Intermonte

Milan, 05 May 2026

Italian Equity Research – New Coverage

INDEL B

OUTPERFORM

Sector: Industrials

Price: Eu19.45 - **Target: Eu25.50**

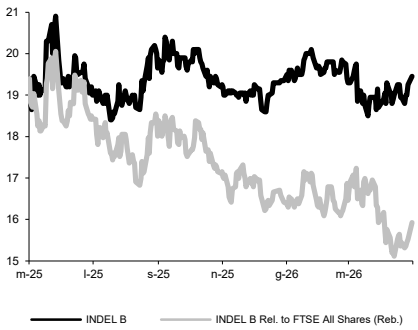
From Trucks to Premium Niches: A "Cool" Balanced Growth Story

Gianluca Bertuzzo +39-02-77115.429
gianluca.bertuzzo@intermonte.it

Stock Rating	
Rating:	OUTPERFORM (New Coverage)
Target Price (Eu):	25.50 (New Coverage)

Next Event
1Q26 Revenue 12th of May

INDEL B - 12M Performance



Stock Data			
Reuters code:			INDB.MI
Bloomberg code:			INDB IM
Performance	**1M**	**3M**	**12M**
Absolute	4.0%	-1.3%	1.0%
Relative	-0.1%	-2.3%	-21.7%
12M (H/L)			20.90/18.40
3M Average Volume (th):			0.67

Shareholder Data	
No. of Ord shares (mn):	5
Total no. of shares (mn):	5
Mkt Cap Ord (Eu mn):	102
Total Mkt Cap (Eu mn):	102
Mkt Float - Ord (Eu mn):	22
Mkt Float (in %):	21.5%
Main Shareholder:	
IMMSI	68.3%

Balance Sheet Data	
Book Value (Eu mn):	147
BVPS (Eu):	28.18
P/BV:	0.7
Net Financial Position (Eu mn):	-9
Enterprise Value (Eu mn):	111

INDB represents a well-balanced exposure to cyclical recovery and structurally attractive niches, anchored by a strong competitive position in mobile refrigeration and deep integration with global OEMs. While the Automotive sector remains the core revenue driver, the growing weight of Leisure, Hospitality and Cooling Appliances enhances earnings resilience and dampens cyclicality. As post-Covid distortions fade, end-markets are normalising, supporting a return to mid-single-digit growth, with upside from truck production recovery, next-generation platforms and rising content per vehicle. Non-Automotive segments add structural support through scalable Leisure growth and steady, replacement-driven demand in premium Hospitality and energy-efficient Cooling Appliances. This growth profile, combined with disciplined capital allocation and strong cash generation, underpins improving profitability, a strengthening balance sheet and attractive shareholder returns. OUTPERFORM, TP €25.5.

- **Diversified, content-driven cooling platform with blue-chip OEM exposure.** INDB is a leading provider of mobile refrigeration and cooling solutions, anchored in Trucks (58% of 2026e revenues) and complemented by structurally more resilient and premium niches such as Leisure (Marine and RV, 15%), Hospitality (Hotel and Cruise, 8%), Cooling Appliances (5%), as well as the sale of spare parts (12%). A vertically-integrated industrial footprint and long-standing relationships with global OEMs underpin high entry barriers, strong customer loyalty and recurring content growth beyond pure volumes.
- **End markets stabilising, with a return to LSD/MSD growth and improved earnings quality.** After the post-Covid boom-and-bust, INDB's end markets are converging back towards long-term low/mid-single-digit growth trends. The Truck end market is exiting its 2024-25 downturn, while non-Automotive businesses provide incremental growth opportunities and partly reduce cyclicality through mostly replacement-driven demand, refurbishment cycles, premiumisation and tighter energy-efficiency regulations.
- **Strategy: content-led growth and OEM platform acceleration.** INDB's strategy focuses on exploiting its core Automotive platform while scaling up more resilient, premium non-Automotive businesses to improve growth quality and earnings visibility. Growth is driven by (i) higher content per vehicle and participation in next-generation truck platforms (notably Iveco-Ford Otosan from 2028), (ii) scale-up of Leisure, especially in the US following full control of Indel Marine, and (iii) selective, disciplined bolt-on M&A, with optionality in South America.
- **Steady expansion, slight margin upside and solid FCF outlook.** INDB has a solid growth track record, with consistent top line expansion (2017-25 CAGR +7%, o/w 5% organic) and structurally-positive FCF. Looking ahead, revenues should reach €240mn by 2028 (+5% CAGR), driven by normalised growth across end markets, above-average contribution from Leisure (partly M&A-led), and a recovery in Automotive with potential upside from the Iveco-Ford Otosan programme. Profitability is expected to gradually improve (EBITDA margin from11.4% to 12.3%), supported by operating leverage and mix, while adj. net income benefits from higher operating profit and lower financial charges. We estimate FCF to average ~€11mn, underpinned by disciplined CapEx and normalised working capital, supporting a sustainable 30% dividend payout.
- **Valuation.** We initiate coverage of INDB with an OUTPERFORM rating and a TP of €25.5, implying +31% upside vs. the previous closing price. Our TP is derived from the simple average of a Discounted Cash Flow (DCF) model and an Economic Value-Added (EVA) framework (ROIC vs. WACC) and includes a 10% liquidity discount (WACC 9.4%, TGR 2.0%). At our TP, the stock would trade at 5.6x and 11.6x 2026 EV/EBITDA and P/E respectively.

