

Industrie Chimiche Forestali

Sector: Industrial

Sound 1Q23 EBITDA but current demand signals slowdown

1Q23 results were in line with our FY expectations. The sound double-digit EBITDA margin was also aided by the ease of raw material/energy prices and positive product-mix effect. The exposure to footwear and premium leather segments are expected to gain weight vs. the stable automotive business. The integration of Tessitura Langè goes in this direction, lifting exposure to luxury end-market and adding business diversification. Current trading is signalling a slowdown in demand, aided by weak macroeconomic conditions, suggesting cautiousness in the short-term horizon. We include the acquisition of Tessitura Langè in our numbers while prudentially fine-tune downwards our FY23E EBITDA projection (-5%), considering potential market slowdown ahead. Synergies from the integration are not factor-in, leaving grounds for upside risks. All in all, we expect top-line to reach Eu93.3mn in FY23E with EBITDA margin pointing to 9.2%. ICF is now trading at 2024E 4.5x EV/EBITDA (>40% discount vs. peers). BUY rating confirmed with TP of Eu8.0/share (36% upside potential).

- 1Q23 sales were flat yoy with double-digit EBITDA margin, matching our FY projection.** ICF reported 1Q23 sales of Eu21mn, broadly flat yoy and in line with our expectation for the FY23. The flattening trend in sales was registered across businesses, including automotive. However, revenue mix is expected to be skewed chiefly on the premium luxury footwear/leather segment vs. automotive. 1Q23 EBITDA reached Eu2.1mn with a sound double-digit margin of 10% from 5.7% in 1Q22. The ease in raw material prices, energy costs (despite remain at high level) and supply chain constraints were supportive, together with a positive product-mix effect. Net debt reached Eu9.3mn, up from Eu7.8mn at YE22 and mostly driven by negative effect of NWC dynamics linked to business seasonality and sales mix (automotive enjoys better than average NWC dynamics).
- Successful closing of Tessitura Langè deal; current trading is signalling a slowdown in demand.** In April, ICF announced the successful closing of the acquisition of Tessitura Langè (producer and distributor of premium and sustainable cotton textiles) for Eu2.3mn (including inventory for Eu0.55mn) to be paid in two tranches (at execution date and within 12m after that). We remind that the acquisition has a strong strategic rationale that allows ICF to further penetrate the luxury end-market and diversifying business exposure (like Morel). The deal lifts ICF's exposure to premium shoes and packaging segments while reduces automotive (to 22% after integration from 38% in 2018). On top of that, Langè complies with ESG standards with a direct tracking of the supply chain, adding value with ICF's final clients (luxury brands). Current trading is still benefiting from the ease of raw materials but demand across businesses is signalling a slowdown (clients' destocking) amid weak macroeconomic conditions, suggesting cautiousness in the short-term horizon.
- We factor-in the Tessitura Langè business and slightly decrease FY23E EBITDA.** We include the Tessitura Langè deal, while prudentially fine-tune downwards our FY23E EBITDA (-5%). We increase our FY23E net debt to Eu12.3mn (from Eu7.8mn at YE22) mainly due to expected weaker NWC dynamics linked to the business integration and Eu1.4mn cash-out from the acquisition. All in all, we foresee FY23E top-line to reach Eu93.3mn with EBITDA of Eu8.6mn/9.2% margin. Potential synergies from Tessitura Langè acquisition are not factor in, leaving grounds for potential upside.
- BUY rating confirmed with TP of Eu8.0/share.** We confirm our BUY rating with TP of Eu8.0/share. The solid cash flow generation profile and business resiliency coupled with successful shift to premium leather and luxury segments strengths our positive stance on the stock. ICF is now trading at 2024E 4.5x EV/EBITDA (>40% below larger international peers).

