

## Industrie Chimiche Forestali

Sector: *Industrials*

### Solid margins confirmed amid luxury softness

*Yesterday, ICF unveiled a resilient 1Q25 performance despite ongoing softness in the footwear and leather segment. Revenues declined 6.2% YoY to Eu18.3mn but improved 4% QoQ. The automotive and packaging divisions partially offset weakness in core markets. EBITDA margin expanded to 11.5% (+70bp), driven by favourable raw material costs and operational efficiencies. Net debt rose to Eu9.7mn due to extraordinary cash outflows (Eu4.6mn primarily related to the partial tender offer). Adjusted for these, net debt would have stood at Eu5.1mn, implying Eu1.4mn in underlying cash generation. Management sees demand trends broadly unchanged from late 2024, with continued headwinds in leather. However, attractive margins are expected to hold up well, supported by efficiency gains and stable input prices. Limited US exposure (c.Eu1mn in sales) offers downside protection. We broadly confirm our FY25E estimates with sales at Eu76mn (+1.0% YoY) and EBITDA at Eu9.0mn (11.8% margin). BUY and TP of Eu8.0/sh reiterated.*

- **1Q25 revenues restrained due to anticipated market softness.** ICF reported 1Q25 sales of Eu18.3mn, down 6.2% YoY from Eu19.5mn in 1Q24, primarily due to continued subdued demand in the footwear and leather segment. This was partially offset by a positive contribution from the automotive and packaging divisions. On a QoQ basis, sales increased by 4% from Eu17.6mn in 4Q24.
- **Solid EBITDA margin at 11.5%.** 1Q25 EBITDA reached Eu2.1mn, broadly flat YoY, but implying a 70bp margin expansion to 11.5%. The improvement in profitability was driven by more favourable raw material costs and enhanced production efficiencies.
- **Net debt down net of extraordinary cash outs.** 1Q25 net debt stood at Eu9.7mn, compared to Eu6.5mn at YE24, entirely due to Eu4.4mn in outflows related to the partial tender offer and Eu0.2mn in buybacks. Excluding these extraordinary items, adjusted net debt would have reached Eu5.1mn, implying positive cash generation of Eu1.4mn. We note that Eu7.5mn of total financial debt is related to IFRS 16 lease liabilities, leaving the group essentially debt-free on a balance sheet basis.
- **Downside protection from US, resilient margins and cash generation.** Market demand is expected to remain in line with late 2024 levels, with continued weakness in the leather segment. Profitability is expected to remain solid, supported by stable input costs and ongoing efforts to enhance operational efficiency. Strong cash generation is reiterated. Exposure to the US market remains limited (c. Eu1mn of sales), offering downside protection.
- **We broadly confirm our numbers.** Following the 1Q25 release, we broadly confirm our estimates. We expect sales of Eu76mn in 2025 (+1.0% YoY) and EBITDA of Eu9.0mn, with a margin of 11.8%. Over the long-run, we forecast a 5.4% sales CAGR (FY24A-27E), reaching Eu88mn by 2027. EBITDA margin is expected to gradually expand to over 12%, with net cash of Eu0.6mn thanks to an average FCF/EBITDA conversion of 56% over FY25E-27E.
- **We reiterate our BUY and TP of Eu8.0/share.** We confirm our BUY rating and TP of Eu8.0/share, implying a potential upside of 43%, after our DCF (50% weight) and relative valuation update (50%). ICF is now trading at 8.0x P/E FY25E (>35% below peers), offering a compelling entry point for a story that boasts solid fundamentals.

**BUY**

Unchanged

**TP 8.0**

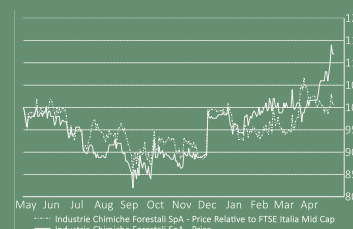
Unchanged

Target price upside 43%

	FY25E	FY26E
Change in EPS est.	3.2%	4.2%

Ticker (BBG, Reut)	ICF IM	ICF MI
Share price Ord. (Eu)		5.6
N. of Ord. shares (mn)		5.9
Total N. of shares (mn)		5.9
Market cap (Eu mn)		33
Total Market Cap f.d. (Eu mn)		33
Free Float Ord. (%)		90%
Free Float Ord. (Eu mn)		29
Daily AVG liquidity Ord. (Eu k)		24

