

Industrie Chimiche Forestali

Sector: Industrial

Another sound quarter

3Q22 results came in solid with double-digit top-line growth and yoy expansion in EBITDA margin (+50bp), despite strong energy cost inflation. All divisions, except for automotive, have positively contributed to the quarter, driven by both price and volumes. The cross-sector diversification should continue to help ICF to catch positive underlying trends in some end-markets, counterbalancing the still weak automotive sector. New sustainable products and the completed PV plant are further potential upsides. We mainly increase our FY22 top-line projection (+2%) after a positive quarter, while confirming the other P&L figures. ICF is now trading at 2023E 4.5x EV/EBITDA (>45% below larger international peers). BUY rating confirmed with TP to Eu7.5/share

- 3Q22 revenue up 17.2% yoy thanks to footwear, leather goods, and packaging.** 3Q22 top-line came in at Eu20.8mn, +17.2% yoy thanks to a solid performance in footwear, leather goods and packaging. The exposure to luxury segments allowed ICF to leverage on favourable price-mix in an inflationary environment and to compensate the still weak contribution from the automotive business. Volumes have been on the rise in different segments: Packaging & Textile for technical sports footwear and luxury leather goods. Morel brand has also made a sensible contribution in the quarter.
- 3Q22 EBITDA margin uptick by 50bp yoy despite higher energy costs.** EBITDA in 3Q22 reached Eu1.3mn/6.1% margin, up from Eu1mn/5.6% margin in 3Q21, despite higher energy and raw material costs. 9M22 EBITDA reached Eu4.8mn/7.3% margin (+11.6% yoy), strongly impacted by a weak 1Q profitability. Excluding the inflation in energy costs of around Eu1mn, EBITDA would have reached Eu5.8mn/8.8% margin (Eu4.3mn/7.8% in 9M21). Net debt was stable at Eu12.3mn (from Eu12.1mn in 1H22) due to a still unfavourable NWC dynamic (expected to revert in 4Q), Eu1mn dividends, Eu0.3mn cash-out linked to the last payment of Morel acquisition and Eu0.3mn buyback.
- New sustainable products and PV plant should add momentum.** Sales in 3Q continued to show a positive trend aided by luxury end-markets exposure while automotive business has not wake up yet. The new completed ICF's PV plant, which should start to cover 30% of energy needs by 1H23, should help to mitigate energy cost inflations. The mgmt. is considering to expand the plant to reach 60% of energy coverage. Also, ICF has strategically moved further into Luxury segment, with the launch of its new product line of sustainable fabrics RICICLI™. This division, which should expand the ICF offering by adding non-woven fabrics products (68/31% made by natural/recycled fabrics) for premium and luxury footwear market, should be a margin tailwind. The positive momentum should continue in 4Q as mgmt foresees FY22 EBITDA on the rise.
- We increase our FY22E revenues.** After another positive quarter, we slightly increase our FY22E top-line estimate (+2%) and confirm the other P&L figures. The cross-sector diversification should help ICF to benefit from underlying trends in different end-markets. Our FY22E revenues are now pointing to Eu86.2mn with 7.7% EBITDA margin. This would lead to a flat yoy revenue growth in 4Q22E with EBITDA margin of 9.2%.
- BUY rating confirmed with TP to Eu7.5/share.** We keep our BUY rating and TP of Eu7.5/share, based on the average of DCF and peers' multiples. The solid cash flow generation profile should be attractive in the current scenario (ICF has returned to shareholders ca. Eu6mn since its listing). The stock is now trading at 2023E 4.5x EV/EBITDA (over 45% below larger international peers). Further M&A is an upside potential not included in our estimates.

