2,676</b>	<b>73,258</b>
<b>Accumulated depreciation as at 01/01/2023</b>	<b>-</b>	<b>(5,245)</b>	<b>(16,117)</b>	<b>(4,432)</b>	<b>(6,140)</b>	<b>-</b>	<b>(31,934)</b>
Depreciation	-	(429)	(956)	(256)	(251)	-	(1,892)
Decreases	-	-	15	4	35	-	54
Foreign exchange translation differences	-	3	(1)	8	1	-	11
Other changes including reclassifications	-	-	2	-	(2)	-	-
<b>Accumulated depreciation as at 30/06/2023</b>	<b>-</b>	<b>(5,671)</b>	<b>(17,057)</b>	<b>(4,676)</b>	<b>(6,357)</b>	<b>-</b>	<b>(33,761)</b>
<b>Net values as at 30/06/2023</b>	<b>4,074</b>	<b>21,425</b>	<b>8,595</b>	<b>1,215</b>	<b>1,512</b>	<b>2,676</b>	<b>39,497</b>

The investments in property, plant and equipment made by the Group in the first half of 2023, totalling Euro 1,737 thousand, are mainly related to:

- plant and machinery of Euro 527 thousand, mainly referring to i) new plants relating to the new buildings at Secchiano and at the company canteen adjacent to the main factory; ii) purchase of vertical warehouses; iii) purchase of new moulds for production; iv) improvements to production lines; v) improvements to generic plants;
- fixtures and fittings, tools and equipment of Euro 177 thousand, mainly referring to the purchase of equipment for workshops and for assembly lines;
- other assets of Euro 180 thousand, mainly related to i) the purchase of new motor vehicles; ii) internal means of transport; iii) the purchase of PCs and printers; iv) the purchase of other assets, such as furniture and shelves;
- property, plant and equipment in progress and payments on account of Euro 840 thousand, mainly referring to the expansion of a new area adjacent to the already operational production area located in via Montefeltro, 118 Secchiano (RN) and payments on account for new production moulds.

As at 30 June 2023, no property was encumbered by a mortgage.

### 2.9.3. Right of use

Changes in this item are broken down as follows:



(in thousands of Euro)	Buildings and leasehold improvements - Right of use	Plant and machinery - Right of use	Other assets - Right of use	Total
<b>Historical cost as at 01/01/2022</b>	4,130	1,106	370	5,606
Increases	459		70	529
Decreases	(208)		(27)	(235)
Foreign exchange translation differences	(2)			(2)
Other changes including reclassifications (*)	(51)			(51)
<b>Historical cost as at 31/12/2022</b>	4,328	1,106	413	5,847
Increases				-
Decreases				-
Foreign exchange translation differences	4			4
Other changes including reclassifications (*)	67			67
<b>Historical cost as at 30/06/2023</b>	4,399	1,106	413	5,918
<b>Accumulated depreciation as at 01/01/2022</b>	(746)	(995)	(100)	(1,841)
Depreciation	(516)	(111)	(124)	(751)
Decreases	92		37	129
Foreign exchange translation differences	3			3
Other changes including reclassifications (*)	140			140
<b>Accumulated depreciation as at 31/12/2022</b>	(1,027)	(1,106)	(187)	(2,320)
Depreciation	(272)		(61)	(333)
Decreases				-
Foreign exchange translation differences	(4)			(4)
Other changes including reclassifications (*)	(81)		14	(67)
<b>Accumulated depreciation as at 30/06/2023</b>	(1,384)	(1,106)	(234)	(2,724)
<b>Net values as at 30/06/2023</b>	3,015	-	179	3,194

This item represents the discounted value of future lease payments relating to multi-year operating leases outstanding as at 30 June 2023, as required by IFRS 16 effective from 1 January 2019. The impact of IFRS 16 on EBITDA as at 30 June 2023 is positive by Euro 365 thousand, the impact on EBIT is positive by Euro 33 thousand, and the impact on pre-tax profit is negative by Euro 14 thousand.

#### 2.9.4. Equity investments measured using the equity method

The changes in this item can be broken down as follows:

(in thousands of Euro)	Jointly controlled entities	Associates	Total
Values as at 1 January 2022	5,669	8,041	13,710
Investments/Divestments			
Dividends	(1,500)	(462)	(1,962)
Net result	2,873	(2,134)	739
Foreign exchange translation differences	132	1,406	1,538
Values as at 31 December 2022	7,174	6,850	14,024
Investments/Divestments			
Dividends	(1,100)	(234)	(1,334)
Net result	1,766	316	2,082
Foreign exchange translation differences	(74)	924	850
Values as at 30 June 2023	7,766	7,856	15,622

As at 30 June 2023, the category "Jointly controlled entities" refers to the 50% equity investment in Indel Webasto Marine S.r.l. (hereinafter "Indel Webasto Marine"). The foreign exchange translation difference is related to the subsidiary by the Indel Webasto Marine USA.

As at 30 June 2023, the category "Associates" refers to the 40% stake held in the company Elber Industria de Refrigeraçao Ltda (hereinafter referred to as "Elber") for Euro 7,856 thousand (Euro 6,850 as at 31 December 2022).

In relation to the equity investment in the company Elber, it should be noted that the Directors, considering the half-year performance of the associate, in line with the expectation, did not deem it appropriate to carry out an impairment test.

## Other equity investments

This item, amounting to Euro 66 thousand as at 30 June 2023 (Euro 66 thousand as at 31 December 2022), refers to the value of the 3.5% equity investment held in Bartech System Int USA.

### 2.9.5. Other receivables and other assets (non-current and current)

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022	Chg	% chg
Tax receivables due beyond 12 months	147	144	3	2%
Other non-current assets	243	318	(75)	-24%
<b>Other receivables and other non-current assets</b>	<b>390</b>	<b>462</b>	<b>(72)</b>	<b>-16%</b>
Tax receivables	6,387	6,656	(269)	-4%
Receivables from social security institutions	425	155	270	174%
Accrued income and prepaid expenses	832	399	433	109%
Other current assets	2,017	7,519	(5,502)	-73%
<b>Other receivables and other current assets</b>	<b>9,661</b>	<b>14,729</b>	<b>(5,068)</b>	<b>-34%</b>

The item "Other current assets" decreased significantly in that it included as at 30 June 2022 the receivable from the purchaser Xinyu Yuanxing Ent. China for the sale of the equity investment in Guangdong Iceco Enterprise amounting to Euro 7,187 thousand collected by the Parent Company as at 28 June 2023 for Euro 6,283 thousand.

The item "Current tax receivables" refers mainly to VAT receivables amounting to Euro 6,387 thousand.

### 2.9.6. Inventories

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022	Chg	% chg
Raw materials and consumables	36,110	36,439	(329)	0%
Work in progress and semi-finished goods	3,213	3,028	185	1%
Finished products and goods for resale	32,007	31,913	94	0%
Provision for inventory obsolescence	(2,439)	(2,275)	(164)	7%
<b>Total</b>	<b>68,891</b>	<b>69,105</b>	<b>(214)</b>	<b>0%</b>

The item "Inventories" as at 30 June 2023 is essentially the same as at the end of December 2022, despite the increase in sales volumes. Lower logistics costs in the first half of 2023 contributed to the decrease in the value of inventories, which is essentially offset by the quantities increase. Following the implementation of a new information system, the company Autoclima reclassified its article coding, transforming most of its purchase codes from semi-finished products and raw materials, thus aligning itself with the criteria adopted by the parent company, The figure as of December 31, 2022 has been re-exposed for better comparability.

The following table shows the changes in the provision for inventory obsolescence for the half-year ended 30 June 2023 and for the year ended 31 December 2022:

(in thousands of Euro)	Provision for inventory obsolescence
<b>Values as at 01/01/2022</b>	<b>1,861</b>
Allocations	406
Uses/Releases	-
Foreign exchange translation differences	8
<b>Values as at 31/12/2022</b>	<b>2,275</b>
Allocations	171
Uses/Releases	-
Foreign exchange translation differences	(7)
<b>Values as at 30/06/2023</b>	<b>2,439</b>

### 2.9.7. Trade receivables

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022
Gross trade receivables	55,301	45,283
Bad debt provision	(878)	(723)
<b>Total</b>	<b>54,423</b>	<b>44,560</b>

The item "Trade receivables" includes receivables from domestic and foreign customers. The increase in trade receivables compared to 31 December 2022 is related to the growth in revenues, particularly in the Automotive market, where collection times are longer.

Trade receivables not past due amounted to Euro 52,826 thousand as at 30 June 2023.

