

Industrie Chimiche Forestali

Sector: Industrial

4Q25 EBITDA margin exceeds expectations

4Q25 results confirmed ICF's profitability expansion, with EBITDA exceeding our expectations despite volumes remaining under pressure from persistent softness in the luxury and leather segment. Top-line growth in the quarter (+4.5% YoY) was supported by momentum in automotive, packaging, and industrial applications, which partly offset prolonged weaker demand in the leather and footwear segments. The 4Q25 EBITDA margin expanded YoY by 80bp, driven by lower raw material costs and operating expenses. On a FY basis, the group generated c. Eu6mn of cash (63% EBITDA conversion), reaching an NFP net of IFRS items that is essentially debt-free. While visibility on the luxury segment remains limited, ongoing diversification toward industrial end-markets supports resilience. We reiterate our BUY rating and TP of Eu8.5/share (38% upside). We believe current valuation remains undemanding given ICF's solid track record of earnings quality and strong FCF generation.

- **FY25 preliminary sales slightly below expectations.** FY25 preliminary sales reached Eu72.5mn from Eu75.2mn, down 3.6% YoY and -2% vs our forecast. 4Q25 sales stood at Eu18.4mn, up from Eu17.6mn in 4Q24, although volumes were weighed down by persistent softness in demand across the leather, luxury, and footwear segments. Nonetheless, strong momentum in automotive, packaging, and industrial applications provided a meaningful offset, reflecting ICF's broad end-market diversification, which reduces sensitivity to pressures affecting some industries.
- **4Q25 EBITDA beat with FY margin >13%.** Preliminary FY25 EBITDA stood at Eu9.5mn, implying a 13.1% margin, 80bp above our assumption. 4Q25 EBITDA amounted to Eu2.3mn (12.5% margin), up from Eu1.9mn (10.7% margin) in 4Q24, primarily driven by lower raw material costs and efficient control over operating expenses. Net debt improved to Eu7.1mn from Eu10.0mn in 3Q, close to our estimate, supported by a positive NWC dynamic. We note that c. Eu7mn of financial debt is IFRS-related, leaving ICF's balance sheet essentially debt-free. On a YoY comparison, net debt increased by Eu0.6mn from Eu6.5mn at YE24, despite outflows for Eu5.4mn of buybacks and Eu1.2mn of dividends, confirming the group's strong cash generation (FCF of c. Eu6mn).
- **Accelerating diversification to strengthen resilience.** While the luxury and leather segment continues to weigh on ICF's performance (having historically represented c. 50% of revenues), the group has launched several new projects during 2025, primarily targeting different industrial end-markets, which provide encouraging visibility ahead. We see revenue diversification as a key strength and growth lever, enhancing the group's resilience to market disruptions.
- **We confirm our FY26-27E figures.** We have increased our FY25 bottom-line estimates on the back of stronger profitability, resulting in an 8.5% uplift in EPS. FY26-27E projections remain broadly unchanged, reflecting a cautious stance on 2026, as the luxury segment continues to be pressured. All in all, we expect FY26E sales of Eu77.8mn and EBITDA of Eu9.3mn, implying a 12% margin. ICF should continue to generate solid cash flows and maximise shareholder returns through a combination of buybacks and dividends.
- **TP of Eu8.5/share confirmed (38% upside), BUY reiterated.** We confirm our BUY rating and TP of Eu8.5/share, implying a potential upside of 38%. ICF is currently trading at 4.4x EV/EBITDA FY26, a level we deem unjustified given its steady profitability expansion, strong FCF generation, and earnings quality.

