Preference List

January 2022

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Preference List

Outperformers

ABInBev
leading the category and category growth

TP EUR 68

ABInBev, the largest brewer (25% of global volumes), is the result of string of M&A with the latest major move, the takeover of SAB Miller in 2016. Key brands are Budweiser, Stella and Corona.

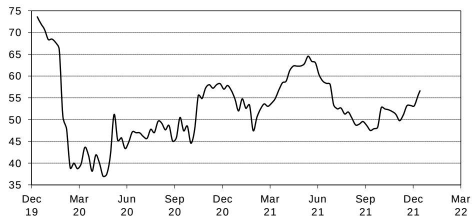
EUR 56.64 (11/01/22) **Buy**

Target price:	68.00	**Market cap. (m):**	111,708
High-Low 1 year:	65.34 - 47.00	**Shares outstanding (m):**	1,972
1 year price variation:	0.1%	**Free float:**	38%
Diff. with Euro Stoxx:	-17.2%	**Avg daily vol. (shares):**	1,595,947
Net debt 12/21e ($ m):	67,788	**Net debt/EBITDA 12/21e :**	4.07

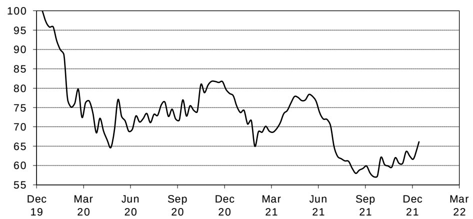
USD	Sales (bn)	REBITDA	Adj. profit	EPS	Div. (EUR)	EV/REBITDA	FCF Yield	P/E	Div. Yield
12/17	*47.00*	*18,392*	*6,636*	*3.43*	*3.60*	*16.0*	*4.8%*	*27.2*	*6.4%*
12/18	*47.78*	*19,317*	*7,487*	*3.80*	*2.60*	*12.1*	*5.9%*	*15.2*	*4.6%*
12/19	*46.62*	*18,780*	*6,405*	*3.23*	*1.30*	*13.3*	*4.6%*	*22.5*	*2.3%*
12/20	*38.31*	*13,762*	*4,101*	*2.06*	*0.50*	*14.5*	*3.8%*	*27.6*	*0.9%*
12/21e	47.43	16,828	5,199	2.61	0.50	11.6	5.9%	20.4	0.9%
12/22e	50.64	17,845	6,148	3.08	0.50	11.2	5.9%	18.4	0.9%
12/23e	53.24	19,499	7,425	3.70	0.70	10.1	7.1%	15.3	1.2%

Figures of EV, P/E and Yield are based on end F.Y. price when available

AB InBev over two years (11/01/22)



AB InBev rel. to Euro Stoxx (11/01/22)



BULL POINTS

- >80% of cash flow is derived from #1 or joint #1 market positions, which is not expected to alter in view of relative stable beer market
- Strong inflation protection thanks to its pricing power
- Driving growth and margins by premiumization, leveraging its brand portfolio.
- Management successfully addressed the debt issue
- Expected to deleverage to 3.0x end 2023
- Market share US stabilizing
- Earnings momentum on the brink to improve
- New CEO more top line and tech driven

BEAR POINTS

- Perception of poor top line performance
  - Struggling in the US, its largest market where so far it fails to stop the market share erosion of Bud Light and Budweiser,
  - Limited to no volume growth
  - Too late on trends
  - Premium markets more competitive
- Currencies volatility reduces visibility
- Still highly leveraged
- Forex and raw material impact require highest price increases ever
- Overhang Altria restricted shares

AB InBev: Buy, market leader in an attractive market

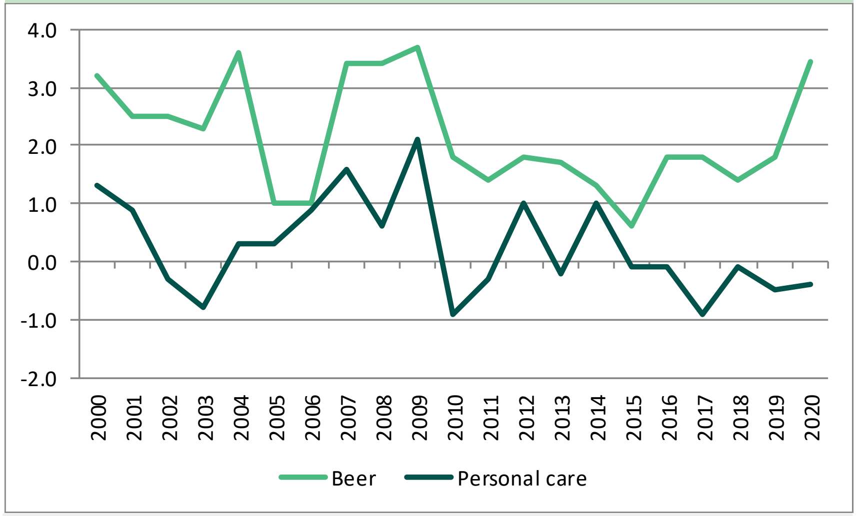
Key reasons for our Buy rating:

- Market leader in an attractive category
- Changing the perception on top line growth
- Strong earnings growth expected
- Deleverage
- Attractive Valuation

AB InBev: Key reasons for our Buy rating

- Attractive category
  - Category offers ample growth opportunities
    - Population growth
    - Income growth
    - Premiumization / new innovations/category expansion
    - Pricing power
    - Important to absorb the USD 2bn higher costs
- Market leader
  - AB InBev 25% of the global beer market
  - AB InBev is leading in largest profit pools

US: CPI Beer vs. CPI Personal Care

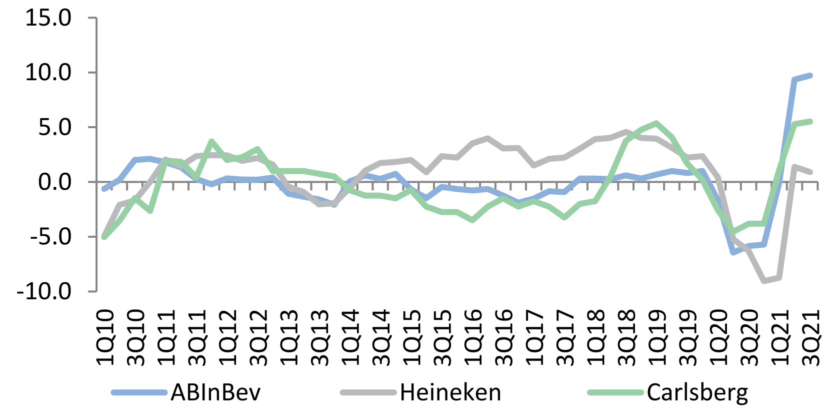


Source: US Bureau of Labor Statistics, Degroof Petercam

AB InBev: Key reasons for our Buy rating

- Perception on top line growth was not good, which required action
- Action: Launch of category expansion frame-work
  - Tool to drive growth across different axes and phases in each market
  - Examples
    - value brands in Brazil
    - Adjacent categories like hard seltzer in US
- Digital is key: BEES
- Strategy is paying off: volumes trend better than peers

Volume trends AB InBev vs. Heineken



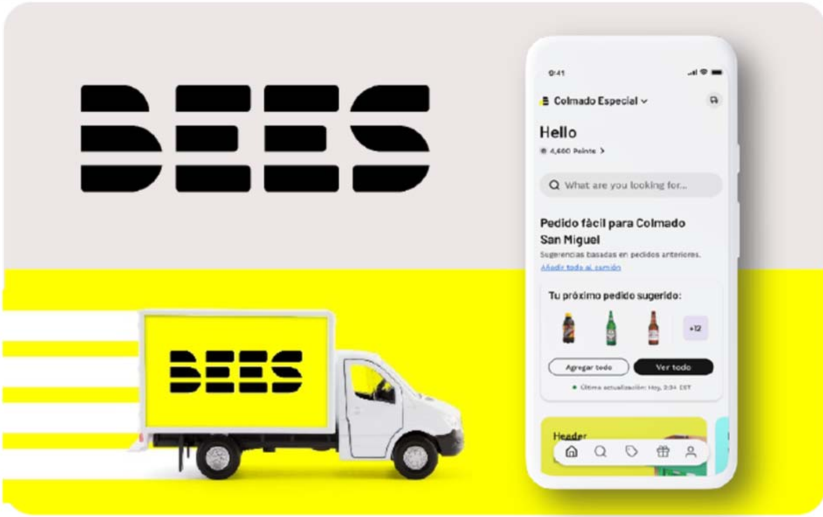
Source: Company reports, Degroof Petercam

BEES: a powerful instrument in gaining share

BEES

- Online platform through which ustomers can order directly
- rolled out to 12 markets now with 2.1m active monthly customers
- Capturing USD 5.5bn gross merchandise value in 2Q21
- Provides more data to ABI allowing for better promotions and planning
- Gives sales rep more time for other services
- Markets starts to recognize this: conference calls focus is on BEES/digital

BEES

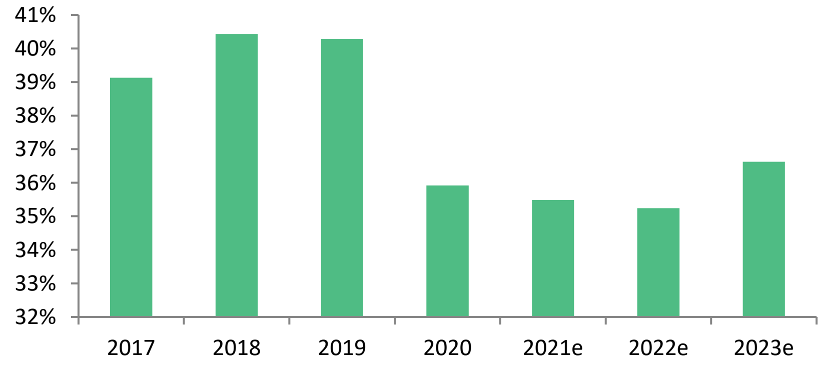


Source: AB Inbev

AB InBev: Key reasons for our Buy rating

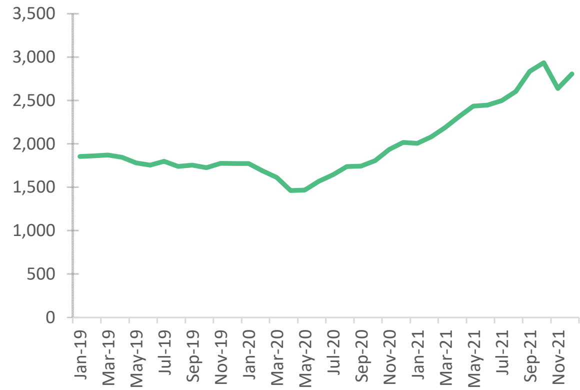
- Earnings growth: 18% CAGR 2020-23 vs. 12% peer group
  - 6-7% top line growth
  - Avg EBITDA growth 2021-23 7.4% vs guidance 4-8%
- Margin improvement from 35.2% to 36.6%
  - Price increases
  - Mix
  - Operational leverage
  - Cost savings
- Estimates take into account:
  - USD 1bn forex impact in 2021
  - USD 2bn raw material and other costs increases in 2021 and 2022

EBITDA margin AB InBev



Source: Company reports, Degroof Petercam

Alu prices

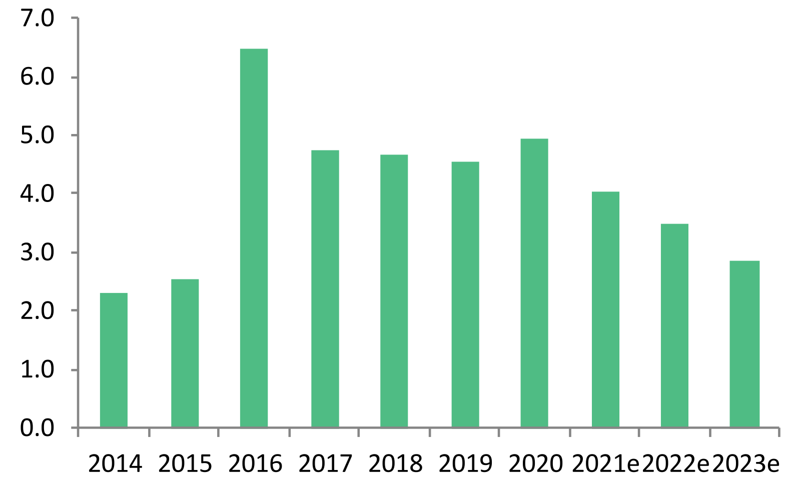


Source: Bloomberg

AB InBev: Key reasons for our Buy rating

- Leverage to come down
  - Debt no issue
    - Rates fixed
    - No covenants
    - 14 years average maturity
  - But impacts value of company
  - Hence goal of 2.0x
  - Our estimate 3.0x in 2023
    - Allowing more investors to invest in AB InBev
    - We expect AB InBev to increase dividend

Net debt/EBITDA



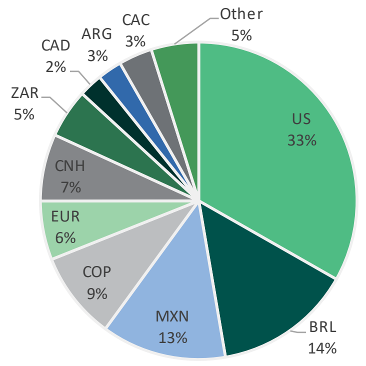
Source: Company reports, Degroof Petercam

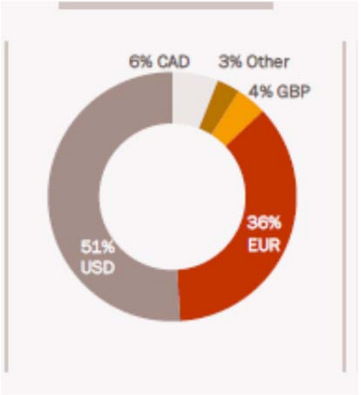
Degroof Petercam

But bond portfolio vs. forex exposure still a mismatch

- End of June
  - Gross debt approx. USD 90bn
  - 51% nominated in US, 36% in EUR
  - Still mismatch with cash flow
  - Short term no issue, but remains a risk factor

Debt exposure vs. EBITDA contribution





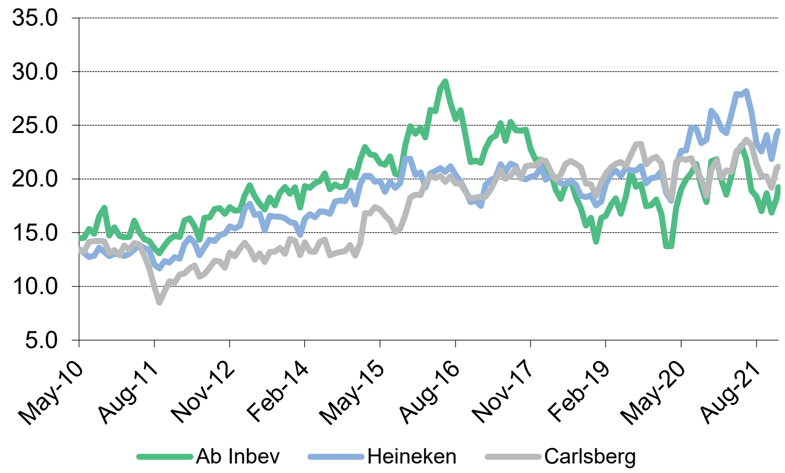
Source: Company reports, Degroof Petercam

- Overhang Altria stake
  - No sale in short term

AB InBev: Key reasons for our Buy rating

- Valuation
  - Stock trades at discount to peers
  - But premium is justified
    - Improvements on top line
    - Expected market share gains
    - Expected earnings growth above peers
    - Expected improvement in leverage

Forward Looking PER AB InBev vs. Heineken and Carlsberg



Source: FactSet, Degroof Petercam

Degroof Petercam

Peer group valuation table

Company name	Price	-----P/E- 2022	2023	--EV/EBIT-- 2022	2023	--EV/EBITDA-- 2022	2023	--EV/sales 2022	2023	---Div yield--- 2021	2022	FCF Yield 2022	2023
Beverage & spirits													
Heineken	101.0	24.1	20.7	18.3	15.7	12.5	10.9	2.90	2.67	1.2	1.5	4.3	4.5
ABInBev	56.7	19.4	16.8	13.4	12.0	10.1	9.2	3.58	3.32	0.9	1.6	6.4	7.0
Carlsberg	1,139	21.1	19.1	15.9	15.0	11.3	10.6	2.62	2.51	2.1	2.4	5.0	5.2
Constellation Brands	247	21.4	18.4	18.0	16.3	16.1	14.4	6.06	5.67	1.2	1.3	3.3	3.4
Molson Coors	49	12.4	12.0	12.4	11.7	7.6	7.1	1.55	1.47	1.4	2.9	10.6	11.0
Asahi	4,589	13.9	12.2	15.8	13.8	10.2	9.3	1.61	1.51	2.4	2.5	8.8	9.7
Kirin	1,877	15.0	12.6	13.5	10.9	8.7	7.7	1.13	1.08	3.5	3.5	4.6	7.0
Diageo	38	28.2	25.1	23.6	21.6	20.9	19.1	7.18	6.78	1.9	2.0	2.8	3.4
Pernod Ricard	204.4	28.1	25.2	21.8	19.7	19.0	17.3	6.06	5.59	1.5	1.8	2.8	3.2
PepsiCo Inc.	174.2	25.9	24.0	22.0	20.4	17.7	16.6	3.35	3.23	2.4	2.6	3.3	
Coca-Cola Co.	60.4	24.7	23.1	24.6	22.9	21.7	20.2	7.20	6.83	2.8	2.8	3.8	4.0
Average		21.3	19.0	18.1	16.4	14.2	12.9	3.9	3.7	1.9	2.3	5.1	5.8
Median		**21.4**	**19.1**	**18.0**	**15.7**	**12.5**	**10.9**	**3.4**	**3.2**	**1.9**	**2.4**	**4.3**	**4.8**

Degroof Petercam

AB InBev: Despite setback in 2021 even more convinced

- All our buy arguments are still there or even stronger
  - Topline improvement accelerates
- ABI leading the digital game,
  - Digital becoming more important in the beer market
  - Two plafforms: BEES for B2B and Zé delivery (Direct to Consumers)
  - CEO change: Michel Doukeris more tech driven
- Margins should start to recover as markets normalizes
  - Price increases and mix effect to offset the raw material bill
- Lower share price and valuation
- 3Q21 a demonstration of power

ASML Holding

EUV is the place to be

TP EUR 925

ASML Holding is the global leader in lithography equipment for the semiconductor industry. The company has a market share of 100% in EUV, 90% in DUV immersion, and 60% in DUV dry.

