



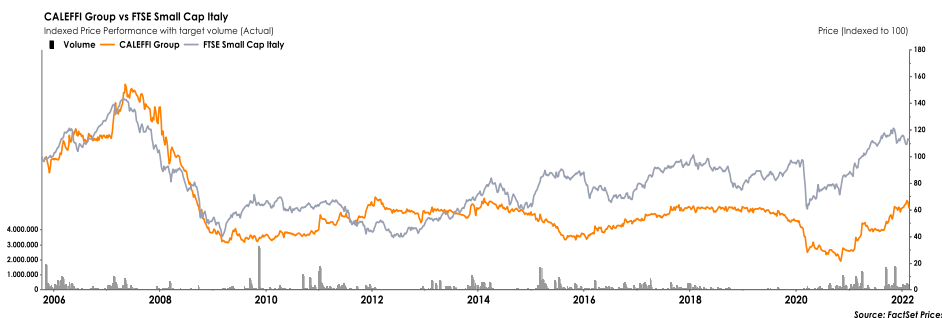
## Strong set of FY21 preliminary results

### Sector: Personal & Household Goods

**FY21 sales at Euro 60 m, overperforming estimates.** CALEFFI recently reported FY21 preliminary results which closed with sales at c. Euro 60 m, posting a + 8% YoY growth (Euro 56 m in FY20), and +5% vs. our estimates (Euro 57 m). The results confirmed the positive trend that the Group has experienced over the last 18 months driven by strong market demand supported by new living and working habits which has revived consumers interest in the home fashion industry and the efficient adoption of strategies to adapt to new customer behaviour with particular focus to online sales. Management highlighted strong performance of the retail channel, own stores, and the luxury brand Mirabello Carrara.

**Profitability in line with expectations as positive impact from structural cost savings is confirmed.** According to the note released by the Group, FY21 EBITDA margin stood at approximately 13%, slightly down vs. FY20 (14.7%) as the latter was positively impacted by the implementation of a COVID-19 related containment plan, and in line with our expectations (13.7%). The improvement in profitability seen over the last 24 months confirm that the Group has managed to raise the structural level of profitability (average EBITDA margin of 4% in the FY17-19 period) thanks to Management's efforts to reduce costs along the entire supply chain. In absolute terms EBITDA reached Euro 8 m, slightly above FY20 and our estimates (both Euro 7.9). Net Debt at the end of the period considered was of Euro 12.7, down from Euro 16.4 in 1H20 and Euro 17.1 m at the end of December 2020 thanks to good operating cashflow. Complete FY21 financial statements will be released on 29 March 2022.

**Estimate revision and valuation update.** Management did not give any guidance for FY22 but has earlier stated that a revision of the Industrial Plan will be presented once the Covid-19 related emergency has ceased. However, based on the above we slightly review our FY22-23 estimates. We now assume revenues in FY22 of Euro 61 m (Euro 59 m previously) and an EBITDA margin of 12.5% (13.6% pr.) as we believe that an increase in list price might not be sufficient to fully cover higher energy and material costs. Updating our valuation model with up-to-date market data and market multiples, we set a target price of Euro 3.35 p.s., in line with previous one (Euro 3.34), and providing for an upside on current stock price of 127%. At our target price the stock would be trading at FY21E/22E EV/EBITDA multiples of 7.8x and 8.3x vs. current 4.9x and 5.2x.



**Target Price 3.35**  
(3.34 pr.)

Price (€) **1.48**  
Market Cap (€ m) **23**  
EV (€ m) **36**

### Share Data *As of 18<sup>th</sup> February, 2021*

Market	Euronext Growth Milan
Reuters/Bloomberg	CLF.MI/CLF IM
ISIN	IT0003025019
N. of Shares	15,628,081
Free Float	44.9%
Main Shareholder	Minerva Srl (55.1%)
CEO	Guido Ferretti

### Financials

	2020A	2021E	2022E	2023E
<b>Sales</b>	<b>56.1</b>	<b>60.5</b>	<b>61.0</b>	<b>62.5</b>
YoY %	13%	8%	1%	2%
<b>EBITDA</b>	<b>7.9</b>	<b>8.1</b>	<b>7.6</b>	<b>8.4</b>
EBITDA %	14.1%	13.4%	12.5%	13.4%
<b>EBIT</b>	<b>5.0</b>	<b>5.2</b>	<b>4.9</b>	<b>5.5</b>
EBIT %	9.0%	8.7%	8.0%	8.8%
<b>Net Income</b>	<b>3.5</b>	<b>3.3</b>	<b>3.1</b>	<b>3.7</b>
<b>Net Debt</b>	<b>17.1</b>	<b>12.7</b>	<b>9.3</b>	<b>5.6</b>
<b>Group Equity</b>	<b>16.4</b>	<b>19.7</b>	<b>22.8</b>	<b>26.5</b>

### Performance

	1M	3M	12M
Absolute	-4%	-3%	+48%
Relative (FTSE Italia Growth)	-1%	+2%	+11%
52-week High/Low (Eu)	0.74	/	1.69

### Sustainability

ESG Profile available

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