Key Figures & Ratios	2024A	2025A	2026E	2027E	2028E
Sales (Eu mn)	204	207	221	228	240
EBITDA Adj (Eu mn)	23	24	26	28	29
Net Profit Adj (Eu mn)	12	10	12	13	15
EPS New Adj (Eu)	2.200	1.946	2.208	2.537	2.832
DPS (Eu)	0.800	0.600	0.662	0.761	0.850
EV/EBITDA Adj	5.7	5.1	4.3	3.7	3.3
EV/EBIT Adj	7.9	7.6	6.4	5.3	4.5
P/E Adj	8.8	10.0	8.8	7.7	6.9
Div. Yield	4.1%	3.1%	3.4%	3.9%	4.4%
Net Debt/EBITDA Adj	0.5	0.7	0.4	0.0	-0.2

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The main methods used to evaluate financial instruments and set a target price for 12 months after the investment recommendation are as follows:

- Discounted cash flow (**DCF**) model or similar methods such as a dividend discount model (**DDM**)
- Comparison with market peers, using the most appropriate methods for the individual company analysed: among the main ratios used for industrial sectors are price/ earnings (P/E), EV/EBITDA, EV/EBIT, price /sales
- Return on capital and multiples of adjusted net book value are the main methods used for banking sector stocks, while for insurance sector stocks return on allocated capital and multiples on net book value and embedded portfolio value are used
- For the utilities sector comparisons are made between expected returns and the return on the regulatory asset base (RAB)

Some of the parameters used in evaluations, such as the risk-free rate and risk premium, are the same for all companies covered, and are updated to reflect market conditions. Currently a risk-free rate of 4.0% and a risk premium between 5.5% - 6.0% are being used.

Frequency of research: quarterly.

Reports on all companies listed on the FTSEMIB40 Index, most of those on the MIDEX Index and the main small caps (regular coverage) are published at least once per quarter to comment on results and important newsflow.

A draft copy of each report may be sent to the subject company for its information (without target price and/or recommendations), but unless expressly stated in the text of the report, no changes are made before it is published.

Explanation of our ratings system:

BUY: stock expected to outperform the market by over 25% over a 12 month period;

OUTPERFORM: stock expected to outperform the market by between 10% and 25% over a 12 month period;

NEUTRAL: stock performance expected at between +10% and - 10% compared to the market over a 12 month period;

UNDERPERFORM: stock expected to underperform the market by between -10% and -25% over a 12 month period;

SELL: stock expected to underperform the market by over 25% over a 12 month period.

Prices: The prices reported in the research refer to the price at the close of the previous day of trading

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Intermonte SIM is authorised by CONSOB to provide investment services and is listed at n° 246 in the register of brokerage firms.

As at 5 May 2026 Intermonte's Research Department covered 135 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	32.59%
OUTPERFORM:	37.78%
NEUTRAL:	29.63%
UNDERPERFORM:	00.00%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (80 in total) is as follows:

BUY:	53.75%
OUTPERFORM:	30.00%
NEUTRAL:	15.00%
UNDERPERFORM:	01.25%
SELL:	00.00%

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