BUY

Unchanged

TP 8.0

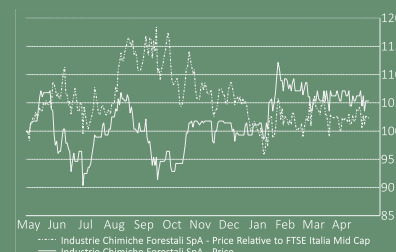
Unchanged

Target price upside 36%

	FY23E	FY24E
Change in EPS est.	-15.3%	3.4%

Ticker (BBG, Reut)	ICF IM	ICF MI
Share price Ord. (Eu)		5.9
N. of Ord. shares (mn)		6.8
Total N. of shares (mn)		6.8
Market cap (Eu mn)		40
Total Market Cap f.d. (Eu mn)		40
Free Float Ord. (%)		91%
Free Float Ord. (Eu mn)		36
Daily AVG liquidity Ord. (Eu k)		12

	1M	3M	12M
Absolute Perf.	-0.8%	-3.3%	6.9%
Rel.to FTSEMIDCap	0.3%	-1.6%	1.2%
52 weeks range		5.1	6.3



	FY22A	FY23E	FY24E
Sales	88	93	100
EBITDA	7.8	8.6	11.4
Net profit adj.	3.9	3.7	5.1
EPS adj.	0.575	0.543	0.748
DPS - Ord.	0.200	0.140	0.140
EV/EBITDA	6.1x	6.2x	4.5x
P/E adj.	9.9x	10.9x	7.9x
Dividend yield	3.5%	2.4%	2.4%
FCF yield	3.3%	-3.3%	10.1%
Net debt/(Net cash)	7.8	12.3	10.2
Net debt/EBITDA	1.0x	1.4x	0.9x

Andrea Zampaloni

andrea.zampaloni@alantra.com

+39 02 63 671 621

Key Data

P&L account (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	75.7	88.3	93.3	100.3	104.8
Gross margin	24.0	28.9	30.1	33.8	35.4
EBITDA reported	5.2	7.8	8.6	11.4	12.8
D&A	(4.4)	(4.6)	(4.8)	(5.0)	(5.2)
EBIT reported	0.7	3.1	3.8	6.5	7.7
Net financial charges	(0.8)	0.6	(0.6)	(0.5)	(0.5)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	(0.1)	3.7	3.2	6.0	7.2
Taxes	2.4	(0.5)	(0.9)	(2.3)	(2.6)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	2.3	3.2	2.3	3.7	4.5
EBITDA adjusted	5.2	7.8	8.6	11.4	12.8
EBIT adjusted	2.7	5.1	5.8	8.4	9.6
Net profit adjusted	2.2	3.9	3.7	5.1	5.9

Margins (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Gross margin	31.8%	32.7%	32.3%	33.7%	33.8%
EBITDA margin (adj)	6.9%	8.8%	9.2%	11.4%	12.3%
EBIT margin (adj)	3.5%	5.8%	6.2%	8.4%	9.2%
Pre-tax margin	-0.2%	4.2%	3.4%	5.9%	6.8%
Net profit margin (adj)	2.9%	4.4%	3.9%	5.0%	5.6%

Growth rates (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	24.9%	16.6%	5.6%	7.5%	4.5%
EBITDA	-27.2%	50.1%	9.9%	33.3%	12.4%
EBITDA adjusted	-27.2%	50.1%	9.9%	33.3%	12.4%
EBIT	-74.5%	345.8%	21.5%	70.0%	18.8%
EBIT adjusted	-43.8%	91.0%	13.2%	46.1%	14.4%
Pre-tax	-108.8%	-2950.8%	-13.8%	86.2%	20.4%
Net profit	2.5%	39.9%	-28.9%	61.1%	23.6%
Net profit adjusted	-33.2%	76.6%	-5.9%	37.9%	17.1%

Per share data	FY21A	FY22A	FY23E	FY24E	FY25E
Shares	6.943	6.770	6.750	6.750	6.750
N. of shares AVG	6.943	6.770	6.674	6.655	6.655
N. of shares diluted AVG	6.943	6.856	6.760	6.750	6.750
EPS	0.329	0.472	0.336	0.542	0.669
EPS adjusted	0.317	0.575	0.543	0.748	0.876
DPS - Ord.	0.140	0.200	0.140	0.140	0.140
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	11.058	11.598	11.695	12.134	12.669