Changes in the bad debt provision for the periods under review are shown below:

(in thousands of Euro)	Bad debt provision
<b>Values as at 01/01/2022</b>	<b>580</b>
Allocations	206
Uses/Releases	(62)
<b>Values as at 31/12/2022</b>	<b>723</b>
Allocations	160
Uses/Releases	(5)
<b>Values as at 30/06/2023</b>	<b>878</b>

Receivables were written off using the bad debt provision when the likelihood of recovery is considered to be remote.

The carrying amount of trade receivables (net of bad debt provision) as at 30 June 2023 and as at 31 December 2022 is deemed to be more or less in line with their fair value.

The maximum exposure to credit risk at the end of each period is the fair value of trade receivables.

With regard to the company Autoclima S.p.A., it should be noted that it opted for the voluntary collaboration procedure pursuant to Art. 7 of Italian Decree Law no. 193 of 22 October 2017, converted with amendments by Italian Law no. 225 of 1 December 2017, and on 2 October 2017 it paid the total amount of Euro 262 thousand for taxes, interest and penalties to the tax authorities.

This adhesion is related to transactions carried out by Autoclima in the years prior to its acquisition by the Group, which led to a depletion of its assets in favour of former shareholders.

During 2017, the current Directors of Autoclima deemed it necessary to request from the former shareholders the return of the amount subtracted by them and therefore recognised the corresponding receivable in the financial statements for a total amount of Euro 541 thousand, equal to the sum of the amounts received by them without reason for approximately Euro 439 thousand, plus penalties and non-deductible VAT for a total of approximately Euro 101 thousand.

During 2018, the Company also integrated the voluntary collaboration procedure pursuant to Art. 7 of Italian Decree Law no. 193 of 22 October 2017, converted with amendments by Italian Law no. 225 of 1 December 2017, and paid the total amount of Euro 252 thousand for taxes, interest and penalties on 23 October 2018 and 8 November 2018. This amount was repaid in full by the former members in November 2018 and March 2019.

This integration refers to the same transactions carried out by Autoclima in previous years that led to a depletion of its assets in favour of former shareholders and that had already been highlighted in the 2017 financial statements.

Therefore, during 2018, the Directors deemed it appropriate to supplement the receivable recognised in the financial statements relating to the sums to be claimed from the former shareholders by the additional amount of Euro 40,000 resulting from this supplement.

Finally, the Directors had decided prudently set aside the entire amount of the receivable to a provision for allowance for doubtful accounts, which to date has been fully utilized by closing the related receivables.

On 30 June 2022, the Court of Asti dismissed Autoclima's claims in this case. The judge considered that the other party was not punishable because of the intermediation of parties without taking into account the final beneficiary of the payments made, as evidenced by the available documentation.

The Directors of the subsidiary, together with their lawyers, considered not to appeal to the second instance.

#### 2.9.8. Cash and cash equivalents

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022
Bank and postal deposits	36,229	17,310
Cheques, cash at bank and in hand	21	12
<b>Total</b>	<b>36,250</b>	<b>17,322</b>

Bank and postal deposits include available funds deposited on current accounts with leading banking and financial institutions.

It should be noted that there were no restricted cash and cash equivalents as at 30 June 2023 and 31 December 2022.

Please refer to the analysis of the statement of cash flows for a better understanding of the changes related to this item.

## 2.9.9. Shareholders' equity

The main components of shareholders' equity are as follows:

(in thousands of Euro)	30/06/2023	31/12/2022
Share capital	5,842	5,842
Share premium reserve	23,812	23,887
Legal reserve	1,168	1,168
Other reserves	86,200	77,965
Profit/(loss) for the period	9,071	12,048
<b>Total</b>	<b>126,093</b>	<b>120,910</b>
Minority interests in share capital and reserves	278	189
Minority interests in profit/(loss) for the period	111	141
<b>Total</b>	<b>126,482</b>	<b>121,240</b>

### Share capital

The Company's share capital of Euro 5,842 thousand as at 30 June 2023 (Euro 5,842 thousand as at 31 December 2022) is fully subscribed and paid-up and consists of 5,842,000 thousand ordinary shares with a nominal value of Euro 1.00 each.

### Share premium reserve

The share premium reserve amounted to Euro 23,812 thousand and resulted from the IPO transaction and the share capital increases of September and November 2017. The decrease in the reserve as at 30 June 2023 compared to 31 December 2022 is due to the treasury shares purchased by the Company during the first half of 2023. As at 30 June 2023, the Company held 200,354 treasury shares at a value of Euro 4,276 thousand.

With reference to the share capital increase operations, the first increase was subscribed and paid for Euro 1,000,000 plus a share premium of Euro 20,839 thousand by Qualified Investors as part of the institutional placement aimed at listing the Company's shares on the EXM.

A further 100,000 shares were subscribed in September 2017 by the former shareholders of Autoclima SpA.

The issue price of the New Shares was set at Euro 25 per share, of which Euro 1.00 to be allocated to share capital and Euro 24.00 as share premium (Euro 2,400 thousand) in line with the criteria already used to determine the share price at the end of the listing process. This price was quantified in compliance with the proxy granted by the Shareholders'

Meeting to the Board of Directors, which provided for the possibility of offering newly issued shares to third parties, even after the closing of the listing process, provided that the price in line with the market trend and in case not lower than the IPO offer price, which was set at Euro 23 per share.

Similarly, the share capital increase of November 2017 is related to the agreement with an institutional investor concerning the issue, in favour of the latter, of 160,000 new Indel B S.p.A. shares deriving from the share capital increase approved by resolutions passed at the Shareholders' Meetings of 7 March and 6 September 2018 at a subscription price of Euro 31.3 per share, of which Euro 1.00 is to be allocated to share capital and Euro 30.3 as a share premium (Euro 4,849 thousand), for a total value of Euro 5,008,000 (including share premium).

### Legal reserve

The "Legal reserve" is related to the Parent Company and consists of provisions made pursuant to Article 2430 of the Italian Civil Code, as described in the section of the accounting standards of this document.

This reserve amounted to Euro 1,168 thousand as at 30 June 2023 (Euro 1,168 thousand as at 31 December 2022).

### Other reserves

Other reserves, which totalled Euro 86,200 thousand as at 30 June 2023, mainly include the reserve for exchange-rate differences in the foreign currency financial statements of consolidated companies, the extraordinary reserve, the reserve for actuarial gains and losses, the economic results of previous years for the portion not distributed or allocated to the legal reserve, as well as the reserve generated upon first-time adoption of IFRS.

Reconciliation of the Group's Shareholders' equity and Profit/(loss) for the period with the Parent Company's comparative figures

(in thousands of Euro)	30/06/2023		31/12/2022	
	Shareholders' equity	Profit/(loss) for the period	Shareholders' equity	Profit/(loss) for the period
<b>Shareholders' equity and Profit/(loss) as reported in the Parent Company's Financial Statements</b>	<b>103,101</b>	<b>6,495</b>	<b>101,205</b>	<b>11,608</b>
Effect of consolidation of subsidiaries	68,283	4,021	63,603	2,543
Effect of elimination of equity investment values	(35,540)	-	(35,540)	-
Elimination of intra-group dividends	(9,362)	(1,334)	(8,028)	(1,962)
Minority interests	(389)	(111)	(330)	(141)
<b>Group Shareholders' equity and Profit/(loss)</b>	<b>126,093</b>	<b>9,071</b>	<b>120,910</b>	<b>12,048</b>

### 2.9.10. Provisions for risks and charges

The "Provisions for risks and charges" amounted to Euro 3,011 thousand as at 30 June 2023 (Euro 2,951 thousand as at 31 December 2022).



Changes in the provisions for risks and charges for the half-year ended 30 June 2023 and 31 December 2022 are shown below:

(in thousands of Euro)	Provision for agents' leaving indemnities	Product guarantee fund	Other provisions	Provisions for risks and charges
<b>Values as at 01 January 2022</b>	<b>230</b>	<b>424</b>	<b>1,255</b>	<b>1,909</b>
Allocations	13	622	1,368	2,003
Finance costs	2	-	-	2
Actuarial (gains)/losses	(15)	-	-	(15)
Other changes including reclassifications		-1		(1)
Uses/Releases	-	(153)	(795)	(947)
<b>Values as at 31 December 2022</b>	<b>230</b>	<b>892</b>	<b>1,828</b>	<b>2,951</b>
Allocations	8	246	109	363
Finance costs	4	-	-	4
Actuarial (gains)/losses	5	-	-	5
Other changes including reclassifications		-		-
Uses/Releases	-	(310)		(310)
<b>Values as at 30 June 2023</b>	<b>247</b>	<b>828</b>	<b>1,937</b>	<b>3,011</b>

The provision for agents' leaving indemnities represents a reasonable forecast of the charges that would be borne by the company in the event of termination of the agency relationship. This provision was measured, with regard to one-firm agents, using the actuarial method of measuring the unit credit projection carried out by independent actuaries in accordance with IAS 19, and with regard to multi-firm agents by applying the actuarial method set forth in IAS 37. The economic and demographic assumptions used for the purposes of the actuarial valuations of the provision for one-firm agents under IAS 19 are detailed below:

	30/06/2023	31/12/2022
Annual technical discounting rate	3.60%	3.77%
Annual inflation rate	-	-

The product guarantee fund represents the estimated future costs to be incurred for work on products sold and covered by the guarantee. This fund was calculated on the basis of historical information regarding the nature, frequency and average cost of repairs under guarantee. The average guarantee period for products sold and covered by a guarantee is approximately two years. Euro 246 thousand was allocated to the product guarantee fund. In particular, after the

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customer DAF reported a defect related to an electronic component in some refrigerators, the Parent Company set aside Euro 200 thousand in case the customer decided to launch a recall campaign. This amount represents the risk coverage estimated by the Directors.

