

# Whitestone Group

## A Small Stone With The Potential To Become A Large Rock

Diversified Financials | Belgium

Whitestone is a relatively new/young holding company that is listed on the Euronext Brussels and that aims to provide a niche exposure to investments in small and medium sized businesses across select European countries. Whitestone's portfolio is divided into 4 sub-portfolios namely 'Financial Services', 'Industrial', 'Technology' and 'Environmental'. Over the short to medium-term, Whitestone's performance will hinge on the performance of Gold & Forex International (GFI) as this single stake makes up approximately 45.0% of Whitestone's portfolio. GFI plays an important role in the portfolio as it should insulate (to an extent) Whitestone's portfolio from overall market volatility. Management has a good track record, comes from a diverse background and is looking to expand the portfolio over the medium-term. Our SOTP model indicates a target equity value (TEV) of €15.2ps and after having applied a 10.0% group-level illiquidity discount, we initiate coverage with a BUY rating & €13.7 TP implying a 31.7% upside.

### About Whitestone Group:

- Whitestone Group SA is a holding company based out of Lasne, Belgium.
- Whitestone Group was founded in 2012 in Luxemburg by Sandro Ardizzone and Frédéric Pouchain and was previously called 'Whitestone Partners'.
- The company got itself listed on the Euronext Growth Exchange by acquiring 79.4% of Evadix.

### Valuation:

- Listed Assets:** Newtree Impact SA is the only listed asset in the portfolio which is valued using the latest share price under NAV and TEV.
- Private Assets:** For assets generating positive cashflows, we make use of a multiples analysis combined with relevant discounts/premiums. For assets generating negative cashflows, we make use of the BV of the investment and apply an illiquidity discount of 20.0%.
- 10.0% Group-Level Discount:** We apply a 10.0% group level discount to account for the low liquidity of Whitestone's shares.

**Investment Case:** Whitestone is a long-term and active investor with a bias towards investing in small and medium sized businesses across select European countries (currently majority of portfolio in BE) - by doing so, we think that Whitestone has created a niche in the market. The investment in GFI should provide a hedge against unexpected/significant volatility in public markets while investments in fast growing SMEs will provide much needed growth and may result in exits that lead to outsized capital gains. Whitestone's portfolio offers 2 layers of diversification as the portfolio is invested across 4 countries (BE, FR, LU, and CH) and 4 sectors. While current market capitalisation is below €30.0m, potential capital raises in the future followed by expansion/rotation of the portfolio will create long-term shareholder value. Currently, 75.0% of value of Whitestone's portfolio is comprised of companies with positive FCF and this % is expected to increase with multiple companies expected to break-even in the next couple of years. We believe that a combination of these factors will help Whitestone achieve consistent NAV increases.

Year To:	2019A	2020A	2021A 6M	2022A
Sales & operating income	--	--	83.9	234.5
Profit/loss from operating activities	--	--	(0.5)	0.8
Net Profit (group share)	--	--	(1.1)	(0.8)
Diluted EPS	--	--	(0.48)	(0.35)
Dividend per share (€)	--	--	0.00	0.00
Dividend yield (%)	--	--	0.0	0.0
Net asset value per share (NAV)	--	--	10.53	12.96
P / NAV (x)	--	--	0.31	(0.28)
Cash & cash equivalents	--	--	6.3	6.5

Source: KBC Securities

<https://research.kbcsecurities.com>

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This document was provided for the use of Sharad Kumar (sharadkumar.surendranpalani@kbcsecurities.be)

Share Price: €10.4  
**Target Price: €13.7**  
Upside/Downside: 31.7%

**Recommendation: Buy**  
Previous Recommendation: Buy

### Analyst Details

**Sharad Kumar Surendran Palani**  
Financial Analyst  
+32 2 429 37 11  
sharadkumar.surendranpalani@kbcsecurities.

### Key Data

Bloomberg:  
Reuters: ROCKW.BR  
URL: <https://www.whitestone.eu/>  
Market Cap. (m): €23.7  
Shares Out. (m): 2.3  
Volume (Daily): 234  
Free Float: 31.0%  
Price 12m Hi/Lo: 11.8 / 9.5

Performance	1m	3m	12m
Absolute (%)	0.0	2.0	5.1
Rel. BEL20	2.6	-2.6	12.0

### Next Corporate Event

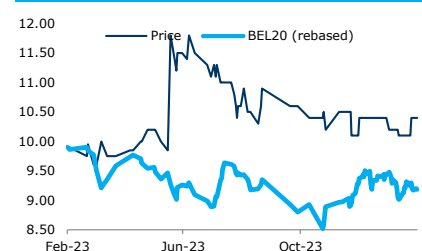
Results - FY23: 15/04/2024

### Sponsored Research

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### Price Chart



Source: Refinitiv Datastream

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## COMPANY PROFILE & HISTORY