BUY

Unchanged

TP 8.5

Unchanged

Target price upside 38%

| | FY25E | FY26E |
|--------------------|-------|-------|
| Change in EPS est. | 8.5% | -1.8% |

| Ticker (BBG, Reut) | ICF IM | ICF MI |
|---------------------------------|--------|--------|
| Share price Ord. (Eu) | | 6.2 |
| N. of Ord. shares (mn) | | 5.9 |
| Total N. of shares (mn) | | 5.9 |
| Market cap (Eu mn) | | 36 |
| Total Market Cap f.d. (Eu mn) | | 36 |
| Free Float Ord. (%) | | 90% |
| Free Float Ord. (Eu mn) | | 33 |
| Daily AVG liquidity Ord. (Eu k) | | 33 |

| | 1M | 3M | 12M |
|--------------------|-------|-------|-------|
| Absolute Perf. | -0.3% | 0.0% | 29.7% |
| Rel. to FTSEMidCap | -4.0% | -5.1% | 5.6% |
| 52 weeks range | | 4.7 | 6.7 |



| | FY24A | FY25E | FY26E |
|---------------------|-------|-------|-------|
| Sales | 75 | 73 | 78 |
| EBITDA | 8.9 | 9.5 | 9.3 |
| Net profit adj. | 3.6 | 4.1 | 3.9 |
| EPS adj. | 0.529 | 0.689 | 0.665 |
| DPS - Ord. | 0.203 | 0.225 | 0.253 |
| EV/EBITDA | 4.3x | 4.4x | 4.4x |
| P/E adj. | 8.7x | 8.3x | 9.3x |
| Dividend yield | 4.4% | 3.9% | 4.1% |
| FCF yield | 21.5% | 19.6% | 15.1% |
| Net debt/(Net cash) | 6.5 | 7.1 | 3.8 |
| Net debt/EBITDA | 0.7x | 0.7x | 0.4x |

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Financial Summary (IFRS)

| P&L account (Eu mn) | FY23A | FY24A | FY25E | FY26E | FY27E |
|----------------------------|------------|------------|------------|------------|-------------|
| Sales | 79.9 | 75.2 | 72.5 | 77.8 | 84.0 |
| Gross margin | 29.8 | 30.1 | 27.4 | 28.7 | 29.3 |
| EBITDA reported | 8.5 | 8.9 | 9.5 | 9.3 | 10.4 |
| D&A | (5.3) | (4.9) | (5.1) | (5.2) | (5.3) |
| EBIT reported | 3.1 | 3.8 | 4.4 | 4.1 | 5.1 |
| 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 | 3.5 | 3.3 | 4.5 |
| Taxes | (0.2) | (0.7) | (0.9) | (0.9) | (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 | 2.6 | 2.5 | 3.3 |
| EBITDA adjusted | 8.9 | 8.9 | 9.5 | 9.3 | 10.4 |
| EBIT adjusted | 5.4 | 5.8 | 6.3 | 6.0 | 7.1 |
| Net profit adjusted | 3.6 | 3.6 | 4.1 | 3.9 | 4.8 |

| Margins (%) | FY23A | FY24A | FY25E | FY26E | FY27E |
|-------------------------|-------|-------|-------|-------|-------|
| Gross margin | 37.4% | 40.1% | 37.8% | 36.9% | 34.8% |
| EBITDA margin (adj) | 11.1% | 11.8% | 13.1% | 12.0% | 12.4% |
| EBIT margin (adj) | 6.8% | 7.7% | 8.7% | 7.8% | 8.4% |
| Pre-tax margin | 3.0% | 3.8% | 4.9% | 4.3% | 5.3% |
| Net profit margin (adj) | 4.5% | 4.7% | 5.6% | 5.0% | 5.7% |

| Growth rates (%) | FY23A | FY24A | FY25E | FY26E | FY27E |
|---------------------|--------|-------|-------|-------|-------|
| Sales | -9.6% | -5.8% | -3.6% | 7.3% | 8.1% |
| EBITDA | 8.5% | 4.9% | 7.0% | -2.0% | 12.2% |
| EBITDA adjusted | 13.9% | -0.1% | 7.0% | -2.0% | 12.2% |
| EBIT | -1.9% | 25.5% | 13.6% | -6.7% | 25.3% |
| EBIT adjusted | 7.0% | 6.5% | 9.1% | -4.6% | 17.1% |
| Pre-tax | nm | nm | 21.6% | -5.5% | 34.1% |
| Net profit | -32.5% | -0.5% | 21.6% | -5.5% | 34.1% |
| Net profit adjusted | -7.1% | -1.5% | 13.8% | -3.5% | 21.5% |