In the first half of 2023, the product guarantee fund was used/released for the amount of Euro 310 thousand; in particular, a provision of Euro 144 thousand was used by the Parent Company as a result of a defect reported by the customer Iveco due to a defect in the supply of a component, a provision made during 2022.

The subsidiary Autoclima S.p.A. markets its products (equipment or components for vehicle air-conditioning and refrigeration) in Russia operating through its Russian subsidiary Autoclima Russia LLC, which, in turn, resells these products to other Russian companies outside the Indel B Group.

The recently introduced and evolving European regulations impose specific restrictive measures on business transactions with certain counterparties located in Russia and Belarus.

The violation of these restrictive measures results in the imposition of administrative fines.

Identifying counterparties with whom transactions are not permitted is not always straightforward, as it involves checking not only the direct counterparty to the transaction, but also parties linked to it through direct or indirect investment relationships, which may also be on the lists of parties with which transactions are restricted.

Therefore, the risk cannot be excluded that Autoclima Russia, operating in good faith and despite the adoption of specific procedures and controls to mitigate this risk, may be sanctioned for having carried out transactions with parties subject to the aforementioned restrictive measures (transactions that would, in any case, be of an extremely small amount given the average unit value of transactions carried out by this company).

For this reason, as at 31 December 2022, out of an abundance of caution and prudence, a provision of Euro 1 million was set aside to cover the costs that the company may have to bear if such violations are actually discovered by the competent authorities and the company is consequently subject to penalties in this respect.

There was no need to make adjustments to this provision in the consolidated financial statements as of June 30, 2023. Finally, it should be noted that there are no ongoing assessments or proceedings.

As at 30 June 2023, the item "Other provisions" also included the provision following the settlement of the "Long Term Incentive Plan 2021-2023" for certain strategic executives and a provision of Euro 150 thousand relating to the dispute involving the subsidiary Electric Station Climatisation S.A.S. ("ESC").

On March 21, 2023, the French company Electric Station Climatisation S.A.S. ("ESC"), part of the Autoclima Group, was notified of a court case initiated before the Commercial Chamber of the Strasbourg Court undertaken by the client Soframe - Société Française de Matériel ("Soframe") and Lohr Industries ("Lohr") whose first hearing, originally scheduled for July 4, 2023, was postponed to January 9, 2024.

The case concerns Soframe and Lohr's challenge of alleged faults and malfunctions detected in air conditioning systems designed, manufactured, installed, and sold by Electric Station Climatisation S.A.S. that were part of a contract to supply military vehicles for the Saudi National Guard, preceding the company's acquisition by the Indel B Group.

Although the proceedings have not yet begun, the Group, in view of the counterparty's claim (which was in any case deemed insubstantial and specious), has immediately activated in order to assess the risk profiles on the French company and the Indel B Group with the support of its experts and lawyers. The Directors, also on the basis of the opinion of their lawyers, believe that they have valid reasons to support their defense and, at present, the chances of a negative outcome are to be considered between possible and remote, especially with reference to the contested amounts.

In addition, under the terms of the ESC purchase agreement, there are certain contractual guarantees that can be activated in the event of a negative outcome of the proceedings; not least, that the risk for the Group is limited to the investment in the French company. Based on these assumptions, the Directors decided not to allocate any liabilities in the Autoclima Group's sub-consolidated financial statements, except for a provision for legal expenses in the amount of Euro 150 thousand

Following the two Reports on findings submitted by the Tax Authorities during the financial years 2017 to 2021, the following updates are reported.

#### **Notice of settlement of the registration fee and reclassification by the Tax Authorities of the deed of 8 September 2017**

As previously announced, on 30 November 2017, the Company was served with a notice of settlement of the registration fee in relation to the transaction for the purchase of the entire equity investment in Autoclima Spa, which was finalised on 8 September 2017.

The Tax Authorities have essentially reclassified the deed of "transfer of shares" as a deed of "transfer of business", through an unacceptable interpretation and application of Article 20 of Italian Presidential Decree no. 131 of 26 April 1986. The reclassification of the deed is related only to the registration fee. Following this reclassification, the Tax Authorities served the transferors of the shares and the Company with the above-mentioned notice and demanded a registration fee of Euro 1,536 thousand, plus interest, to be paid jointly and severally by the parties. The Company immediately lodged an appeal with the Provincial Tax Commission of Pesaro against the notice of settlement, together with a request for suspension of the deed. The appeal based its main objections on the incorrect/unlawful application of Art. 20 of Italian Presidential Decree no. 131/1986, which wrongly considers the legal effects of a transfer of shares tantamount to those of a business transfer. Moreover, the 2018 Budget Law amended the text of Art. 20 by clarifying the scope of the regulations and specifying, as the Ministerial Report well points out, that a transfer of shares, whether in full or in part, cannot be reclassified pursuant to Art. 20 as a transfer of business. The Provincial Tax Commission of Pesaro, with judgement no. 408/2018 filed on 4 July 2018, upheld the company's appeal on the assumption of the interpretation - with retroactive effect - of the renewed provisions of the aforementioned Art. 20.

Pending the proceedings, Art. 1, para. 1084, of Italian Law no. 145 of 30 December 2018 (2019 Budget Law), textually stated that: "Article 1, paragraph 87, letter a), of Italian Law no. 205 of 27 December 2017 constitutes an authentic interpretation of Article 20, paragraph 1, of the consolidation act referred to in Italian Presidential Decree no. 131 of 26 April 1986". Therefore, the 2019 Budget Law (Art. 1, para. 1084), overcoming the orientation of legitimacy that had been

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formed in the meantime, established, without leaving any room for uncertainty, the authentic interpretation and, therefore, the retroactivity of the amendments already made by the 2018 Budget Law to Art. 20 of Italian Presidential Decree no. 131/86 on reclassification for the purposes of registration fees.

Notwithstanding the renewed regulations, the Tax Authorities appealed against the judgement in first instance, in a nutshell, on the sole ground that it was vitiated by a "vizio in giudicando" in that, "in the case in point, the CTP decided to apply a supervening regulation (not similar to those to which the "favor rei" principle applies) in a case of obvious inapplicability and, moreover, in the absence of factual assumptions", placing itself "in contrast both with the principles of succession of laws in time (known as the "tempus regit actum" principle Art. 11 of the prel. prov. of the Italian Civil Code) and with the principles of non-retroactivity of tax regulations (Art. 14 of the Italian Civil Code)".

In May, the Provincial Department of Pesaro-Urbino, after requesting a specific opinion from DRE Marche, ordered the rejection of the request for self-help of the notice of settlement issued, submitted by the company pending the dispute proceedings, considering that the new provisions of Art. 20 of Italian Presidential Decree no. 131/1986, the retroactive effect of which was finally recognised, as we have always maintained, do not entail the supervening illegitimacy of the contested deed on the assumption that the enforcement deed would remain "consistent even with the new wording of Art. 20 of the T.U.R. and therefore immune from any defect of legitimacy".

The arguments put forward by the Provincial Department of Pesaro-Urbino are in clear contrast with the position now adopted by the Constitutional Court, which, in its judgement no. 158 filed on 21 July 2020, declared unfounded the questions of constitutionality raised by the Court of Cassation (by order no. 23549/2019) and confirmed that Article 20 of Italian Presidential Decree no. 131/1986 can be applied, even retroactively, only in relation to the individual deed to be registered, thus putting an end to the dispute over the interpretation of this regulation, which can therefore be considered settled in all respects.

