



Press Release

*The Indel B BoD approves
the consolidated half-year report as at 30 June 2024*

*Half-year revenue down and marginal profitability in line with the half-year of 2023
Revenues increased slightly in the second quarter. Positive expectations for the medium to long term*

- Consolidated income: Euro 110.4 million, down 11.2% on the Euro 124.4 million of H1 2023;
- EBITDA: Euro 14.3 million, down 9.2% on the Euro 15.8 million of H1 2023, with an impact of 13.0% on turnover
- Adjusted EBITDA ¹: Euro 14.7 million, -9.5% vs Euro 16.2 million of H1 2023;
- EBIT: Euro 11.0 million, down 12.8% on the Euro 12.6 million of H1 2023, with an impact of 10.0% on turnover
- Adjusted EBIT: Euro 11.4 million (-12.9%) vs Euro 13.1 million of H1 2023;
- Net profit: Euro 8.0 million vs Euro 9.2 million of H1 2023, with an impact of 7.2% on turnover;
- Net financial position as at 30 June 2024 negative for Euro 16.2 million, as compared with Euro -7.5 million as at 31 December 2023 and Euro -20.7 million as at 30 June 2023.

Sant'Agata Feltria (Rimini), 20 September 2024 – Indel B S.p.A. - a company listed on the Borsa Italiana EXM and parent of a group that operates in the manufacture of cooling systems for mobile and mobile living for the automotive, hospitality and leisure time (pleasure boats and recreational vehicles) markets - reports that the Board of Directors met today and approved the (unaudited) consolidated half-year report as at 30 June 2024.

Luca Bora – Managing Director of Indel B – comments: *" The first half of 2024 showed unfavourable market conditions caused by an uncertain general economic situation, continuing tensions from wars in Ukraine and the Middle East, and high interest rates that weakened demand in some relevant markets. Despite this, we consider the results achieved to be certainly satisfactory. This is a clear reflection of the resilience of our Group, which has been able to promptly react to difficulties thanks to the strategic actions taken and to our presence in markets with different dynamics, which show strong resilience to economic cycles.*

Looking ahead, our expectations for the medium to long term remain positive. The reference markets do not show any critical signs and, in some cases, a possible trend reversal is beginning to be glimpsed. We recognize, however, that current market conditions may continue to affect results in the short term. In this situation, the strategic actions we have taken to develop new segments and products, combined with our financial and operational strength, put us in the right position to face future challenges and take advantage of the opportunities that the markets will offer."

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

Results of the first half of 2024

During the first six months of 2024, the Indel B Group recorded revenues from sales of Euro 110.4 million, 11.2% down on the same period of 2023 (Euro 124.4 million). In Q2 2024 compared to the previous quarter, there was a slight increase in revenue, also due to good performance in the *Component & Spare Parts*, *Cooling Appliances* and *Hospitality* markets.

Revenues from sales by market

(In thousands of Euro)	H1 2024	%	H1 2023	%	Change	% change
Automotive	70,270	66%	76,579	65%	(6,309)	-8.2%
Leisure	11,161	10%	16,911	14%	(5,750)	-34.0%
Components & Spare parts	12,340	12%	11,623	10%	718	6.2%
Hospitality	8,029	7%	8,623	7%	(594)	-6.9%
Cooling Appl.	4,856	5%	5,163	4%	(307)	-5.9%
REVENUES FROM PRODUCT SALES	106,657	100%	118,898	100%	(12,241)	-10.3%
Sundry revenues	1,817	2%	1,606	1%	210	13.1%
REVENUES FROM SALES	108,474	98%	120,504	97%	(12,030)	-10.0%
Other income	1,908	2%	3,859	3%	(1,951)	-50.6%
TOTAL INCOME	110,382	100%	124,363	100%	(13,981)	-11.2%

In greater detail:

The decrease in "Revenues from product sales" in the first half of 2024, compared to the first half of 2023, is almost exclusively attributable to the *Automotive* and *Leisure* market.

In particular, the *Automotive* industry is suffering the negative cycle that hit both the European and the US markets, and recorded a decrease of 8.2% showing turnover of Euro 70.3 million compared to Euro 76.6 million in the same period of 2023.

Significant reduction for the *Leisure* market, although expected after the strong post-Covid growth, from Euro 16.9 million in H1 2023 to Euro 11.2 million in H1 2024, a decrease of 34.0%. This decrease is attributable to both the *Marine* (-35.9%) and the *RV* sector (-31.4%).

A modest decrease was also recorded in the *Hospitality* market (-6.9%), from Euro 8.6 million in the first half of 2023 to Euro 8.0 million in the first half of 2024. The decline was due to the *Hotel* sector (-12.3%), while the *Cruise* sector grew (+10.7%).