| Per share data | FY23A | FY24A | FY25E | FY26E | FY27E |
|--------------------------|--------------|--------------|--------------|--------------|--------------|
| Shares | 6.741 | 6.741 | 5.887 | 5.887 | 5.887 |
| N. of shares AVG | 6.741 | 6.741 | 6.229 | 5.658 | 5.496 |
| N. of shares diluted AVG | 6.741 | 6.741 | 6.314 | 5.887 | 5.887 |
| EPS | 0.320 | 0.318 | 0.443 | 0.419 | 0.562 |
| EPS adjusted | 0.536 | 0.529 | 0.689 | 0.665 | 0.807 |
| DPS - Ord. | 0.200 | 0.203 | 0.225 | 0.253 | 0.280 |
| DPS - Sav. | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| BVPS | 11.743 | 11.829 | 12.148 | 13.425 | 14.026 |

| Enterprise value (Eu mn) | FY23A | FY24A | FY25E | FY26E | FY27E |
|--------------------------|-------|-------|-------|-------|-------|
| Share price Ord. (Eu) | 5.4 | 4.6 | 5.7 | 6.2 | 6.2 |
| Market cap | 36.6 | 30.9 | 33.6 | 36.4 | 36.4 |
| Net debt/(Net cash) | 10.9 | 6.5 | 7.1 | 3.8 | (0.2) |
| Adjustments | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Enterprise value | 48.3 | 38.2 | 41.5 | 41.0 | 37.0 |

| Cash flow (Eu mn) | FY23A | FY24A | FY25E | FY26E | FY27E |
|----------------------------|--------------|------------|--------------|------------|------------|
| EBITDA adjusted | 8.9 | 8.9 | 9.5 | 9.3 | 10.4 |
| Net financial charges | (0.2) | 0.2 | (0.9) | (0.8) | (0.7) |
| Cash taxes | 0.1 | (0.1) | (0.8) | (0.7) | (1.0) |
| Ch. in Working Capital | (2.2) | 1.6 | 0.6 | (0.8) | (1.0) |
| Other operating items | (1.3) | (2.3) | (0.4) | 0.0 | 0.0 |
| Operating cash flow | 5.3 | 8.4 | 8.0 | 7.1 | 7.8 |
| Capex | (1.8) | (1.7) | (1.5) | (1.6) | (1.7) |
| FCF | 3.5 | 6.7 | 6.6 | 5.5 | 6.1 |
| Disposals/Acquisitions | (1.4) | (0.7) | 0.0 | 0.0 | 0.0 |
| Changes in Equity | (0.4) | (0.3) | (5.5) | (1.0) | (1.0) |
| Others | (3.5) | 0.0 | 0.0 | 0.0 | 0.0 |
| Dividends | (1.4) | (1.3) | (1.2) | (1.2) | (1.2) |
| Ch. in NFP | (3.1) | 4.4 | (0.1) | 3.3 | 4.0 |

| Ratios (%) | FY23A | FY24A | FY25E | FY26E | FY27E |
|-------------------------|--------------|--------------|--------------|--------------|--------------|
| Capex/Sales | 2.3% | 2.3% | 2.0% | 2.0% | 2.0% |
| Capex/D&A | 0.3x | 0.3x | 0.3x | 0.3x | 0.3x |
| FCF/EBITDA | 39.7% | 74.9% | 69.4% | 59.1% | 58.7% |
| FCF/Net profit | nm | nm | nm | nm | nm |
| Dividend pay-out | 62.5% | 65.0% | 50.0% | 50.0% | 50.0% |