Therefore, as things stand, Indel B will be obliged to continue the litigation procedure before the Regional Tax Commission of Ancona in the Marche region, where the case is still pending, considering that the tax authorities' action was specious, as already sanctioned by the Provincial Tax Commission of Pesaro, which upheld the company's appeal with a judgement based on the same considerations subsequently expressed by the Constitutional Court.

In the light of the above and after consulting their tax advisors, the Directors of the Company considered that the risk arising from the aforementioned notice of settlement can, as things stand, continue to be considered remote and, therefore, no provision was recorded in the financial statements for the same risk.

#### **Other actual and/or potential disputes**

As things stand, there are no other pending tax disputes.

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On 6 August 2018, a tax audit was initiated in the Brazilian associate, which led to the Brazilian tax authority's allegation of non-payment of IPI, the tax on industrial products, in previous years. It is not yet possible to predict the outcome of the audit; however, as the audit mostly refers to a period prior to the date of acquisition of 40% by Indel B, even if the audit were to result in liabilities for the associate, these would be almost fully indemnified by the seller and contractual guarantees are provided for this.

In confirmation of the above, it should be noted that the associate, considering the risk of loss to be probable, allocated a specific provision as at 31 December 2018 and, at the same time, recorded a receivable from the majority shareholder, as well as seller, for an amount equal to the part that will be indemnified by the same.

In the light of the above, no further risk should be deemed to exist in relation to the above-mentioned tax credits.

### 2.9.11. Employee benefits

Changes in "Employee benefits" for the first half of 2023 and in 2022 are shown below:

(in thousands of Euro)	Employee benefits
<b>Values as at 01 January 2022</b>	<b>1,749</b>
Finance costs	53
Actuarial (gains)/losses	(274)
Uses/Releases	(90)
<b>Values as at 31 December 2022</b>	<b>1,438</b>
Finance costs	43
Actuarial (gains)/losses	13
Uses/Releases	(52)
<b>Values as at 30 June 2023</b>	<b>1,442</b>

This item is entirely related to "Post-employment benefits", governed by Article 2120 of the Italian Civil Code, which includes the estimate of the obligation related to the amount to be paid to employees upon termination of employment as benefit. The benefit is calculated on the basis of the salary paid in respect of the employment relationship, revalued up to the time of its termination. As a result of the legislative changes introduced as at 1 January 2007, the accruing post-employment benefits are allocated either to pension funds or to the treasury fund set up with INPS, depending on the choice made by each employee. This implies that the liability relating to the accrued post-employment benefits accrued prior to 1 January 2007 continues to represent a defined benefit plan to be measured according to actuarial

techniques, while a portion of the accruing post-employment benefits is classified as a defined contribution plan as the company's obligation ends with the payment of contributions to the pension fund or INPS.

The provision reflects the effects of discounting in accordance with IAS 19.

The economic and demographic assumptions used for the purposes of the actuarial valuations:

	30/06/2023	31/12/2022
Discounting rate	3.60%	3.77%
Inflation rate	5.7% for 2023, 2.7% for 2024, 2.0% as from 2025	5.9% for 2023, 2.3% for 2024, 2.0% as from 2025
Rate of increase of Post-employment benefits	5.78% for 2023, 3.53% for 2024, 3.0% as from 2025	5.93% for 2023, 3.33% for 2024, 3.0% as from 2025

## 2.9.12. Financial liabilities (non-current and current)

A breakdown of current and non-current financial liabilities as at 30 June 2023 and a comparison with 31 December 2022 is provided below:

(in thousands of Euro)	Balance as at 30/06/2023		Balance as at 31/12/2022	
	Current portion	Non-current portion	Current portion	Non-current portion
<b>Current and non-current financial liabilities</b>				
Bank mortgage and loans	23,476	25,353	19,725	20,017
Loan of the Ministry of Economic Development and SIMEST	212	1,077	150	1,128
Other financial liabilities	131	-	-	-
Right-of-use payables	635	2,675	642	2,987
Advances on current accounts	3,364	-	1,128	-
<b>Total</b>	<b>27,818</b>	<b>29,105</b>	<b>21,645</b>	<b>24,132</b>

The item "Other financial liabilities" refers to interest expenses on loans, the payment of which was deferred as per Italian Decree Law no. 61, dated 01 June 2023, in response to the floods that hit Emilia-Romagna in May 2023.

The item "Right-of-use payables" refers to the financial payable mainly related to long-term lease agreements for the buildings in which certain branches of the Parent Company and its subsidiaries are located. The liability was recognised in accordance with the provisions of the new IFRS 16 effective as from 1 January 2019, and is determined as the present value of the future lease payments discounted at a marginal interest rate that has been determined to be between 1% and 3% based on the expected duration of each contract.

The item "Advances on current accounts" refers to current account overdrafts.

The following table provides a breakdown of bank mortgages and loans, including the loan granted by the Ministry of Economic Development and the loan disbursed in 2021 by SIMEST, outstanding as at 30 June 2023 and as at 31 December 2022:

(in thousands of Euro)	Maturity	30/06/2023	of which current portion	31/12/2022	of which current portion
Rimini Banca - ICCREA	2025	8,144	3,479	3,144	1,250
Cariparma/Credit Agricole	2024/2025	6,941	3,794	7,764	3,780
Intesa San Paolo	2026	6,223	1,973	1,409	370
Unicredit	2025	3,630	2,264	4,080	1,807
Monte Paschi di Siena	2023/2025	6,096	3,742	6,221	2,698
BPER	2025	5,364	2,673	6,694	2,663
Banco BPM	2024	7,000	2,309	5,000	5,000
Banco Desio	2025	5,430	3,242	5,430	2,156
Ministry of Development	2027	810	152	797	150
SIMEST loan	2025/2027	480	60	481	0.5
<b>Total</b>		<b>50,118</b>	<b>23,688</b>	<b>41,020</b>	<b>19,875</b>

The following table provides a breakdown of bank mortgages and loans, including the loan granted by the Ministry of Economic Development, outstanding as at 30 June 2023 by maturity dates:

(in thousands of Euro)	Residual debt as at 30/06/2023	2023	2024	2025	2026	2027	2028	Beyond 2028
Rimini Banca - ICCREA	8,144	2,042	2,893	2,334	876	-	-	-
Cariparma/Credit Agricole	6,941	1,890	3,423	1,628	-	-	-	-
Intesa San Paolo	6,223	978	2,006	2,077	1,162	-	-	-
Unicredit	3,630	1,355	1,817	457	-	-	-	-
Monte Paschi di Siena	6,096	2,574	2,344	1,179	-	-	-	-
BPER	5,364	1,333	2,682	1,349	-	-	-	-
Banco BPM	7,000	-	7,000	-	-	-	-	-
Banco Desio	5,430	2,156	2,177	1,097	-	-	-	-
Ministry of Development	810	163	154	159	164	170	-	-
SIMEST loan	480	0	120	120	120	120	-	-
<b>Total</b>	<b>50,118</b>	<b>12,491</b>	<b>24,616</b>	<b>10,400</b>	<b>2,321</b>	<b>290</b>	<b>-</b>	<b>-</b>

## Loans disbursed in the first part of 2023

### 1. Loan agreement with BPM

On 03 April 2023, the Parent Company entered into a loan agreement of Euro 7,000 thousand at fixed rate 4.24%. The BPM loan has a duration of 18 months, with repayment of 4 interest-only instalments, the first of which will expire on 30 June 2023, and 3 principal and interest payments, the first of which will expire on 30 June 2024.

### 2. Loan agreement with Riviera Banca

On 25 May 2023, the Parent Company entered into a loan agreement of Euro 5,000 thousand at fixed rate 4.04%. The Riviera Banca loan has a duration of 38 months, with repayment of 1 interest-only instalment, which expired on 30 June 2023, and 6 half-yearly instalments, the first of which will expire on 31 December 2023.

### 3. Loan agreement with Intesa San Paolo

On 31 May 2023, the Parent Company entered into a loan agreement of Euro 5,000 thousand at fixed rate 4.06%. The Intesa San Paolo loan has a duration of 3 years, with repayment of 1 interest-only instalment, which expired on 30 June 2023, and quarterly instalments, the first of which will expire on 29 September 2023.

It also provides for the calculation and disclosure of certain financial covenants on the annual consolidated financial statements:

- NFP/EBITDA
- EBITDA/Finance Costs

It should be noted that the Parent Company and the subsidiary Condor B benefited from the suspension of certain loan instalments pursuant to Article 11 of Italian Decree Law no. 61, dated 01 June 2023, in response to the floods that hit Emilia-Romagna in May 2023.