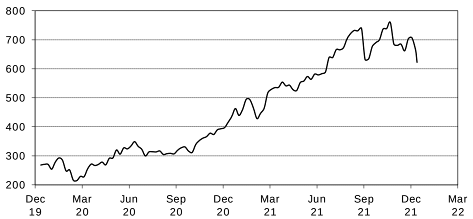
EUR 622.30 (10/01/22) Buy

Target price:	925.00	**Market cap. (m):**	251,729
High-Low 1 year:	770.50 - 414.90	**Shares outstanding (m):**	404.51
1 year price variation:	49.6%	**Free float:**	79%
Diff. with Euro Stoxx:	34.3%	**Avg daily vol. (shares):**	791,220
Net debt 12/21e (m):	-705	**Net debt/EBITDA 12/21e :**	-0.10

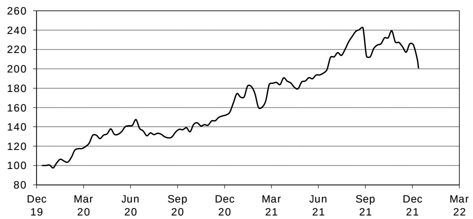
EUR	Sales	EBITDA	Adj. profit	EPS	Div.	EV/ EBITDA	EV/ EBITA	P/E	Div. Yield
12/17	*9,053*	*2918.9*	*2,231*	*5.19*	*1.40*	*21.2*	*23.8*	*28.0*	*1.0%*
12/18	*10,944*	*3399.8*	*2,834*	*6.67*	*2.10*	*16.5*	*18.3*	*20.6*	*1.5%*
12/19	*11,820*	*3236.2*	*2,727*	*6.48*	*2.40*	*33.6*	*37.5*	*40.7*	*0.9%*
12/20	*13,979*	*4529.4*	*3,696*	*8.84*	*2.75*	*36.3*	*39.4*	*45.0*	*0.7%*
12/21e	18,714	6940.3	5,759	14.03	4.38	41.4	43.7	50.4	0.6%
12/22e	21,739	8460.5	6,970	17.30	5.43	29.5	30.9	36.0	0.9%
12/23e	24,056	9627.5	7,852	19.64	6.18	25.5	26.7	31.7	1.0%

Figures of EV and P/E are based on end F.Y. price when available

ASML Holding over two years (10/01/22)



ASML Holding rel. to Euro Stoxx (10/01/22)



BULL POINTS

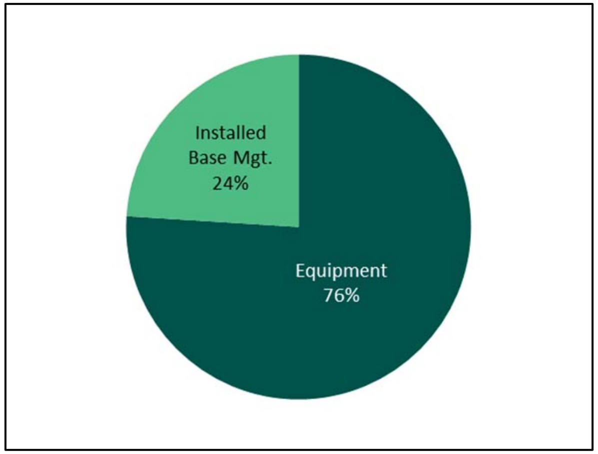
- The WFE market enjoys a super cycle as digitalization of society got a boost from covid, due to which semiconductor manufacturers are sold out while their customers keep asking for more. Many new fabs are under construction or in the planning phase. This will provide equipment manufacturers with several years of strong momentum.
- Within the WFE segment, ASML should be one of the winners. It has great prospects for growth, driven by the ongoing ramp-up of EUV system sales through volume and ASP. Profit growth will be driven by sales growth, gross margin expansion in EUV, and operating leverage. Furthermore, the ASML roadmap points to growth opportunities into the 2030s (High NA EUV), and presumably also beyond (Very High NA EUV).
- Meanwhile, ASML is building the world's most powerful utility services company that will maintain the installed base of EUV equipment for a period of 30 years at a fee of 5% of the purchase price p/a. This should benefit visibility and predictability in the long-term, and should make ASML less cyclical than other WFE names.

BEAR POINTS

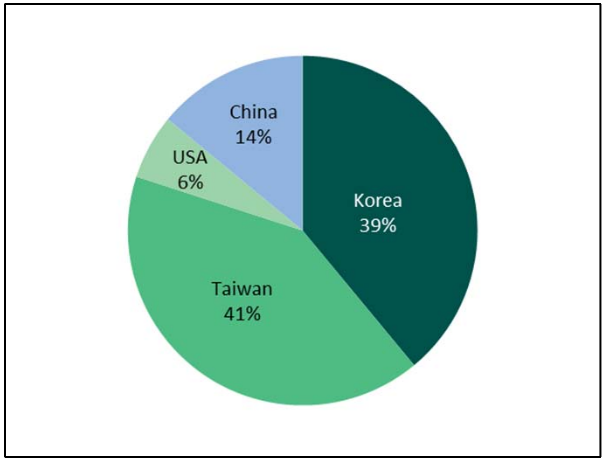
- Operates in a cyclical industry, that is characterized by relatively limited mid-term visibility and patent disputes.
- Disruptive technologies, industrial espionage, geopolitical black swans.

ASML Holding

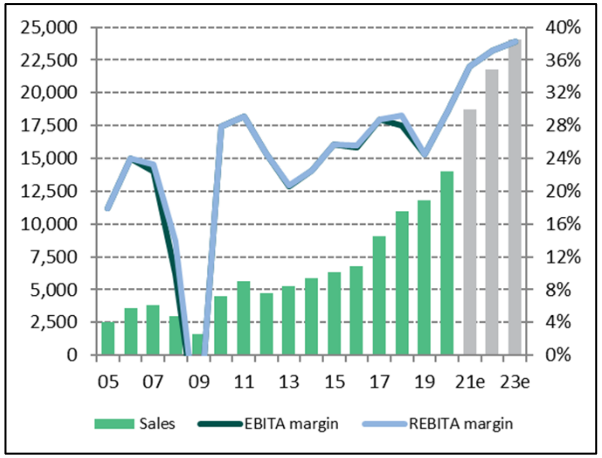
Sales split 2021e



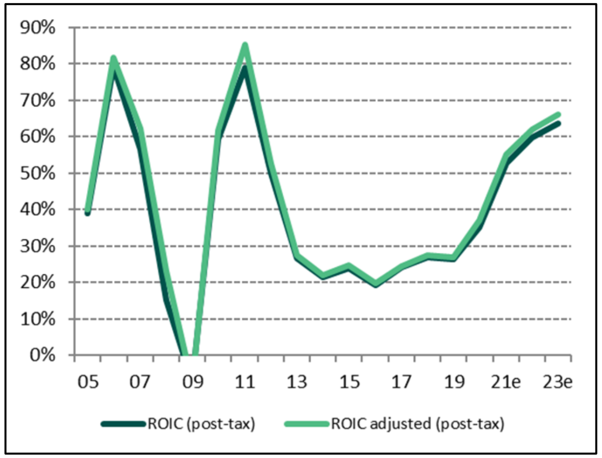
Sales split 2021e



Sales and operating margins



Return on invested capital



Bekaert (Buy, TP EUR 57)

More margin more upside

Bekaert is a global market leader in steelwire transformation and coating technologies, and the world's largest independent manufacturer of drawn steel wire products. Bekaert employs >28K people and serves customers in 120 countries.

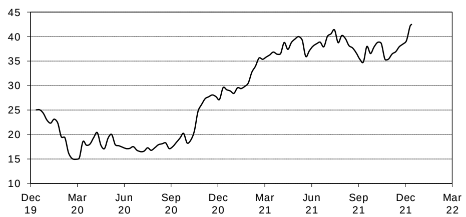
EUR 42.48 (10/01/22) — Buy

Target price:	57.00	**Market cap. (m):**	2,404
High-Low 1 year:	42.48 - 28.36	**Shares outstanding (m):**	56.60
1 year price variation:	43.6%	**Free float:**	66%
Diff. with Euro Stoxx:	28.3%	**Avg daily vol. (shares):**	68,316
Net debt 12/21e (m):	474	**Net debt/EBITDA 12/21e :**	0.69

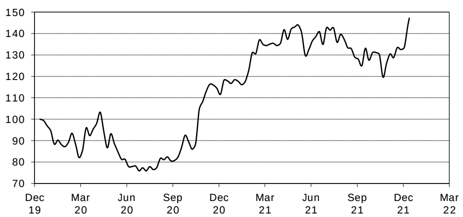
EUR	Sales	EBITDA	Adj. profit	EPS	Div.	EV/ EBITDA	P/E	FCF Yield	Div. Yield
12/17	*4,098*	*512.8*	*159*	*2.77*	*1.10*	*6.5*	*13.2*	*2.6%*	*3.0%*
12/18	*4,306*	*386.3*	*38.2*	*0.67*	*0.70*	*6.2*	*31.6*	*7.3%*	*3.3%*
12/19	*4,323*	*402.2*	*40.2*	*0.71*	*0.35*	*5.9*	*37.2*	*19.6%*	*1.3%*
12/20	*3,772*	*479.2*	*135*	*2.39*	*1.00*	*4.9*	*11.4*	*23.0%*	*3.7%*
12/21e	4,680	685.9	342	5.99	1.50	4.2	6.5	9.7%	3.8%
12/22e	4,773	619.2	258	4.53	1.65	4.8	9.4	9.4%	3.9%
12/23e	4,920	652.4	280	4.91	1.80	4.3	8.7	10.7%	4.2%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Bekaert over two years (10/01/22)



Bekaert rel. to Euro Stoxx (10/01/22)



BULL POINTS

- Global market leader in steel wire products, with leading global position in tyre cord (30% share) and leading in product innovations
- Structural REBIT margin improvement from 7.2% over FY20 to even 12.7% in H1 21 (10% ex FIFO). Medium-term target is 9-11%
- Main drivers 1) operational leverage from organic growth potential (>3%), 2) increased discipline to pass on higher raw material prices, 3) ongoing product and price mix improvements, 4) structural cost savings continue to kick in, 5) active portfolio management.
- Strong FCF generation has led to deleveraging and balance sheet is ready for acquisitions or share buy backs
- Valuation is very undemanding at <7x EV/REBIT, historically at 9x EV/REBIT historically (EV/EBITDA 5.5-6.0x)
- Room for multiple expansion is Bekaert is indeed able to deliver on structural margin and ROCE improvement.

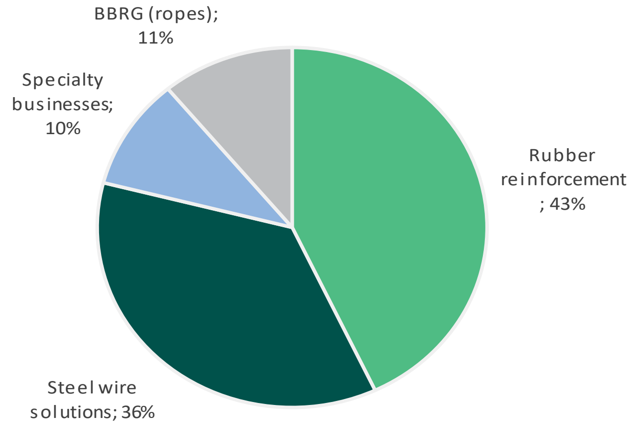
BEAR POINTS

- Local competitors have lost market share due to lack of wire rod supply during this crisis. These players could come back with aggressively in order to try to reclaim market share.
- Wire rod price volatility could again lead to inventory adjustments.
- Demand for steel wire products is dependent on global GDP developments.

Bekaert

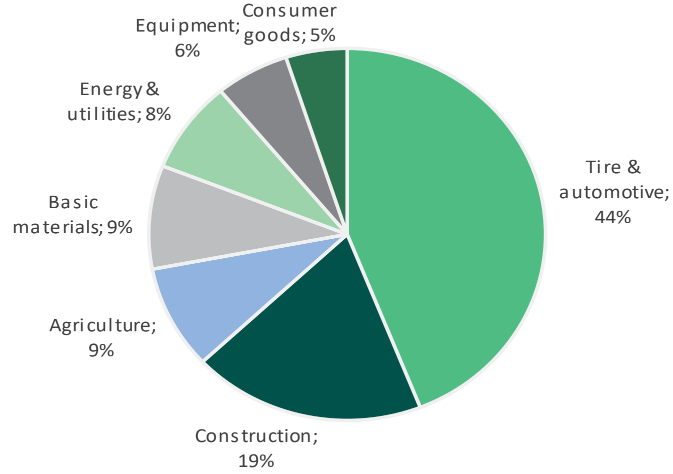
Global market leader in steel wire products

Revenue breakdown (FY20)



Company data

Revenue exposure end-markets

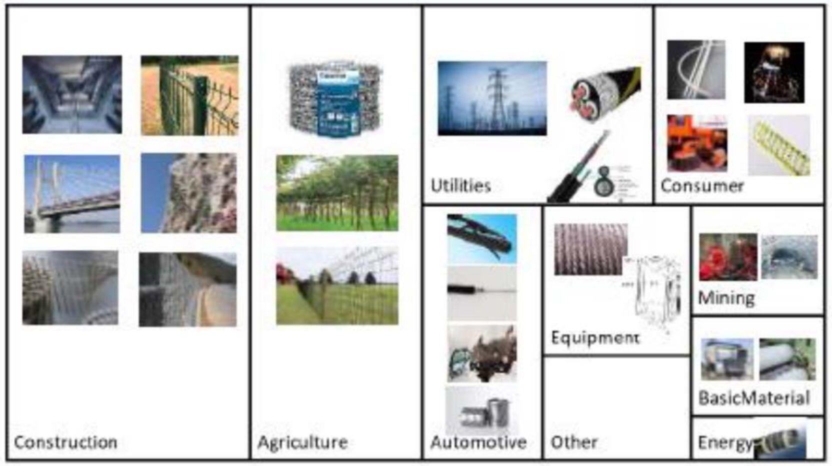


Company data

Tyre cord is main product

Company data

… and steel wires are used in many other product categories

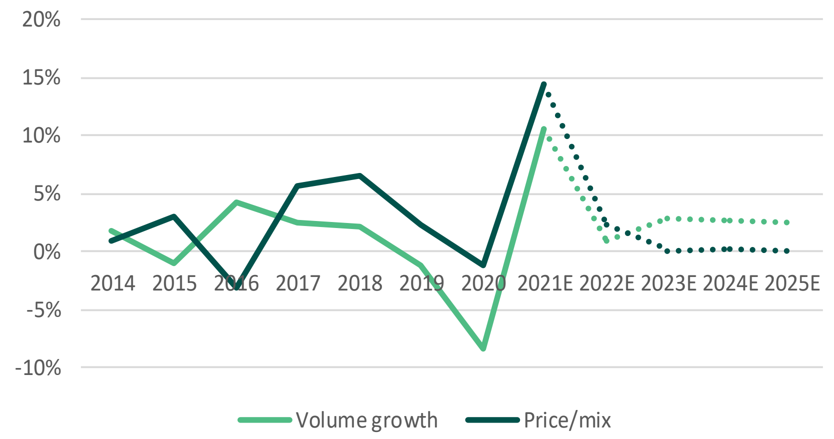


Company data

Bekaert

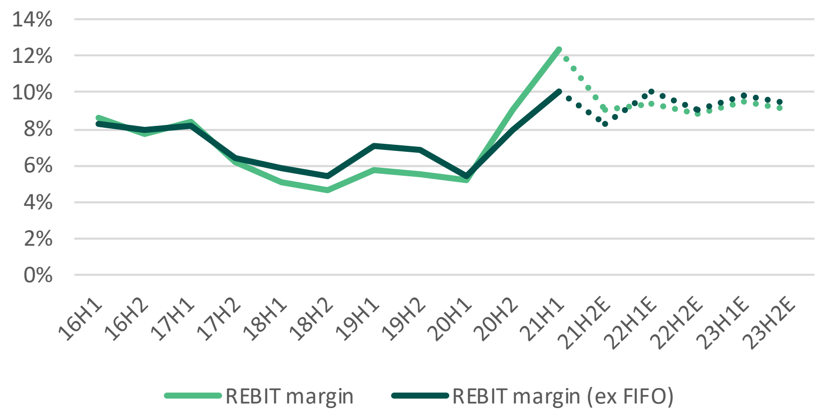
Showing an impressive margin improvement