The *Cooling Appliances* market also showed a modest revenue decrease of 5.9% to Euro 4.9 million, resulting from a decline in the *Professional* market related to milk fridge orders, while the *Home* market related to wine cellars showed a positive trend (+28.8%).

Positive trend for the *Component & Spare parts* market, with an increase of 6.2 % mainly driven by good spare parts sales by the Autoclima Group.

Geographically, the Company's international vocation is confirmed, with over 71% of the Group's "Sales revenues" generated outside Italy and about 19% outside Europe.

The most significant increase (-14.0%) was recorded in the *Americas*, with revenues amounting to Euro 17.4 million compared to Euro 20.2 million in the first half of 2023, mainly attributable to the decrease in sales in the *Automotive* market in North America and the negative trend in the *Leisure* market, with the percentage of total revenues decreasing from 17.0% in the first half of 2023 to 16.3% in the same period of 2024.

In *Europe*, revenues from sales are down 11.9%, going from Euro 64.1 million in the third quarter of 2023 to Euro 56.5 million in the same period of 2024, mainly due to the decline of the *Automotive OEM* market, coupled with a decline in the *Leisure* and *Cooling Appliances* markets.

In *Italy*, the reduction is more moderate (-5.2%) with sales revenues decreasing from Euro 32.0 million in H1 2023 to Euro 30.4 million in H1 2024, and is exclusively concentrated in the *Leisure* market, basically due to sales to the affiliate IWM, while there is a positive trend in *Cooling Appliances* and *Automotive* sales due to the good performance of the Autoclima group in air conditioning.

There was also a 4.3% decrease in the *Rest of the World*, with revenues amounting to Euro 2.4 million compared to Euro 2.6 million in the same period of 2023, attributable to the negative trend in all markets in which the company operates with the exception of *Automotive* and *Cooling Appliances*.

EBITDA

During the year, **EBITDA** dropped by Euro 1.5 million, going from Euro 15.8 million in H1 2023 to Euro 14.3 million in H1 2024 (-9.2%). On the other hand, the *EBITDA Margin* was on a positive trend, rising from 12.7% in H1 2023 to 13.0% in H1 2024 due to a stabilisation of raw material costs as well as a general focus on costs by the company. In addition to the decline in sales, EBITDA was also negatively impacted by the share of profit of equity-accounted investees, which decreased by Euro 0.6 million, going from a value of Euro 2.1 million in the six months ended 30 June 2023 to a value of Euro 1.5 million in the six months ended 30 June 2024.

Adjusted EBITDA, net of non-recurring items, amounted to Euro 14.7 million (-9.5%) compared to Euro 16.2 million in the six months ended 30 June 2023 and with an impact on Adjusted Total Revenues of 13.3% (13.1% in the first half of 2023).

EBIT

In the period under review, **EBIT** amounted to Euro 11.0 million, a decline of 12.8% compared to Euro 12.6 million in the six months ended 30 June 2023.

The *EBIT Margin* is 10.0% in H1 2024 compared to 10.1% in H1 2023.

Adjusted EBIT, net of non-recurring charges, amounted to Euro 11.4 million in the first half of 2024, down 12.9% on the Euro 13.1 million recorded for H1 2023.

The *EBIT Margin* increased from 10.5% in H1 2023 to 10.3% in H1 2024.

Group net result

The Group closed the first half of 2024 with a **Net profit** of Euro 8.0 million, a decrease of 12.9%, compared to Euro 9.2 million as at 30 June 2023, and a ratio of 7.2% (7.4% in the first half of 2023) to Total Revenues.

The **Adjusted Profit for the year**, net of non-recurring items, amounted to Euro 8.3 million for the six months ended 30 June 2024, down 13.1% compared to Euro 9.5 million for the same period of 2023, with a ratio of 7.5% (7.7% for the first half of 2023) to Total Adjusted Revenue.

Net financial position

The Net Financial Position at 30 June 2024 was a negative Euro 16.2 million, Euro 7.5 million up from 31 December 2023; it had instead improved compared with the Euro 20.7 million recorded at 30 June 2023. The deterioration of the Net Financial Position compared to the value as at 31 December 2023 is partly due to the seasonality of revenues and the growth in the value of inventories. Also worth mentioning are the partial public tender offer launched in June 2024, for which the company made a financial commitment of about Euro 8



million; financial outlays of about Euro 4.5 million for the payment of a dividend of Euro 0.80 per share in June 2024; and investments in Capex of around Euro 3 million.