### 2.9.13. Deferred tax liabilities/deferred tax assets

Changes in "Deferred tax liabilities and deferred tax assets" for the half-year ended 30 June 2023 are shown below:

(in thousands of Euro)	Balance as at 31/12/2022	Provisions/releases through profit or loss	Provisions/releases to equity	Balance as at 30 June 2023
Property, plant and equipment	507	7	-	514
Intangible assets	30	(4)	-	26
Provisions for risks and charges	437	(12)	-	425



Bad debt provision	50	3	-	53
Inventories	647	(22)	-	625
Employee benefits	14	-	4	18
Additional charges on loans	1	-	-	1
Other	586	(99)	-	487
<b>Total deferred tax assets</b>	<b>2,272</b>	<b>(127)</b>	<b>4</b>	<b>2,149</b>
Offsetting pursuant to IAS 12	(891)	41	(-)	(851)
<b>Total deferred tax assets</b>	<b>1,381</b>	<b>(86)</b>	<b>4</b>	<b>1,299</b>
Property, plant and equipment	1,360	(17)	(-)	1,343
Intangible assets	2,964	(91)	-	2,873
Inventories	-	-	-	-
Provisions for risks and charges	9	-	(2)	7
Employee benefits	13	(1)	0	13
Foreign currency gains	91	(86)	-	5
Other	58	-	-	58
<b>Total deferred tax liabilities</b>	<b>4,493</b>	<b>(194)</b>	<b>(2)</b>	<b>4,297</b>
Offsetting pursuant to IAS 12	(891)	41	(-)	(851)
<b>Total deferred tax liabilities</b>	<b>3,602</b>	<b>(153)</b>	<b>(2)</b>	<b>3,447</b>
<b>Net deferred tax assets</b>	<b>(2,221)</b>	<b>67</b>	<b>6</b>	<b>(2,148)</b>

In accordance with IAS 12, deferred tax assets and deferred tax liabilities are offset only if the entity has a legally exercisable right to offset the current tax assets with current tax liabilities and the deferred tax assets and deferred tax liabilities are related to income taxes applied by the same tax jurisdiction.

The Group expects to have future taxable income to absorb the deferred tax assets recognised.

#### 2.9.14. Trade payables

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022
Trade payables	45,660	40,068
<b>Total</b>	<b>45,660</b>	<b>40,068</b>

Trade payables of Euro 45,660 thousand as at 30 June 2023 (Euro 40,068 thousand as at 31 December 2022), mainly refer to purchases of goods and services and provisions for invoices to be received. Trade payables increased compared to 31 December 2022 in relation to the increase in turnover.

The carrying amount of trade payables as at 30 June 2023 and 31 December 2022 is deemed to be a reasonable approximation of their fair value.

#### 2.9.15. Income tax receivables and payables

Income tax receivables of Euro 259 thousand as at 30 June 2023 (Euro 1,151 thousand as at 31 December 2022) represent the net credit balance of the Group's position with the Tax Authorities due to current taxes (IRES and IRAP).

Income tax payables of Euro 957 thousand as at 30 June 2023 (Euro 673 thousand as at 31 December 2022) represent the net debit balance of the Group's position with the Tax Authorities due to current taxes (IRES and IRAP).

#### 2.9.16. Other liabilities (non-current and current)

This item can be broken down as follows:

(in thousands of Euro)	30/06/2023	31/12/2022
Payables to employees	6,509	5,085
Advances from customers	707	774
Payables to social security institutions	1,283	1,645
Tax payables	1,132	1,248
Other current payables	952	770
<b>Total</b>	<b>10,583</b>	<b>9,522</b>

The item "Payables to employees" mainly includes payables to employees for wages and salaries to be paid, for holidays accrued but not taken at the end of the reporting period, and for production bonuses. The increase compared to 31 December 2022 is due to the increase in the number of employees in the Group.

The item "Advances from customers" includes advances received from customers for the purchase of moulds for the production of customised refrigerators advances on future supplies.

The item "Tax payables" mainly includes payables to the Tax Authorities for withholding taxes on employee income.

The item "Other current payables" mainly includes payables for services and accrued expenses and deferred income.

### 2.9.17. Net financial indebtedness

The following table shows the breakdown of the Group's net financial indebtedness as at 30 June 2023 and 31 December 2022 restated, determined in accordance with the new ESMA Guidelines of 4 March 2021 (Consob Warning Notice no. 5/21 to Consob Communication DEM/606429 3 of 28 July 2006).

(in thousands of Euro)	30/06/2023	31/12/2022
A. Cash and cash equivalents	36,250	17,322
B. Cash equivalents	-	-
C. Other current financial assets	-	-
<b>D. Liquidity (A)+(B)+(C)</b>	<b>36,250</b>	<b>17,322</b>
E. Current financial payable (including debt instruments, but excluding the current portion of non-current financial payable)	(4,342)	(1,920)
F. Current portion of the non-current financial payable	(23,476)	(19,725)
<b>G. Current financial indebtedness (E)+(F)</b>	<b>(27,818)</b>	<b>(21,645)</b>
<b>H. Net current financial indebtedness (G)+(D)</b>	<b>8,432</b>	<b>(4,323)</b>
I. Non-current financial payable (excluding the current portion and debt instruments)	(29,105)	(24,132)
J. Debt instruments	-	-
K. Other trade payables and other non-current payables	-	-
<b>L. Non-current financial indebtedness (I)+(J)+(K)</b>	<b>(29,105)</b>	<b>(24,132)</b>
<b>M. Total financial indebtedness (H)+(L)</b>	<b>(20,673)</b>	<b>(28,455)</b>

The improvement in the net financial position was mainly due to the collection of the receivable for the sale of the equity investment in Guangdong Iceco Enterprise recorded from the purchaser Xinyu Yuanxing Ent. China equal to Euro 7,187 thousand collected by the Parent Company as at 28 June 2023 for Euro 6,283 thousand with a foreign exchange loss of Euro 512 thousand.

With regard to the changes in net financial indebtedness, please refer to the information shown in the Consolidated Cash Flow Statement.

## 2.10. Notes to the income statement

### 2.10.1. Revenues from sales

The breakdown of the item "Revenues from sales" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Revenues from product sales	118,898	114,956
Sundry revenues	1,606	1,848
<b>Revenues from sales</b>	<b>120,504</b>	<b>116,804</b>

The item "Sundry revenues" mainly includes revenues from the sale of moulds and charge-backs of transport costs. The decrease is mainly due to the lower charge-back of transport costs to customers as a result of a significant reduction in logistics costs, offset by the increase in charges for the sale of moulds.

The breakdown of "Revenues from product sales" by geographical area is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Europe (excluding Italy)	64,121	59,503
Italy	32,021	35,185
The Americas	20,188	17,748
Rest of the world	2,568	2,521
<b>Revenues from product sales</b>	<b>118,898</b>	<b>114,956</b>

For more details on the revenue trend, please refer to the detailed description in the Report on Operations.

### 2.10.2. Other revenues and income

A breakdown of the item "Other revenues and income" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Government grants	100	2

Foreign currency gains	759	1,105
Other income	3,000	394
<b>Other revenues and income</b>	<b>3,859</b>	<b>1,501</b>

Government grants in the first half of 2023 of Euro 100 thousand mainly refer to the disbursement of grants for tax credit related to electricity consumption and gas consumption.

The item "Other income" mainly includes: I) rental income; II) construction in economy; III) royalties; IV) current damages; V) recovery of expenses for the current year. In particular, as of June 30, 2023, the company has recognized an extraordinary income and a receivable from the insurance company in the amount of Euro 1,685 thousand, related to the damages due to the heavy snowfall that occurred in January 2023, as the damages caused by the bad weather were, upon analysis and verification, all covered by insurance and therefore this income, as of the date of the financial statements, was considered virtually certain (the collection took place on August 29, 2023).

### 2.10.3. Purchases and consumption of raw materials, semi-finished and finished products

A breakdown of the item "Purchases and consumption of raw materials, semi-finished and finished products" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Purchases of raw materials, consumables and goods	74,396	71,658
Change in inventories	(1,208)	(9,395)
<b>Total</b>	<b>73,188</b>	<b>62,263</b>

The change is mainly due to the increase in turnover.

### 2.10.4. Costs for services

A breakdown of the item "Costs for services" for the half-years ended 30 June 2023 and 30 June 2022 is shown below :

(in thousands of Euro)	30/06/2023	30/06/2022
Transport	6,899	14,749
Consultancy	1,327	889
Maintenance	838	800
Fees to directors and statutory auditors	538	497

Exhibitions, trade fairs and advertising	436	390
Insurance companies	707	592
Utilities	765	740
Commissions	339	379
Outsourced work	479	415
Travel expenses	367	286
Customer service costs	237	249
Quality certification costs	237	177
Costs for leased assets	85	87
Other costs	1,119	846
<b>Total</b>	<b>14,373</b>	<b>21,096</b>

In the first half of 2023, there was a significant drop in transport costs compared to the first half of 2022, which had been characterised by the inflationary period and delivery disruptions that had affected global logistics.