### About Whitestone Group

Whitestone Group SA is a holding company based out of Lasne, Belgium. Whitestone's primary activities involve asset management and investing in SMEs in select European countries (currently majority of portfolio in BE). The group's portfolio is made up of 4 sub-portfolios namely 'Industrial', 'Environment', 'Technology', and 'Financial Services' while each sub-portfolio consists of various direct stakes in small and medium sized companies across Belgium, Luxembourg, Switzerland, and France.

Whitestone Group was founded in 2012 in Luxemburg by Sandro Ardizzone and Frédéric Pouchain as 'Whitestone Partners'. Both founders worked at Compagnie Nationale à Portefeuille until it was delisted by the Frère family in 2011.

The company got itself listed on the Euronext Growth Exchange by acquiring Evadix which was a company primarily engaged in printing and direct marketing. During February 2021, 'Whitestone Partners' took a 68.6% stake in Evadix for €280,000 (or €0.13ps; from children of Mr. Pascal Leurquin) and offered the same terms to other shareholders of Evadix thereby launching a public takeover bid for Evadix. By May 2021, Whitestone's stake in Evadix was at 79.4%.



### Whitestone Group History

**2012:**

**April:** Creation of Whitestone Partners in Luxembourg managing Whitestone Investments SICAV-SIF.

**2016:**

**January:** Investment in EMAsphere.

**March:** Investment in Verixi.

**2018:**

**March:** Sale of Verixi.

**2019:**

**October:** Creation of 'Whitestone Partners' holding company in Belgium.

**November:** Treestone Joint Venture established.

**2020:**

**February:** Investment in European Capital Partners (ECP).

**June:** Investment in Newtree Impact.

**November:** Investment in Morning Blue.

**2021:**

**January:** Acquisition of Gold & Forex International (GFI).

**February:** Takeover bid for Evadix.

**April:** Acquisition of Atima through Treestone.

**September:** Creation of Whitestone Group following merger with Evadix.

**September:** Listing on Euronext Growth.

**October:** First investment in Freedility.

**December:** Second investment in Freedility & 1st private placement.

**2022:**

**January:** Participation in EMAsphere fundraising and 2nd private placement.

**July:** Investment in Probiotic Group.

**October:** Investment in Emulco.

**2023:**

**July:** Investment in Battri for €1.0m

Source: Whitestone Group, KBC Securities

## MANAGEMENT & GROUP STRUCTURE

Management at Whitestone Group is highly experienced, come from a diverse set of backgrounds and have an entrepreneurial mindset which should help them separate wheat from chaff and identify the best investment ideas within the SME universe.

### Board Of Directors

#### **Frédéric Pouchain – CEO**

Frédéric Pouchain started his career at ExxonMobil after which he worked as a consultant at McKinsey & Company for 3.5 years after which he worked for more than 10 years at Compagnie Nationale à Portefeuille. In April 2012, he co-founded Whitestone Partners. Frédéric Pouchain has a master in business engineering from Louvain School of Management, master in international management from CEMS, and a MBA from Booth School of Business (Chicago University). He is an adjunct professor at Louvain School of Business and Board member of Réseau Entreprendre Brussels.

#### **Philippe Masset – Chairman of Board of Directors**

Philippe Masset was the head of Western Europe Equity Markets at ING where he progressed to become a member of the executive committee for more than 5.5 years. In October 2015, he became the CEO of Degroof Petercam and held the position until September 2019. Currently, along with being Chairman of the board at Whitestone Group, he is also a member of the audit, risk and remuneration committees at Edmond de Rothschild. Philippe Masset has a master's degree in economics and in law from Université catholique de Louvain.

#### **Olivier Pirotte – Member of Board of Directors**

Currently, Olivier Pirotte is chief strategy/M&A officer and executive committee member at Imerys where he started in 2015 as CFO and was a board member. Previously, he worked at GBL for 20 years holding the position of CFO as well as the head of portfolio and investments. Before 1995, he was senior audit and business consultant with Arthur Andersen. Olivier Pirotte is a masters graduate from the Solvay Business School (ULB).