	1M	3M	12M
Absolute Perf.	12.0%	13.8%	10.9%
Rel. to FTSEMidCap	-4.6%	8.3%	-1.2%
52 weeks range		4.1	5.7



	FY24A	FY25E	FY26E
Sales	75	76	83
EBITDA	8.9	9.0	9.8
Net profit adj.	3.6	3.6	4.3
EPS adj.	0.529	0.623	0.736
DPS - Ord.	0.203	0.200	0.200
EV/EBITDA	4.3x	4.2x	3.5x
P/E adj.	8.7x	8.0x	6.8x
Dividend yield	4.4%	4.0%	4.0%
FCF yield	21.5%	18.1%	17.5%
Net debt/(Net cash)	6.5	7.3	3.8
Net debt/EBITDA	0.7x	0.8x	0.4x

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# ALANTRA

Italian Equity Research

## Financial Summary (IFRS)

P&L account (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Sales	79.9	75.2	76.0	82.8	88.0
Gross margin	29.8	30.1	28.0	29.8	29.8
EBITDA reported	8.5	8.9	9.0	9.8	10.6
D&A	(5.3)	(4.9)	(5.1)	(5.2)	(5.3)
EBIT reported	3.1	3.8	3.8	4.6	5.3
Net financial charges	(0.7)	(1.0)	(0.9)	(0.8)	(0.7)
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	2.4	2.9	3.0	3.9	4.6
Taxes	(0.2)	(0.7)	(0.8)	(1.0)	(1.2)
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	2.2	2.1	2.2	2.9	3.4
<b>EBITDA adjusted</b>	<b>8.9</b>	<b>8.9</b>	<b>9.0</b>	<b>9.8</b>	<b>10.6</b>
<b>EBIT adjusted</b>	<b>5.4</b>	<b>5.8</b>	<b>5.8</b>	<b>6.6</b>	<b>7.2</b>
<b>Net profit adjusted</b>	<b>3.6</b>	<b>3.6</b>	<b>3.6</b>	<b>4.3</b>	<b>4.9</b>

Margins (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Gross margin	37.4%	40.1%	36.9%	36.0%	33.8%
EBITDA margin (adj)	11.1%	11.8%	11.8%	11.9%	12.1%
EBIT margin (adj)	6.8%	7.7%	7.6%	7.9%	8.2%
Pre-tax margin	3.0%	3.8%	3.9%	4.7%	5.3%
Net profit margin (adj)	4.5%	4.7%	4.8%	5.2%	5.5%

Growth rates (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Sales	-9.6%	-5.8%	1.0%	8.9%	6.4%
EBITDA	8.5%	4.9%	0.8%	10.0%	7.8%
EBITDA adjusted	13.9%	-0.1%	0.8%	10.0%	7.8%
EBIT	-1.9%	25.5%	-0.6%	20.7%	14.5%
EBIT adjusted	7.0%	6.5%	-0.4%	13.7%	10.2%
Pre-tax	nm	nm	2.6%	30.1%	19.9%
Net profit	-32.5%	-0.5%	2.6%	30.1%	19.9%
Net profit adjusted	-7.1%	-1.5%	2.4%	18.2%	13.2%

Per share data	FY23A	FY24A	FY25E	FY26E	FY27E
Shares	6.741	6.741	5.853	5.853	5.853
N. of shares AVG	6.741	6.741	6.286	5.853	5.853
N. of shares diluted AVG	6.741	6.741	6.297	5.853	5.853
<b>EPS</b>	<b>0.320</b>	<b>0.318</b>	<b>0.376</b>	<b>0.489</b>	<b>0.586</b>
<b>EPS adjusted</b>	<b>0.536</b>	<b>0.529</b>	<b>0.623</b>	<b>0.736</b>	<b>0.833</b>
<b>DPS - Ord.</b>	<b>0.200</b>	<b>0.203</b>	<b>0.200</b>	<b>0.200</b>	<b>0.200</b>
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	11.743	11.829	12.069	13.165	13.466

Enterprise value (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Share price Ord. (Eu)	5.4	4.6	5.0	5.0	5.0
Market cap	36.6	30.9	29.3	29.3	29.3
Net debt/(Net cash)	10.9	6.5	7.3	3.8	(0.6)
Adjustments	0.9	0.9	0.9	0.9	0.9
Enterprise value	48.3	38.2	37.5	34.0	29.6

