INDEL B

Sector: Industrials

OUTPERFORM (unchanged)

Target: €24.0 (from €25.5)

Growth Drivers Intact Despite Temporary Margin Headwinds

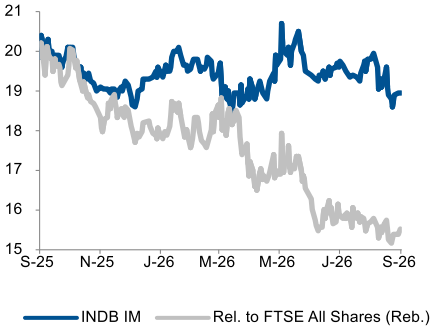
ANALYST(s)

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

Change (%)	2026E	2027E	2028E
Eps Adj.	-12.7%	-12.4%	-10.8%

Key Data	September 10, 2026
Price (€)	19.0
Upside/(Downside)	26.6%
Sector	Industrials
Reuters Code	INDB.MI
Bloomberg Code	INDB IM

Performance (%)	1M	3M	12M
Absolute	-4.3%	-2.6%	-4.5%
Relative	-0.9%	-5.6%	-21.7%
12M (H/L)			20.70/18.50
3M Average Volume (th):			0.66



Shareholder data	
Total no. of Shares (mn):	5
Mkt Cap (€ mn):	99
Mkt Float (€ mn):	21
Mkt Float (in %):	21.4%
Main Shareholder:	
AMP FIN	68.3%

Balance Sheet Data	
Book Value (€ mn)	144
BVPS (€)	27.73
P/BV	0.7
Net Financial Position (€ mn)	-9
Enterprise Value (€ mn)	108

INDB reported solid 1H growth, although profitability was temporarily affected by an unfavourable mix, reflecting stronger Automotive volumes relative to non-automotive activities, as well as higher transportation costs. We expect these headwinds to persist in the near term amid a still uncertain macro environment. However, we believe these pressures are cyclical rather than structural and do not alter our positive investment case. The increasing diversification of the business, normalising end-markets, a recovery in truck production and rising content per vehicle should support sustainable growth, margin expansion and solid cash generation over time. We are cutting our TP to €24.0 from €25.5 (-6%) to reflect lower earnings estimates, while confirming our OUTPERFORM rating.

- **1H26 results: adjusted figures a touch better.** Overall trends from INDB's reported 1H26 results were consistent with expectations, while adjusted figures were a touch better than expected. Revenues were €118.2mn (116.7 exp.), +9% YoY, o/w organic +4%, scope +7%, Others -1% and ForEx neutral. Automotive (61% of total) grew +9% YoY (+8% exp.), reversing the negative trend seen in the last two years on the back of solid market trends, while non-automotive grew +12% YoY (+8% exp.) benefitting from the consolidation of Indel Marine. Net of Indel Marine, non-automotive was down -6% YoY amid weakness in Leisure, Cooling Appl. and Hospitality, only partly offset by components, attributable to general market trends and as production capacity was dedicated to fulfilling automotive demand. Adj. EBITDA was €13.8mn (13.0mn exp.), +2% YoY for an 11.7% margin and down -0.9pp YoY due to adverse segment mix and the impact of freight prices. Adj. net income was €6.1mn (5.9mn exp.) amid higher D&A and tax rate partly compensated by lower financial charges. Net debt was €19.1mn (16.6 exp.) due to slightly higher NWC absorption.
- **2026 outlook.** Looking at 2H26, consolidated revenues appear broadly in line with our initial expectations, albeit with a slightly different mix, featuring a somewhat higher Automotive contribution (59% vs. 58%) and a correspondingly lower weight of non-automotive activities. From a profitability perspective, management continues to execute according to plan; however, the uncertain external environment is leading to higher transportation costs, which are expected to continue to erode margins in the coming quarters.
- **Change in estimates.** Based on the trends highlighted above, we are lowering our EPS forecasts by 12%. In particular, we are cutting our EBITDA margin assumption from 11.6% to 10.8%, reflecting a less favourable mix and higher transportation costs. The impact on net profit is partly mitigated by lower financial charges, which offset higher D&A.
- **Valuation.** We are reducing our TP from €25.5 to €24.0, reflecting our revised earnings estimates. Our valuation methodology remains unchanged, with the target price based on the simple average of a DCF valuation and an EVA framework, incorporating a 10% liquidity discount (WACC 9.4%, TGR 2.0%). At our target price, the stock would trade at 5.6x EV/EBITDA and 12.5x P/E on 2026 estimates.