#### **Jean-François Gosse – Member of Board of Directors**

Currently, Jean-François Gosse is a partner at Winch Projects and holds management positions ISCAL Sugar, Futura Capital Fund, Belsim, ValBiom, Centre de Populiculture du Hainaut, Epsilon, Centre De Protection De L'Enfant - L'Accuei. Added to these positions, he is a member of the board of directors at Whitestone and was the president of Evadix. He has a master's degree in business engineer from UCL Mons.

#### **Antoinette d'Yve – Member of Board of Directors**

Antoinette d'Yve has a vast experience across Private Banking (BNP Paribas), and institutional client account management (ING), financial advisory (TreeTop Asset Management). Currently, apart from being on the board of Whitestone, she is also a member of the board at Societe Royale De Philanthropie & co-founder at Perspicum.

#### **Sandro Ardizzone – Member of Board of Directors**

Currently, Sandro Ardizzone is the CEO of Gold Forex International and is the co-founder & president of the investment committee at Whitestone Group. He co-founded Whitestone Partners in April 2012. Prior to his current positions, he was previously the Conducting Officer at ECP (European Capital Partners), head of cash management/market operations at CNP, part of the finance department at Engie, and a senior auditor at Arthur Andersen.

#### **Pierre de Waha – Member of Board of Directors**

Pierre de Waha is a non-executive board member of Whitestone Group. Currently Pierre is a senior Investment Manager at Invest.BW and is active in different companies' boards such as intoPix, Cluepoints, Arpal, ePeas, etc. and funds such as Vives Funds. Prior to this, Pierre worked as investment manager at BNP Fortis Private Equity, as CFO of Decathlon Benelux and senior auditor at EY. He holds a master degree from Louvain School of Management.

#### **Simon Renwart – Member of Board of Directors**

Simon Renwart has a bachelor in commerce from EPHEC and has also completed courses in accounting and management of SMEs from CBCEC and ICHEC PME+ respectively. Simon brings with him more than 13 years of experience in company management, real estate development, and entrepreneurship.

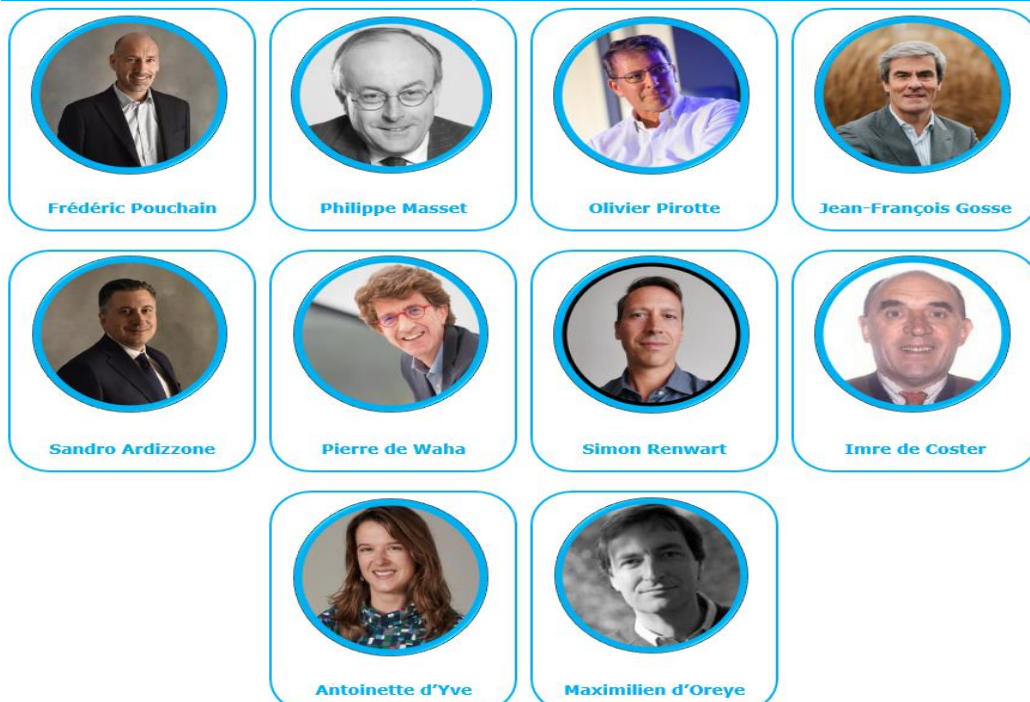
#### **Imre de Coster – Member of Board of Directors**

Imre de Coster is currently serving as the CEO of Cogestor. Along with his current position, he is the CEO at Entreprises Hercules SA (finishing contractor). He holds a bachelor of commerce from UCL and a bachelor of art from Mc Gill University. He is a Canadian CPA and was a partner of Pricewaterhouse Coopers Africa. He has a wide experience of M&A in various sector.