BUY

Unchanged

TP 7.5

Unchanged

Target price upside 32%

	FY22E	FY23E
Change in EPS est.	-4.1%	-3.3%

Ticker (BBG, Reut)	ICF IM	ICF MI
Share price Ord. (Eu)		5.7
N. of Ord. shares (mn)		6.8
Total N. of shares (mn)		6.8
Market cap (Eu mn)		39
Total Market Cap f.d. (Eu mn)		39
Free Float Ord. (%)		88%
Free Float Ord. (Eu mn)		34
Daily AVG liquidity Ord. (Eu k)		20

	1M	3M	12M
Absolute Perf.	5.6%	1.4%	-10.1%
Rel.to FTSEMIDCap	-10.2%	2.7%	10.9%
52 weeks range		5.1	6.4



	FY21A	FY22E	FY23E
Sales	76	86	87
EBITDA	5.2	6.7	9.9
Net profit adj.	2.2	3.2	5.3
EPS adj.	0.317	0.468	0.781
DPS - Ord.	0.140	0.140	0.140
EV/EBITDA	10.0x	7.2x	4.5x
P/E adj.	20.1x	12.1x	7.3x
Dividend yield	2.2%	2.5%	2.5%
FCF yield	6.0%	1.0%	12.1%
Net debt/(Net cash)	7.4	8.8	5.1
Net debt/EBITDA	1.4x	1.3x	0.5x

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Key Data

P&L account (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Sales	60.6	75.7	86.2	86.6	87.8
Gross margin	24.4	24.0	27.3	30.6	32.7
EBITDA reported	7.1	5.2	6.7	9.9	11.9
D&A	(4.3)	(4.4)	(4.3)	(4.3)	(4.3)
EBIT reported	2.7	0.7	2.3	5.6	7.6
Net financial charges	(1.3)	(0.8)	(0.3)	(0.3)	(0.3)
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	1.5	(0.1)	2.0	5.3	7.3
Taxes	0.8	2.4	(0.4)	(1.5)	(2.7)
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	2.3	1.6	3.7	4.5
EBITDA adjusted	7.1	5.2	6.7	9.9	11.9
EBIT adjusted	4.7	2.7	4.3	7.8	9.8
Net profit adjusted	3.3	2.2	3.2	5.3	6.1

Margins (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Gross margin	40.2%	31.8%	31.7%	35.4%	37.3%
EBITDA margin (adj)	11.8%	6.9%	7.7%	11.4%	13.5%
EBIT margin (adj)	7.8%	3.5%	5.0%	9.0%	11.1%
Pre-tax margin	2.4%	-0.2%	2.3%	6.1%	8.3%
Net profit margin (adj)	5.4%	2.9%	3.7%	6.1%	6.9%

Growth rates (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Sales	-15.4%	24.9%	13.9%	0.4%	1.4%
EBITDA	-21.2%	-27.2%	28.4%	48.0%	20.1%
EBITDA adjusted	-21.2%	-27.2%	28.4%	48.0%	20.1%
EBIT	-42.9%	-74.5%	230.5%	140.9%	35.6%
EBIT adjusted	-29.9%	-43.8%	60.6%	81.8%	25.5%
Pre-tax	-66.9%	-108.8%	-1651.3%	161.8%	37.6%
Net profit	-35.8%	2.5%	-29.3%	132.4%	20.6%
Net profit adjusted	-27.2%	-33.2%	44.5%	66.8%	14.5%

Per share data	FY20A	FY21A	FY22E	FY23E	FY24E
Shares	6.943	6.943	6.797	6.797	6.797
N. of shares AVG	6.943	6.943	6.572	6.691	6.691
N. of shares diluted AVG	6.943	6.943	6.870	6.797	6.797
EPS	0.321	0.329	0.237	0.552	0.665
EPS adjusted	0.475	0.317	0.468	0.781	0.895
DPS - Ord.	0.140	0.140	0.140	0.140	0.140
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	11.208	11.058	11.688	11.898	12.349

Enterprise value (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Share price Ord. (Eu)	5.6	6.4	5.7	5.7	5.7
Market cap	38.6	44.3	38.6	38.6	38.6
Net debt/(Net cash)	3.2	7.4	8.8	5.1	0.5
Adjustments	0.5	0.5	0.5	0.5	0.5
Enterprise value	42.2	52.1	47.9	44.2	39.6