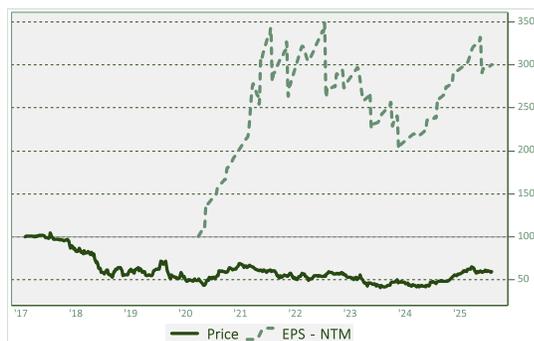
| Balance sheet (Eu mn) | FY23A | FY24A | FY25E | FY26E | FY27E |
|-----------------------------|-------------|-------------|-------------|-------------|--------------|
| Working capital | 22.3 | 20.6 | 20.9 | 21.6 | 22.5 |
| Fixed assets | 75.2 | 67.5 | 64.7 | 62.5 | 60.6 |
| Provisions & others | (7.4) | (1.9) | (2.8) | (4.3) | (6.2) |
| Net capital employed | 90.1 | 86.2 | 82.8 | 79.7 | 76.9 |
| Net debt/(Net cash) | 10.9 | 6.5 | 7.1 | 3.8 | (0.2) |
| Equity | 79.2 | 79.7 | 75.7 | 76.0 | 77.1 |
| Minority interests | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |

| Ratios (%) | FY23A | FY24A | FY25E | FY26E | FY27E |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| Working capital/Sales | 27.9% | 27.4% | 28.8% | 27.8% | 26.8% |
| Net debt/Equity | 13.8% | 8.1% | 9.4% | 5.0% | nm |
| Net debt/EBITDA | 1.2x | 0.7x | 0.7x | 0.4x | nm |

| Valuation | FY23A | FY24A | FY25E | FY26E | FY27E |
|-----------------------------|--------------|--------------|--------------|--------------|--------------|
| EV/CE | 0.5x | 0.4x | 0.5x | 0.5x | 0.4x |
| P/BV | 0.5x | 0.4x | 0.4x | 0.5x | 0.5x |
| EV/Sales | 0.6x | 0.5x | 0.6x | 0.5x | 0.4x |
| EV/EBITDA | 5.7x | 4.3x | 4.4x | 4.4x | 3.5x |
| EV/EBITDA adjusted | 5.4x | 4.3x | 4.4x | 4.4x | 3.5x |
| EV/EBIT | 15.8x | 9.9x | 9.5x | 10.0x | 7.2x |
| EV/EBIT adjusted | 8.9x | 6.6x | 6.6x | 6.8x | 5.2x |
| P/E | 17.0x | 14.4x | 12.9x | 14.8x | 11.0x |
| P/E adjusted | 10.1x | 8.7x | 8.3x | 9.3x | 7.7x |
| ROCE pre-tax | 5.7% | 6.3% | 7.3% | 7.1% | 8.5% |
| ROE (excl. Goodwill) | 8.2% | 8.0% | 10.8% | 9.6% | 11.3% |
| EV/FCF | 13.7x | 5.7x | nm | 7.5x | 6.0x |
| FCF yield | 9.7% | 21.5% | 19.6% | 15.1% | 16.9% |
| Dividend yield | 3.7% | 4.4% | 3.9% | 4.1% | 4.5% |

Share price performance

Strong growth of EPS estimates



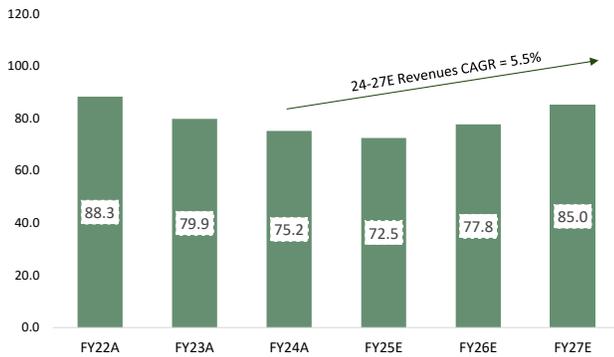
Valuation

The company is trading at significant discount versus peers



Solid top line growth in the long term (FY22A-FY27E)