#### **Maximilien d'Oreye – Member of Board of Directors**

Maximilien d'Oreye has a master of engineering from Université catholique de Louvain and a master in telecommunications from San Diego State University. Maximilien started his career at Newtec where he finished as the VP of the professional equipment business line after which he worked as an associate partner at Resultance. Currently, he is the general manager at Batour Immobilier and Owner/Consultant at Schorey BVBA.

#### **Board Of Directors – Whitestone Group**



Source: Whitestone Group, LinkedIn

## Group Structure – Whitestone Group



Source: Whitestone Group

As a group, Whitestone can be divided mainly into 4 investment platforms/business divisions namely 'Financial Services', 'Industrial', 'Environmental', and 'Technology'. About 45%-50% of Whitestone's NAV is derived from the 'Financial Services' division, thus making it the most important of all 4 divisions. The 'Industrial', 'Environmental', and 'Technology' business divisions make up approximately 19%-23%, 10%-14%, and 13%-17% respectively.

Whitestone's structural organisation is a reflection of the conscious choices made by management to help achieve consistent/healthy growth of portfolio companies while also maintaining some level of insulation against drastic overall market developments. This is currently the case due to the fact that Gold & Forex International (GFI) provides a significant exposure to the demand for gold which usually is stable during normal market conditions but as markets become uncertain, investors turn towards safe havens such as gold and thus, GFI benefits from the higher volumes of gold traded on its platform and also higher volumes of gold placed in its custodial services.

Under the 'Industrial', 'Environmental', and 'Technology' investment platforms, management will focus on trying to identify and invest in SMEs that have a high growth potential. Finally, 'Whitestone Properties SRL' and 'ECP Participations' contain own-use real estate properties.

*Whitestone Group's structural organisation is a reflection of the conscious choices made by management to help achieve consistent/healthy growth of portfolio companies while also maintaining some level of insulation against drastic overall market developments.*



## OPERATIONAL PROFILE

### Investment Strategy

**Whitestone aims to build and expand a portfolio that reflects the following:**

1. A minimum of at least 75.0% of the group's net asset value (NAV) to be made up of companies generating positive cashflows.
2. Investments are made in cashflow negative companies are only made if breakeven point is expected to be achieved over the course of the next 3 years.
3. Seeking representation on the board of directors as well as looking to make tangible contributions in matters relating to strategy, finance, and governance.
4. Investments being made only when CEO's of target companies invest alongside Whitestone Group thus ensuring a serious commitment to grow business.
5. Maintaining a portfolio that is sufficiently diversified across several sectors.

**Whitestone Group looks for a certain specific characteristics when scouting for potential companies to add to its portfolio:**

1. Market resilience – as a result of competitive edge, niche product focus or operational excellence.
2. Company strength both strategically and financially.
3. Attractive valuation.
4. Strong governance put in place.
5. Sustainability – potential of company to achieve consistent growth, etc.

*We value Whitestone's 56.7% stake in GFI to be worth €15.3m which makes it the biggest and most important component in Whitestone's portfolio making up approx. 44.1% of our est. TEVps.*