Cash flow (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
EBITDA adjusted	7.1	5.2	6.7	9.9	11.9
Net financial charges	(1.3)	(0.4)	(0.3)	(0.3)	(0.3)
Cash taxes	0.3	(0.3)	(0.5)	(1.6)	(2.6)
Ch. in Working Capital	(0.2)	0.5	(3.4)	(1.2)	(0.8)
Other operating items	(0.3)	(0.3)	0.0	(0.3)	(0.3)
Operating cash flow	5.6	4.6	2.5	6.4	7.8
Capex	(2.0)	(2.0)	(2.1)	(1.7)	(1.8)
FCF	3.6	2.7	0.4	4.7	6.1
Disposals/Acquisitions	0.0	(3.4)	(0.3)	0.0	0.0
Changes in Equity	(1.4)	(2.3)	(0.6)	0.0	0.0
Others	(1.0)	(0.1)	0.0	0.0	0.0
Dividends	0.0	(1.0)	(1.0)	(1.0)	(1.5)
Ch. in NFP	1.2	(4.2)	(1.5)	3.7	4.6

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Capex/Sales	3.3%	2.6%	2.4%	2.0%	2.0%
Capex/D&A	0.5x	0.4x	0.5x	0.4x	0.4x
FCF/EBITDA	50.3%	51.4%	5.9%	47.2%	51.3%
FCF/Net profit	nm	nm	nm	nm	nm
Dividend pay-out	43.3%	42.6%	59.0%	40.0%	40.0%

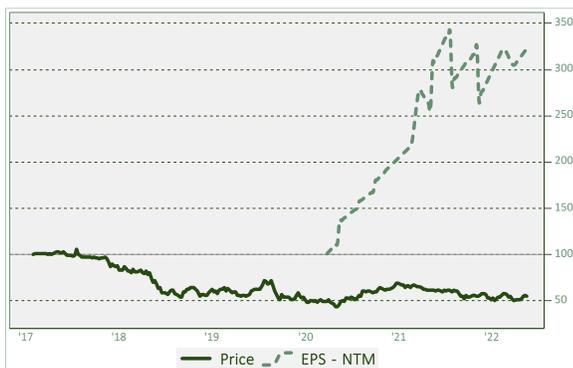
Balance sheet (Eu mn)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital	15.3	17.0	20.3	21.6	22.4
Fixed assets	74.2	76.1	74.3	71.7	69.1
Provisions & others	(8.5)	(9.0)	(8.9)	(8.5)	(8.3)
Net capital employed	81.0	84.1	85.7	84.7	83.2
Net debt/(Net cash)	3.2	7.4	8.8	5.1	0.5
Equity	77.8	76.8	76.8	79.6	82.6
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY20A	FY21A	FY22E	FY23E	FY24E
Working capital/Sales	25.3%	22.5%	23.6%	24.9%	25.5%
Net debt/Equity	4.1%	9.6%	11.5%	6.4%	0.7%
Net debt/EBITDA	0.4x	1.4x	1.3x	0.5x	0.0x

Valuation	FY20A	FY21A	FY22E	FY23E	FY24E
EV/CE	0.5x	0.6x	0.5x	0.5x	0.4x
P/BV	0.5x	0.6x	0.5x	0.5x	0.5x
EV/Sales	0.7x	0.7x	0.6x	0.5x	0.5x
EV/EBITDA	5.9x	10.0x	7.2x	4.5x	3.3x
EV/EBITDA adjusted	5.9x	10.0x	7.2x	4.5x	3.3x
EV/EBIT	15.4x	74.3x	20.7x	7.9x	5.2x
EV/EBIT adjusted	8.9x	19.6x	11.2x	5.7x	4.1x
P/E	17.3x	19.4x	23.9x	10.3x	8.5x
P/E adjusted	11.7x	20.1x	12.1x	7.3x	6.3x
ROCE pre-tax	5.3%	2.9%	4.6%	8.3%	10.6%
ROE	4.2%	2.9%	4.1%	6.7%	7.4%
EV/FCF	11.8x	19.5x	122.5x	9.5x	6.5x
FCF yield	9.3%	6.0%	1.0%	12.1%	15.8%
Dividend yield	2.5%	2.2%	2.5%	2.5%	2.5%