Business Outlook

During the first half of the current financial year, as already predicted in the estimates made at the end of 2023, there was a decrease in the Group's global sales, which mainly impacted the *Automotive* and *Leisure* sectors, sectors that had benefited from the excitement experienced in the years immediately following the Covid 19 pandemic. It should be noted, however, that the Group's percentage margin was not affected.

The grave socio-political situation due to the continuing conflict in Ukraine and Palestine and the still high interest rates, despite the partial decline in inflation, also affected the Group's earnings performance.

While in the short term these negative conditions may continue to impact the Group's results, expectations in the medium to long term, barring significant changes in the macroeconomic and geopolitical context, remain good, both in relation to the foreseeable market trends and the specific actions that the Group is undertaking, aimed in particular at developing the *Leisure*, *Hospitality* and *Cooling Appliances* markets.

It will therefore be important, over the coming months, to continue to constantly monitor this situation, in order to be able to adjust, where necessary, the actions already taken to preserve the company's financial health and margins. In this regard, the starting position is essential, with the Group's companies having little debt and boasting loyal clientèle.

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

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

In compliance with the provisions of Consob's Issuers' Regulation, please note that the half-year report as at 30 June 2024 will be made available to the public at the company offices, at Borsa Italiana S.p.A, on the website www.indelbgroup.com, within the legal terms, in the section "Investor Relations/Financial Statements and Reports" and at the storage mechanism "1Info", available for consultation at www.1info.it.

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

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CONFERENCE CALL

On 20 September 2024, at 4:00pm CET (3:00pm GMT) (10:00am EST), Indel B will hold a conference with the financial community, during which the Group's economic-financial results for the first half of 2024 will be discussed. You can connect via video-conference at the following link:

https://www.c-meeting.com/web3/joinTo/XY29P7FMXZP7EB/_sfj38Vhe0PsgKmwHbv3Xg

Connect by dialling: Italy +39 02 8020911 / UK +44 121 2818004 / USA +1 718 7058796 / USA Green number: +1 8552656958.

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

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Indel B S.p.A. is a Company listed on the EXM segment of Borsa Italiana (the Italian Stock Exchange) and is controlled by AMP.FIN S.r.l., in turn held entirely by the Berloni family. Indel B S.p.A. heads an important Group that operates worldwide and that has been active for the last 50 years in the mobile cooling sector applicable to the "Automotive" and "Leisure time" segments, and in the cooling sector in the "Hospitality" segment. The Group also operates in mobile climate control sector, with specific reference to the Automotive market, represented by commercial vehicles, minibuses, ambulances, agricultural and earth-moving machinery, and in the "Cooling Appliances" sector, which mainly comprises cellars for storing wine and small refrigerators for storing milk. The company has a market cap of approximately Euro 123 million.

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Consolidated income statement

<i>(In thousands of Euro)</i>	30 June 2024	%	30 June 2023	%
Income	108,474	98.3%	120,504	96.9%
Other Revenues and Income	1,908	1.7%	3,859	3.1%
Total revenues	110,382	100.0%	124,363	100.0%
Purchases and consumption of raw materials, semi-finished and finished products	(63,100)	-57.2%	(73,188)	-58.9%
Costs for services <i>of which non-recurrent</i>	(13,276) (309)	-12.0% -0.3%	(14,373) (408)	-11.6% -0.3%
Payroll costs <i>of which non-recurrent</i>	(20,386) (96)	-18.5% -0.1%	(20,557) (78)	-16.5% -0.1%
Other operating costs	(833)	-0.8%	(2,566)	-2.1%
Share of net profit of investments accounted for using the equity method	1,519	1.4%	2,082	1.7%
Amortization, provisions and depreciations	(3,317)	-3.0%	(3,165)	-2.5%
EBIT	10,989	10.0%	12,596	10.1%
Financial income	380	0.3%	500	0.4%
Finance costs	(677)	-0.6%	(1,148)	-0.9%
Income from (expense on) equity investments	-	0.0%	-	0.0%
Pre-tax result	10,692	9.7%	11,948	9.6%
Income taxes	(2,698)	-2.4%	(2,766)	-2.2%
Period result	7,994	7.2%	9,182	7.4%
Minority profit (loss) for the period	109	0.1%	111	0.1%
Group period result	7,885	7.1%	9,071	7.3%