Volume recovery and strongly improved pricing



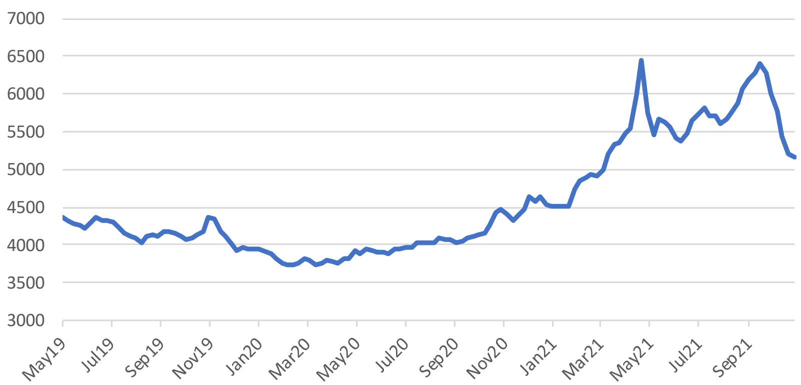
Company data, Degroof Petercan

Resulted in impressive REBIT margin improvement, target 9-11%



Company data, Degroof Petercam estimates

Wire rod prices have rallied, but also blown off steam in China



Bloomberg

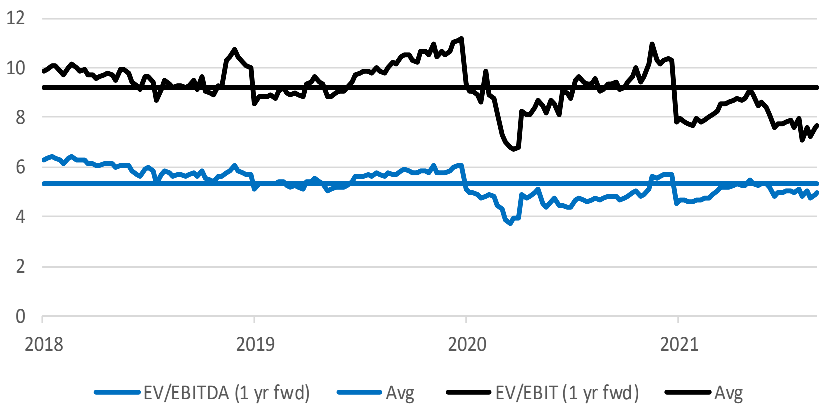
Balance sheet is back <1x leverage

	2017	2018	2019	2020	2021E	2022E	2023E
Net debt (EUR m)	1132	1153	977	604	428	315	187
Underlying EBITDA	513	426	468	479	678	615	648
Net debt/REBITDA	2.2	2.7	2.1	1.3	0.6	0.5	0.3
Room with 1.5x leverage					589	608	785
As % of market cap					28%	29%	37%

Degroof Petercam estimates

Bekaert
Valuation

Historical multiples: only 9.0-9.5x EV/EBIT 1 yr forward



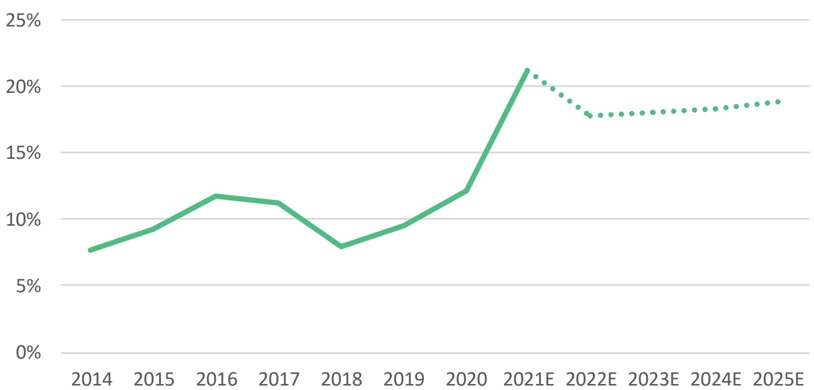
Bloomberg

Our SOTP based on 2022E estimates arrives at EUR 57 p/s

	REBIT 2022E	EV/REBIT	Enterprise value
Rubber reinforcement	203	9.0	1,823
Steel wire solutions	169	9.0	1,518
Specialty businesses	66	9.5	626
Bridon Bekaert rope group	43	8.5	367
Other	-53	9.0	-477
REBIT total	427	9.0	3,856
Net debt 2022E			-355
Pension liabilities			-109
Investments in JV and associates			161
Minority interest			-111
Off balance sheet factoring			-183
			3,259
No shares (ex treasury)			57
Equity value per share			**57**

Degroof Petercam estimates

ROCE estimates



Degroof Petercam estimates

SOTP could be significantly higher with some multiple expansion

	REBIT 2022E	EV/REBIT	Enterprise value
Rubber reinforcement	203	10.0	2,025
Steel wire solutions	169	10.0	1,686
Specialty businesses	66	10.0	658
Bridon Bekaert rope group	43	9.0	388
Other	-53	9.0	-477
REBIT total	427	10.0	4,282
Net debt 2022E			-355
Pension liabilities			-109
Investments in JV and associates			161
Minority interest			-111
Off balance sheet factoring			-183
			3,684
No shares (ex treasury)			57
Equity value per share			**65**

Degroof Petercam estimates

Degroof Petercam

DECEUNINCK

Good visibility, low valuation still

TP EUR 4.9

Deceuninck is a top 3 designer of PVC and aluminium building solutions and profiles for applications in residential and light commercial buildings. It is based in Belgium with facilities in Europe, the US, Turkey and looking to broaden its footprint

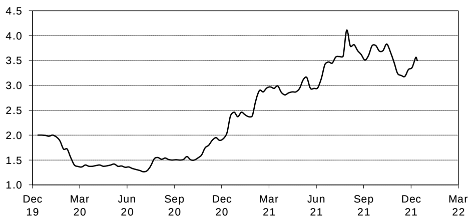
EUR 3.50 (10/01/22) **Buy**

Target price:	4.90	**Market cap. (m):**	494
High-Low 1 year:	4.14 - 2.03	**Shares outstanding (m):**	141.27
1 year price variation:	71.6%	**Free float:**	58%
Diff. with Euro Stoxx:	56.3%	**Avg daily vol. (shares):**	152,261
Net debt 12/21e (m):	49	**Net debt/EBITDA 12/21e :**	0.49

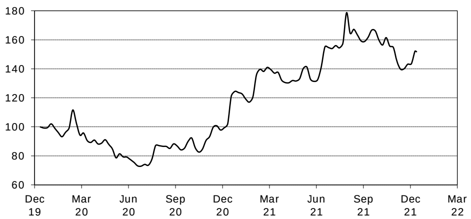
EUR	Sales	EBITDA	Adj. profit	EPS	CFS	Div.	EV/ EBITDA	P/E	Yield
12/17	*687.2*	*67.2*	*13.4*	*0.10*	*0.31*	*0.03*	*8.3*	*30.8*	*1.0%*
12/18	*687.2*	*73.0*	*26.8*	*0.19*	*0.41*	*0.03*	*5.3*	*10.0*	*1.6%*
12/19	*633.8*	*51.6*	*-6.9*	*-0.05*	*0.25*	*0.00*	*8.8*	*nm*	*0.0%*
12/20	*642.2*	*86.0*	*26.2*	*0.19*	*0.48*	*0.05*	*4.2*	*10.4*	*2.5%*
12/21e	840.3	100.7	47.0	0.33	0.60	0.08	5.6	10.1	2.3%
12/22e	851.3	121.4	59.6	0.42	0.69	0.11	4.4	8.3	3.0%
12/23e	885.4	132.6	71.2	0.50	0.77	0.13	3.6	6.9	3.6%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Deceuninck over two years (10/01/22)



Deceuninck rel. to Euro Stoxx (10/01/22)



BULL POINTS

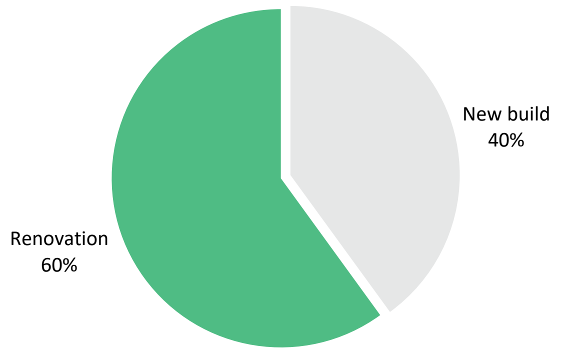
- EU Green Deal will be major driver for demand going forward as carbon emissions need to be curbed by 55% by 2030
- Move from 4 to 1 single platform (iCor) should contribute at least EUR 10m to EBITDA and improve its working capital on top
- Past European restructurings to contribute increasingly to margins
- ERP roll-out almost finalised, gradually improving operational performance after years of investments
- Limited capex going forward, supporting FCF, after investing EUR 230m over 2016-2019, offering a FCF yield in the 13-14% range
- Increasing its own recycling capacity in Europe ought to diminish its future dependency on PVC input costs (2021E 30,000 tons)
- US operations continue to improve driven by operating leverage as well as increased market shares
- Leverage drops fast driven by FCF, past capex and recent one-offs such as obsolete land and reduction of its stake in its Turkish operations (quoted Ege Profil)

BEAR POINTS

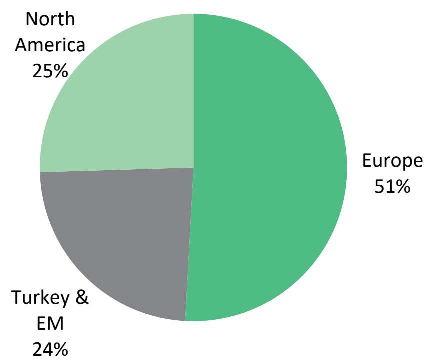
- Loss of share in Europe's high-end regions towards aluminium
- Strong rise in PVC prices, as we see today, could hit margins in Europe materially. However, company is curbing it with price increases (some delay) and recycling volumes
- Dependency on Turkey remains material (~25-30% of EBITDA)
- Highly competitive market with German, family owned players leading the pack. The difference is made in innovation and more importantly production efficiency

DECEUNINCK
Company overview

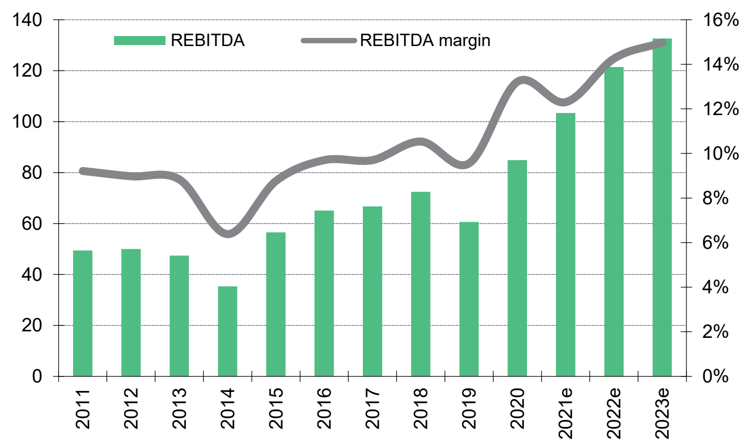
Well spread between renovation & newbuild



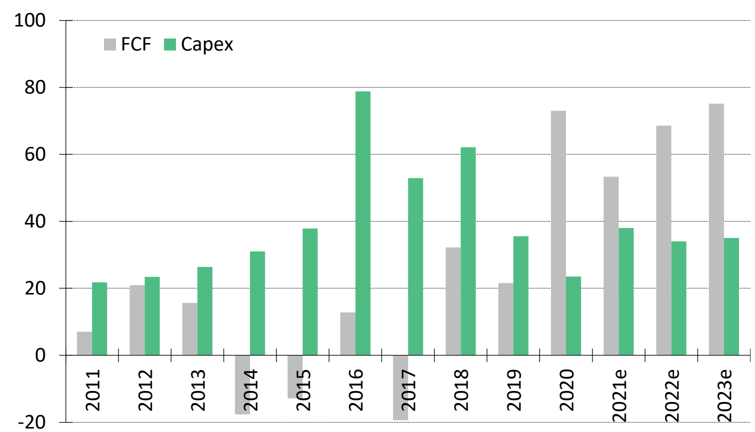
Well-spread portfolio (sales split H1 2020)



Margins to improve thanks to restructuring and efficiencies



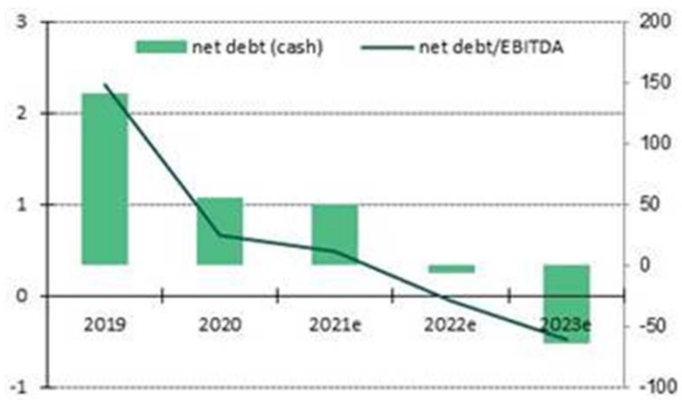
Leverage to drop driven by FCF, working cap and one-offs



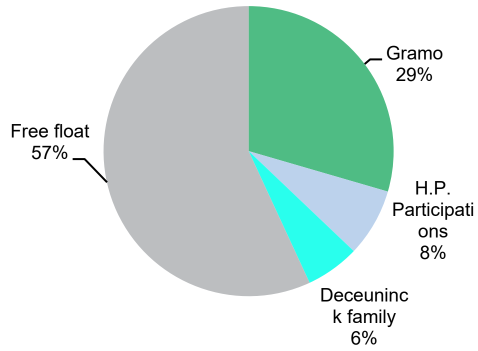
DECEUNINCK

Company overview

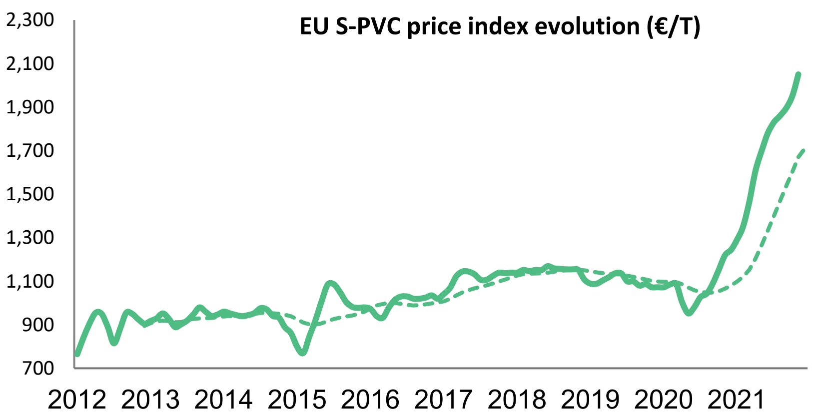
After years of investing, FCF is set to improve materially



Free float improved materially recently



PVC prices could spoil the party in Europe…



…but rising recycling ought to help

Fagron (Buy, TP EUR 23)

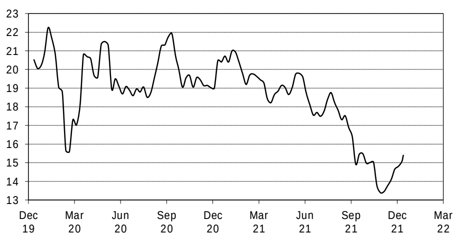
Time for personalized medication, even in times of COVID

EUR 15.40 (10/01/22)			**Buy**
Target price:	23.00	**Market cap. (m):**	1,110
High-Low 1 year:	21.00 - 13.22	**Shares outstanding (m):**	72.09
1 year price variation:	-24.8%	**Free float:**	80%
Diff. with Euro Stoxx:	-40.1%	**Avg daily vol. (shares):**	109,065
Net debt 12/21e (m):	240	**Net debt/EBITDA 12/21e :**	2.06

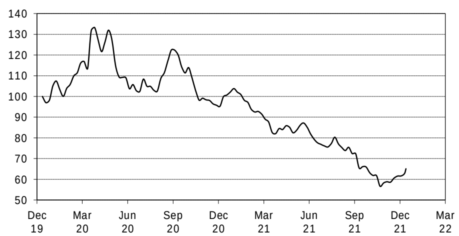
EUR	Sales	EBITDA	EBIT	EPS	FCF/ share	EV/ EBITDA	P/E	FCF Yield	Yield
12/17	*433.6*	*92.2*	*74.6*	*0.68*	*0.84*	*11.5*	*16.7*	*7.3%*	*0.9%*
12/18	*471.7*	*100.4*	*74.0*	*0.69*	*0.63*	*13.6*	*20.7*	*4.4%*	*0.8%*
12/19	*534.7*	*115.0*	*85.7*	*0.81*	*0.79*	*15.2*	*23.9*	*4.1%*	*0.4%*
12/20	*556.0*	*120.0*	*88.7*	*0.87*	*0.72*	*14.2*	*21.7*	*3.7%*	*0.9%*
12/21e	570.2	116.8	86.5	0.80	0.73	11.7	18.4	4.8%	1.4%
12/22e	617.7	130.7	99.4	0.95	1.00	10.4	16.2	6.4%	1.4%
12/23e	669.1	144.6	111.6	1.10	1.17	8.9	14.0	7.5%	1.6%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Fagron over two years (10/01/22)



Fagron rel. to Euro Stoxx (10/01/22)