Enterprise value (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Share price Ord. (Eu)	6.4	5.7	5.9	5.9	5.9
Market cap	44.3	38.5	39.8	39.8	39.8
Net debt/(Net cash)	7.4	7.8	12.3	10.2	5.3
Adjustments	1.0	1.0	1.0	1.0	1.0
Enterprise value	52.7	47.3	53.1	51.0	46.1

Cash flow (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
EBITDA adjusted	5.2	7.8	8.6	11.4	12.8
Net financial charges	(0.4)	(0.6)	(0.6)	(0.5)	(0.5)
Cash taxes	(0.3)	0.5	(1.0)	(2.2)	(2.5)
Ch. in Working Capital	0.5	(2.9)	(3.9)	(2.4)	(1.5)
Other operating items	(0.3)	(1.6)	(2.5)	(0.4)	(0.4)
Operating cash flow	4.6	3.3	0.6	6.0	7.9
Capex	(2.0)	(2.0)	(1.9)	(2.0)	(2.1)
FCF	2.7	1.3	(1.3)	4.0	5.8
Disposals/Acquisitions	(3.4)	(0.3)	(1.4)	(0.9)	0.0
Changes in Equity	(2.3)	(0.5)	(0.5)	0.0	0.0
Others	(0.1)	0.1	0.0	0.0	0.0
Dividends	(1.0)	(1.0)	(1.4)	(1.0)	(1.0)
Ch. in NFP	(4.2)	(0.4)	(4.5)	2.2	4.9

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Capex/Sales	2.6%	2.3%	2.0%	2.0%	2.0%
Capex/D&A	0.4x	0.4x	0.4x	0.4x	0.4x
FCF/EBITDA	51.4%	16.0%	-15.2%	35.4%	45.5%
FCF/Net profit	nm	nm	nm	nm	nm
Dividend pay-out	41.6%	42.4%	42.4%	42.4%	42.4%

Balance sheet (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital	17.0	20.7	23.7	26.0	33.5
Fixed assets	76.1	73.3	71.9	70.4	68.4
Provisions & others	(9.0)	(7.7)	(5.2)	(5.5)	(12.4)
Net capital employed	84.1	86.3	90.4	90.9	89.6
Net debt/(Net cash)	7.4	7.8	12.3	10.2	5.3
Equity	76.8	78.5	78.1	80.8	84.3
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital/Sales	22.5%	23.5%	25.4%	25.9%	32.0%
Net debt/Equity	9.6%	9.9%	15.8%	12.6%	6.3%
Net debt/EBITDA	1.4x	1.0x	1.4x	0.9x	0.4x

Valuation	FY21A	FY22A	FY23E	FY24E	FY25E
EV/CE	0.6x	0.5x	0.6x	0.5x	0.5x
P/BV	0.6x	0.5x	0.5x	0.5x	0.5x
EV/Sales	0.7x	0.5x	0.6x	0.5x	0.4x
EV/EBITDA	10.1x	6.1x	6.2x	4.5x	3.6x
EV/EBITDA adjusted	10.1x	6.1x	6.2x	4.5x	3.6x
EV/EBIT	75.1x	15.1x	14.0x	7.9x	6.0x
EV/EBIT adjusted	19.8x	9.3x	9.2x	6.1x	4.8x
P/E	19.4x	12.0x	17.5x	10.9x	8.8x
P/E adjusted	20.1x	9.9x	10.9x	7.9x	6.7x
ROCE pre-tax	2.9%	5.4%	6.1%	8.8%	9.7%
ROE	2.9%	5.0%	4.7%	6.3%	7.0%
EV/FCF	19.7x	37.8x	-40.7x	12.6x	7.9x
FCF yield	6.0%	3.3%	-3.3%	10.1%	14.7%
Dividend yield	2.2%	3.5%	2.4%	2.4%	2.4%