Consolidated Statement of Financial Position

<i>(In thousands of Euro)</i>	30 June 2024	31 December 2023
ASSETS		
Non-current assets		
Goodwill	7,146	7,146
Other intangible assets	10,205	10,593
Tangible assets	44,996	44,100
Right of use	2,981	2,965
Equity investments measured using the equity method	11,648	13,505
Other investments	66	66
Non-current financial assets	13	13
Other receivables and non-current assets	295	275
Deferred tax assets	1,629	1,603
Total non-current assets	78,979	80,266
Current assets		
Inventories	67,494	61,250
Trade receivables	48,043	39,173
Available liquidity and equivalents	25,104	34,379
Income tax receivables	327	1,643
Current financial assets	7,995	124
Other receivables and current assets	6,906	5,036
Total current assets	155,869	141,605
TOTAL ASSETS	234,848	221,871
SHAREHOLDERS' EQUITY AND LIABILITIES		
Shareholders' equity		
Share capital	5,842	5,842
Reserves	107,164	110,354
Period result	7,885	10,435
Total shareholders' equity	120,891	126,631
Net minority interest		
Minority interests in capital share and reserves	786	290
Minority interests period result	109	181
Total net equity of minority interests	895	471
Non-current liabilities		
Provisions for risks and charges	3,660	4,191
Employee benefits	1,422	1,506
Non-current financial liabilities	13,118	15,451
Deferred tax liabilities	3,263	3,371
Other non-current liabilities	108	108
Total non-current liabilities	21,571	24,627
Current liabilities		
Provisions for risks and charges	-	-
Trade payables	43,184	33,018
Income tax payables	836	469
Current financial liabilities	36,226	26,503
Derivative financial instruments	-	-
Other current liabilities	11,245	10,153
Total current liabilities	91,491	70,143
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	234,848	221,871

Consolidated Statement of Changes in Equity

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

<i>(In thousands of Euro)</i>	Share capital	Reserves	Period result	Equity attributable to owners of the parent	Net minority interest	Total shareholders' equity
As at 1 January 2024	5,842	110,354	10,435	126,631	471	127,101
Allocation of the result of the previous year		10,435	(10,435)	-		-
Transactions with shareholders:						
Distribution of dividends		(4,488)		(4,488)	(6)	(4,494)
Share capital increase	-	-		-		-
Purchase of treasury shares		(8,129)		(8,129)		(8,129)
Change in scope of consolidation/minorities' conversion reserve		-		-	294	294
Total transactions with shareholders	-	(12,617)	-	(12,617)	288	(12,329)
Comprehensive income for the year:						
Period result			7,885	7,885	109	7,994
Actuarial gains/(losses) on employee benefits and provisions for supplementary customer indemnity, after the tax effect		52		52		52
Conversion difference		(1,060)		(1,060)	27	(1,033)
Total comprehensive result of the year	-	(1,008)	7,885	6,877	136	7,013
As at 30 June 2024	5,842	107,164	7,885	120,891	895	121,786

Consolidated Statement of Cash Flows

<i>(In thousands of Euro)</i>	30 June 2024	30 June 2023
OPERATIONS		
Pre-tax result	10,692	11,948
<i>Adjustments for:</i>		
Depreciation/amortisation of tangible and intangible assets	2,864	2,751
Provisions for doubtful debt	105	160
Provisions for risks and charges	445	363
Provisions for obsolete warehouse	229	171
Share of net profit of investments accounted for using the equity method	(1,519)	(2,082)
Net financial income / (expenses)	297	648
Net exchange differences	54	625
Other non-monetary components	-	(39)
<i>Cash flow from operations before changes to working capital</i>	13,167	14,545
Cash flow generated/(absorbed) by changes in working capital:	(6,251)	771
- Trade receivables and other assets	(9,476)	(4,021)
- Inventories	(6,473)	43
- Trade payables and other liabilities	9,698	4,749
Tax paid	(954)	(856)
Net financial expenses paid	(196)	(51)
Use of provisions	(1,094)	(328)
Net exchanges differences realized	25	(709)
<i>Cash flow generated/(absorbed) by operations (A)</i>	4,697	13,372
INVESTMENTS		
Net investments in tangible and intangible assets	(3,006)	(1,939)
Dividends collected	2,215	1,334
<i>Cash flow generated/(absorbed) by investments (B)</i>	(791)	(605)
FINANCING		
Stipulation of mortgages and loans	8,000	17,000
Repayment of mortgages and loans	(11,147)	(7,730)
Dividends paid	(4,488)	(4,514)
Purchase of treasury shares	(254)	(75)
Transactions with minority shareholders	294	-
Changes in liabilities for right of use	(352)	(318)
Other changes in financial assets	(7,871)	-
Other changes in financial liabilities	2,622	1,807
<i>Cash flow generated/(absorbed) by financing (C)</i>	(13,196)	6,169
<i>Increase/(decrease) in available liquidity (A)+(B)+(C)</i>	(9,290)	18,936
Available liquidity and equivalents at FY open	34,379	17,322
Net effect of the conversion of cash and equivalents carried in foreign currencies	15	(8)
Available liquidity and equivalents at FY close	25,104	36,250



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

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

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