Cash flow (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
EBITDA adjusted	8.9	8.9	9.0	9.8	10.6
Net financial charges	(0.2)	0.2	(0.9)	(0.8)	(0.7)
Cash taxes	0.1	(0.1)	(0.6)	(0.9)	(1.1)
Ch. in Working Capital	(2.2)	1.6	(0.2)	(1.0)	(1.1)
Other operating items	(1.3)	(2.3)	(0.4)	(0.4)	0.0
<b>Operating cash flow</b>	<b>5.3</b>	<b>8.4</b>	<b>6.8</b>	<b>6.8</b>	<b>7.8</b>
Capex	(1.8)	(1.7)	(1.5)	(1.7)	(1.8)
<b>FCF</b>	<b>3.5</b>	<b>6.7</b>	<b>5.3</b>	<b>5.1</b>	<b>6.0</b>
Disposals/Acquisitions	(1.4)	(0.7)	0.0	0.0	0.0
Changes in Equity	(0.4)	(0.3)	(4.9)	(0.5)	(0.5)
Others	(3.5)	0.0	0.0	0.0	0.0
Dividends	(1.4)	(1.3)	(1.2)	(1.2)	(1.2)
<b>Ch. in NFP</b>	<b>(3.1)</b>	<b>4.4</b>	<b>(0.8)</b>	<b>3.5</b>	<b>4.4</b>

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
<b>Capex/Sales</b>	<b>2.3%</b>	<b>2.3%</b>	<b>2.0%</b>	<b>2.0%</b>	<b>2.0%</b>
Capex/D&A	0.3x	0.3x	0.3x	0.3x	0.3x
FCF/EBITDA	39.7%	74.9%	59.2%	52.1%	56.9%
FCF/Net profit	nm	nm	nm	nm	nm
<b>Dividend pay-out</b>	<b>62.5%</b>	<b>65.0%</b>	<b>50.0%</b>	<b>50.0%</b>	<b>50.0%</b>

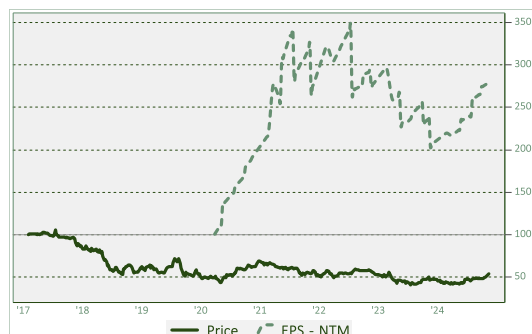
Balance sheet (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital	22.3	20.6	21.7	22.6	23.7
Fixed assets	75.2	67.5	64.8	62.6	60.8
Provisions & others	(7.4)	(1.9)	(3.3)	(4.4)	(6.2)
<b>Net capital employed</b>	<b>90.1</b>	<b>86.2</b>	<b>83.1</b>	<b>80.9</b>	<b>78.3</b>
<b>Net debt/(Net cash)</b>	<b>10.9</b>	<b>6.5</b>	<b>7.3</b>	<b>3.8</b>	<b>(0.6)</b>
Equity	79.2	79.7	75.9	77.1	78.8
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
<b>Working capital/Sales</b>	<b>27.9%</b>	<b>27.4%</b>	<b>28.5%</b>	<b>27.3%</b>	<b>26.9%</b>
<b>Net debt/Equity</b>	<b>13.8%</b>	<b>8.1%</b>	<b>9.6%</b>	<b>4.9%</b>	<b>nm</b>
<b>Net debt/EBITDA</b>	<b>1.2x</b>	<b>0.7x</b>	<b>0.8x</b>	<b>0.4x</b>	<b>nm</b>