Key Figures & Ratios	2024A	2025A	2026E	2027E	2028E
Sales (€ mn)	204	207	221	228	240
EBITDA Adj (€ mn)	23	24	24	26	27
Net Profit Adj (€ mn)	12	10	10	12	13
EPS New Adj (€)	2.200	1.946	1.927	2.222	2.526
EPS Old Adj (€)	2.200	1.946	2.208	2.537	2.832
DPS (€)	0.800	0.600	0.601	0.667	0.758
EV/EBITDA Adj	5.7	5.1	4.5	3.8	3.3
EV/EBIT Adj	7.9	7.6	7.2	5.8	4.8
P/E Adj	10.2	10.2	9.8	8.5	7.5
Div. Yield	4.2%	3.2%	3.2%	3.5%	4.0%
Net Debt/EBITDA Adj	0.5	0.7	0.4	0.0	-0.3

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein, and any of its parts, is strictly prohibited. None of the contents of this document may be shared with third parties without Company authorization. Please see important disclaimer on the last page of this report

Intermonte

IMPORTANT DISCLOSURES

The reproduction of the information, recommendations and research produced by Intermonte SIM contained herein and of any its parts is strictly prohibited. None of the contents of this document may be shared with third parties without authorisation from Intermonte.

This report is directed exclusively at market professional and other institutional investors (Institutions) and is not for distribution to person other than "Institution" ("Non-Institution"), who should not rely on this material. Moreover, any investment or service to which this report may relate will not be made available to Non-Institution.

The information and data in this report have been obtained from sources which we believe to be reliable, although the accuracy of these cannot be guaranteed by Intermonte. In the event that there be any doubt as to their reliability, this will be clearly indicated. The main purpose of the report is to offer up-to-date and accurate information in accordance with regulations in force covering "recommendations" and is not intended nor should it be construed as a solicitation to buy or sell securities.

This disclaimer is constantly updated on Intermonte's website www.intermonte.it under LEGAL NOTICES. Valuations and recommendations can be found in the text of the most recent research and/or reports on the companies in question. For a list of all recommendations made by Intermonte on any financial instrument or issuer in the last twelve months consult the web page CUSTOMER AREA.

Intermonte distributes research and engages in other approved activities with respect to Major U.S. Institutional Investors ("Majors") and other Qualified Institutional Buyers ("QIBs"), in the United States, via Plural Securities LLC under SEC 15a-6 guidelines. Intermonte is not registered as a broker dealer in the United States under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and is not a member of the Securities Investor Protection Corporation ("SIPC"). Plural Securities LLC is registered as a broker-dealer under the Exchange Act and is a member of SIPC.

ANALYST CERTIFICATION

For each company mentioned in this report the respective research analyst hereby certifies that all of the views expressed in this research report accurately reflect the analyst's personal views about any or all of the subject issuer (s) or securities. The analyst (s) also certify that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation or view in this report.

The analyst (s) responsible for preparing this research report receive(s) compensation that is based upon various factors, including Intermonte's total profits, a portion of which is generated by Intermonte's corporate finance activities, although this is minimal in comparison to that generated by brokerage activities. Intermonte's internal procedures and codes of conduct are aimed to ensure the impartiality of its financial analysts. The exchange of information between the Corporate Finance sector and the Research Department is prohibited, as is the exchange of information between the latter and the proprietary equity desk in order to prevent conflicts of interest when recommendations are made.

The analyst responsible for the report is not a) a resident of US; b) an associated person of a U.S. broker-dealer; c) supervised by a supervisory principal of a U.S. broker-dealer. This Research Report is distributed in the U.S. through Plural Securities LLC, 950 3rd Avenue, Suite 1702, NY 10022, USA.