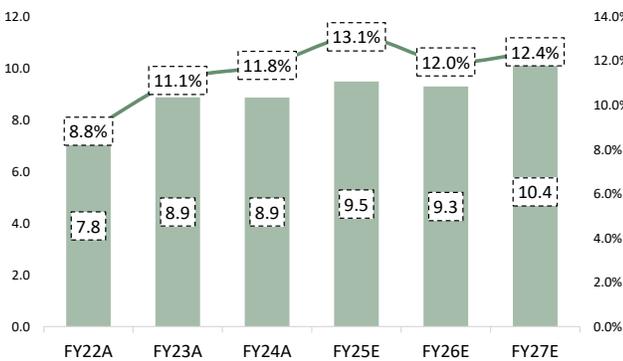
We expect 25-27E revenues CAGR of 5.5%



Source: Company data, Alantra estimates

A profitable business (FY22A-FY27E EBITDA and margin)

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



Source: Company data, Alantra estimates

Cash generative (FY22A-FY27E FCF and cash conversion)

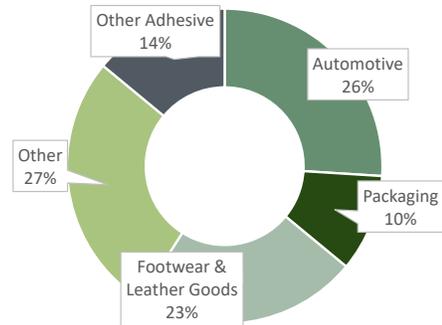
Strong cash generation is foreseen ahead, reaching 59% FY27E



Source: Company data, Alantra estimates

Revenues breakdown by Sector (Tessitura Langè post-merger)

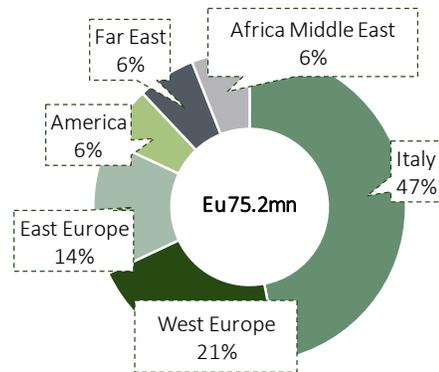
ICF has significantly reduced its exposure to the automotive sector



Source: Company data

Revenues breakdown by Geography

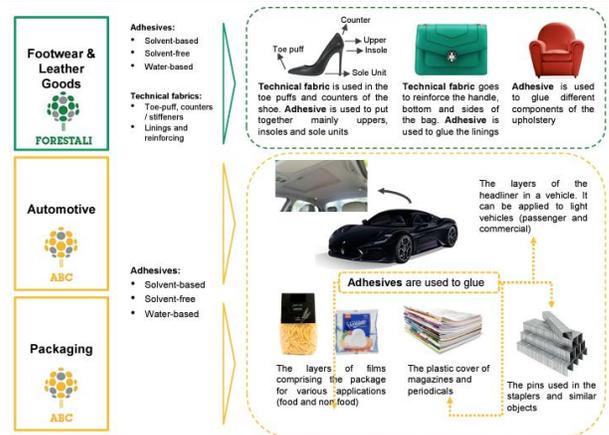
Well diversified by geography



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

Background 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 & 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%).

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 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.

Growth 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 >50%.

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.

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 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

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

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

Threats

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

Key shareholders

V.F. Adhesives srl: 26.98%
Anima SGR: 5.60%
Management ICF: 4.80%
Market: 62.62%

Management

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

Next events

FY25 results: 26/03/26
AGM: 28/04/26
1Q26 results: 14/10/26
2Q26 results: 23/09/26
3Q26 results: 16/11/26

4Q/FY25 Results

4Q/FY25 results

FY25 preliminary sales reached Eu72.5mn, down 3.6% YoY and -2% vs our forecast. 4Q25 EBITDA beat; FY EBITDA margin at record levels (13.1%).