BULL POINTS

- After more than anticipated impact of COVID in FY21, this year looks much stronger with return to EBITDA in 2022E. This is driven by easier comparison base, passed-on price increases and ramp-up Wichita plant US.
- On track for USD 125m revenues target for 503B sterile plant in Wichita, driven by new SKUs and customer gains. Room to gain market share in US raw materials.
- Brazil continues to grow at least high single digits (e.g. more own branded concepts) and more stable BRL rate.
- Structural growth drivers of pharmaceutical compounding are still in place. Mid to high single growth prospects are likely be confirmed at upcoming CMD (15 March)
- New M&A will come on top (>EUR 200m fire power over coming 3 years).
- SOTP of EUR 23 p/s based on historical average multiples on 2023E (around 12x EV/EBITDA) and 1-year forward DCF of EUR 23.4 p/s

BEAR POINTS

- COVID continues to have adverse impact on elective care, doctor's visits and also supply chain disruptions, higher raw material prices.
- Ongoing impact of new competition in Benelux, for instance with ACE Compounding, Ceban
- Always risk of quality issues

Fagron

Leading global player in personalized medication

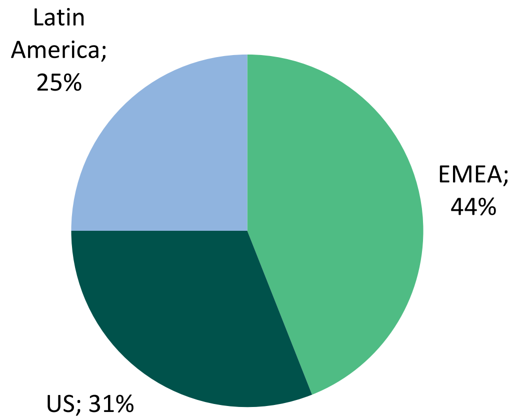
The designing, developing, producing and marketing of personalized pharmaceutical products

Personalized medication

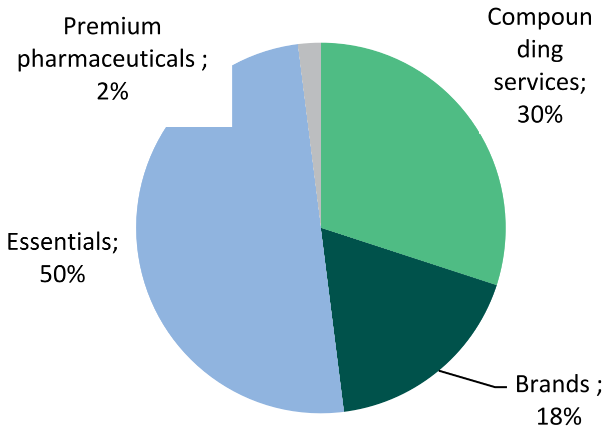
Alternative dosage forms

Alternative dosage strengths

Combination therapy



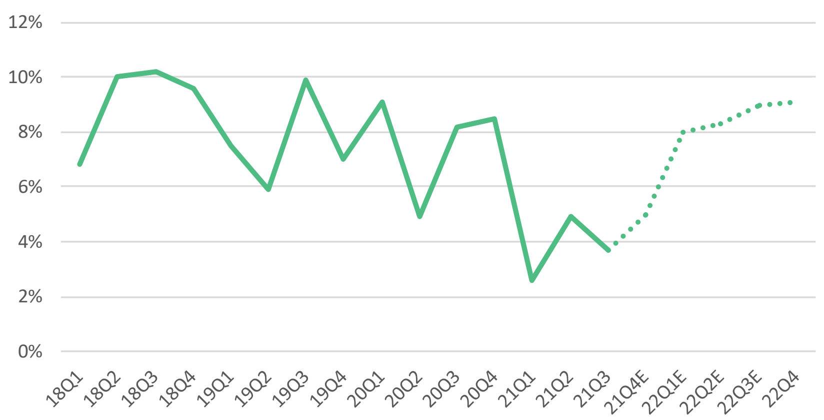
Essentials	Compounding Services	Trademarks
		
Pharmaceutical raw materials, excipients, and equipment & supplies used in compounding	Personalized ready-to-use medication that is prepared in compounding facilities	Innovative products and concepts for specific segments of the healthcare market



Fagron

COVID had impact in FY21, but that should fade as of FY22

Organic growth was impacted by COVID in 2021, not in 2020

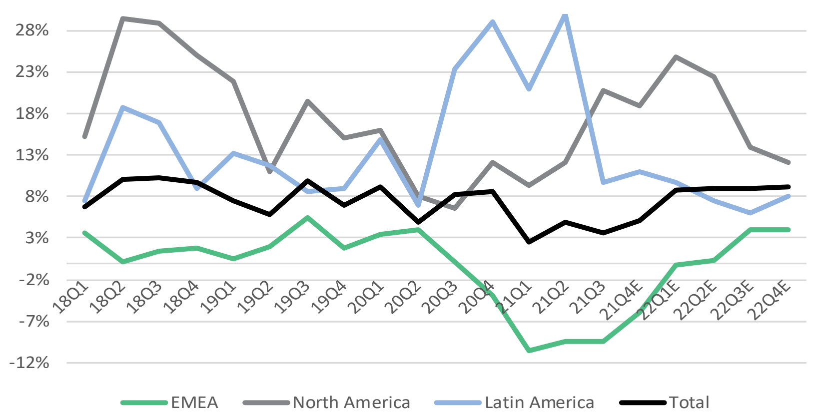


Degroof Petercam estimates

Growth in EMEA under pressure due to postponement elective care

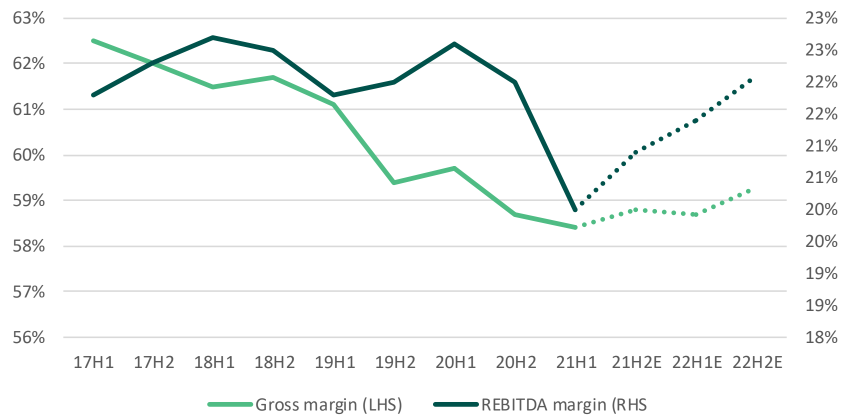
Degroof Petercam estimates

North America and Latin America show above average growth



Degroof Petercam estimates

Some margin pressure due to higher raw material prices



Degroof Petercam estimates

Fagron

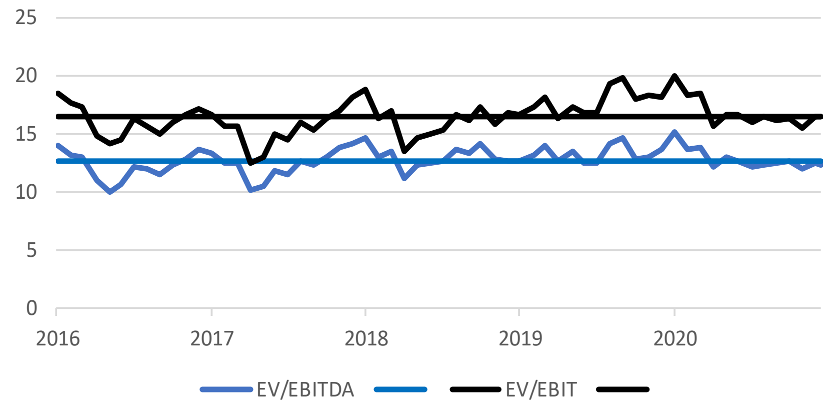
Valuation: SOTP EUR 23 p/s, 1-yr forward DCF EUR 23.4 p/s

Our 2023E SOTP based on 5-yr historical avg EV/EBITDA of 12.5x

EUR m	EV	REBITDA 2023E	EV/REBITDA
Europe	735	61	12.0
Latin America	408	34	12.0
North America	680	50	13.5
Enterprise value	1823	146	12.5
Net debt 2023E	-114		
Pension liability	-5		
Minorities	-3		
Factoring	-20		
Equity value target	1682		
Number of shares	73.0		
Value per share	**23.0**		

Degroof Petercam

Historical development of EV/EBIT(DA) multiples



Degroof Petercam

Discount to European peer group of premium pharmaceuticals

		Market cap Local FX	2021E EV/EBITDA	2022E EV/EBITDA	2021E P/E ratio	2022E P/E ratio	2021E FCF yield	2022E FCF yield
AlliancePharma	UK	554	14.8	13.1	18.4	16.1	4.9%	6.3%
Galenica	Swi	3192	13.5	13.0	20.1	19.7	5.2%	6.0%
Medios	Ger	867	22.9	14.0	40.9	20.0	2.8%	3.6%
Rovi Laboratorios	Spain	3577	18.6	15.9	26.2	22.1	3.9%	4.0%
Siegfried Holding	Swi	3822	20.6	17.0	37.8	29.6	1.1%	2.2%
Ypsomed	Swi	1806	19.1	15.1	63.3	40.4	0.0%	1.3%
Average			**18.3**	**14.7**	**34.5**	**24.7**	**3.0%**	**3.9%**
Median			**18.9**	**14.6**	**32.0**	**21.1**	**3.3%**	**3.8%**
Fagron	**NL**	**1003**	**11.3**	**9.7**	**18.7**	**15.8**	**4.7%**	**6.7%**

Bloomberg, Degroof Petercam

GREENYARD: Strong earnings growth in heart of sustainability

TP EUR 13

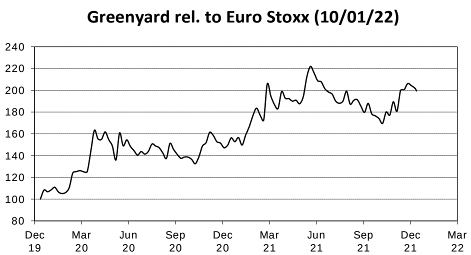
Largest fruit and vegetables supplier globally, with splendind sourcing and supply capabilities. Sales amount to EUR 4.4bn and are generated in EU, where it maintains strong relationships with 28 out of the 30 largest food retailers.

EUR 9.61 (10/01/22) **Buy**

Target price:	13.00	**Market cap. (m):**	478
High-Low 1 year:	10.48 - 6.15	**Shares outstanding (m):**	49.77
1 year price variation:	53.8%	**Free float:**	34%
Diff. with Euro Stoxx:	38.5%	**Avg daily vol. (shares):**	44,226
Net debt 03/22e (m):	314	**Net debt/EBITDA 03/22e :**	1.90

EUR	Sales	REBITDA	Adj. profit	EPS	Div.	EV/REBITDA	P/E	FCF Yield	Div. Yield
03/18	*4,176*	*140*	*23.6*	*0.55*	*0.20*	*8.8*	*32.7*	*6.5%*	*1.1%*
03/19	*3,912*	*64.9*	*-42.7*	*-1.00*	*0.00*	*9.9*	*nm*	*-90.5%*	*0.0%*
03/20	*4,061*	*133*	*-33.4*	*-0.78*	*0.00*	*4.8*	*nm*	*22.3%*	*0.0%*
03/21	*4,416*	*157*	*5.9*	*0.14*	*0.00*	*4.7*	*62.8*	*16.2%*	*0.0%*
03/22e	4,383	165	21.8	0.44	0.10	5.0	21.9	-0.1%	1.0%
03/23e	4,518	172	32.6	0.65	0.20	4.6	14.7	9.2%	2.1%
03/24e	4,695	183	41.1	0.83	0.30	4.1	11.6	11.8%	3.1%

Figures of EV, P/E and Yield are based on end F.Y. price when available



BULL POINTS

- Strong progress made
  - Operationally: cost taken out, focus on profitable business, working capital management etc
  - Hire share of partnerships create more stability in results
  - Financially: net debt/EBITDA expected at 2.5x, factoring down, opening way for dividend and selective M&A
- Organic growth to accelerate to 5%
  - Customers: search for transparency and secured supply to drive partnerships. New partnership expected.
  - Consumers: are looking for convenience and healthy food:
  - Greenyard’s product offering is in the heart of sustainability
- EPS CAGR > 30%
  - EBITDA growth 6-7%
  - Lower financial charges
  - Tax rate to normalize at 25%.

BEAR POINTS

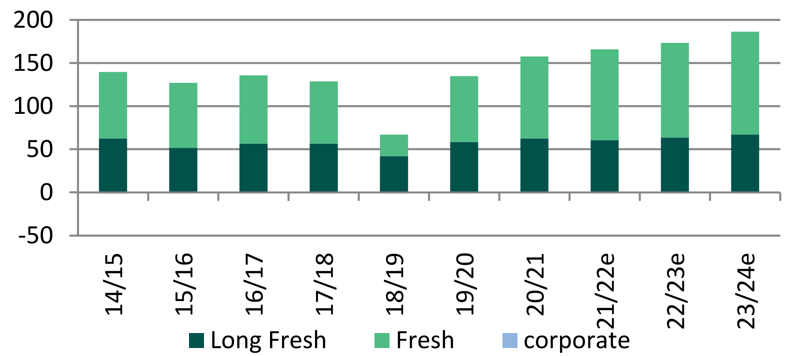
- Balance sheet: still a lot of factoring and reverse factoring
- Corporate governance:
  - Position of Hein Deprez?
- Margins are still low
- Valuation is very sensitive to EBITDA margin fresh.

Degroof Petercam

GREENYARD

Strong earnings growth in heart of sustainability

EBITDA trend per segment

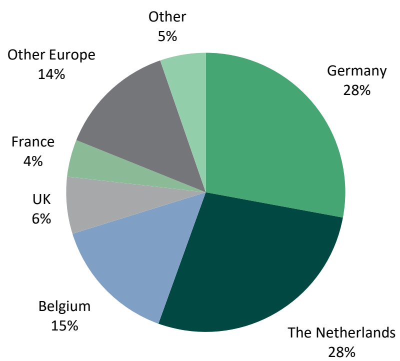


** 2014/15 - 2018/19 pre-IFRS 16, Source: Greenyard, Degroof Peter*

Cost as % of sales

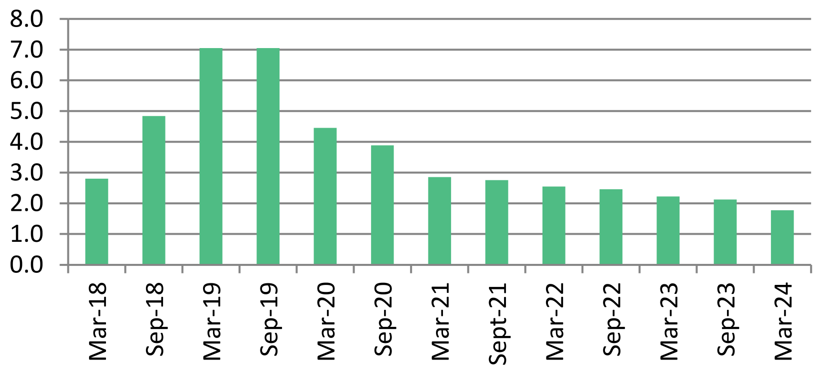
Source: Greenyard, Degroof Petercam

Geographic rev. split – 2020/2021



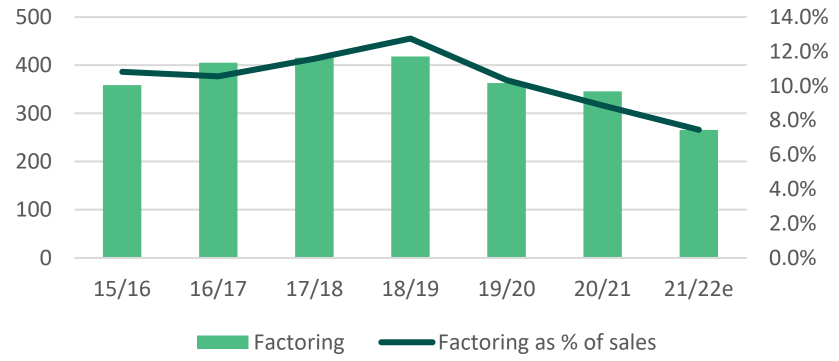
Source: Greenyard

Net debt/REBITDA



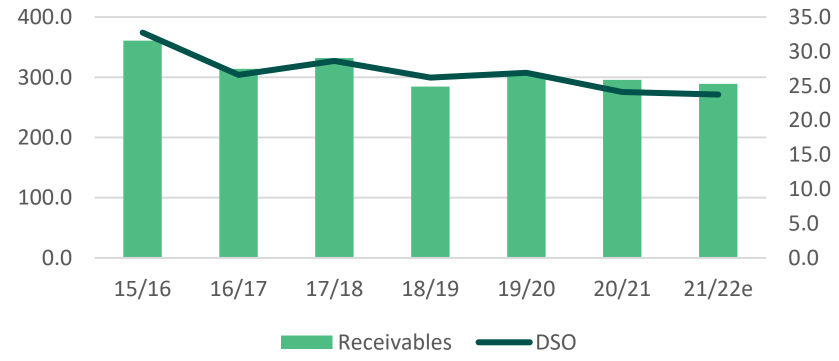
Source: Greenyard, Degroof Petercam

Factoring and factoring as % sales



Source: Greenyard, Degroof Petercam

Working capital: receivables



Source: Greenyard, Degroof Petercam

Valuation Peer group

Company	Price			---EV/EBIT---		---EV/EBITDA---		---EV/sales---		---Div yield---		---FCF Yield---	
name		2022	2023	2022	2023	2022	2023	2022	2023	2021	2022	2022	2023
Del Monte	28.5	15.1				8.6	8.0						
Total Produce	12.7	7.9	7.0	8.6	7.9	6.4	6.2	0.2	0.2		2.5		
Bonduelle	20.9	9.6	8.4	12.0	10.4	6.2	5.5	0.5	0.4	2.2	2.4	9.9	10.5
La Doria	16.5	10.0	9.5	8.4	7.3	6.4	5.6	0.7	0.6	2.5	2.8		
Nomad	26.6	13.6	12.4	12.8	11.8	10.8	10.0	2.0	1.9	0.0	0.0		
Ter Beke	116.5	11.3	8.9	11.2	9.2	4.9	4.4	0.3	0.3				
Hilton Foods	11.3	17.7	16.7	13.7	12.8	8.7	8.1	0.3	0.3	2.5	2.7	5.5	7.6
Greencore	1.3	14.0	11.0	12.4	9.7	7.0	5.9	0.6	0.6	0.0	2.3	1.8	7.3
Cranswick	38.1	17.7	17.7	14.1	13.1	9.7	9.0	1.0	0.9	1.9	2.0	5.2	4.1
Average		13.0	11.4	11.7	10.3	7.6	7.0	0.7	0.7	1.5	2.1	5.6	7.4
Median		13.6	10.2	12.2	10.1	7.0	6.2	0.5	0.5	2.0	2.4	5.4	7.5