Share price performance

Strong growth of EPS estimates



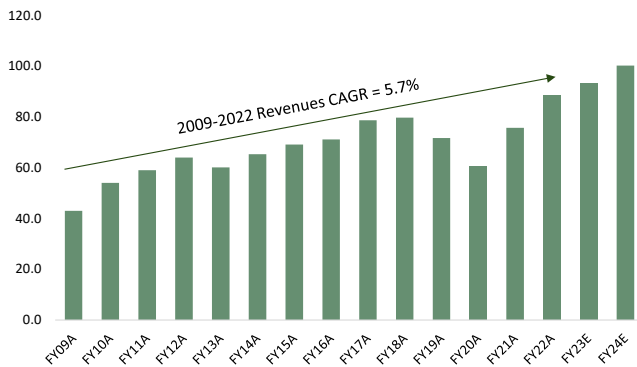
Valuation

The company is trading at significant discount versus peers



Solid top line growth in the long term (FY09A-FY24E)

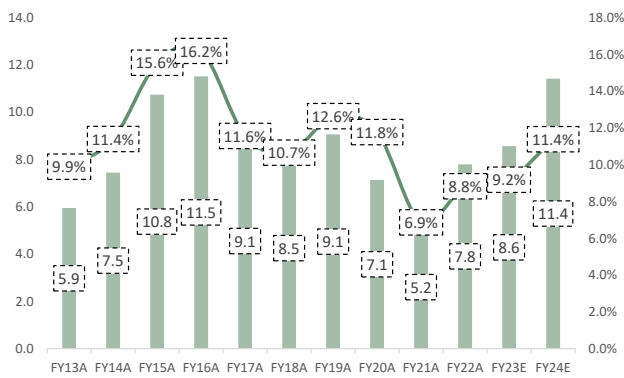
FY21-22 sales posted a double-digit growth



Source: company data

A profitable business (FY13A-FY24E EBITDA and margin)

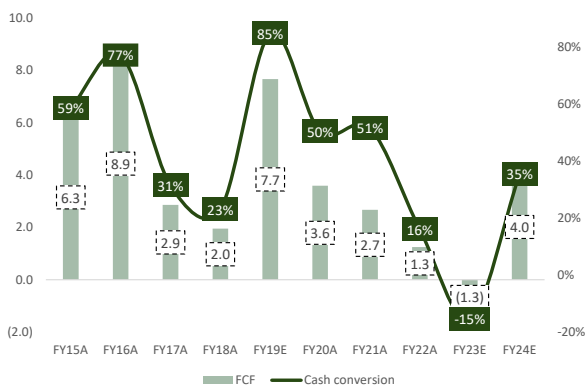
Profitability was resilient to Covid-19, further margin expansion is expected



Source: company data

Cash generative (FY15A-FY24E FCF and cash conversion)

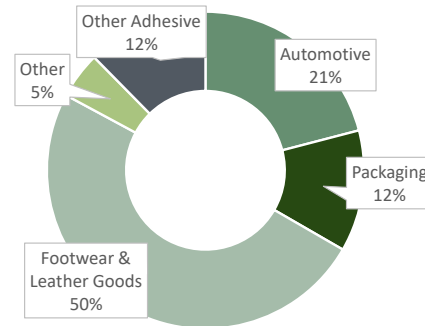
Good cash generation is foreseen ahead, reaching 35% cash conversion in FY24E



Source: company data

Revenues breakdown by Sector (Tessitura Langè post-merger)

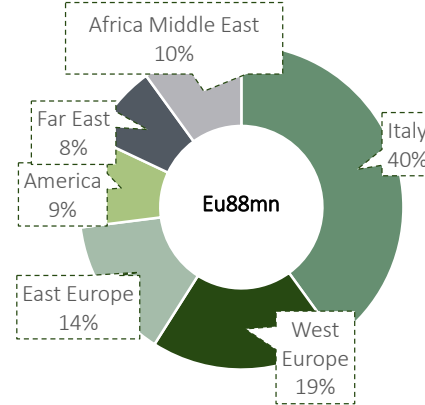
ICF has significantly reduced its exposure to the automotive sector