The increase in consultancy costs is mainly related to the implementation of new ERP software by the subsidiary Autoclima.

Higher utility costs result from increased production levels.

Increased costs for travel, exhibitions and holidays reflect increased investment by group companies in new advertising campaigns and participation in trade fairs and events.

#### 2.10.5. Personnel costs

A breakdown of the item "Personnel costs" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Wages and salaries	13,689	12,078
Social security costs	4,282	3,831
Temporary work	1,426	1,239
Provisions for personnel	764	834
Other costs	396	291
<b>Total</b>	<b>20,557</b>	<b>18,273</b>

The increase in labour costs is mainly related to the growth in the company's workforce, which is necessary to cope with the increase in sales.

The following table shows the average number of employees of the Group, broken down by category, for the half-years ended 30 June 2023 and 30 June 2022:

(In Units)	30/06/2023	31/12/2022
	Average	Average
Executives	13	13
Middle Managers	24	24
White-collar workers	179	177
Blue-collar workers	609	534
Temporary workers	87	85
<b>Total</b>	<b>912</b>	<b>833</b>

The increase in the number of employees is due to the growth in turnover and production volumes.

#### 2.10.6. Other operating costs

A breakdown of the item "Other operating costs" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Foreign exchange losses	1,384	878
Taxation	139	141
Other operating costs	1,043	180
<b>Total</b>	<b>2,566</b>	<b>1,199</b>

The item "Foreign exchange losses" mainly refers to the adjustment of foreign currency items.

The item "Other operating costs" mainly refers to costs incurred to cope with the state of emergency created following the heavy snowfall in January 2023.

### 2.10.7. Portion of the result of equity investments measured using the equity method

The breakdown of the item "Portion of results of equity investments measured using the equity method" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Indel Webasto Marine	1,766	1,616
Elber Industria de Refrigeracao Ltda	316	(2,443)
<b>Total</b>	<b>2,082</b>	<b>(827)</b>

This item refers to the portion of the Group's net result achieved by Indel Webasto Marine and Elber Industria de Refrigeracao.

It should be noted that the result of Elber Industria de Refrigeracao for the first half of 2022 included the write-down of the equity investment of Euro 2,600 thousand, following an impairment test, and the portion of the positive result for the period of Euro 157 thousand.

### 2.10.8. Amortisation, depreciation, provisions and write-downs

A breakdown of the item "Amortisation, depreciation, provisions and write-downs" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Depreciation of property, plant and equipment	1,892	1,661
Amortisation of intangible assets	526	854
Depreciation of right of use	333	369
Write-down of receivables and other assets	160	583
Provisions for risks and charges	254	342
<b>Total</b>	<b>3,165</b>	<b>3,809</b>

The increase in depreciation of property, plant and equipment is mainly due to the investments made during the year.

With regard to the provision for risks and charges, please refer to the related note in section 2.9.10 "Provisions for risks and charges".



### 2.10.9. Net finance (income)/costs

A breakdown of the item "Net finance (income)/costs" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Interest income	117	134
Other finance income	383	510
<b>Total finance income</b>	<b>500</b>	<b>644</b>
Interest expenses on current accounts, mortgages, loans and rights of use	(400)	(224)
Bank charges and other finance costs	(748)	(1,409)
<b>Total finance costs</b>	<b>(1,148)</b>	<b>(1,633)</b>
<b>Total</b>	<b>(648)</b>	<b>(989)</b>

The item "Interest income" includes interest recognised on the receivable from the sale of the stake in Guangdong ICECO Enterprise.

The item "Other finance income" mainly includes financial exchange rate gains, which decreased compared to last year.

The item "Interest expenses on current accounts, mortgages and loans" increased due to new loans.

The decrease in "Finance costs" is related to the recognition in 2022 of financial foreign exchange losses realised on the payment of the earn-out payable.

### 2.10.10. Income from equity investments

No income from equity investments was recorded in the half-years ended 30 June 2023 and 30 June 2022.

### 2.10.11. Income tax

A breakdown of the item "Income tax" for the half-years ended 30 June 2023 and 30 June 2022 is shown below:

(in thousands of Euro)	30/06/2023	30/06/2022
Current taxes (IRES, IRAP)	2,835	3,886
Deferred tax assets/liabilities	(70)	(244)
Taxes related to previous years	1	(11)

Total	2,766	3,631
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The effective tax rate net of the result of equity investments consolidated using the equity method is approximately in line with the last half-year.

## 2.11. Earnings per share

The following table shows the calculation of earnings per share for the half-years ended 30 June 2023 and 30 June 2022:

(in thousands of Euro)	30/06/2023	30/06/2022
Profit/(loss) for the period (in thousands of Euro)	9,071	6,155
Average number of ordinary shares (in thousands)	5,643	5,664
Basic and diluted earnings per share (in Euro)	1.61	1.09

The shares making up the share capital are ordinary shares and there are no obligations regarding the distribution of preferred dividends or other preferred forms of allocation of results between shares. Moreover, there are no outstanding instruments with a potentially dilutive effect on the result attributable to the shareholders of the Parent Company.

As at 30 June 2023, the parent company held 200,354 treasury shares at a value of Euro 4,276 thousand.

## 2.12. Significant non-recurring events and transactions

For the sake of completeness, information on the impact of non-recurring events and transactions on the Group's economic and financial results is presented below.

Non-recurring events and transactions are identified primarily by the nature of the transactions. In particular, non-recurring costs/income include events that by their nature do not occur continuously in the normal course of business.

The effects of non-recurring events and transactions for the first half of 2023 are as follows:

(in thousands of Euro)

As at 30 June 2023

	Shareholders' equity	Profit/(loss) for the period
Book value (a)	126,482	9,182
Extraordinary costs	350	350
Total effects (b)	350	350
Financial statement notional value (a) - (b)	126,832	9,532

The amount of Euro 350 thousand (Euro 486 thousand gross of the tax effect) refers to non-recurring costs incurred in relation to:

- Extraordinary consultancy of Euro 294 thousand (Euro 408 thousand gross of the related tax effect) incurred mainly by the subsidiary Autoclima for the implementation of the new ERP and for the management of sales in the Russian market in compliance with the new regulations in force related to the current conflict.
- Provision for the Executives' Collective National Labour Agreement accrued in personnel costs and contributions of Euro 56 thousand (Euro 78 thousand gross of the tax effect).

It is specified that the amounts of the insurance income related to the damage due to the heavy snowfall occurred in January 2023 and the related costs paid are not shown in the table as they are of the opposite amount.

## 2.13. Other information

### 2.13.1. Commitments and guarantees

The Group's main commitments are shown below:

#### 1. Investment commitments

Investment commitments amounted to a total of Euro 1,720 thousand and referred mainly to:

- implementation of a new assembly line at the Secchiano di Novafeltria plant of Euro 720 thousand
- investments in new plant and machinery of Euro 461 thousand
- commitment for the purchase of a building plot by Autoclima located in Russi for the construction of a new production site amounting to Euro 230 thousand

## 2. Sureties issued in favour of third parties

In the first half of 2023, the following sureties are still outstanding:

- on 23 January 2020, to cover outstanding disputes, for advance VAT refund relating to the third quarter of 2019 in favour of the Tax Authorities of Pesaro and Urbino a sine-die policy of Euro 717 thousand.
- on 06 December 2019, to cover outstanding disputes, for advance VAT refund in favour of the Tax Authorities of Pesaro and Urbino a sine-die policy of Euro 621 thousand.

### 2.13.2. Dividends

On 31 May 2023, the Company resolved to distribute a dividend in the gross unit amount of Euro 0.80 per share for a total of Euro 4,514 thousand. These dividends were paid in full during the first half of 2023.

### 2.13.3. Contingent liabilities

There are no contingent liabilities that have not been reflected in the financial statements.

### 2.13.4. Remuneration to members of the boards of directors and statutory auditors

The remuneration of the Company's directors and of the members of the Board of Statutory Auditors, including those who also perform these functions in other companies included in the consolidation area, amounted to Euro 311 thousand and Euro 43 thousand for the half-year ended 30 June 2023 (Euro 307 thousand and Euro 38 thousand for the half-year ended 30 June 2022).

(in Euro)	30/06/2023	30/06/2022
Fees to directors	455	451
Fees to statutory auditors	43	38
<b>Total</b>	<b>354</b>	<b>345</b>

## 2.14. Transactions with related parties

The Group's transactions with related parties (hereinafter, "Related Party Transactions") are mainly of commercial and financial and are carried out on an arm's length basis.