Share price performance

Strong growth of EPS



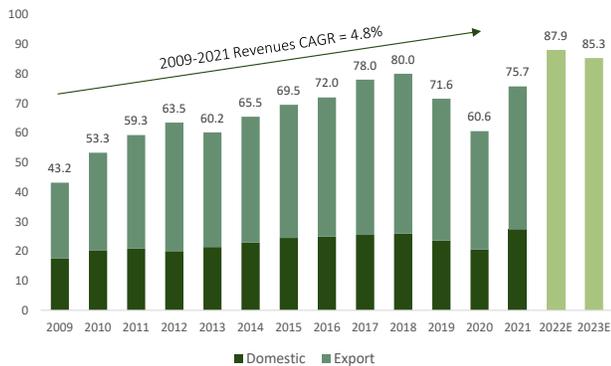
Valuation

The company is trading at significant discount versus peers



Solid organic top line growth in the long term (FY09A-FY23E)

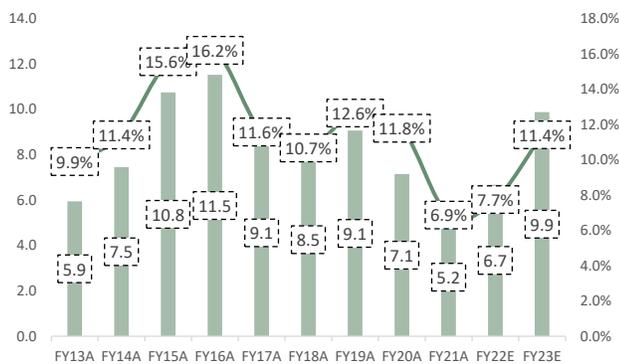
FY21 sales above pre-covid level



Source: company data

A profitable business (FY13A-FY23E EBITDA and margin)

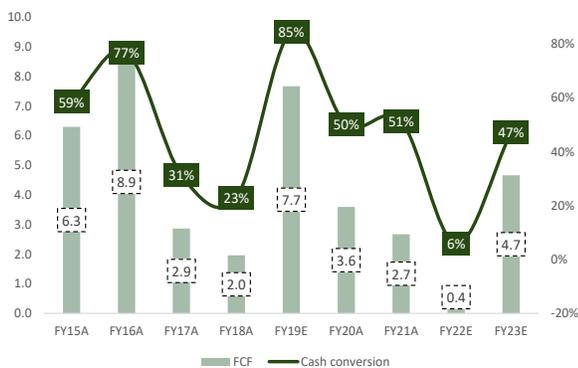
Profitability was resilient to Covid-19 related slowdown in 2020



Source: company data

Cash generative (FY15A-FY23E FCF and cash conversion)

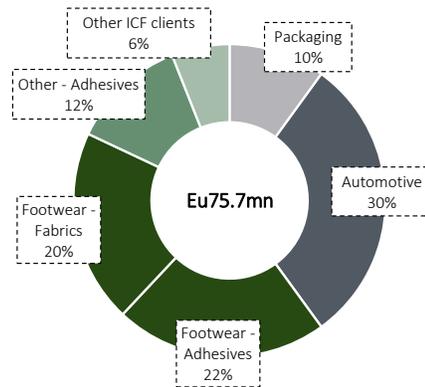
Good cash generation is foreseen in the coming years



Source: company data

Revenues breakdown by Sector (FY21A)

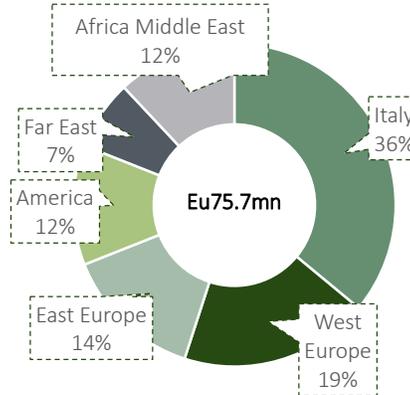
Born in footwear, ICF expanded in automotive, packaging and leather goods



Source: Company data

Revenues breakdown by Geography (FY21A)