FactSet

Just Eat Takeaway.com

Appetite to restore confidence

TP EUR 90

Just Eat Takeaway.com is the leading online food delivery marketplace in Europe, Canada, Australia & New Zealand, and Israel, and the number three player in the US. It also has a participation in Latin America-based iFood

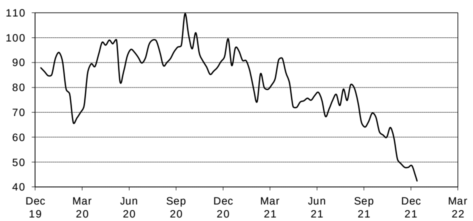
EUR 42.35 (10/01/22) **Buy**

Target price:	90.00	**Market cap. (m):**	8,962
High-Low 1 year:	101.50 - 42.35	**Shares outstanding (m):**	211.62
1 year price variation:	-57.4%	**Free float:**	49%
Diff. with Euro Stoxx:	-72.7%	**Avg daily vol. (shares):**	1,083,743
Net debt 12/21e (m):	611	**Net debt/EBITDA 12/21e :**	-1.27

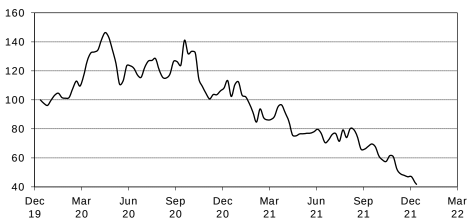
EUR	Sales	EBITA	Adj. profit	EPS	Div.	EV/ EBITA	P/E	FCF Yield	Div. Yield
12/17	*166.5*	*-33.6*	*-34.8*	*-0.81*	*0.00*	*nm*	*nm*	*-1.8%*	*0.0%*
12/18	*232.3*	*-27.7*	*3.2*	*0.07*	*0.00*	*nm*	*nm*	*-0.3%*	*0.0%*
12/19	*415.9*	*-51.3*	*-49.5*	*-0.85*	*0.00*	*nm*	*nm*	*-1.6%*	*0.0%*
12/20	*2,042*	*30.0*	*79.8*	*0.57*	*0.00*	*nm*	*nm*	*0.9%*	*0.0%*
12/21e	4,108	-506	-657	-3.57	0.00	nm	nm	-7.0%	0.0%
12/22e	6,239	-319	-458	-2.16	0.00	nm	nm	-5.2%	0.0%
12/23e	7,350	-73.0	-212	-1.00	0.00	nm	nm	-2.5%	0.0%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Just Eat Takeaway over two years (10/01/22)



Just Eat Takeaway rel. to Euro Stoxx (10/01/22)



BULL POINTS

- After a poor share price performance in 2021, we see rays of light to restore confidence. 1) Delivery fees were introduced at Just Eat and in Germany, and raised in NL. This should boost profitability. 2) Three competitors recently closed sub-scale operations, so rational behavior is making a come-back. 3) Management is making the right decision in flash grocery delivery: dark stores in North America and partnerships in Europe. 4) BB CSS is aligned with EBITDA guidance for 2022 so there should be no more downgrades. 5) Regulatory risk is on the rise in the EU, but for the competition, not for JET.
- Growth potential remains strong since market penetration is still only 14% across the company's footprint, while flash grocery delivery adds another growth driver on top of food delivery.
- Today, circa 25% of the company's GTV is profitable (NL+GE). It could have been 65% if fee caps in North America were not extended in several regions. If they would be abandoned in due time, profitability could recover fast and furious.
- The main triggers to restore confidence are, in our view, improvement in EBITDA, and more visibility on the path towards profitability.

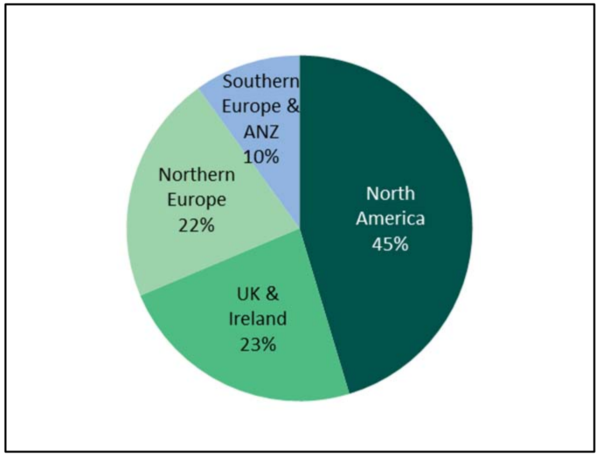
BEAR POINTS

- Investing for growth has been at the expense of profitability in the short-term. Disclosure on said investments has been limited, which hampers a view on profitability in the short and mid-term.
- In Europe, logistics is difficult to turn break-even/profitable without consumers having to pay a decent delivery fee.

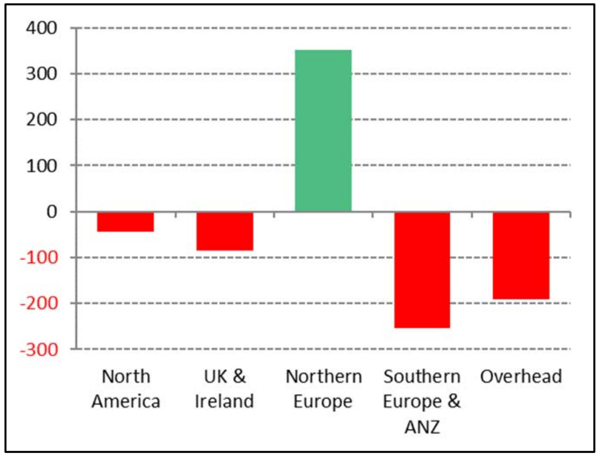
Degroof Petercam

Just Eat Takeaway.com

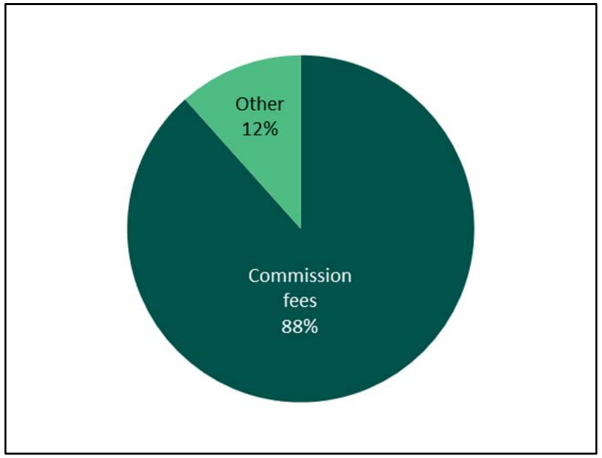
Sales split 2022e



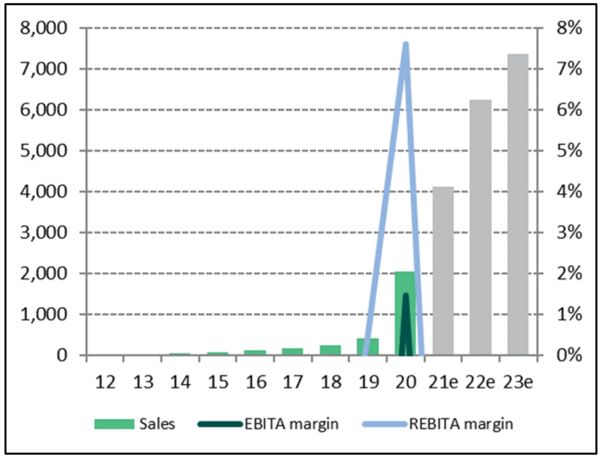
Adjusted EBITDA split 2022e



Sales split 2022e



Sales and operating margins



KINEPOLIS
Diamonds are forever

TP EUR 66.0

Kinepolis is a European leader in the operation and construction of cinema complexes and has a runner up position in North America.In total, it operates 110 theatres across Western Europe and North America

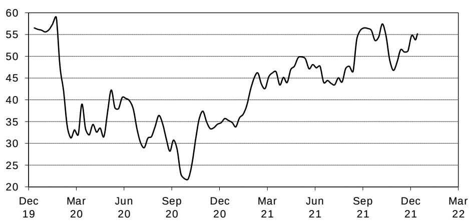
EUR 55.15 (11/01/22) **Buy**

Target price:	66.00	**Market cap. (m):**	1,489
High-Low 1 year:	57.65 - 32.40	**Shares outstanding (m):**	27.01
1 year price variation:	55.4%	**Free float:**	42%
Diff. with Euro Stoxx:	38.1%	**Avg daily vol. (shares):**	52,585
Net debt 12/21e (m):	947	**Net debt/EBITDA 12/21e :**	14.22

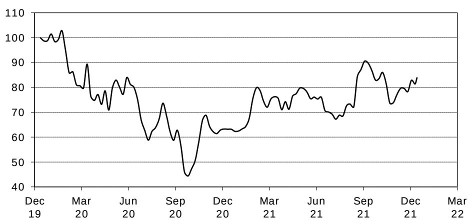
EUR	Revenues	EBITA	Adj. profit	EPS	P/E	FCF Yield	EV/ EBITA	Net Debt	Div. Yield
12/17	*355.4*	*74.0*	*45.4*	*1.66*	*33.6*	*3.4%*	*23.6*	*225*	*1.6%*
12/18	*475.9*	*80.9*	*47.9*	*1.77*	*27.5*	*1.5%*	*19.3*	*277*	*1.9%*
12/19	*551.5*	*104*	*56.1*	*2.08*	*28.5*	*2.2%*	*23.3*	*833*	*0.0%*
12/20	*176.3*	*-84.3*	*-115*	*-4.26*	*nm*	*-13.3%*	*nm*	*958*	*0.0%*
12/21e	290.9	-13.0	-32.4	-1.20	nm	0.7%	nm	947	0.0%
12/22e	576.9	108	63.5	2.35	23.5	7.5%	20.8	775	0.9%
12/23e	697.0	139	88.3	3.27	16.9	9.5%	10.6	0	1.8%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Kinepolis over two years (11/01/22)



Kinepolis rel. to Euro Stoxx (11/01/22)



BULL POINTS

- Kinepolis weathered the Covid-storm perfectly, ‘cash-rich’ with limited monthly cash burn thanks to firm cost control
- Real estate ownership offers full control with no rent increases
- Entrepreneurial Plan to add EUR 28m of EBITDA and the Star Plan aims to make up for lost visitors by new initiatives
- Strong content in 2022 and 2023, boding well for visitor growth
- Well-spread group with activities on both sides of the Atlantic
- Well-spread debt maturity profile with first major repayment of EUR 70m in 2022
- Post-Covid, market share gains can be envisaged as well as interesting opportunities for M&A at interesting prices
- Real estate offers a valuation buffer of EUR 700m- 1.1bn, which large players normally do not have
- Attractive valuation offering an 8% FCF yield (maintenance capex) on our EUR 66.0 TP

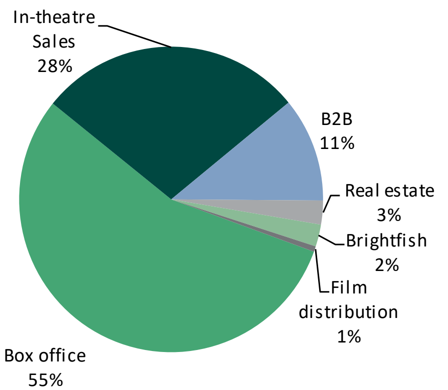
BEAR POINTS

- Dependency on movie content remains large
- Movie exclusivity window in jeopardy
- Netflix and other streaming provide an alternative, although this is not the real competition
- Expansion mode is currently more difficult to execute without raising capital in view of leverage
- Operating in mature markets, demographics not in favor

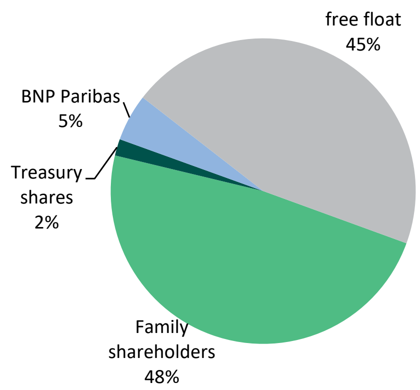
KINEPOLIS

Company Profile

Cinema main contributor to sales but some diversification has been created over the years



Family controlled, long term focused player



Main competitors
Odeon/UCI. Cineworld, Vue, Pathe/Gaumont, UGC, Yelmo, CGR

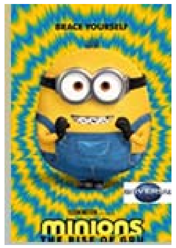
Customers
Mainly consumers, corporates for B2B activities

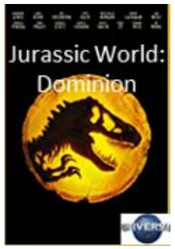
Growth drivers
Revenues and EBITDA per visitor, new theaters, multi complex theaters, diversification towards B2B and adjacent activities

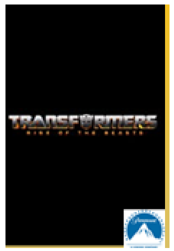
Risks/challenges
Demographics

Opportunities
Market is consolidating and leveraged players to drop out now due to Covid-19, creating options

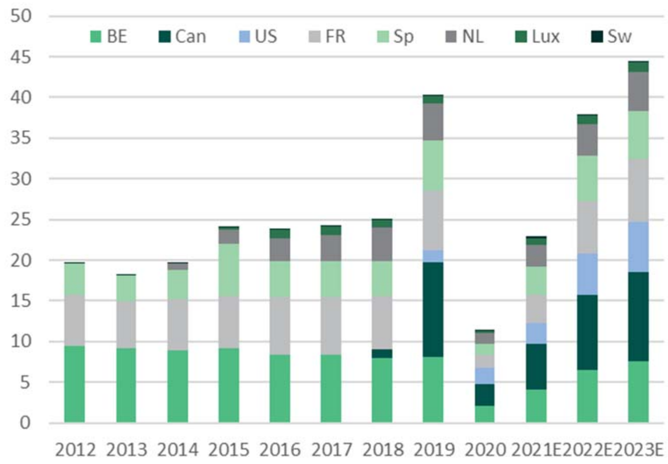
Impressive line-up expected for 2022 and beyond



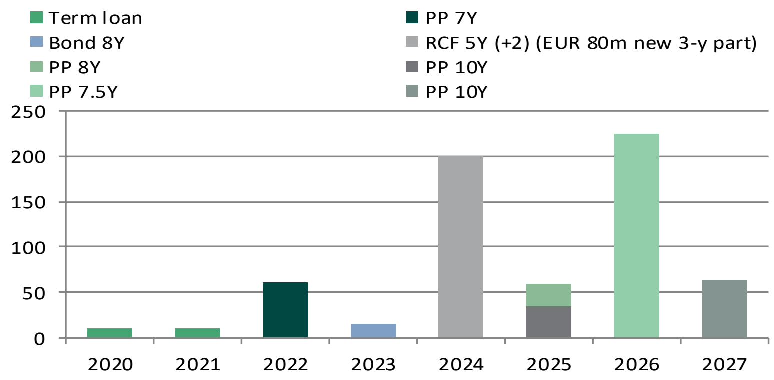




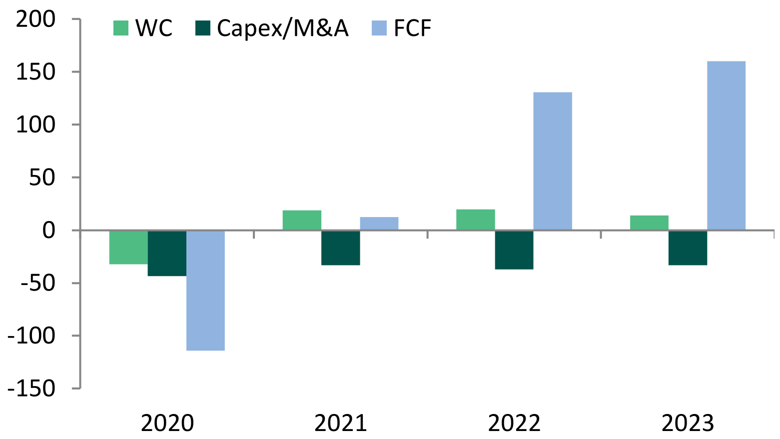
2023E visitors 6% below 2019 (ex-M&A effect)