Valuation	FY23A	FY24A	FY25E	FY26E	FY27E
<b>EV/CE</b>	<b>0.5x</b>	<b>0.4x</b>	<b>0.4x</b>	<b>0.4x</b>	<b>0.4x</b>
P/BV	0.5x	0.4x	0.4x	0.4x	0.4x
EV/Sales	0.6x	0.5x	0.5x	0.4x	0.3x
EV/EBITDA	5.7x	4.3x	4.2x	3.5x	2.8x
<b>EV/EBITDA adjusted</b>	<b>5.4x</b>	<b>4.3x</b>	<b>4.2x</b>	<b>3.5x</b>	<b>2.8x</b>
EV/EBIT	15.8x	9.9x	9.8x	7.4x	5.6x
<b>EV/EBIT adjusted</b>	<b>8.9x</b>	<b>6.6x</b>	<b>6.5x</b>	<b>5.2x</b>	<b>4.1x</b>
P/E	17.0x	14.4x	13.3x	10.2x	8.5x
<b>P/E adjusted</b>	<b>10.1x</b>	<b>8.7x</b>	<b>8.0x</b>	<b>6.8x</b>	<b>6.0x</b>
ROCE pre-tax	5.7%	6.3%	6.6%	7.7%	8.5%
<b>ROE (excl. Goodwill)</b>	<b>8.2%</b>	<b>8.0%</b>	<b>9.7%</b>	<b>10.2%</b>	<b>11.1%</b>
EV/FCF	13.7x	5.7x	nm	6.6x	4.9x
<b>FCF yield</b>	<b>9.7%</b>	<b>21.5%</b>	<b>18.1%</b>	<b>17.5%</b>	<b>20.6%</b>
<b>Dividend yield</b>	<b>3.7%</b>	<b>4.4%</b>	<b>4.0%</b>	<b>4.0%</b>	<b>4.0%</b>

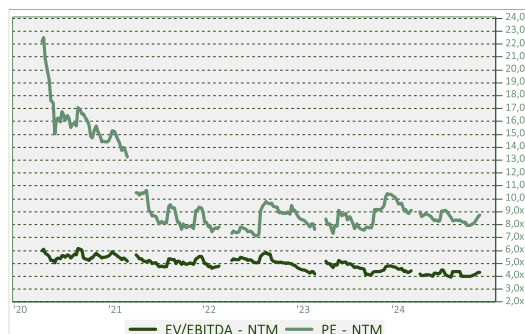
### Share price performance

Strong growth of EPS estimates



### Valuation

The company is trading at significant discount versus peers



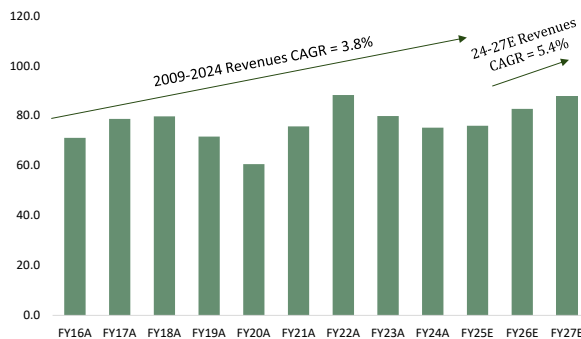
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## Key Charts

### Solid top line growth in the long term (FY16A-FY27E)

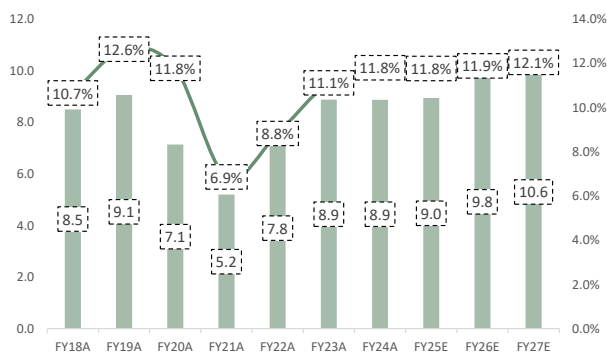
We expect 24-27E revenues CAGR of 5.4%



Source: company data, Alantra estimates

### A profitable business (FY13A-FY26E EBITDA and margin)

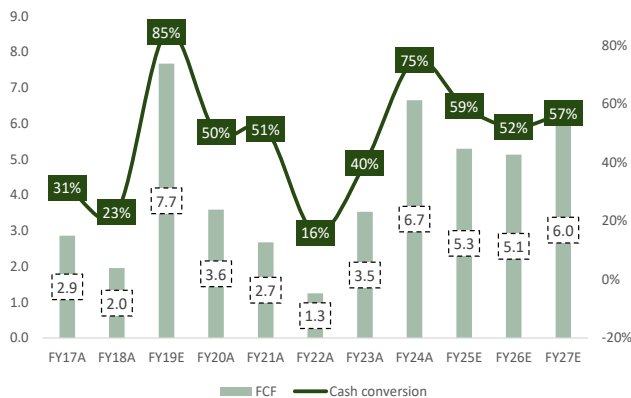
Profitability was resilient to Covid-19, further margin expansion is expected