| Eu mn | Alantra | | | | | | Alantra | | | |
|-----------------|---------|-------|-------|-------|-------|-------|---------|-------|-------|-------|
| | 4Q24A | 4Q25P | YoY % | 4Q25E | PvE% | FY24A | FY25P | YoY % | FY25E | PvE% |
| Revenues | 17.6 | 18.4 | 4.5% | 19.9 | -7.4% | 75.2 | 72.5 | -3.6% | 74.0 | -2.0% |
| Adj. EBITDA | 1.9 | 2.3 | 22.3% | 1.9 | 20.8% | 8.9 | 9.5 | 7.0% | 9.1 | 4.4% |
| Ebitda Margin % | 10.7% | 12.5% | | 9.6% | | 11.8% | 13.1% | | 12.3% | |
| NFP (debt)/cash | (6.5) | (7.1) | | (7.4) | -4.1% | (6.5) | (7.1) | | (7.4) | |

Source: Company data, Alantra estimates

Estimates

Change in estimates

We have increased our FY25 bottom-line estimates on the back of stronger profitability, resulting in an 8.5% uplift in EPS. FY26-27E figures were broadly unchanged.

| (Eu mn) | NEW Estimates | | | % Change | | | OLD Estimates | | |
|--------------------------------------|---------------|-------|-------|----------|-------|-------|---------------|-------|-------|
| | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Total Revenues / Value of Production | 72.5 | 77.8 | 84.0 | -2.0% | -0.6% | 0.0% | 74.0 | 78.3 | 84.0 |
| EBITDA Adjusted | 9.5 | 9.3 | 10.4 | 4.4% | -1.4% | 0.0% | 9.1 | 9.4 | 10.4 |
| EBIT Adjusted | 6.3 | 6.0 | 7.1 | 6.7% | -2.1% | 0.0% | 5.9 | 6.2 | 7.1 |
| Net profit restated | 4.1 | 3.9 | 4.8 | 7.8% | -2.4% | 0.0% | 3.8 | 4.0 | 4.8 |
| EPS | 0.707 | 0.702 | 0.878 | 8.5% | -1.8% | 0.5% | 0.651 | 0.715 | 0.874 |
| Net financial position | (7.1) | (3.8) | 0.2 | 0.30 | -0.12 | -0.28 | (7.4) | (3.7) | 0.5 |

Source: Alantra estimates

Peers

Trading multiples

At current market price, the stock is at a large discount vs peers based on 2026E multiples