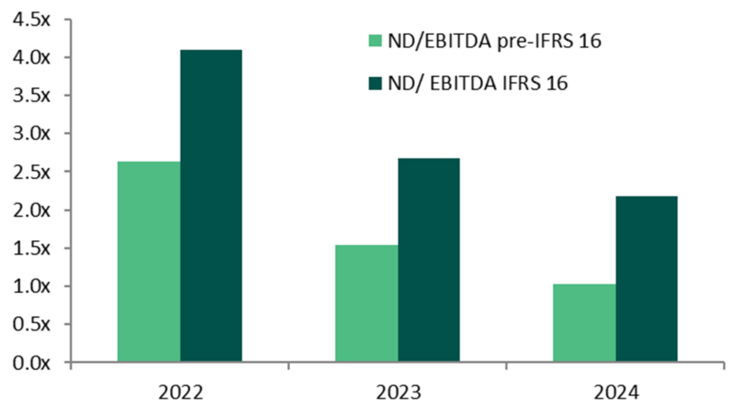
Well spread maturity profile



FCF set to exceed EUR 150m levels by 2023E



Leverage to drop towards suboptimal levels quickly



TKH Group

Recovery gaining momentum

TP EUR 65

TKH Group is offering Telecom, Building, and Industrial Solutions through value added reselling, cable and components production, and machinery production (mainly tire-building systems)

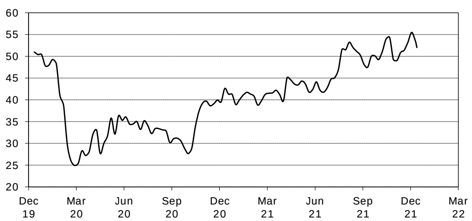
EUR 52.05 (10/01/22) Buy

Target price:	65.00	**Market cap. (m):**	2,159
High-Low 1 year:	56.15 - 37.88	**Shares outstanding (m):**	41.49
1 year price variation:	22.1%	**Free float:**	68%
Diff. with Euro Stoxx:	6.8%	**Avg daily vol. (shares):**	73,415
Net debt 12/21e (m):	275	**Net debt/EBITDA 12/21e :**	1.28

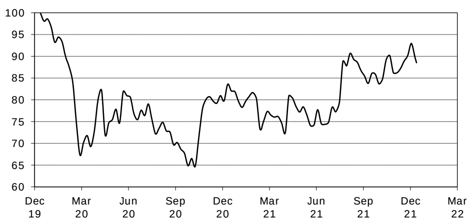
EUR	Sales	REBITDA	Adj. profit	EPS	Div.	EV/REBITDA	EV/EBITA	P/E	Div. Yield
12/17	*1,484*	*176*	*96.6*	*2.30*	*1.20*	*13.7*	*19.8*	*23.0*	*2.3%*
12/18	*1,631*	*212*	*121*	*2.88*	*1.40*	*9.6*	*12.9*	*14.1*	*3.4%*
12/19	*1,490*	*202*	*105*	*2.51*	*1.50*	*11.9*	*19.7*	*19.9*	*3.0%*
12/20	*1,289*	*163*	*70.3*	*1.69*	*1.00*	*11.8*	*20.5*	*23.5*	*2.5%*
12/21e	1,499	214	109	2.63	1.45	11.9	16.7	21.1	2.6%
12/22e	1,612	248	134	3.24	1.78	9.5	12.7	16.1	3.4%
12/23e	1,722	277	157	3.78	2.08	8.2	10.8	13.8	4.0%

Figures of EV, P/E and Yield are based on end F.Y. price when available

TKH Group over two years (10/01/22)



TKH Group rel. to Euro Stoxx (10/01/22)



BULL POINTS

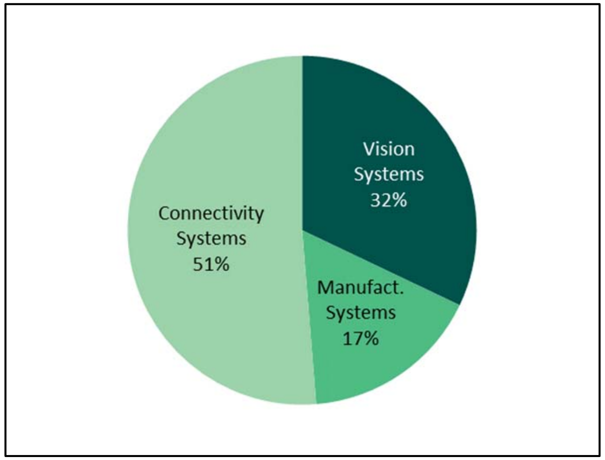
- TKH is at the center of digitalization as the company offers solutions that combine technologies like audio, video, and cable, with hardware and software for smart solutions in buildings, industry, and infrastructure. These solutions enhance safety, quality, and efficiency for professional customers. TKH is also a dominant global leader in tire manufacturing equipment. The company's growth profile is GDP+, with margin expansion from operating leverage.
- During 2021, sales and profits recovered quickly, just like with other companies with industrial exposure. There is more in store for 2022 as part of the portfolio is late-cyclical, and another part was faced with shortages in H2-21, which may be solved in the course of 2022.
- Another growth driver for 2022 and beyond is the ramp-up of newly developed products. Subsea cable started ramping up in 2021, CEDD airfield lighting should start to contribute to sales in 2022, and a new and fully automated tire manufacturing system (Unixx) is in the final phase of testing. The latter is a very promising growth driver, that we expect to start to contribute as from 2023.

BEAR POINTS

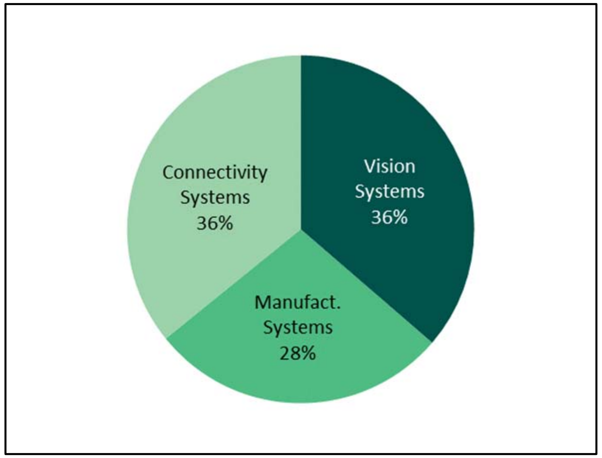
- Diversified portfolio with few leading indicators. This makes forecasting and tracking difficult, especially since the company's growth is not linear in nature.
- Limited scope of activities in North America, and limited exposure to services and spare parts..

TKH Group

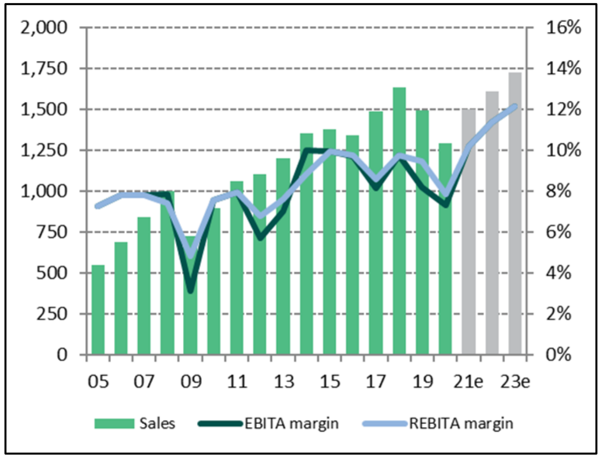
Sales split 2021e



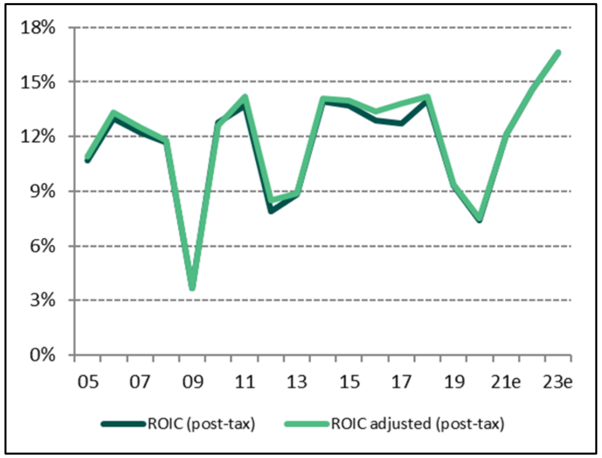
EBITA split 2021e



Sales and operating margins



Return on invested capital



Degroof Petercam

VGP

Perfectly positioned to capture the booming demand

TP EUR 270.0

VGP is a pan-European developer, owner and manager of logistics and semi-industrial real estate. The three joint ventures (50:50 partnerships with Allianz) enable VGP to recycle its invested capital and provide recurring income including fees.

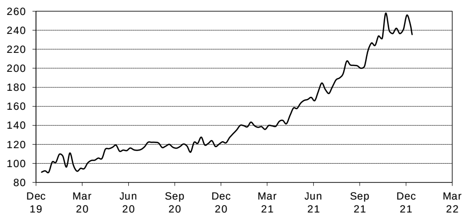
EUR 235.50 (10/01/22) **Buy**

Target price:	270.00	**Market cap. (m):**	5,142
High-Low 1 year:	264.00 - 120.60	**Shares outstanding (m):**	21.83
1 year price variation:	93.7%	**Free float:**	49%
Diff. with EPRA Eurozone:	91.8%	**Avg daily vol. (shares):**	15,724
Net debt 12/21e (m):	1,083	**Net debt/Equity 12/21e :**	66%

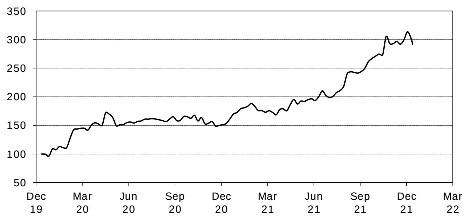
EUR	Rental income	Direct result	Direct EPS	P/E	Total debt / Assets	IFRS NAVPS	Pre-mium	Div.	Div. Yield
12/17	*36.4*	*2.0*	*0.11*	*nm*	*46%*	*25.1*	*147.3%*	*1.90*	*3.1%*
12/18	*47.4*	*6.0*	*0.32*	*nm*	*48%*	*29.2*	*103.1%*	*2.20*	*3.7%*
12/19	*53.3*	*2.6*	*0.14*	*nm*	*48%*	*37.7*	*133.2%*	*2.93*	*3.3%*
12/20	*64.2*	*5.8*	*0.29*	*nm*	*35%*	*63.4*	*93.3%*	*3.65*	*3.0%*
12/21e	83.1	14.5	0.70	nm	43%	75.2	240.6%	4.00	1.6%
12/22e	106.8	27.7	1.27	nm	40%	87.3	169.8%	4.50	1.9%
12/23e	147.1	49.9	2.29	nm	37%	98.5	139.1%	5.00	2.1%

Figures of P/E, Discount and Yield are based on end F.Y. price when available

VGP over two years (10/01/22)



VGP rel. to EPRA Eurozone (10/01/22)



BULL POINTS

- Well-oiled business model
- Lean organization
- Structure with JVs (50:50 with Allianz), enabling swift capital recycling and de-risking VGP's risk profile
- Attractive development margins north of 40%
- Sizeable land bank offering 6 years of visibility and supporting margins
- Undersupply market with strong growth prospects
- Pan-European footprint
- Sufficient financial headroom to fuel growth and more
- Room to beat estimates (pipeline and/or margins)
- Move to last-mile logistics

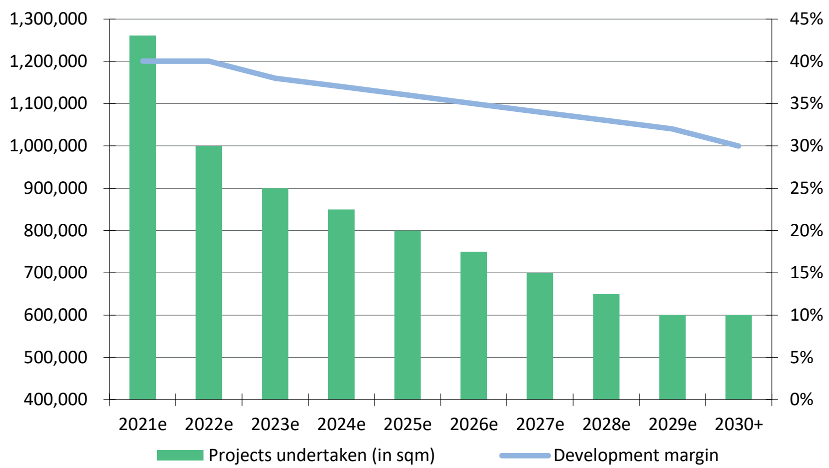
BEAR POINTS

- Land scarcity
- Prime yields at record lows
- Evolving regulatory environment
- Increasing construction costs and land prices
- Lack of transparency

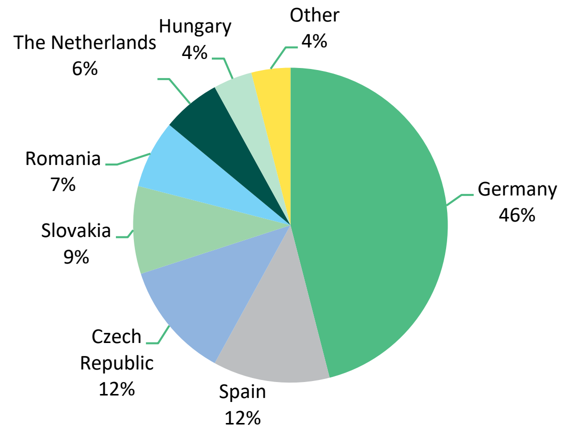
VGP

Perfectly positioned to capture the booming demand TP EUR 270.0

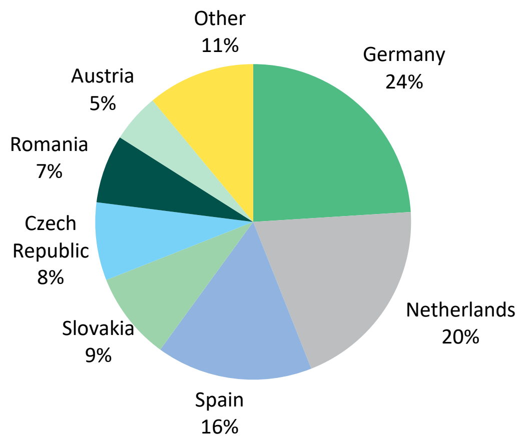
Estimates on pipeline & margins



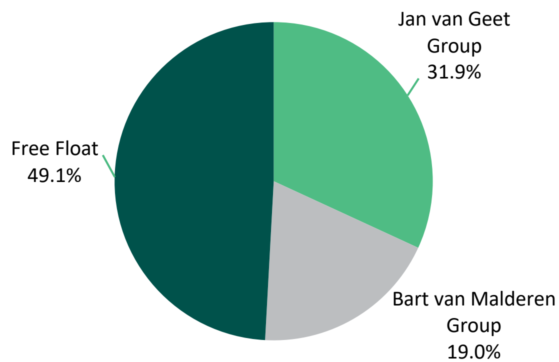
Pipeline breakdown in sqm (3Q21)



Land bank breakdown in sqm (FY21)



Shareholder structure



Underperformers

ADYEN

Strong growth yet steeper valuation

TP EUR 1,900

Adyen is a fast-growing global payment processing company that allows store- and web-based merchants to accept e-commerce, mobile, and point-of-sale payments

EUR 1965.60 (10/01/22) **Reduce**

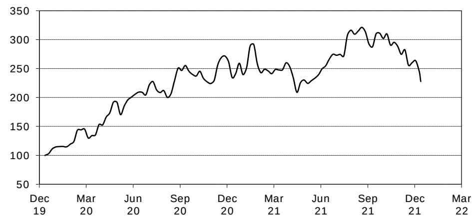
Target price:	1900.00	**Market cap. (m):**	59,668
High-Low 1 year:	2766.00 - 1674.60	**Shares outstanding (m):**	30.36
1 year price variation:	11.9%	**Free float:**	85%
Diff. with Euro Stoxx:	-3.4%	**Avg daily vol. (shares):**	66,494
Net debt 12/21e (m):	0	**Net debt/EBITDA 12/21e :**	0.00

EUR	Sales	EBITDA	Adj. profit	EPS	Div.	EV/ EBITDA	EV/ EBITA	P/E	Div. Yield
12/17	*218.3*	*99.4*	*71.3*	*2.42*	*0.00*	-	-	-	-
12/18	*348.9*	*181.9*	*131*	*4.45*	*0.00*	*74.8*	*78.6*	*nm*	*0.0%*
12/19	*496.7*	*268.2*	*204*	*6.88*	*0.00*	*81.8*	*85.3*	*nm*	*0.0%*
12/20	*684.2*	*387.6*	*261*	*8.63*	*0.00*	*nm*	*nm*	*nm*	*0.0%*
12/21e	990.3	622.1	483	15.86	0.00	nm	nm	nm	0.0%
12/22e	1,337	896.9	702	22.68	0.00	67.8	69.3	86.7	0.0%
12/23e	1,727	1211.8	952	30.77	0.00	50.2	51.1	63.9	0.0%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Adyen over two years (10/01/22)

Adyen rel. to Euro Stoxx (10/01/22)



BULL POINTS

- Operates a modern proprietary platform that processes payments for merchants online, mobile, and in-store (PoS). The single nature of the platform benefits stability, quality, and latency, it is flexible which allows for introduction of additional functionality, and it is highly scalable which allows for strong growth.
- Well positioned for many years of growth, based on high single-digit market growth and significant market share gains on the back of winning new clients, gaining share of wallet at existing clients, and new services.
- eBay has started using Adyen for their payment processing needs. Large volume has been shifting to Adyen, albeit that we presume the take rate to be competitive compared to the current range of 20-21 bps.
- Asset-light business model allows for margin expansion on the back of operating leverage, and allows for growth without the need for large investment.