The Group has transactions with the following related parties:

- the company Amp. Fin. S.r.l. (the "Parent Company");
- the company Indel Webasto Marine S.r.l. (the "Jointly controlled entity") and the company Elber Industria de Refrigeracao Ltda (the "Associates");
- key management personnel ("Top Management");
- other parties in which the Group holds an interest through the Parent company and/or members of Top Management (the "Other related parties").

## Subsidiaries

The Group had no relations with the parent company during the first half of 2023.

## Jointly controlled entities and associates

The following table shows the statement of financial position and income statement balances related to the Group's transactions with jointly controlled entities and associates for the half-years ended 30 June 2023 and 30 June 2022, with an indication of the impact on the relevant item in the financial statements:

(in thousands of Euro)	Inventories		Trade receivables		Other receivables and other current assets		Trade payables		Other current liabilities	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Indel Webasto Marine	-	-	3,363	1,565	-	-	(94)	(43)	-	(7)
Elber	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,363</b>	<b>1,565</b>	<b>-</b>	<b>-</b>	<b>(94)</b>	<b>(43)</b>	<b>-</b>	<b>(7)</b>
% weight on financial statement item	0.0%	0.0%	6.2%	3.5%	0.0%	0.0%	0.2%	0.1%	0.0%	0.1%

(in thousands of Euro)	Revenues from sales		Other revenues and income		Costs for the purchase of raw materials, semi-finished and finished products		Costs for services		Other operating costs		Income and Costs from equity investments	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022
Indel Webasto Marine	6,832	9,513	256	194	(121)	(111)	-	(2)	(14)	-	1,100	1,500
Elber	1	-	-	-	-	-	-	-	-	-	234	462
<b>Total</b>	<b>6,833</b>	<b>9,513</b>	<b>256</b>	<b>194</b>	<b>(121)</b>	<b>(111)</b>	<b>-</b>	<b>(2)</b>	<b>(14)</b>	<b>-</b>	<b>1,334</b>	<b>1,962</b>
% weight on financial statement item	5.7%	8.1%	6.6%	12.9%	0.2%	0.2%	0.0%	0.0%	0.5%	0.0%	266.8%	304.7%

### 1. Indel Webasto Marine S.r.l.

Revenues from sales and trade receivables from the jointly controlled entity Indel Webasto Marine are related to the sale of finished products (mainly refrigerators) mainly for the "Leisure Time" market, which includes pleasure boating and recreational vehicles.

Other revenues and income are mainly related to the provision of administrative services by the Company and to rents for the production plant located in Secchiano di Novafeltria.

Purchases and consumption of raw materials, semi-finished and finished products and trade payables refer to the purchase of components used in the production of refrigerators and ice makers. Costs for services are related to the technical support to the reworking of refrigerators.

## 2. Elber Indústria de Refrigeração Ltda

As at 6 June 2017, Elber Industria de Refrigeraçao became an associate of the Parent Company following the Company's acquisition of a 40% stake in the capital.

### Other related parties

The following table shows the statement of financial position and income statement balances related to the Company's transactions with other related parties for the half-years ended 30 June 2023 and 30 June 2022, with an indication of the impact on the relevant item in the financial statements:

(in thousands of Euro)	Right of use		Other receivables and other non-current assets		Trade receivables		Non-current financial liabilities		Trade payables		Current financial liabilities	
	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022	30/06/2023	31/12/2022
Indel Webasto Marine USA	-	-	-	-	1,173	719	-	-		(1)	-	-
Berloni Immobiliare	-	-	-	-	17	17	-	-	(10)	(10)	-	-
Immobiliare Sant'Ag		1,254		36				(1,178)				(118)
AMP Immobiliare	1,577	411	50	14			(1,470)	(376)			(167)	(48)
Iterby Project Srl	-	-	-	-	3	3				(6)	-	-
Iterby Italiana Mobili	-	-	-	-	128	128					-	-
Società Agricola Berloni	-	-	-	-	-	-			(25)	(80)	-	-
<b>Total</b>	<b>1,577</b>	<b>1,665</b>	<b>50</b>	<b>50</b>	<b>1,321</b>	<b>867</b>	<b>(1,470)</b>	<b>(1,554)</b>	<b>(35)</b>	<b>(97)</b>	<b>(167)</b>	<b>(166)</b>
% weight on financial statement item	49.4%	47.2%	12.8%	10.8%	2.4%	1.9%	5.1%	6.4%	0.1%	0.2%	0.6%	0.8%

(in thousands of Euro)	Revenues from sales		Costs for the purchase of raw materials, semi-finished and finished products		Costs for services		Other operating costs		Amortisation, depreciation, provisions and write-downs		Finance (income)/costs	
	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022	30/06/2023	30/06/2022
Indel Webasto Marine USA	3,102	3,078	-	-	-	-	-	-	-	-	-	-
Immobiliare Sant'Ag	-	-	-	-	-	-	(1)	(1)	(21)	(63)	(5)	(15)
AMP Immobiliare	-	-	-	-	-	-	-	-	(67)	(25)	(13)	(5)
Iterby Project Srl	4	5	-	(4)	-	-	-	-	-	-	-	-
Società Agricola Berloni	-	-	-	-	(25)	(28)	-	-	-	-	-	-

<b>Total</b>	<b>3,106</b>	<b>3,083</b>	<b>-</b>	<b>(4)</b>	<b>(25)</b>	<b>(28)</b>	<b>(1)</b>	<b>(1)</b>	<b>(88)</b>	<b>(88)</b>	<b>(18)</b>	<b>(20)</b>
% weight on financial statement item	2.6%	2.6%	0.0%	0.0%	0.2%	0.1%	0.0%	0.1%	2.8%	2.3%	3.6%	3.1%

### 1. Indel Webasto Marine USA

Revenues from sales with Indel Webasto Marine USA mainly refer to the sale of products in the United States of America for the markets of pleasure boating and recreational vehicles.

### 2. Berloni Immobiliare S.r.l./AMP.FIN S.r.l./Immobiliare Sant'Agata/AMP Immobiliare

The right of use, financial liabilities, and finance costs in place refer to rentals paid for the lease of properties and the production plants incorporated therein, mainly factories, warehouses and buildings located in Sant'Agata Feltria. It should be noted that on 1 March 2023 the company Immobiliare Sant'Agata was merged by the company AMP immobiliare; therefore, the merging company AMP Immobiliare assumed the rights and obligations of the merged company Immobiliare Sant'Agata and continued all relations.

### 3. Other transactions

Transactions carried out into with Iterby Project S.r.l. and Iterby Italiana Mobili S.r.l. mainly refer to trade relations relating to the purchase and sale of components such as sheet metal supports for furniture and the purchase of wood products used in the production of wine cellars.

The transactions carried out with Società Agricola Berloni mainly refer to periodic green maintenance services provided by the latter in areas owned by the Company.

### Top management

The transactions entered into with the Top Management during the half-years ended 30 June 2023 and 30 June 2022 essentially correspond to the relevant fees and remuneration, including social security charges.

The total amount of fees and related charges of the Company's Board of Directors was Euro 371 thousand in the first half of 2023 (Euro 371 thousand in the first half of 2022).

The total amount of fees to strategic executives was Euro 1,092 thousand in the first half of 2023 (Euro 1,063 thousand in the first half of 2022).

The Fees of the Top Management are related to the Directors, the members of the Control and Risk Committee, the Remuneration Committee and the Strategic executives.

(in thousands of Euro)	30/06/2023	30/06/2022
Fees for the office	371	371
Non-monetary benefits	20	21
Bonuses and other incentives	377	373
Other fees	695	669
<b>Total</b>	<b>1,463</b>	<b>1,434</b>

## 2.15. Subsequent events

No significant events occurred after the end of the half-year and until 27 September 2023.

## 2.16. Information pursuant to Art. 1, paragraph 125, of Italian Law no. 124 of 4 August 2017

### 2.16.1. Paragraph 125 – Contributions, subsidies, economic benefits received

During the first half of 2023, the Group received subsidies, contributions, paid assignments and in any case economic benefits pursuant to Italian Law no. 124/2017, art. 1, paragraph 125, totalling Euro 694 thousand.