GUIDE TO FUNDAMENTAL RESEARCH

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

CURRENT INVESTMENT RESEARCH RATING DISTRIBUTIONS

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

As at 14 September 2026 Intermonte's Research Department covered 137 companies. Intermonte's distribution of stock ratings is as follows:

BUY:	28.47%
OUTPERFORM:	40.88%
NEUTRAL:	29.92%
UNDERPERFORM:	00.73%
SELL:	00.00%

The distribution of stock ratings for companies which have received corporate finance services from Intermonte in the last 12 months (81 in total) is as follows:

BUY:	49.38%
OUTPERFORM:	28.40%
NEUTRAL:	19.75%
UNDERPERFORM:	02.47%
SELL:	00.00%

CONFLICT OF INTEREST

In order to disclose its possible conflicts of interest Intermonte SIM states that:

Intermonte SIM S.p.A. operates or has operated in the last 12 months as the person in charge of carrying out the share buyback plan approved by the shareholders' meeting of AZIMUT, ECOSUNTEK, EL.EN., ELICA, FILA, FINCANTIERI, GIOCAMONDO STUDY, INTERCOS, INTRED, PHARMANUTRA, SALVATORE FERRAGAMO, SESA, SG COMPANY, STAR7, SYS-DAT, TMP GROUP, UNIDATA, VALSOIA, WEBUILD

Intermonte SIM S.p.A. provides or has provided corporate brokerage services to AATECH, ABC COMPANY, AEROPORTO GUGLIELMO MARCONI DI BOLOGNA, ALLCORE, ALMAWAVE, AVIO, CASTA DIVA GROUP, CUBE LABS, CY4GATE, DOMINION HOSTING HOLDING, ELICA, ESPRINET, EVISO, EXECUS, FINE FOODS & PHARMACEUTICALS NTM, GPI, HIGH QUALITY FOOD, IGD, IKONISYS SA, ISCC FINTECH, LEMON SISTEMI, LUVE, MAPS, MARE ENGINEERING GROUP, NEODECORTECH, NOTORIOUS PICTURES, PREATONI GROUP, REDELFI, REDFISH LONGTERM CAPITAL, REVO INSURANCE, REWAY GROUP, SERI INDUSTRIAL, SPINDOX, STAR7, TECNO, ULISSE BIOMED, WIIT, XENIA HOTELLERIE SOLUTION, Zest Group SpA **in the last 12 months**

Intermonte SIM S.p.A. operates or has operated in the last 12 months as Financial Content Provider on the company AATECH, ALLCORE, ALMAWAVE, B&C SPEAKERS, BANCA SISTEMA, BIFIRE, CASTA DIVA GROUP, COFLE, COM.TEL, CUBE LABS, CY4GATE, DOMINION HOSTING HOLDING, ECOSUNTEK, ELES, ELICA, ENERGY, EVISO, EXECUS, FIERA MILANO, FILA, FOPE, G.M. LEATHER, GREEN OLEO, HIGH QUALITY FOOD, IGD, IKONISYS SA, INTERCOS, ISCC FINTECH, LEMON SISTEMI, MAPS, MARE ENGINEERING GROUP, MASI AGRICOLA, MATICA FINTEC, MISITANO & STRACUZZI SPA, NEODECORTECH, NOTORIOUS PICTURES, OLIDATA, PREATONI GROUP, RACING FORCE, REDELFI, REDFISH LONGTERM CAPITAL, SG COMPANY, SIMONE, SPINDOX, TAMBURI, TECNO, TMP GROUP, ULISSE BIOMED, XENIA HOTELLERIE SOLUTION, Zest Group SpA

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of intermediary appointed in the public purchase and/or exchange offer transaction of ANTARES VISION, BANCA SISTEMA, MARE ENGINEERING GROUP, POSTE ITALIANE

Intermonte SIM S.p.A. operates or has operated in the last 12 months as liquidity provider of BANCA SISTEMA, Zest Group SpA

Intermonte SIM is acting as advisor to Webuild in the voluntary public tender offer promoted on Trevi-Finanziaria Industriale.