Source: Company data

Revenues breakdown by Geography (FY22A)

Well diversified by geography



Source: company data

An overview of ICF's adhesive applications

ICF's adhesive are used in a diversified end-markets (Premium leather/footwear, automotive, packaging)

Footwear & Leather Goods (FORESTALI)

- Adhesives: Solvent-based, Solvent-free, Water-based
- Technical fabrics: Toe-puff, counters, Linings and reinforcing

Automotive (ABC)

- Adhesives: Solvent-based, Solvent-free, Water-based

Packaging (ABC)

- Adhesives: Solvent-based, Solvent-free, Water-based

Applications:

- Footwear:** Technical fabric is used in the toe puffs and counters of the shoe. Adhesive is used to put together mainly uppers, insoles and sole units.
- Automotive:** The layers of the headliner in a vehicle. It can be applied to light vehicles (passenger and commercial).
- Packaging:** Adhesives are used to glue the layers of films comprising the package for various applications (food and non-food). The plastic cover of magazines and periodicals. The pins used in the staplers and similar objects.

Source: HB Fuller capital markets day 2018

Profile

Background	ICF manufactures adhesives (74% of sales in FY22) and technical fabrics (26%). The company carries out its activities from its production site located in Marcallo con Casone (the plant occupies an area of about 22,800 square meters out of a property of 60.000 square meters), through two distinctive divisions: Forestali and ABC (Adhesive Based Chemicals). The Forestali division (66%) manufactures: (i) adhesives and technical fabrics (i.e. toe-puffs and stiffeners) for the footwear industry; (ii) adhesives and technical fabrics (i.e. linings and reinforcing) for leather goods and upholstered furniture. Forestali also acts as a contract manufacturer in the production of third parties' brands for well recognized international players. The ABC division (34%) was launched in 2005 and manufactures industrial adhesives for the automotive and packaging industry. Today, Footwear and Leather Goods represents the most important reference sector accounting for 52% of sales, followed by Automotive for 22%. Smaller contribution but higher potential for growth comes from Packaging (13%) and other adhesive (13%).
Positioning	ICF has been gaining shares in adhesives reference markets by leveraging on its niche positioning between global players and local competitors. ICF has, on one side, a higher degree of flexibility compared to global players, which struggle to serve a fragmented customer base; on the other, the group represents a certified and reliable partner respecting strict standards of quality. As of today, the company can rely on 3 R&D Labs (Manufacturing, Automotive, Packaging) with > 20 employees. As the company focus on sustainability to attract new clients, over the last decade the amount of water-based and solvent free adhesives over total production increased from 34% to 53% significantly reducing emissions. ICF sells its adhesives and fabrics all over the world. Sales made abroad were a relevant driver of growth over the last decade, representing 60% of 2022 total sales. The company distributes its products both directly, through a network of 9 experienced sales, and via agents / distributors. With the Morel and Tessitura Langè acquisitions in 2021 and 2023 respectively, ICF has expanded its activity into luxury footwear, leather goods and premium textiles.
Growth	<p>Since 2009, when Guido Cami was appointed as group's CEO, ICF has built a history of long-term solid growth: revenues grew from Eu43.0mn in FY09 to Eu88mn in FY22 posting a 6% 13Y CAGR. Growth came mainly from revenues made abroad thanks to an effective commercial activity made both in the US and in Asia. Cumulative adj. FCF generation over 2012-22 period was over Eu47mn. On average EBITDA cash conversion was >50%.</p> <p>The adhesive/sealants market is worth today around USD50bn (source: IHS research). Mechanical fastening replacement and growth of adhesive consumption in emerging markets are the main drivers behind a relentless market growth expected in coming years (3% to 3.5% per year) which should bring total value to around USD70bn by 2027.</p>
Strategy	ICF is unceasingly expanding its commercial network in large and underpenetrated footwear markets (e.g. APAC, LATAM). While there is little room to grow further into automotive, the diversification into structurally growing industries like flexible packaging and leather goods (where ICF's know-how on environmental-friendly water-based adhesives is key) is far from being complete. ICF also considers M&A an opportunity to consolidate its leadership in reference markets, enter into new geographies/end markets.