The following table provides data on the payers, the amount received and a brief description of the reasons for the benefit:

(in Euro)

Beneficiary company	Disbursing subject	Contribution received	Reason
• INDEL B SPA	TAX AUTHORITIES	3,000	Tax deduction for energy redevelopment expenses (Italian Decree Law no. 63/2013)
• INDEL B SPA	TAX AUTHORITIES	2,351	Tax deduction for energy redevelopment expenses (Italian Decree Law no. 63/2013)
• INDEL B SPA	TAX AUTHORITIES	82,084	IRES tax saving due to Irap deduction Italian Decree Law no. 185/2008-Italian Decree Law no. 201/2012 (base 2022 tax period of Euro 342,016)
• INDEL B SPA	TAX AUTHORITIES	164,798	IRES tax saving due to Italian Law no. 208/15 et seq. (super-hyper amortisation) (base 2022 tax period of Euro 686,659)



• INDEL B SPA	TAX AUTHORITIES	224,755	IRES tax saving due to ACE facilities (base 2022 of return Euro 936,479)
• INDEL B SPA	TAX AUTHORITIES	53,670	Recognition of tax credit for non-energy-intensive enterprises (first quarter of 2023) - Art. 1, para. 3, of Italian Law no. 197 of 29 December 2022;
• INDEL B SPA	TAX AUTHORITIES	25,516	Recognition of tax credit for companies other than those with high natural gas consumption (first quarter of 2023) - Art. 1, para. 5, of Italian Law no. 197 of 29 December 2022;
• INDEL B SPA	INPS	14,265	Permanent hiring incentive Italian Law no. 205/2017
• INDEL B SPA	INPS	40,396	Tax exemption Italian Law no. 178/2020
• INDEL B SPA	FONDOIMPRESA	8,598	Personal training grant from Fondoimpresa
• INDEL B SPA	FONDIRIGENTI	1,392	Personal training grant from Fondirigenti
• AUTOCLIMA SPA	TAX AUTHORITIES	24,534	tax credit for the containment of energy costs
• AUTOCLIMA SPA	TAX AUTHORITIES	14,442	IRES savings due to super hyper amortisation
• CONDOR B	TAX AUTHORITIES	4,974	IRES tax saving due to Irap deduction Italian Decree Law no. 185/2008-Italian Decree Law no. 201/2012 (2020 tax period on Euro 4,447)
• CONDOR B	TAX AUTHORITIES	5,886	IRES tax saving due to Italian Law no. 208/15 et seq. (super-amortisation) (2020 tax period on Euro 26,862)
• CONDOR B	TAX AUTHORITIES	7,889	IRES tax savings due to ACE facilities (2020 tax period on Euro 22,421)
• CONDOR B	TAX AUTHORITIES	5,926	tax credit for the purchase of energy Italian Law no. 34/2023
• CONDOR B	INPS	1,442	Permanent hiring incentive Italian Law no. 205/2017
• CONDOR B	INPS	8,529	tax exemption Italian Law no. 178/2020
<b>Total</b>		<b>694,447</b>	

In addition to what is indicated in the table above, it should be noted that the Parent Company paid the instalments of the subsidised loans listed below during the first half of 2023:

- second instalment of Euro 118 (including interest) of the subsidised loan of Euro 2,250 disbursed by SIMEST in 2021 from the availability of the revolving fund established by Italian Law no. 394 of 29 July 1981, for Participating in trade fairs, exhibitions and system missions in foreign markets and/or international trade fairs/events in Italy, Circular no. 4/394/2020 Aid measure number (EC) SA57891.

- sum only by way of interest of Euro 1,318 on the subsidised loan of Euro 480,000 disbursed by SIMEST in 2021 from the availability of the revolving fund established by Italian Law no. 394 of 29 July 1981, for improving and safeguarding the capital strength of the exporting companies ref. Circular no. 3/394/2020 Aid measure number (EC) SA57891.

#### Paragraph 126 - Acts granting subsidies, contributions, economic benefits

It is acknowledged that during the first half of 2023, the company did not formalise any acts granting subsidies, contributions, grants and economic benefits to natural persons and public and private entities.



**Attestazione del bilancio semestrale abbreviato del Gruppo IndelB ai sensi dell'art. 154 bis del D.LGS. 58/98 e dell'art. 81-ter del Regolamento Consob n. 11971 del 14 maggio 1999 e successive modifiche e integrazioni**

1. I sottoscritti Luca Bora Amministratore Delegato e Mirco Manganello, in qualità di Dirigente Preposto alla redazione dei documenti contabili societari di Indel B S.p.A., attestano, tenuto anche conto di quanto previsto dall'art.154-bis, commi 3 e 4, del decreto legislativo 24 febbraio 1998, n. 58:

- l'adeguatezza in relazione alle caratteristiche dell'impresa e
- l'effettiva applicazione delle procedure amministrative e contabili per la formazione del Bilancio Semestrale Abbreviato, nel corso del primo semestre 2023.

2. Al riguardo non sono emersi aspetti di rilievo che non abbiamo trovato riflesso nel bilancio consolidato semestrale abbreviato.

3. Si attesta, inoltre, che:

3.1 il Bilancio consolidato semestrale abbreviato:

- a) è redatto in conformità ai principi contabili internazionali applicabili riconosciuti nella Comunità europea ai sensi del regolamento (CE) n. 1606/2002 del Parlamento europeo e del Consiglio, del 19 luglio 2002;
- b) corrisponde alle risultanze dei libri e delle scritture contabili;
- c) è idoneo a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria dell'emittente e dell'insieme delle imprese incluse nel consolidamento.

3.2 La relazione intermedia sulla gestione comprende un'analisi attendibile dei riferimenti agli eventi importanti che si sono verificati nei primi sei mesi dell'esercizio e alla loro incidenza sul bilancio semestrale abbreviato, unitamente a una descrizione dei principali rischi e incertezze per i sei mesi restanti dell'esercizio. La relazione intermedia sulla gestione comprende, altresì, un'analisi attendibile delle informazioni sulle operazioni rilevanti con parti correlate.

Sant' Agata Feltria 27/09/2023

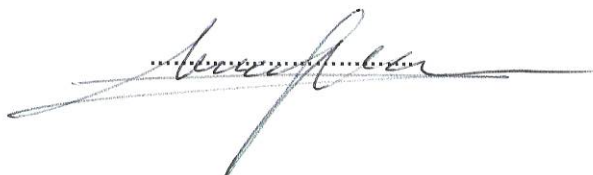
Firma Amministratore Delegato

Luca Bora



Firma dirigente preposto alla redazione dei documenti contabili societari

Mirco Manganello







## **RELAZIONE DI REVISIONE CONTABILE LIMITATA SUL BILANCIO CONSOLIDATO SEMESTRALE ABBREVIATO**

Agli Azionisti di  
Indel B SpA

### **Introduzione**

Abbiamo svolto la revisione contabile limitata dell'allegato bilancio consolidato semestrale abbreviato, costituito dalla situazione patrimoniale e finanziaria consolidata, dal conto economico consolidato, dal conto economico complessivo consolidato, dal prospetto delle variazioni di patrimonio netto consolidato, dal rendiconto finanziario consolidato e dalle relative note esplicative di Indel B SpA e sue controllate (il "Gruppo Indel B") al 30 giugno 2023. Gli Amministratori sono responsabili per la redazione del bilancio consolidato semestrale abbreviato in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea. È nostra la responsabilità di esprimere una conclusione sul bilancio consolidato semestrale abbreviato sulla base della revisione contabile limitata svolta.

### **Portata della revisione contabile limitata**

Il nostro lavoro è stato svolto secondo i criteri per la revisione contabile limitata raccomandati dalla Consob con Delibera n° 10867 del 31 luglio 1997. La revisione contabile limitata del bilancio consolidato semestrale abbreviato consiste nell'effettuare colloqui, prevalentemente con il personale della società responsabile degli aspetti finanziari e contabili, analisi di bilancio e altre procedure di revisione contabile limitata. La portata di una revisione contabile limitata è sostanzialmente inferiore rispetto a quella di una revisione contabile completa svolta in conformità ai principi di revisione internazionali (ISA Italia) e, conseguentemente, non ci consente di avere la sicurezza di essere venuti a conoscenza di tutti i fatti significativi che potrebbero essere identificati con lo svolgimento di una revisione contabile completa. Pertanto, non esprimiamo un giudizio sul bilancio consolidato semestrale abbreviato.

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### **PricewaterhouseCoopers SpA**

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### **Conclusioni**

Sulla base della revisione contabile limitata svolta, non sono pervenuti alla nostra attenzione elementi che ci facciano ritenere che il bilancio consolidato semestrale abbreviato del Gruppo Indel B al 30 giugno 2023, non sia stato redatto, in tutti gli aspetti significativi, in conformità al principio contabile internazionale applicabile per l'informativa finanziaria infrannuale (IAS 34) adottato dall'Unione Europea.

Bologna, 27 settembre 2023

PricewaterhouseCoopers SpA

A handwritten signature in black ink that reads 'Federico Scapinelli'.

Federico Scapinelli  
(Revisore legale)

***indelB***  
**Group**