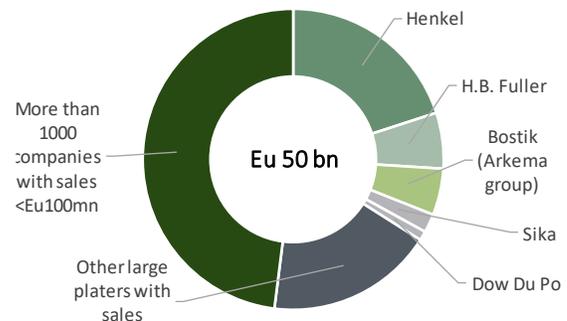
Well diversified by geography



Source: company data

Market calling for consolidation (FY17 adhesive market)

ICF wants to act as a consolidator but may also become a target



Source: HB Fuller capital markets day 2018

Profile

Background	ICF manufactures adhesives (80% of sales in FY21) and technical fabrics (20%). 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 (60%) 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 (40%) was launched in 2005 and manufactures industrial adhesives for the automotive and packaging industry. Automotive represents the most important reference sector accounting for 36.4% of sales, followed by Footwear for 35.8%. Smaller contribution but higher potential for growth comes from Packaging (8.9%) and Leather Goods (4.9%).
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 more than 20 people employed. 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 generated by their manufacturing processes. ICF sells its adhesives and fabrics all over the world. Sales made abroad were a relevant driver of growth over the last decade, representing 64% of 2021 total sales from 59% in 2009. The company distributes its products both directly, through a network of 9 experienced sales, and via agents / distributors. With the Morel acquisition in 2021, ICF has expanded its activity into luxury footwear and leather goods.
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 organically from Eu43.0mn in FY09 to Eu75.7mn in FY21 posting a 5% 12Y 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 2012-21 period was over Eu40mn. On average EBITDA cash conversion was c. 55%.</p> <p>The adhesive and 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 24.5%

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

Results

3Q/9M22 results

3Q22 revenue up 17.2% yoy thanks to footwear, leather goods, and packaging; 3Q22 EBITDA margin uptick by 50bp yoy despite higher energy costs

Eu mn	3Q21A	3Q22A	YoY %	9M21A	9M22A	YoY %	4Q21A	4Q22E	YoY %	FY21A	FY22E	YoY %
Revenues	17.7	20.8	17.2%	55.2	65.7	19.1%	20.6	20.5	-0.3%	75.7	86.2	13.9%
EBITDA Adj.	1.0	1.3	26.6%	4.3	4.8	11.6%	0.9	1.9	108.5%	5.2	6.7	28.4%
Ebitda Margin %	5.6%	6.1%		7.8%	7.3%		4.4%	9.2%		6.9%	7.7%	
NFP (debt)/cash	(8.2)	(12.3)		(8.2)	(12.3)		(7.3)	(8.8)		(7.4)	(8.8)	

Source: Company data, Alantra estimates

Estimates

Change in estimates

We mainly fine-tune our top-line projections in FY22E by 2% upwards

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Total Revenues / Value of Production	86.2	86.6	87.8	2%	1%	1%	84.1	85.3	86.5
EBITDA Adjusted	6.7	9.9	11.9	0%	0%	0%	6.7	9.8	11.8
EBIT Adjusted	4.3	7.8	9.8	0%	0%	0%	4.3	7.7	9.7
Net profit restated	3.2	5.3	6.1	0%	0%	0%	3.2	5.3	6.1
EPS	0.476	0.794	0.909	-4%	-3%	-3%	0.496	0.820	0.940
Net financial position	(8.8)	(5.1)	(0.5)	-1%	-7%	-255%	(8.7)	(4.8)	0.4