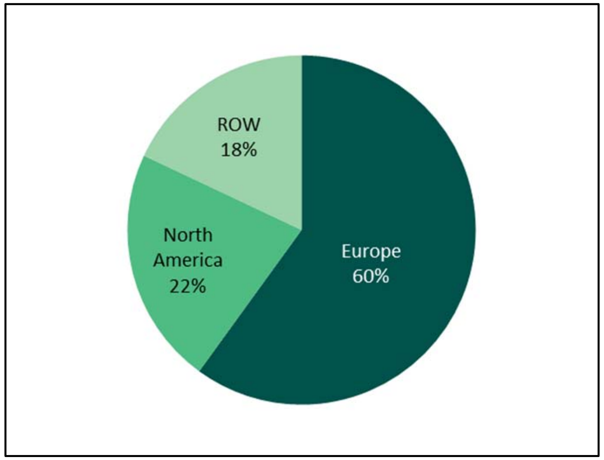
BEAR POINTS

- Fragmented market with many large players that all grow and generate healthy profits and returns. Competitive nature could intensify should market growth level off.
- Technology rat race between various platforms. Potential disruption from new entrants or from Google or Amazon.
- Steep valuation leaves little room for error and should come down as growth eventually levels off due to the law of the big numbers.

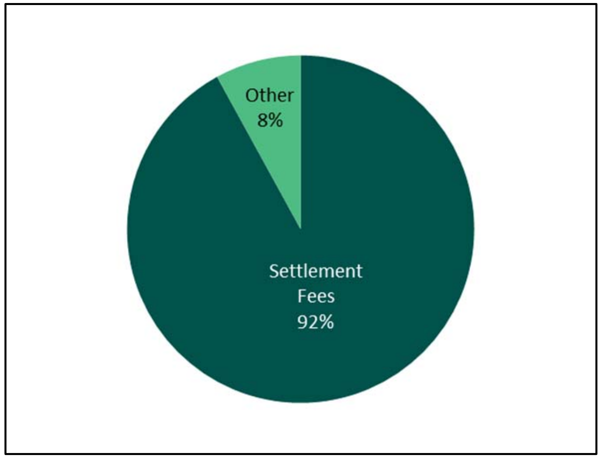
Degroof Petercam

ADYEN

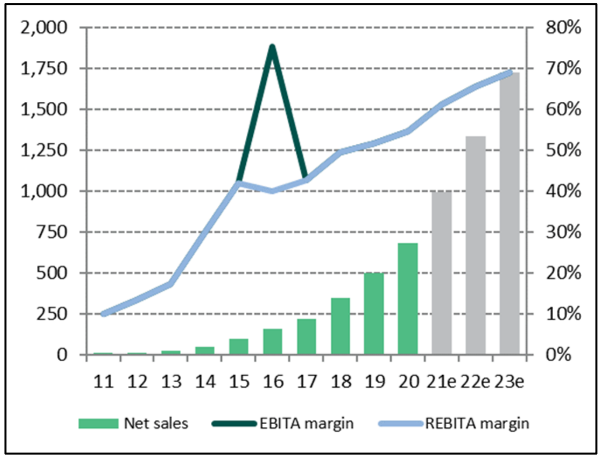
Sales split 2021e



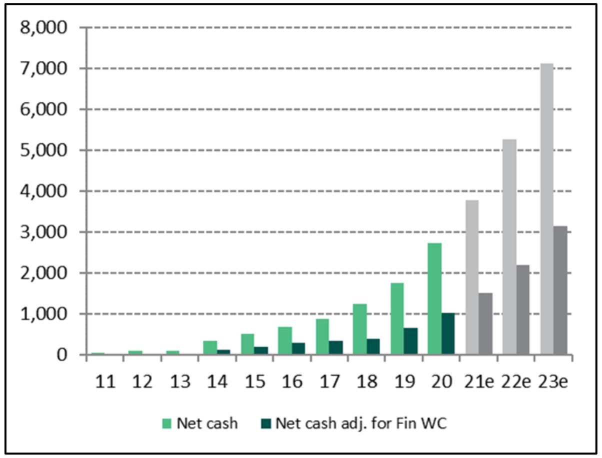
Sales split 2021e



Sales and operating margins



Net cash and adjusted net cash



HAL Trust

Cash is trash

TP EUR 143

HAL Holding N.V., an international investment company is listed on the Amsterdam Stock Exchange via HAL Trust and has a diverse portfolio of internationally active companies.

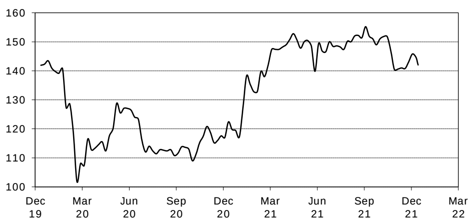
EUR 142.00 (11/01/22) **Reduce**

Target price:	143.00	**Market cap. (m):**	12,316
High-Low 1 year:	158.00 - 117.20	**Shares outstanding (m):**	86.73
1 year price variation:	17.4%	**Free float:**	14%
Diff. with Euro Stoxx:	0.1%	**Avg daily vol. (shares):**	11,971
NAV 31/12/21:	153.13	**(Discount)/Premium:**	-5%

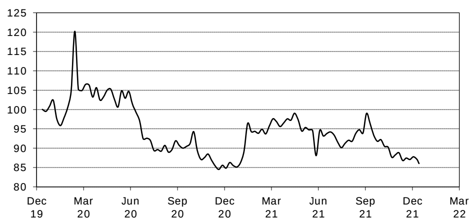
EUR	End FY Price	End FY NAV	End FY Dis-count	EPS	Cash EPS	Div.	Y/Y	Payout	Yield
12/16	*179.89*	*162.46*	*-10.7%*	*10.98*	*7.29*	*7.10*	*nm*	*64.7%*	*4.3%*
12/17	*153.80*	*151.45*	*1.6%*	*4.93*	*4.79*	*6.20*	*-12.7%*	*125.8%*	*4.3%*
12/18	*133.20*	*137.57*	*-3.2%*	*1.87*	*4.32*	*5.30*	*-14.5%*	*283.4%*	*4.2%*
12/19	*144.00*	*164.20*	*-12.3%*	*8.06*	*11.14*	*5.80*	*9.4%*	*72.0%*	*4.1%*
12/20e	117.60	149.93	-21.6%	7.46	-	4.70	-19.0%	63.0%	4.0%
12/21e	145.80	153.13	-4.8%	-	-	5.83	24.1%	-	4.0%
12/22e	-	-	-	-	-	5.83	0.0%	-	4.1%

Figures of Yield are based on end F.Y. price when available

HAL Trust over two years (11/01/22)



HAL Trust rel. to Euro Stoxx (11/01/22)



BULL POINTS

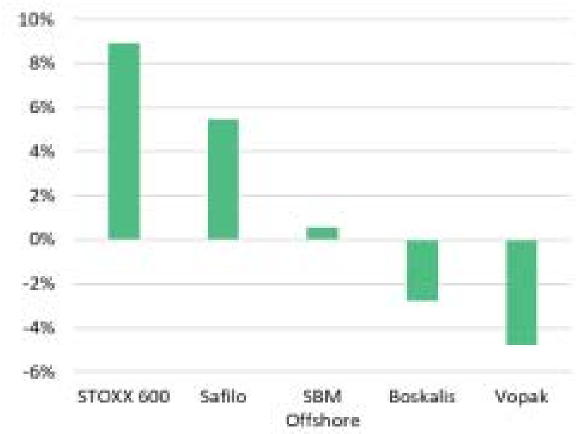
- Possibility that Coolblue IPO comes through after all. The stake is booked at EUR 250m in so an IPO would generate significant capital gains in the NAV.
- HAL makes a large acquisition in an interesting asset. The right acquisition could be good for sentiment and remove the reinvestment risk.

BEAR POINTS

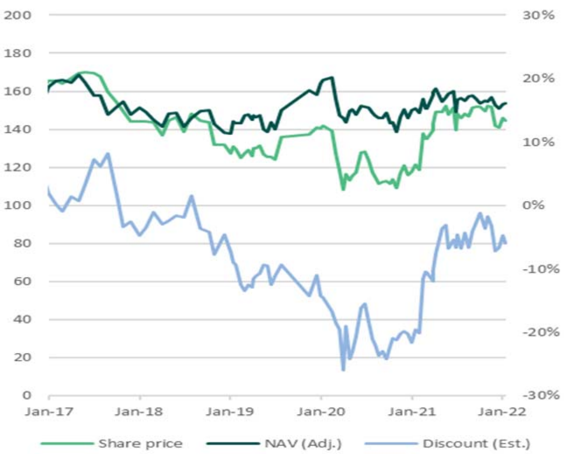
- Listed portfolio of structural underperformers (5Y TSR CAGR: -0.4%)
- Inflation is at high levels of >5%. Having a large cash position is effectively destroying shareholders value as the purchasing power diminishes.
- There lacks a clear investment strategy. Looking at the latest acquisitions we fail to find coherence or synergies between the acquisitions: Pro Gamers Group (online retail of gaming equipment), Technip Energies (engineering company focused on energy transition), Prodrive Technologies (production of high-tech electronics, software and mechatronic systems). The company has not communicated a strategy on how it expects to use the proceeds of the GV sale.
- Communication remains very limited. HAL Trust has historically been a discrete investment company. Press releases are often one-pagers which are posted on a minimalistic website that has had the same lay-out since 2013. Even though there is beauty in simplicity, we would have liked a step-up in communication following the GV divestment.

HAL Trust

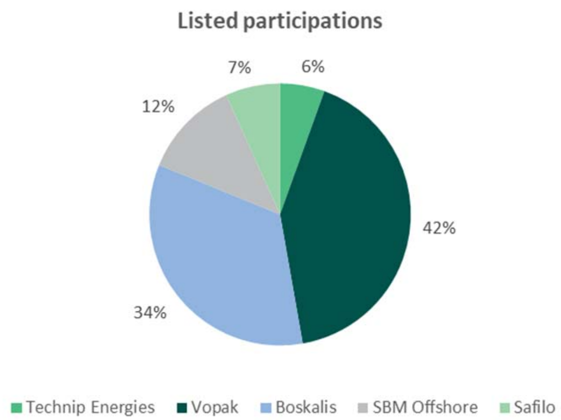
Underperformance of listed portfolio



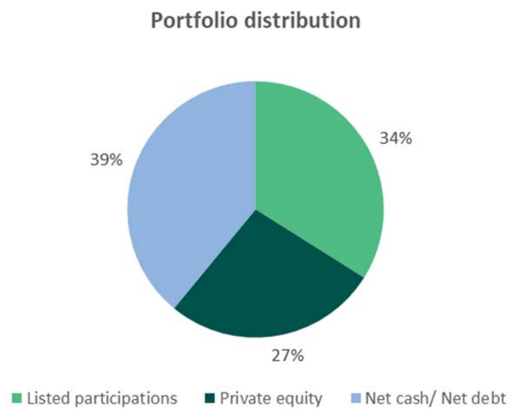
Discount evolution; NAV flat over last 5 Y



Listed participations overview



Portfolio distribution



IMCD

Valuation getting ahead of good prospects

EUR 170

IMCD is the world's largest pure-play specialty chemicals distributor with a leading position in Europe and expanding in Asia-Pacific and LatAm. The company set footprint in the US in 2015 with the acquisition of MF Cachat

EUR 161.65 (10/01/22) **Reduce**

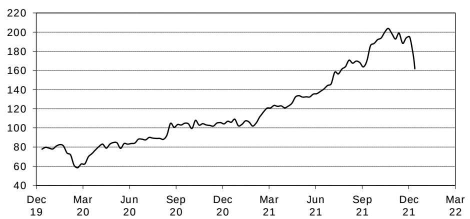
Target price:	170.00	**Market cap. (m):**	9,193
High-Low 1 year:	208.10 - 101.95	**Shares outstanding (m):**	56.87
1 year price variation:	51.1%	**Free float:**	84%
Diff. with Euro Stoxx:	35.8%	**Avg daily vol. (shares):**	138,510
Net debt 12/21e (m):	745	**Net debt/EBITDA 12/21e :**	1.83

EUR	Sales	EBITA	Adj. profit	EPS	FCF/ share	EV/ EBITA	Adj. P/E	FCF Yield	Div. Yield
12/17	*1,907*	*159*	*110*	*2.10*	*2.07*	*20.1*	*24.9*	*3.9%*	*1.2%*
12/18	*2,379*	*200*	*139*	*2.65*	*2.10*	*17.4*	*21.1*	*3.7%*	*1.4%*
12/19	*2,690*	*220*	*156*	*2.98*	*2.53*	*21.6*	*26.1*	*3.3%*	*1.2%*
12/20	*2,775*	*248*	*178*	*3.31*	*3.59*	*26.6*	*31.5*	*3.3%*	*1.0%*
12/21e	3,370	379	274	4.82	2.81	31.0	40.4	1.4%	0.8%
12/22e	3,728	408	299	5.26	3.88	23.9	30.7	2.4%	1.0%
12/23e	3,868	435	317	5.57	4.77	22.0	29.0	3.0%	1.1%

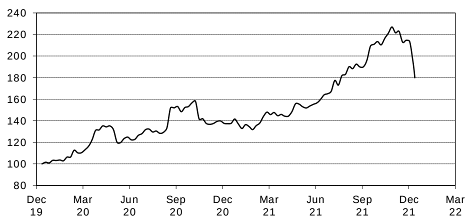
Figures of EV, P/E and Yield are based on end F.Y. price when available

Source: IMCD/Degroof Petercam estimates

IMCD over two years (10/01/22)



IMCD rel. to Euro Stoxx (10/01/22)



BULL POINTS

- Leading position in the attractive specialty chemicals distribution market, with good resilient growth and high barriers to entry;
- Excellent track record in earnings growth driven by a combination of organic growth and acquisitions;
- In a unique position to extract value from acquired companies by realizing cross selling and creating operational leverage. IMCD has the scale to support smaller customers with labs, formulation experts and digital platforms;
- Balance sheet (2021e Net Debt/EBITDA of 1.8x) leaves ample room for more acquisitions at attractive multiples.

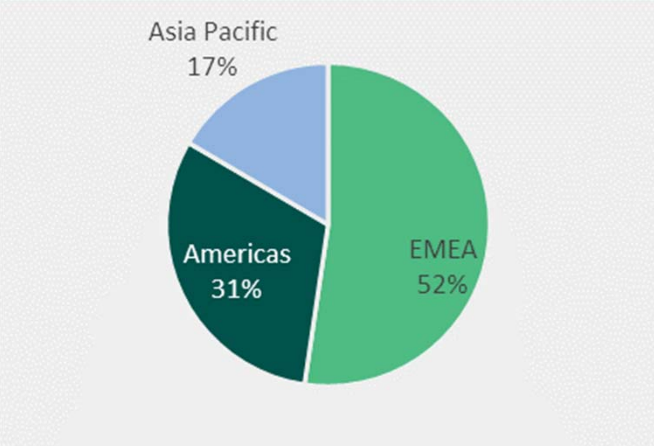
BEAR POINTS

- Valuation above DCF and at a record >100% premium to chemicals distribution peer group, difficult to justify even with optimistic forecasts;
- Organic growth is likely to decline after stellar 2021, while acquisitions are likely to temporarily slow down due to travel restrictions;
- Increasing number companies now focus on specialty chemical distribution, including Azelis, and Caldic-GMT (backed by Advent), potentially leading to a more competitive market over time.