Strengths

Global leading player in the supply of adhesives for car headliners
Cross-sector diversification with exposure to luxury end-markets
Low maintenance capex needs, sound cash generation

Opportunities

M&A to expand footprint, to achieve higher product and geographical diversification
Develop new commercial relationships and industrial partnerships
R&D on water-based adhesives to attract customers via eco-friendly technologies

Key shareholders

V.F. Adhesives srl 26.5%

Weaknesses

Exposure to cyclical automotive market
Competition in the automotive sector is with global players with larger scale
High exposure to raw material prices fluctuation

Threats

Aggressive commercial behavior from large suppliers in automotive sector
Limited number of raw materials suppliers
Cyclical downturn should hit demand from automotive customers

Management

Guido Cami - CEO and Chairman
Marcello Taglietti - COO
Massimo Rancilio - CFO

Next events

2Q23 results: 27/09/2023
3Q23 results: 15/11/2023

1Q23 Results

1Q23 results

Top-line came in flat yoy with a jump in EBITDA margin, also aided by an ease in raw material/energy prices and a positive product-mix effect

Eu mn	1Q22A	1Q23A	YoY %	Alantra		
				FY22A	FY23E	YoY %
Revenues	21.0	21.0	0.0%	88.3	86.9	-2%
EBITDA Adj.	1.2	2.1	75.0%	7.8	9.0	15%
Ebitda Margin %	5.7%	10.0%		8.8%	10.3%	
NFP (debt)/cash	(9.3)	(9.3)		(7.8)	(4.9)	

Source: Company data, Alantra estimates

Estimates

Change in estimates

We update our estimates with the acquisition of Tessitura Langè while broadly confirm our previous estimates

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Total Revenues / Value of Production	93.3	100.3	104.8	7%	15%	17%	86.9	87.5	89.3
EBITDA Adjusted	8.6	11.4	12.8	-5%	5%	10%	9.0	10.9	11.6
EBIT Adjusted	5.8	8.4	9.6	-10%	4%	11%	6.4	8.1	8.7
Net profit restated	3.7	5.1	5.9	-16%	3%	12%	4.3	4.9	5.3
EPS	0.551	0.759	0.888	-15%	3%	12%	0.650	0.734	0.793
Net financial position	(12.3)	(10.2)	(5.3)	-7.38	-8.95	-10.40	(4.9)	(1.2)	5.1

Source: Alantra estimates

Peers

Trading multiples

At current market price, the stock is at large discount vs peers on 2023/2024E multiples