Intermonte SIM is acting as advisor to Poste Italiane S.p.A. in the context of the voluntary public purchase and exchange offer promoted on TIM S.p.A. in relation to stock market aspects and institutional investors relationships, as well as intermediary responsible for the coordination of the collection of the offer acceptances.

Intermonte SIM has acted as counterparty to WIIT Fin S.r.l. in connection with call and put options having WIIT S.p.A. shares and dividends as reference underlying.

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of financial advisor for BANCA GENERALI, BANCO BPM, MARE ENGINEERING GROUP, POSTE ITALIANE, TELECOM ITALIA, WEBUILD

Intermonte SIM S.p.A. operates or has operated in the last 12 months as market maker on financial instruments with underlying shares issued by A2A, AMPLIFON, AZIMUT, BANCA GENERALI, BANCA IFIS, BANCA MEDIOLANUM, BANCO BPM, BCA MPS, BFF BANK, Bper Banca, BREMBO, BUZZI, CAMPARI, DANIELI & C, DIASORIN, ENEL, ENI, ERG, FERRARI, FINECOBANK, INDUSTRIE DE NORA, INTERPUMP GROUP, INTESA SANPAOLO, INWIT, IREN, ITALGAS, LEONARDO, LOTTOMATICA GROUP, MEDIOBANCA, MFE B, MONCLER, MONDADORI EDIT., NEXI, OVS, PIRELLI & C, POSTE ITALIANE, PRYSMIAN, SAIPEM, SESA, SNAM S.p.A., STELLANTIS, STMICROELECTRONICS, TECHNOGYM, TECHNOPROBE, TELECOM ITALIA, TELECOM ITALIA R, TENARIS, TERNA, UNICREDIT, UNIPOL, WEBUILD

Intermonte Sim S.p.A. has or had in the last 12 months a marketing contract on instruments issued by BARCLAYS, BNP PARIBAS, GOLDMAN SACHS GROUP INC, LEONTEQ, MAREX FINANCIAL, MEDIOBANCA, MORGAN STANLEY, NATIXIS, SOCIETE GENERALE, UNICREDIT, VONTOBEL N

Intermonte SIM S.p.A. performs or has performed in the last 12 months the role of specialist on financial instruments issued by ABITARE IN, AQUAFIL, BANCA IFIS, BANCA SISTEMA, COFLE, COM.TEL, DIGITOUCH, ECOSUNTEK, EL.EN., EMAK, ENERGY, FNM, GEFRAN, GREEN OLEO, INTRED, MATICA FINTEC, MISITANO & STRACUZZI SPA, MONDADORI EDIT., OLIDATA, OMER, PHARMANUTRA, POWERSOFT, QF ALPHA IMM, REPLY, SESA, SG COMPANY, SOMEC, STAR7, SYS-DAT, TAMBURI, TESMEC, TINEXTA, TMP GROUP, TXT E-SOLUTIONS, UNIDATA **with the obligation to disseminate studies**

Intermonte SIM S.p.A. plays or has played in the last 12 months the role of sponsor for UNIDATA S.p.A.

© Copyright 2026 by Intermonte SIM - All rights reserved

It is a violation of national and international copyright laws to reproduce all or part of this publication by email, xerography, facsimile or any other means. The Copyright laws impose heavy liability for such infringement. The Reports of Intermonte SIM are provided to its clients only. If you are not a client of Intermonte SIM and receive emailed, faxed or copied versions of the reports from a source other than Intermonte SIM you are violating the Copyright Laws. This document is not for attribution in any publication, and you should not disseminate, distribute or copy this e-mail without the explicit written consent of Intermonte SIM.

INTERMONTE will take legal action against anybody transmitting/publishing its Research products without its express authorization.

INTERMONTE Sim strongly believes its research product on Italian equities is a value added product and deserves to be adequately paid.

Intermonte Sim sales representatives can be contacted to discuss terms and conditions to be supplied the INTERMONTE research product.

INTERMONTE SIM is MIFID compliant - for our Best Execution Policy please check our Website https://www.intermonte.it/it/avvertenze-legali/mifid-ii.html

Further information is available.