Source: company data, Alantra estimates

### Cash generative (FY17A-FY27E FCF and cash conversion)

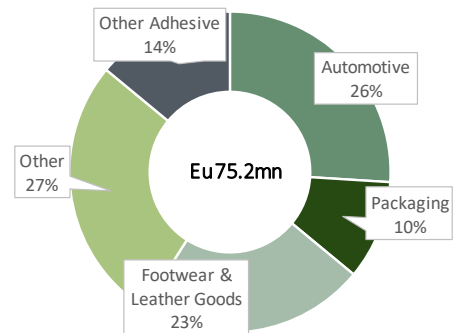
Good cash generation is foreseen ahead, reaching 57% FY27E



Source: company data, Alantra estimates

### Revenues breakdown by Sector (Tessitura Langè post-merger)

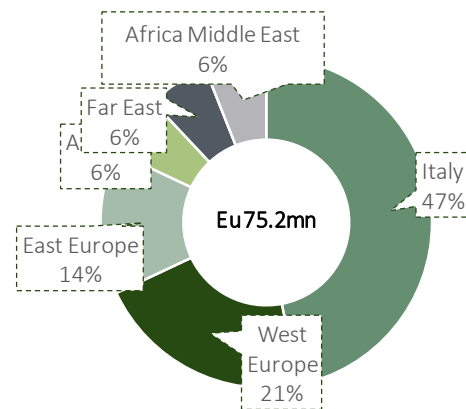
ICF has significantly reduced its exposure to the automotive sector



Source: Company data

### Revenues breakdown by Geography

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)



Source: company data

## Profile

<b>Background</b>	ICF manufactures adhesives (c. 70% of sales) and technical fabrics (30%). 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 (64%) 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 (36%) 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 >50% of sales, followed by Automotive for c.26%. Smaller contribution but higher potential for growth comes from Packaging (c.10%) and others (14%).
<b>Positioning</b>	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 53% of 2024 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.
<b>Growth</b>	<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 Eu75.2mn in FY24 posting a 4% 15Y CAGR. Growth came mainly from revenues made abroad thanks to an effective commercial activity made both in the US and in Asia. In recent years, subdued demand in the luxury segment impacted revenue growth, reaching Eu75.2mn in 2024. Cumulative adj. FCF generation over 2012-24 period was over Eu50mn. On average EBITDA cash conversion was &gt;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>
<b>Strategy</b>	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.

<b>Strengths</b>		<b>Weaknesses</b>	
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		Exposure to cyclical automotive market Competition in the automotive sector is with global players with larger scale High exposure to raw material prices fluctuation	
<b>Opportunities</b>		<b>Threats</b>	
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		Aggressive commercial behavior from large suppliers in automotive sector Limited number of raw materials suppliers Cyclical downturn should hit demand from automotive customers	
<b>Key shareholders</b>	<b>Management</b>	<b>Next events</b>	
V.F. Adhesives srl: 26.9% Anima SGR: 5.5% Management ICF: 4.8%	Guido Cami - CEO and Chairman Marcello Taglietti - COO Massimo Rancilio - CFO	1H25 results: 25/09/25 3Q25 results: 18/11/25	

## 1Q25 Results

### 1Q25 results

1Q25 revenues restrained due to anticipated market softness. Solid EBITDA margin at 11.5%

Eu mn	1Q24A	1Q25A	YoY %	FY24A	FY25E	YoY %
Revenues	19.5	18.3	-6.2%	75.2	76.0	1.0%
Adj. EBITDA	2.1	2.1	0.0%	8.9	9.0	0.8%
Ebitda Margin %	10.8%	11.5%		11.8%	11.8%	
NFP (debt)/cash	(10.3)	(9.7)		(6.5)	(7.3)	

Source: Company data, Alantra estimates

## Estimates

### Change in estimates

Estimates broadly confirmed. We expect sales of Eu76mn in 2025 (+1.0% YoY) and EBITDA of Eu9.0mn, with a margin of 11.8%.