| Company | Country | Mkt Cap (Eu mn) | EV/EBITDA | | | EV/EBIT | | | PE | | | EV/Sales | | |
|--|----------------|-----------------|-----------|--------|--------|---------|--------|--------|--------|--------|--------|----------|-------|-------|
| | | | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E | FY25E | FY26E | FY27E |
| Industrie Chimiche Forestali Premium (discount) to Peers' Median | ITALY | 36 | 4.4 x | 4.4 x | 3.5 x | 6.6 x | 6.8 x | 5.2 x | 8.3 x | 9.3 x | 7.7 x | 0.6 x | 0.5 x | 0.4 x |
| | | | -46% | -43% | -50% | -46% | -38% | -46% | -40% | -28% | -36% | -61% | -63% | -66% |
| PEERS | Average | | 8.9 x | 8.0 x | 7.3 x | 13.7 x | 12.0 x | 10.6 x | 19.6 x | 15.0 x | 13.4 x | 1.7 x | 1.6 x | 1.5 x |
| | Median | | 8.2 x | 7.7 x | 7.2 x | 12.2 x | 10.9 x | 9.8 x | 13.9 x | 12.9 x | 11.9 x | 1.5 x | 1.4 x | 1.3 x |
| Henkel AG & Co. KGaA Pref | GERMANY | 30,616 | 8.2 x | 7.7 x | 7.2 x | 10.0 x | 9.4 x | 8.8 x | 13.4 x | 12.9 x | 12.1 x | 1.5 x | 1.4 x | 1.3 x |
| Sika AG | SWITZERLAND | 25,600 | 13.7 x | 12.4 x | 11.1 x | 18.4 x | 16.3 x | 14.5 x | 21.6 x | 19.3 x | 17.1 x | 2.5 x | 2.4 x | 2.3 x |
| Arkema SA | FRANCE | 3,948 | 5.4 x | 5.1 x | 4.7 x | 11.4 x | 10.8 x | 9.3 x | 11.0 x | 10.0 x | 8.6 x | 0.7 x | 0.7 x | 0.7 x |
| H.B. Fuller Company | UNITED STATES | 2,731 | 8.2 x | 7.8 x | 7.5 x | 11.9 x | 11.0 x | 10.2 x | 13.9 x | 12.8 x | 11.8 x | 1.5 x | 1.4 x | 1.4 x |
| PEERS Adhesives Producers | Average | | 8.9 x | 8.2 x | 7.6 x | 12.9 x | 11.9 x | 10.7 x | 15.0 x | 13.8 x | 12.4 x | 1.6 x | 1.5 x | 1.4 x |
| | Median | | 8.2 x | 7.8 x | 7.3 x | 11.7 x | 10.9 x | 9.8 x | 13.6 x | 12.9 x | 11.9 x | 1.5 x | 1.4 x | 1.4 x |
| Cembre S.p.A. | ITALY | 1,131 | 15.6 x | 14.4 x | 13.0 x | 19.3 x | 17.7 x | 15.8 x | 26.2 x | 23.6 x | 21.6 x | 4.7 x | 4.4 x | 4.1 x |
| LU-VE S.p.A. | ITALY | 915 | 11.3 x | 9.9 x | 8.8 x | 17.8 x | 15.0 x | 12.7 x | 22.2 x | 19.9 x | 17.6 x | 1.6 x | 1.5 x | 1.3 x |
| Aquafil SpA | ITALY | 106 | 4.8 x | 3.7 x | 3.5 x | nm | nm | nm | 42.5 x | nm | nm | 0.6 x | 0.6 x | 0.5 x |
| Sabaf S.p.A. | ITALY | 174 | 5.7 x | 4.9 x | 4.2 x | 12.4 x | 9.0 x | 7.2 x | 13.1 x | 11.1 x | 9.4 x | 0.8 x | 0.8 x | 0.7 x |
| PEERS Italian Small-Caps | Average | | 8.9 x | 7.8 x | 7.0 x | 14.4 x | 12.2 x | 10.5 x | 23.3 x | 16.2 x | 14.5 x | 1.9 x | 1.7 x | 1.6 x |
| | Median | | 7.0 x | 6.1 x | 5.5 x | 15.1 x | 12.0 x | 10.0 x | 22.2 x | 15.5 x | 13.5 x | 1.5 x | 1.4 x | 1.2 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 | 36 | 12.5% | 8.3% | 5.4% | 2.0% | 50.0% | 3.8% | 5.5% | 6.8% | 15.2% |
| PEERS | Average | | 18.7% | 13.0% | 8.5% | 4.7% | 42.5% | 2.1% | 5.0% | 18.2% | -17.5% |
| | Median | | 18.3% | 13.0% | 7.4% | 4.5% | 45.9% | 1.0% | 5.3% | 6.0% | 3.6% |
| Henkel AG & Co. KGaA Pref | GERMANY | 30,616 | 18.5% | 15.1% | 10.4% | 3.3% | 39.1% | -0.7% | 1.5% | 1.6% | 3.4% |
| Sika AG | SWITZERLAND | 25,600 | 19.5% | 14.7% | 10.6% | 3.2% | 50.1% | 0.2% | 2.1% | 2.6% | 3.6% |
| Arkema SA | FRANCE | 3,948 | 14.4% | 6.9% | 2.4% | 6.8% | 70.7% | -0.6% | -3.2% | -7.6% | -10.4% |
| H.B. Fuller Company | UNITED STATES | 2,731 | 18.3% | 13.0% | 7.4% | 4.3% | 20.6% | 0.6% | 4.3% | 5.4% | 9.2% |
| PEERS Adhesives Producers | Average | | 17.7% | 12.4% | 7.7% | 4.4% | 45.1% | -0.1% | 1.2% | 0.5% | 1.5% |
| | Median | | 18.4% | 13.8% | 8.9% | 3.8% | 44.6% | -0.2% | 1.8% | 2.1% | 3.5% |
| Cembre S.p.A. | ITALY | 1,131 | 30.7% | 25.0% | 18.6% | 7.6% | 72.8% | 6.5% | 9.5% | 10.6% | 7.3% |
| LU-VE S.p.A. | ITALY | 915 | 14.7% | 9.7% | 6.8% | 4.5% | 22.5% | 5.7% | 7.9% | 10.6% | 11.3% |
| Aquafil SpA | ITALY | 106 | 14.5% | 4.8% | 1.7% | 5.1% | 0.0% | 1.0% | 10.9% | 123.8% | -193.1% |
| Sabaf S.p.A. | ITALY | 174 | 15.4% | 8.2% | 5.2% | 5.8% | 45.9% | 2.1% | 6.5% | 10.5% | 9.7% |
| PEERS Italian Small-Caps | Average | | 19.5% | 13.4% | 9.2% | 4.9% | 40.4% | 3.9% | 8.0% | 32.3% | -32.6% |
| | Median | | 15.4% | 9.7% | 6.8% | 5.1% | 45.9% | 4.0% | 7.9% | 10.6% | 7.3% |