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		
			FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Industrie Chimiche Forestali Premium (discount) to Peers' Median	ITALY	42	7.2 x	4.5 x	3.3 x	11.2 x	5.7 x	4.1 x	12.1 x	7.3 x	6.3 x	0.6 x	0.5 x	0.5 x
			-19%	-47%	-53%	-13%	-52%	-60%	-24%	-54%	-54%	-60%	-62%	-58%
PEERS	Average		9.4 x	8.9 x	7.7 x	13.4 x	12.6 x	10.8 x	16.3 x	15.3 x	13.7 x	1.7 x	1.6 x	1.4 x
	Median		8.8 x	8.4 x	7.1 x	12.9 x	11.9 x	10.2 x	15.9 x	15.7 x	13.7 x	1.4 x	1.4 x	1.1 x
Henkel AG & Co. KGaA Pref	GERMANY	28,030	9.4 x	8.8 x	7.9 x	12.5 x	11.8 x	10.1 x	16.8 x	15.7 x	13.7 x	1.3 x	1.3 x	1.2 x
Sika AG	SWITZERLAND	41,773	20.3 x	19.0 x	15.5 x	25.3 x	24.4 x	19.3 x	33.2 x	30.7 x	26.2 x	3.8 x	3.6 x	3.1 x
Arkema SA	FRANCE	6,904	4.1 x	5.1 x	4.5 x	5.6 x	8.0 x	6.9 x	6.1 x	9.4 x	8.3 x	0.8 x	0.8 x	0.7 x
H.B. Fuller Company	UNITED STATES	3,881	10.6 x	9.7 x	na	15.1 x	13.2 x	na	18.1 x	16.0 x	14.4 x	1.5 x	1.4 x	na
PEERS Adhesives Producers	Average		11.1 x	10.6 x	9.3 x	14.6 x	14.3 x	12.1 x	18.5 x	18.0 x	15.7 x	1.8 x	1.8 x	1.7 x
	Median		10.0 x	9.2 x	7.9 x	13.8 x	12.5 x	10.1 x	17.4 x	15.9 x	14.1 x	1.4 x	1.4 x	1.2 x
SAES Getters S.p.A.	ITALY	460	9.8 x	9.9 x	8.6 x	13.4 x	13.6 x	11.2 x	19.1 x	16.8 x	15.4 x	2.1 x	2.1 x	2.0 x
Cembre S.p.A.	ITALY	464	8.7 x	8.5 x	na	11.3 x	11.1 x	na	15.8 x	na	na	2.3 x	2.3 x	na
LU-VE SpA	ITALY	499	8.9 x	8.4 x	7.2 x	15.2 x	14.2 x	12.5 x	15.9 x	15.7 x	14.3 x	1.1 x	1.1 x	0.9 x
Aquafil SpA	ITALY	253	6.1 x	5.7 x	5.1 x	13.2 x	12.0 x	10.3 x	12.0 x	12.0 x	10.5 x	0.8 x	0.7 x	0.6 x
Sabaf S.p.A.	ITALY	218	7.4 x	6.2 x	5.5 x	12.6 x	9.7 x	8.7 x	12.9 x	9.8 x	9.3 x	1.2 x	1.1 x	0.9 x
B&C Speakers S.p.A.	ITALY	134	8.6 x	7.5 x	7.0 x	9.7 x	8.3 x	7.7 x	13.4 x	11.4 x	10.9 x	1.9 x	1.7 x	1.6 x
PEERS Italian Small-Caps	Average		8.2 x	7.7 x	6.7 x	12.6 x	11.5 x	10.1 x	14.8 x	13.1 x	12.1 x	1.6 x	1.5 x	1.2 x
	Median		8.7 x	7.9 x	7.0 x	12.9 x	11.5 x	10.3 x	14.6 x	12.0 x	10.9 x	1.6 x	1.4 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)	FY22E - FY24E average margins					CAGR FY21A - FY24E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
Industrie Chimiche Forestali	ITALY	42	10.9%	8.4%	5.6%	2.1%	-46.3%	5.1%	31.6%	54.2%	41.3%
PEERS	Average		17.9%	13.0%	8.8%	4.5%	37.8%	9.6%	10.7%	14.3%	14.4%
	Median		16.9%	11.3%	7.6%	5.6%	34.9%	8.8%	10.6%	16.2%	13.6%
Henkel AG & Co. KGaA Pref	GERMANY	28,030	14.7%	11.2%	7.1%	3.3%	43.8%	4.4%	1.2%	0.9%	2.5%
Sika AG	SWITZERLAND	41,773	19.2%	15.2%	11.1%	2.5%	41.4%	14.2%	15.6%	16.2%	13.6%
Arkema SA	FRANCE	6,904	16.8%	11.4%	8.0%	6.0%	29.3%	3.4%	0.2%	-1.5%	-2.4%
H.B. Fuller Company	UNITED STATES	3,881	14.7%	10.7%	6.6%	2.8%	16.3%	8.0%	10.6%	17.5%	14.7%
PEERS Adhesives Producers	Average		16.4%	12.1%	8.2%	3.6%	32.7%	7.5%	6.9%	8.3%	7.1%
	Median		15.8%	11.3%	7.6%	3.0%	35.3%	6.2%	5.9%	8.5%	8.1%
SAES Getters S.p.A.	ITALY	460	21.9%	16.3%	8.7%	5.6%	26.3%	13.1%	20.9%	28.6%	27.4%
Cembre S.p.A.	ITALY	464	27.0%	20.8%	15.4%	na	67.9%	na	na	na	na
LU-VE SpA	ITALY	499	12.8%	7.5%	6.0%	5.9%	25.4%	9.2%	11.1%	13.5%	10.9%
Aquafil SpA	ITALY	253	12.5%	5.9%	3.6%	5.6%	33.6%	8.8%	9.1%	21.4%	29.3%
Sabaf S.p.A.	ITALY	218	17.0%	10.5%	7.1%	7.7%	36.3%	2.8%	-3.1%	-6.2%	-1.6%
B&C Speakers S.p.A.	ITALY	134	22.6%	20.2%	14.5%	1.3%	57.8%	22.6%	30.2%	37.8%	35.3%
PEERS Italian Small-Caps	Average		19.0%	13.5%	9.2%	5.2%	41.2%	11.3%	13.7%	19.1%	20.3%
	Median		19.5%	13.4%	7.9%	5.6%	34.9%	9.2%	11.1%	21.4%	27.4%