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Total Revenues / Value of Production	76.0	82.8	88.0	-1.0%	-0.7%	-0.6%	76.8	83.4	88.5
EBITDA Adjusted	9.0	9.8	10.6	0.3%	1.0%	-0.2%	8.9	9.7	10.6
EBIT Adjusted	5.8	6.6	7.2	0.4%	1.6%	-0.3%	5.7	6.5	7.3
Net profit restated	3.6	4.3	4.9	2.6%	3.6%	1.2%	3.6	4.2	4.8
EPS	0.623	0.736	0.833	3.2%	4.2%	1.7%	0.604	0.707	0.819
Net financial position	(7.3)	(3.8)	0.6	0.26	0.34	0.41	(7.5)	(4.2)	0.1

Source: Alantra estimates

## Peers

### Trading multiples

At current market price, the stock is at a large discount vs peers based on 2025E multiples

Company	Country	Mkt Cap (Eu mn)	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
Industrie Chimiche Forestali	ITALY	33	4.2 x	3.5 x	2.8 x	6.5 x	5.2 x	4.1 x	8.0 x	6.8 x	6.0 x	0.5 x	0.4 x	0.3 x
Premium (discount) to Peers' Median			-45%	-50%	-57%	-40%	-46%	-52%	-38%	-44%	-46%	-64%	-68%	-72%
PEERS	Average		8.3 x	7.5 x	6.8 x	12.3 x	11.0 x	9.7 x	14.6 x	14.0 x	12.7 x	1.6 x	1.5 x	1.4 x
	Median		7.6 x	7.0 x	6.4 x	10.7 x	9.6 x	8.5 x	12.9 x	12.2 x	11.1 x	1.4 x	1.3 x	1.2 x
Henkel AG & Co. KGaA Pref	GERMANY	28,989	7.6 x	7.0 x	6.4 x	9.3 x	8.7 x	8.0 x	12.9 x	12.1 x	11.6 x	1.4 x	1.3 x	1.2 x
Sika AG	SWITZERLAND	37,328	16.6 x	15.0 x	13.5 x	21.7 x	19.4 x	17.2 x	26.8 x	24.0 x	21.4 x	3.3 x	3.0 x	2.8 x
Arkema SA	FRANCE	5,324	5.5 x	4.8 x	4.4 x	9.8 x	8.6 x	7.2 x	9.2 x	8.5 x	7.3 x	0.9 x	0.8 x	0.7 x
H.B. Fuller Company	UNITED STATES	2,764	8.2 x	7.6 x	6.8 x	11.7 x	10.6 x	9.1 x	13.9 x	12.2 x	10.5 x	1.4 x	1.4 x	1.3 x
PEERS Adhesives Producers	Average		9.5 x	8.6 x	7.8 x	13.1 x	11.8 x	10.4 x	15.7 x	14.2 x	12.7 x	1.7 x	1.6 x	1.5 x
	Median		7.9 x	7.3 x	6.6 x	10.7 x	9.6 x	8.5 x	13.4 x	12.2 x	11.1 x	1.4 x	1.3 x	1.2 x
Cembre S.p.A.	ITALY	870	12.3 x	11.6 x	10.8 x	15.3 x	14.5 x	13.4 x	20.9 x	19.7 x	18.4 x	3.6 x	3.4 x	3.2 x
LU-VE S.p.A.	ITALY	696	9.1 x	7.9 x	7.1 x	13.8 x	11.9 x	10.3 x	18.0 x	16.1 x	14.4 x	1.3 x	1.1 x	1.0 x
Aquafil SpA	ITALY	100	3.7 x	3.1 x	2.8 x	nm	nm	nm	7.4 x	nm	nm	0.5 x	0.4 x	0.4 x
Sabaf S.p.A.	ITALY	167	5.0 x	4.2 x	3.8 x	8.8 x	6.9 x	6.0 x	11.1 x	9.3 x	8.4 x	0.8 x	0.7 x	0.6 x
B&C Speakers S.p.A.	ITALY	168	7.2 x	6.5 x	6.0 x	8.2 x	7.4 x	6.7 x	11.2 x	10.3 x	9.6 x	1.6 x	1.5 x	1.4 x
PEERS Italian Small-Caps	Average		7.4 x	6.7 x	6.1 x	11.5 x	10.2 x	9.1 x	13.7 x	13.8 x	12.7 x	1.6 x	1.4 x	1.3 x
	Median		7.2 x	6.5 x	6.0 x	11.3 x	9.6 x	8.5 x	11.2 x	13.2 x	12.0 x	1.3 x	1.1 x	1.0 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)	FY25E - FY27E average margins					CAGR FY24A - FY27E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
Industrie Chimiche Forestali	ITALY	33	11.9%	7.9%	5.2%	2.0%	50.0%	5.4%	6.1%	7.6%	16.4%
PEERS	Average		18.8%	13.5%	9.0%	4.6%	40.7%	4.1%	7.2%	17.7%	-13.3%
	Median		18.0%	13.0%	7.4%	4.8%	40.3%	4.9%	6.4%	7.8%	9.5%
Henkel AG & Co. KGaA Pref	GERMANY	28,989	18.5%	14.9%	10.2%	3.3%	39.0%	0.7%	2.9%	2.7%	4.2%
Sika AG	SWITZERLAND	37,328	20.2%	15.6%	11.5%	2.9%	45.5%	4.9%	7.5%	8.9%	9.9%
Arkema SA	FRANCE	5,324	16.2%	9.3%	5.7%	6.7%	47.5%	2.8%	4.0%	5.1%	4.9%
H.B. Fuller Company	UNITED STATES	2,764	18.0%	13.0%	7.4%	4.6%	20.1%	1.6%	6.0%	7.8%	11.4%
PEERS Adhesives Producers	Average		18.2%	13.2%	8.7%	4.4%	38.0%	2.5%	5.1%	6.1%	7.6%
	Median		18.2%	14.0%	8.8%	3.9%	42.2%	2.2%	5.0%	6.5%	7.4%
Cembre S.p.A.	ITALY	870	29.1%	23.4%	17.2%	6.2%	75.5%	5.9%	6.4%	6.8%	3.7%
LU-VE S.p.A.	ITALY	696	14.4%	9.7%	6.5%	4.8%	23.2%	6.0%	7.3%	10.4%	10.2%
Aquafil SpA	ITALY	100	14.1%	5.6%	2.1%	5.5%	0.0%	5.8%	13.9%	93.6%	-191.0%
Sabaf S.p.A.	ITALY	167	16.4%	9.9%	6.0%	5.6%	40.3%	4.3%	10.0%	17.1%	17.1%
B&C Speakers S.p.A.	ITALY	168	22.5%	19.8%	14.8%	1.8%	74.8%	5.0%	6.3%	7.3%	9.5%
PEERS Italian Small-Caps	Average		19.3%	13.7%	9.3%	4.8%	42.8%	5.4%	8.8%	27.0%	-30.1%
	Median		16.4%	9.9%	6.5%	5.5%	40.3%	5.8%	7.3%	10.4%	9.5%