Company	Country	Mkt Cap (Eu mn)	EV/EBITDA			EV/EBIT			PE			EV/Sales		
			FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Industrie Chimiche Forestali Premium (discount) to Peers' Median	ITALY	43	6.2 x	4.5 x	3.6 x	9.2 x	6.1 x	4.8 x	10.9 x	7.9 x	6.7 x	0.6 x	0.5 x	0.4 x
			-29%	-43%	-47%	-25%	-41%	-48%	-30%	-42%	-45%	-60%	-62%	-62%
PEERS	Average		9.3 x	8.1 x	7.0 x	13.2 x	11.1 x	9.6 x	15.9 x	13.7 x	12.5 x	1.7 x	1.6 x	1.3 x
	Median		8.7 x	7.8 x	6.8 x	12.3 x	10.2 x	9.2 x	15.6 x	13.6 x	12.4 x	1.4 x	1.3 x	1.2 x
Henkel AG & Co. KGaA Pref	GERMANY	31,152	10.6 x	9.8 x	8.7 x	13.8 x	12.2 x	11.1 x	19.1 x	17.1 x	15.7 x	1.5 x	1.4 x	1.4 x
Sika AG	SWITZERLAND	39,689	19.6 x	15.8 x	14.5 x	24.9 x	20.1 x	18.1 x	30.9 x	26.0 x	22.8 x	3.7 x	3.2 x	2.9 x
Arkema SA	FRANCE	6,530	5.2 x	4.4 x	4.0 x	8.1 x	6.9 x	5.9 x	9.2 x	7.9 x	7.1 x	0.8 x	0.7 x	0.7 x
H.B. Fuller Company	UNITED STATES	3,236	8.7 x	7.8 x	7.1 x	12.2 x	10.2 x	9.2 x	15.7 x	13.1 x	11.7 x	1.4 x	1.2 x	1.2 x
PEERS Adhesives Producers	Average		11.0 x	9.5 x	8.6 x	14.7 x	12.3 x	11.1 x	18.7 x	16.0 x	14.3 x	1.8 x	1.6 x	1.5 x
	Median		9.7 x	8.8 x	7.9 x	13.0 x	11.2 x	10.2 x	17.4 x	15.1 x	13.7 x	1.4 x	1.3 x	1.3 x
SAES Getters S.p.A.	ITALY	626	12.0 x	11.4 x	na	15.2 x	13.8 x	na	18.4 x	16.3 x	15.8 x	2.7 x	2.6 x	na
Cembre S.p.A.	ITALY	512	8.7 x	7.9 x	7.0 x	11.1 x	10.3 x	9.6 x	15.4 x	14.1 x	13.7 x	2.4 x	2.2 x	2.0 x
LU-VE SpA	ITALY	668	9.0 x	8.0 x	6.8 x	15.3 x	12.9 x	10.5 x	17.5 x	15.4 x	13.0 x	1.2 x	1.0 x	0.9 x
Aquafil SpA	ITALY	188	5.3 x	4.5 x	4.0 x	12.3 x	9.2 x	8.3 x	10.9 x	9.2 x	8.3 x	0.6 x	0.6 x	0.5 x
Sabaf S.p.A.	ITALY	185	6.5 x	5.1 x	4.5 x	10.8 x	8.2 x	6.7 x	10.7 x	8.0 x	7.0 x	1.0 x	0.9 x	0.8 x
B&C Speakers S.p.A.	ITALY	160	7.3 x	6.5 x	5.9 x	8.0 x	7.1 x	6.6 x	10.9 x	10.3 x	10.0 x	1.8 x	1.6 x	1.5 x
PEERS Italian Small-Caps	Average		8.1 x	7.2 x	5.7 x	12.1 x	10.3 x	8.3 x	14.0 x	12.2 x	11.3 x	1.6 x	1.5 x	1.2 x
	Median		8.0 x	7.2 x	5.9 x	11.7 x	9.7 x	8.3 x	13.2 x	12.2 x	11.5 x	1.5 x	1.3 x	0.9 x

Source: Alantra estimates and Factset

Financials

Selected peers enjoy better margins than ICF being larger/more diversified (Adhesives producers) or being active in different businesses (Italian Small-Caps)