Source: Alantra estimates and Factset

Performance

Performance has been resilient over the last 6 months

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
Industrie Chimiche Forestali	ITALY	42	5.6%	1.4%	3.3%	-10.1%	-0.9%	-46.0%
PEERS	Average		16.6%	2.1%	0.8%	-14.8%	21.3%	15.9%
	Median		16.6%	2.0%	3.7%	-13.3%	6.9%	-2.7%
Henkel AG & Co. KGaA Pref	GERMANY	28,030	7.6%	3.5%	5.4%	-13.3%	-29.6%	-44.9%
Sika AG	SWITZERLAND	41,773	30.7%	7.8%	2.1%	-25.8%	54.8%	118.0%
Arkema SA	FRANCE	6,904	27.1%	0.5%	-20.3%	-25.0%	-5.3%	-13.5%
H.B. Fuller Company	UNITED STATES	3,881	16.5%	12.1%	16.0%	-2.1%	47.8%	40.1%
PEERS Adhesives Producers	Average		20.5%	6.0%	0.8%	-16.5%	16.9%	24.9%
	Median		21.8%	5.6%	3.7%	-19.1%	21.2%	13.3%
SAES Getters S.p.A.	ITALY	460	12.5%	4.7%	5.6%	-13.3%	-14.9%	-5.9%
Cembre S.p.A.	ITALY	464	16.7%	0.0%	3.8%	-1.4%	17.7%	18.7%
LU-VE SpA	ITALY	499	18.8%	-0.2%	20.7%	1.6%	111.8%	109.2%
Aquafil SpA	ITALY	253	16.8%	-4.2%	3.7%	-27.3%	-15.3%	-54.0%
Sabaf S.p.A.	ITALY	218	5.5%	-13.6%	-22.9%	-29.6%	49.6%	-9.0%
B&C Speakers S.p.A.	ITALY	134	13.6%	10.5%	-5.8%	-12.3%	-4.0%	0.6%
PEERS Italian Small-Caps	Average		14.0%	-0.5%	0.8%	-13.7%	24.1%	9.9%
	Median		15.1%	-0.1%	3.7%	-12.8%	6.9%	-2.7%

Source: Alantra estimates and Factset

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