Source: Alantra estimates and Factset

Performance

ICF's price overperformed vs adhesives producers over the last year

| Company | Country | Mkt Cap (Eu mn) | Performance | | | | | |
|------------------------------|---------------|--------------------|-------------|--------|--------|--------|--------|--------|
| | | | 1M | 3M | 6M | 1YR | 3YR | 5YR |
| Industrie Chimiche Forestali | ITALY | 36 | -0.3% | 0.0% | -1.9% | 29.7% | 8.9% | 14.6% |
| PEERS | Average | | -0.1% | -4.3% | -2.3% | 0.6% | 0.0% | 34.1% |
| | Median | | 0.0% | -2.5% | 0.4% | -5.2% | -12.5% | -14.9% |
| Henkel AG & Co. KGaA Pref | GERMANY | 30,616 | 3.9% | 0.9% | 5.6% | -13.7% | 11.8% | -19.1% |
| Sika AG | SWITZERLAND | 25,600 | -9.2% | -16.6% | -29.6% | -36.6% | -43.9% | -40.7% |
| Arkema SA | FRANCE | 3,948 | 1.8% | -2.5% | -19.9% | -32.9% | -43.4% | -44.2% |
| H.B. Fuller Company | UNITED STATES | 2,731 | -1.6% | -2.7% | 0.4% | -4.7% | -12.5% | 14.6% |
| PEERS Adhesives Producers | Average | | -1.3% | -5.2% | -10.9% | -22.0% | -22.0% | -22.4% |
| | Median | | 0.1% | -2.6% | -9.8% | -23.3% | -27.9% | -29.9% |
| Cembre S.p.A. | ITALY | 1,131 | -2.6% | 6.7% | 13.5% | 61.6% | 118.8% | 234.2% |
| LU-VE S.p.A. | ITALY | 915 | 5.8% | 12.0% | 27.4% | 42.1% | 55.0% | 192.9% |
| Aquafil SpA | ITALY | 106 | 7.6% | -26.1% | 0.6% | 5.2% | -73.6% | -63.3% |
| Sabaf S.p.A. | ITALY | 174 | 0.0% | -1.4% | -4.2% | -5.2% | -18.2% | -14.9% |
| PEERS Italian Small-Caps | Average | | 0.8% | -3.5% | 4.6% | 18.6% | 17.6% | 79.3% |
| | Median | | 0.0% | -1.4% | 0.6% | 5.2% | 6.0% | 47.4% |

Source: Alantra estimates and Factset

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