Source: Alantra estimates and Factset

## Performance

ICF's price overperformed vs adhesives producers over the last 3 years

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
Industrie Chimiche Forestali	ITALY	33	12.0%	13.8%	27.9%	10.9%	0.0%	1.8%
PEERS			10.0%	-3.5%	-2.7%	-14.5%	-1.9%	69.2%
			13.2%	-5.6%	-7.8%	-19.7%	-12.4%	43.1%
Henkel AG & Co. KGaA Pref	GERMANY	28,989	5.7%	-18.0%	-10.0%	-14.1%	11.7%	-7.4%
Sika AG	SWITZERLAND	37,328	13.2%	-9.1%	-7.7%	-21.6%	-17.2%	33.2%
Arkema SA	FRANCE	5,324	16.8%	-16.3%	-7.8%	-29.4%	-39.2%	-5.3%
H.B. Fuller Company	UNITED STATES	2,764	6.0%	-5.9%	-25.2%	-28.5%	-12.4%	77.5%
PEERS Adhesives Producers			10.4%	-12.3%	-12.7%	-23.4%	-14.3%	24.5%
			9.6%	-12.7%	-8.9%	-25.0%	-14.8%	14.0%
Cembre S.p.A.	ITALY	870	15.2%	18.8%	38.6%	16.8%	86.9%	261.8%
LU-VE S.p.A.	ITALY	696	13.2%	5.4%	19.0%	34.6%	57.9%	192.5%
Aquafil SpA	ITALY	100	13.4%	3.2%	-2.1%	-59.1%	-76.6%	-53.8%
Sabaf S.p.A.	ITALY	167	4.7%	-5.6%	-18.8%	-19.7%	-41.0%	43.1%
B&C Speakers S.p.A.	ITALY	168	1.7%	-4.4%	-10.3%	-9.2%	12.5%	81.1%
PEERS Italian Small-Caps			9.6%	3.5%	5.3%	-7.3%	7.9%	105.0%
			13.2%	3.2%	-2.1%	-9.2%	12.5%	81.1%

Source: Alantra estimates and Factset



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