Company	Country	Mkt Cap (Eu mn)	FY23E - FY25E average margins					CAGR FY22A - FY25E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
Industrie Chimiche Forestali	ITALY	43	10.9%	7.9%	4.9%	2.0%	-42.4%	5.9%	18.1%	23.7%	15.1%
PEERS	Average		18.5%	13.6%	9.4%	4.8%	37.4%	4.6%	6.4%	9.3%	7.9%
	Median		16.7%	11.8%	7.8%	5.4%	35.0%	4.2%	7.4%	10.3%	9.6%
Henkel AG & Co. KGaA Pref	GERMANY	31,152	14.9%	11.7%	7.8%	3.3%	43.1%	0.4%	4.4%	15.4%	8.3%
Sika AG	SWITZERLAND	39,689	19.6%	15.5%	11.1%	2.5%	40.9%	11.1%	13.7%	13.6%	14.6%
Arkema SA	FRANCE	6,530	15.6%	10.2%	7.1%	6.3%	34.8%	-1.1%	-4.6%	-7.2%	-8.2%
H.B. Fuller Company	UNITED STATES	3,236	15.9%	11.9%	7.0%	3.2%	16.6%	3.3%	8.1%	13.1%	11.9%
PEERS Adhesives Producers	Average		16.5%	12.3%	8.3%	3.8%	33.9%	3.4%	5.4%	8.7%	6.7%
	Median		15.7%	11.8%	7.4%	3.2%	37.9%	1.8%	6.3%	13.4%	10.1%
SAES Getters S.p.A.	ITALY	626	22.7%	18.0%	11.9%	5.1%	34.2%	5.0%	4.9%	6.5%	11.5%
Cembre S.p.A.	ITALY	512	27.8%	21.1%	15.8%	7.5%	64.1%	9.0%	9.9%	7.5%	6.7%
LU-VE SpA	ITALY	668	13.2%	8.2%	5.5%	6.4%	22.9%	7.0%	10.6%	16.8%	9.9%
Aquafil SpA	ITALY	188	12.7%	5.9%	3.2%	5.6%	31.9%	2.3%	1.4%	3.4%	-3.4%
Sabaf S.p.A.	ITALY	185	17.4%	11.1%	7.8%	7.0%	35.2%	3.3%	9.1%	16.9%	18.7%
B&C Speakers S.p.A.	ITALY	160	25.1%	22.8%	16.5%	1.1%	50.8%	5.4%	6.7%	6.7%	9.3%
PEERS Italian Small-Caps	Average		19.8%	14.5%	10.1%	5.5%	39.8%	5.3%	7.1%	9.6%	8.8%
	Median		20.1%	14.5%	9.9%	6.0%	34.7%	5.2%	7.9%	7.1%	9.6%

Source: Alantra estimates and Factset

Performance

ICF's price overperformed vs adhesives producers over the last 6 months

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
Industrie Chimiche Forestali	ITALY	43	-0.8%	-3.3%	3.5%	6.9%	9.3%	-41.0%
PEERS	Average		-1.9%	-2.7%	3.4%	4.6%	64.3%	23.3%
	Median		-2.2%	-3.0%	2.4%	5.2%	54.6%	14.0%
Henkel AG & Co. KGaA Pref	GERMANY	31,152	1.8%	15.1%	13.1%	20.3%	-4.4%	-27.7%
Sika AG	SWITZERLAND	39,689	6.7%	-0.9%	-5.4%	-3.8%	51.2%	85.2%
Arkema SA	FRANCE	6,530	-2.2%	-5.2%	-5.4%	-22.3%	15.5%	-20.4%
H.B. Fuller Company	UNITED STATES	3,236	-2.2%	-7.5%	-13.1%	1.0%	89.8%	27.3%
PEERS Adhesives Producers	Average		1.0%	0.4%	-2.7%	-1.2%	38.0%	16.1%
	Median		-0.2%	-3.0%	-5.4%	-1.4%	33.4%	3.4%
SAES Getters S.p.A.	ITALY	626	-2.4%	-10.8%	22.0%	25.2%	39.6%	31.3%
Cembre S.p.A.	ITALY	512	0.3%	3.1%	10.3%	17.1%	104.8%	12.7%
LU-VE SpA	ITALY	668	-2.9%	0.2%	33.9%	59.2%	184.8%	190.3%
Aquafil SpA	ITALY	188	-11.5%	-25.8%	-25.7%	-25.0%	33.0%	-64.2%
Sabaf S.p.A.	ITALY	185	-4.9%	-6.7%	-15.0%	-34.8%	58.0%	-17.0%
B&C Speakers S.p.A.	ITALY	160	-1.4%	11.5%	19.3%	9.4%	70.6%	15.3%
PEERS Italian Small-Caps	Average		-3.8%	-4.8%	7.4%	8.5%	81.8%	28.1%
	Median		-2.7%	-3.3%	14.8%	13.3%	64.3%	14.0%

Source: Alantra estimates and Factset

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