IMCD

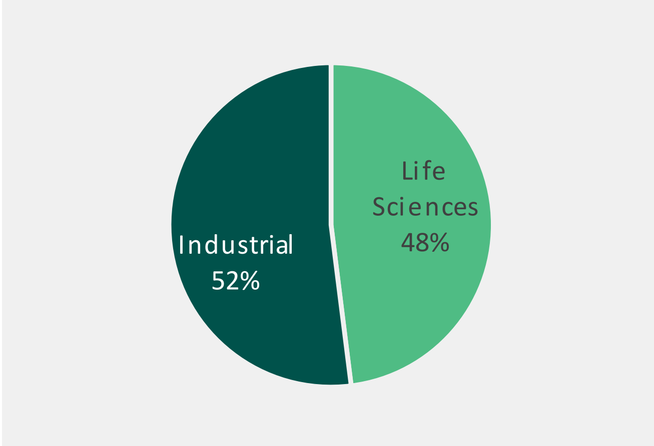
Profile

Revenue breakdown by geography 2021e



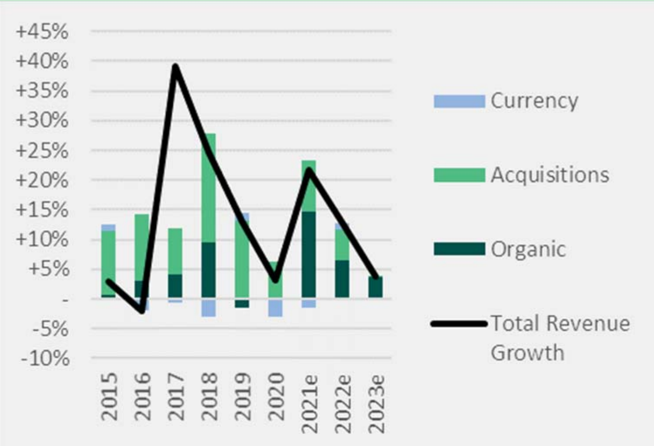
Source: Degroof Petercam estimates

Revenue breakdown by end market 2020



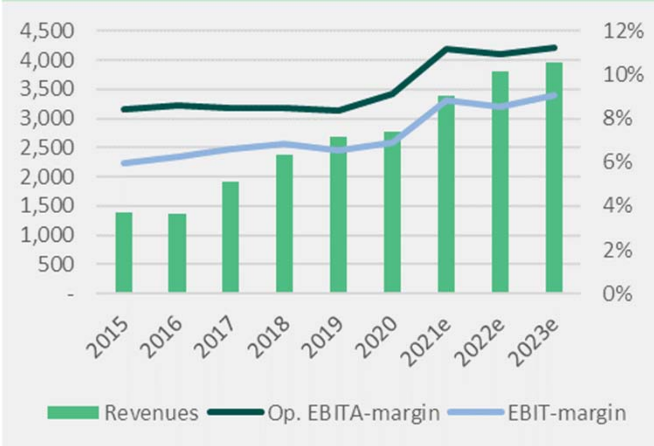
Source: IMCD

Breakdown revenue growth



Source: IMCD/Degroof Petercam estimates

Revenue and margin development (m euros)



Source: IMCD/Degroof Petercam estimates

Main competitors
Speciality chemicals: Azelis, DKSH, Caldic, Jebsen & Jense, Behn Meyer, Barentz
Full-liners: Brenntag, Univar

Competitive position
Global leader in specialty chemicals distribution

End markets
Cosmetics, Coatings, Food, Pharmaceuticals, Lubricants

Growth drivers
GDP growth, increasing use of specialty chemicals, consolidation

Risks/challenges
Keeping up acquisition pace
Increasing regulation

Opportunities
Cross-selling based on acquisitions

Main shareholders (>3%)
Jupiter (6%), Ameriprise (5%), FMR (5%)

Degroof Petercam

Proximus

On track but uncertainties remain

TP EUR 16.5

Proximus is the n° 1 in Belgium in fixed and mobile communications (2m broadband customers, 1.7m iDTV customers and 3.2m postpaid customers). It also has strong Business unit, an international carrier business (BICS) and a fast growing company (TeleSign).

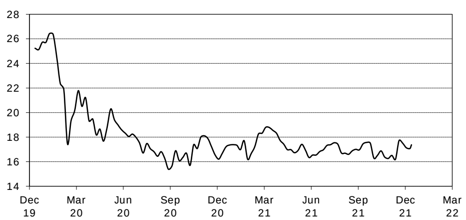
EUR 17.37 (10/01/22) **Reduce**

Target price:	16.50	**Market cap. (m):**	5,609
High-Low 1 year:	18.86 - 16.02	**Shares outstanding (m):**	322.98
1 year price variation:	3.9%	**Free float:**	42%
Diff. with Euro Stoxx:	-11.4%	**Avg daily vol. (shares):**	770,612
Net debt 12/21e (m):	2,799	**Net debt/EBITDA 12/21e :**	1.52

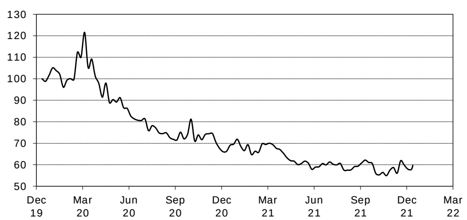
EUR	Sales	EBITDA	Adj. profit	EPS	FCF/ share	EV/ EBITDA	P/E	FCF Yield	Yield
12/17	*5,778*	*1773.0*	*525*	*1.63*	*0.91*	*6.7*	*16.8*	*3.3%*	*5.5%*
12/18	*5,806*	*1795.0*	*508*	*1.57*	*1.40*	*6.0*	*15.0*	*5.9%*	*6.4%*
12/19	*5,686*	*1675.9*	*374*	*1.16*	*1.55*	*6.8*	*22.0*	*6.1%*	*5.9%*
12/20	*5,478*	*1921.5*	*564*	*1.75*	*1.08*	*4.4*	*9.3*	*6.7%*	*7.4%*
12/21e	5,545	1836.5	445	1.38	-0.14	5.0	12.4	-0.8%	7.0%
12/22e	5,561	1878.7	445	1.38	0.72	5.0	12.6	4.1%	6.9%
12/23e	5,619	1908.6	442	1.37	0.91	4.9	12.7	5.2%	6.9%

Figures of EV, P/E and Yield are based on end F.Y. price when available

Proximus over two years (10/01/22)



Proximus rel. to Euro Stoxx (10/01/22)



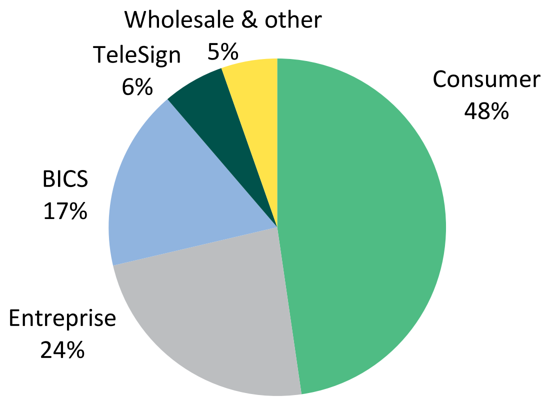
BULL POINTS

- Leading position with national coverage
- Return of top line (excl. terminals) and EBITDA growth in the Domestic segment
- Clear fiber rollout plan
- Low leverage (1.6x Net Debt/EBITDA)
- TeleSign's attractive valuation and growth driver
- Potential for consolidation in BICS' market
- Significant cost reductions achieved with more to come

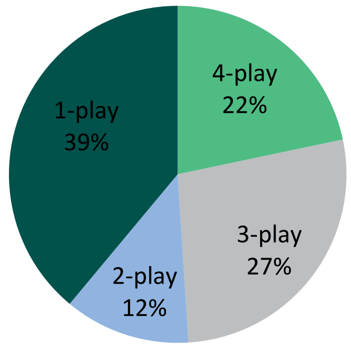
BEAR POINTS

- Capex-intensive years to come with fiber rollout, impacting FCF generation
- Telenet/Fluvius deal could hamper ROI prospects in Flanders
- Competition could intensify in Wallonia with the acquisition of VOO by Orange Belgium
- B2B under pressure from ongoing migration to next-gen portfolio and competitive pricing pressure
- Risk new player in Belgian telco market through spectrum auction (more likely in B2B)
- Dividend is not FCF covered
- No clear catalyst for 2022

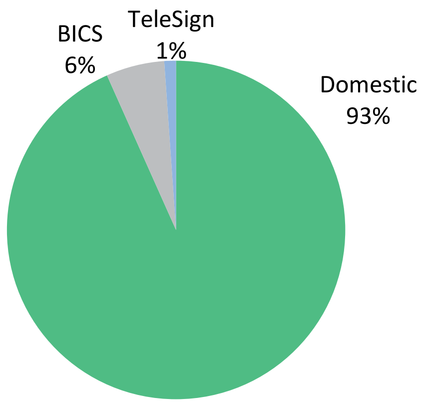
Sales breakdown 21e



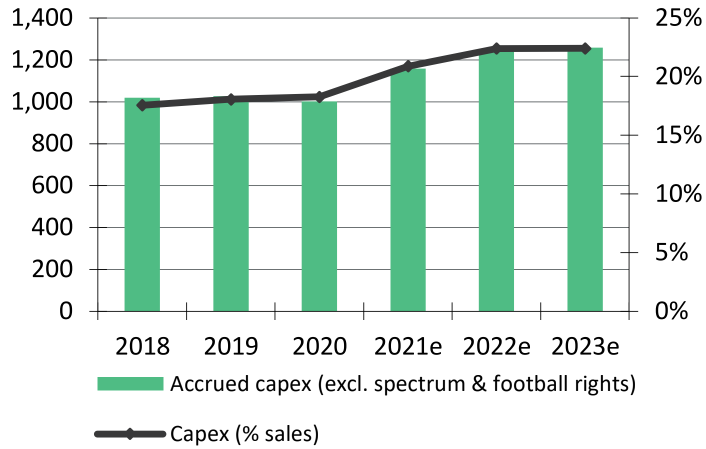
X-play breakdown (3Q21)



EBITDAaL breakdown 21e



Capex evolution



Vastned

Hard times

TP EUR 22.00

Vastned is a Dutch REIT active in several European countries (Belgium, France, Spain, The Netherlands). Vastned increasingly focuses on high street shops in large European 'core cities' offering a/o demographic growth and high purchasing power.

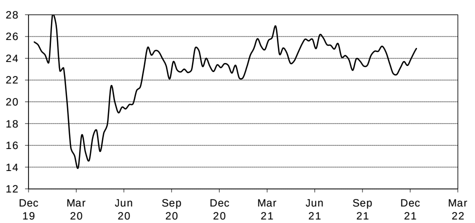
EUR 24.90 (10/01/22) **Reduce**

Target price:	22.00	**Market cap. (m):**	474
High-Low 1 year:	26.95 - 21.50	**Shares outstanding (m):**	19.04
1 year price variation:	6.0%	**Free float:**	64%
Diff. with EPRA Eurozone:	4.1%	**Avg daily vol. (shares):**	20,075
Net debt 12/21e (m):	623	**Net debt/Equity 12/21e :**	98%

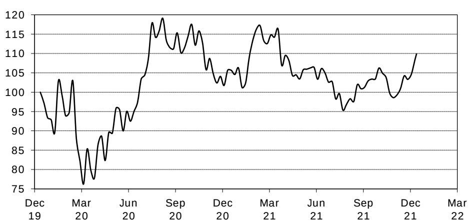
EUR	Rental income	Direct result	Direct EPS	P/E	Total debt / Assets	EPRA NAVPS	Premium	Div.	Yield
12/17	*79.1*	*41.1*	*2.22*	*18.6*	*39%*	*46.98*	*-12.1%*	*2.05*	*5.0%*
12/18	*77.1*	*40.4*	*2.22*	*14.1*	*39%*	*47.47*	*-34.1%*	*2.05*	*6.5%*
12/19	*69.3*	*35.0*	*2.03*	*13.2*	*41%*	*47.28*	*-43.5%*	*1.43*	*5.4%*
12/20	*63.1*	*29.6*	*1.73*	*13.4*	*43%*	*42.24*	*-45.2%*	*1.43*	*6.2%*
12/21e	63.8	30.9	1.80	13.3	48%	34.96	-31.3%	1.45	6.0%
12/22e	66.5	32.9	1.92	13.0	47%	35.99	-30.8%	1.50	6.0%
12/23e	68.2	33.7	1.96	12.7	46%	37.02	-32.7%	1.55	6.2%

Figures of P/E, Discount and Yield are based on end F.Y. price when available

Vastned over two years (10/01/22)



Vastned rel. to EPRA Eurozone (10/01/22)



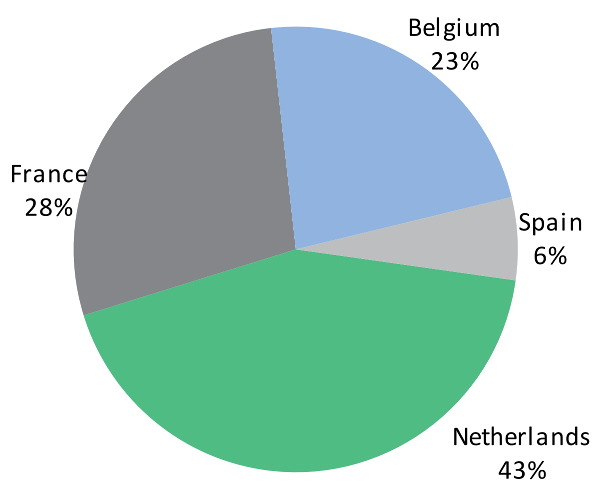
STRATEGY AND CATALYSTS

- **The shift towards premium high street shops and net disposals have a negative impact on EPS** (high-yield property replaced by low-yield one) but dramatically improve operating indicators such as occupancy, especially in The Netherlands. **Difficult context in high street retail with valuations under pressure and clumsier letting activity, exacerbated by the pandemic**; after the spring 2020 lockdowns, The Netherlands implemented a compulsory closure of 'non-strategic stores' in the middle of the Christmas shopping season which lasted well into is expected to last till end April.
- **Access to suitable investment objects is not easy** as VASTN competes for 'quasi trophy assets' in the best European retail locations with financial & small investors. Hence, portfolio expansion remains slow & difficult. Solvency & liquidity remain satisfactory in our view but lower property valuations do not help. Hence, we expect leverage to further increase in FY21 despite some disposals. Together with a share trading at a high discount vs. NAV, this will not help future expansion.

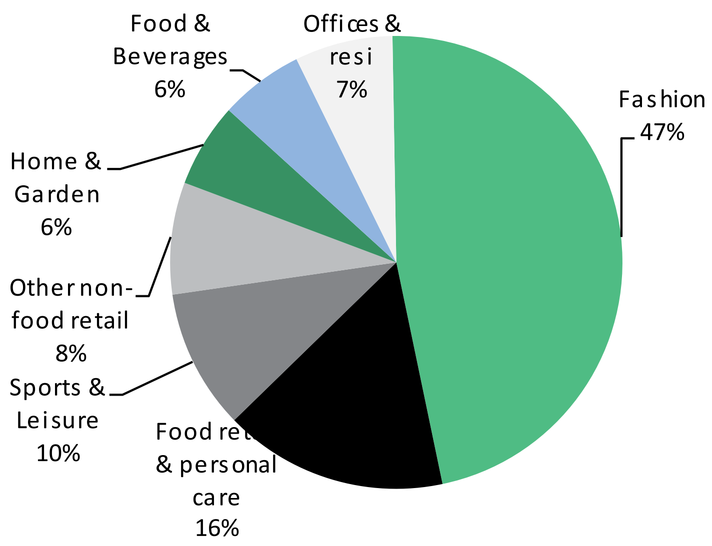
1H21 RESULTS HIGHLIGHTS

- Direct results up 3.1% YoY at EUR 15.1m or EUR 0.88/share. LfL rental growth is down 3.2%, negative but improving vs. 1H20 (-6.3%). Rents are affected by rent waivers (EUR 2.2m and a EUR 0.6m allocation to provisions). During the period, the Dutch portfolio was affected by a long lockdown with most restrictions only lifted by end June. Rents waived for 1H amount to EUR 1.2m of which EUR 0.9m for The Netherlands. Total waivers stand at EUR 2.2m and include EUR 0.9m related to FY20. They are accounted as negative rent in 1H but compensated by provisions writebacks (hence no impact in 1H). 1H 'clean' collection rate is relatively high at ca. 90%.
- Occupancy at 96.2% improves vs. Q1 (+100 bps), especially in The Netherlands but remains below 1H20 levels (-120 bps) as French occupancy sharply deteriorates YoY (-570 bps to 94.1%).
- Portfolio value at EUR 1,440m, down 1.9% LfL vs. end 2020 but this includes the impact of the higher transfer tax in The Netherlands (Dutch portfolio value down 2.9%). French valuation down and Belgium & Spain down at resp -2.2% & -1.8%. 1H witnessed a few modest disposals and no acquisitions. Lower ERV's but slightly lower yields (EPRA NIY down 20 bps YoY at 3.8%. EPRA NTA emerges at EUR 41.49 (-8.3% YoY). LTV increases to 44.2% (43.0% by end 2020, 42.6% at end June 2020).

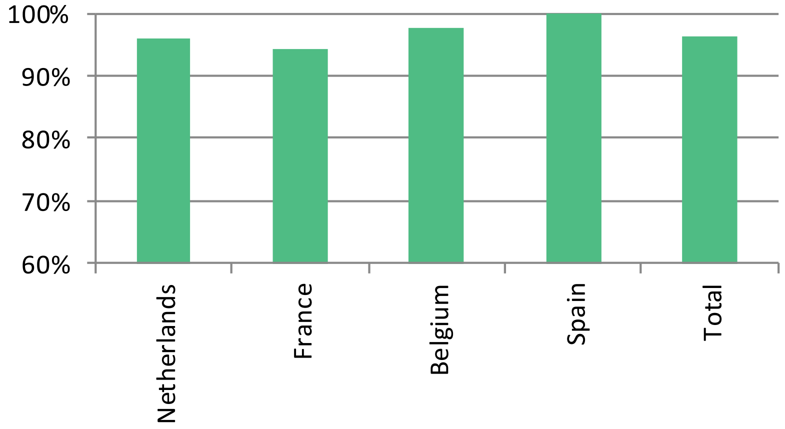
Portfolio breakdown (FV, end June 2021)



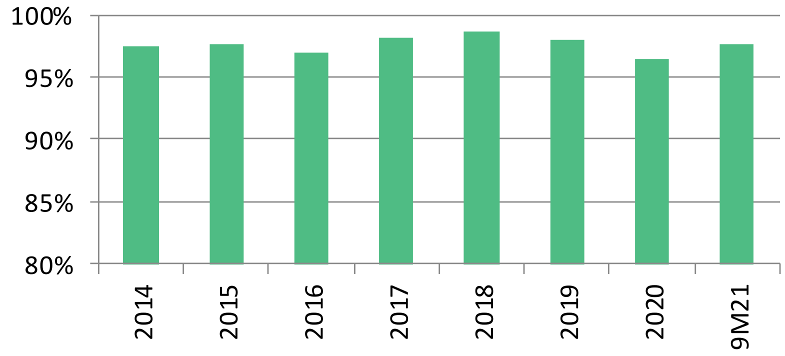
Top tenants (Contractual rents 1H21)



Occupancy per country (end June 2021)



Occupancy evolution



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