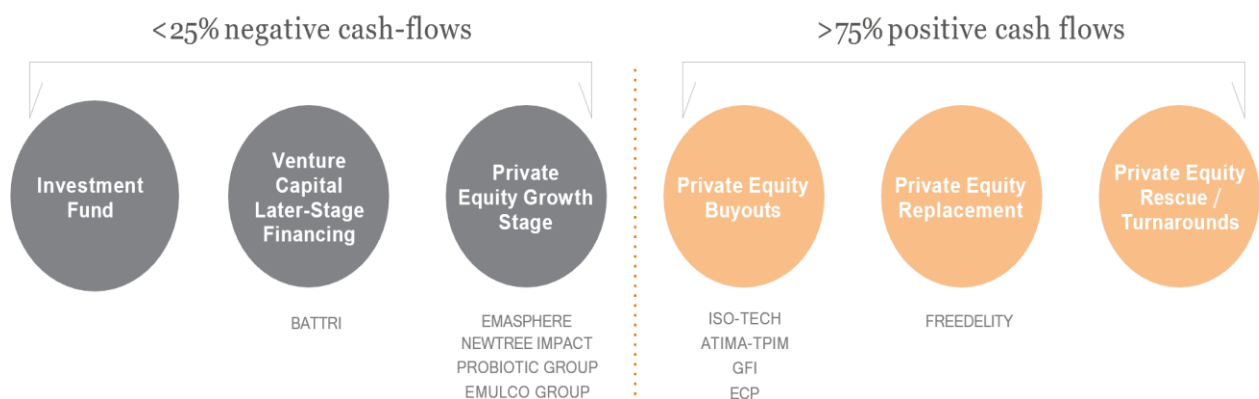
### Portfolio Composition

Whitestone maintains a healthy balance between achieving growth and maintaining a relatively diversified/stable portfolio by combining both established/mature companies and small/negative cashflow companies with a high growth potential. Currently, 25.0% of Whitestone's portfolio is made up of companies with a negative cashflow. Whitestone's portfolio offers 2 layers of diversification since the portfolio consists of companies situated in 4 different countries and 4 different sectors. To help achieve diversification, management employs a wide range of investment strategies based on the size and maturity of the target company.

*Whitestone's portfolio offers 2 layers of diversification since the portfolio consists of companies situated in 4 different countries and in 4 different sectors.*

#### Portfolio Split – By Cashflow Status & Investment Strategy

**Current portfolio** (% of NAV excluding cash)



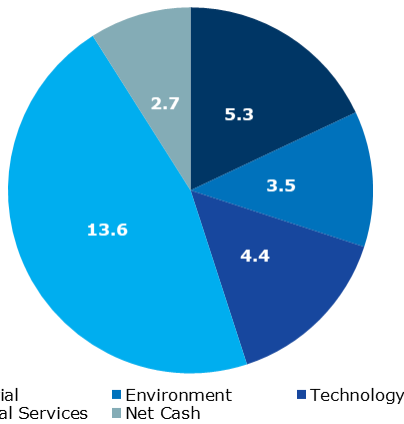
TIME 0:

+/- 5 YEARS

DURATION

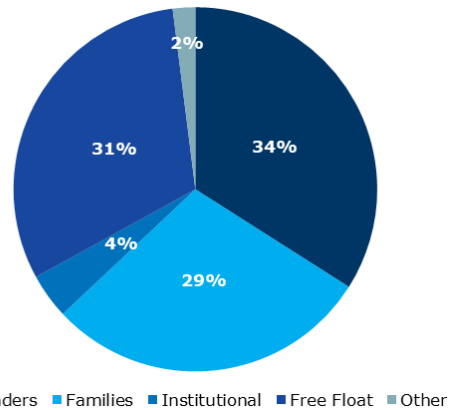
Source: Whitestone Group

**Portfolio Split – 1H23**



Source: Whitestone Group, KBC Securities

**Shareholding Structure – 1H23**



Source: Whitestone Group, KBC Securities

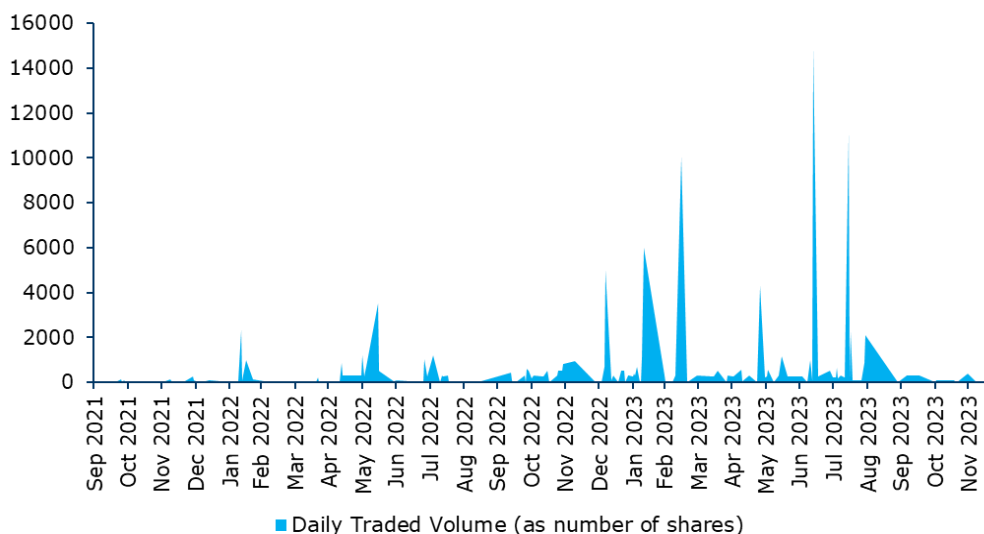
## The Liquidity Conundrum

Whitestone Group has a theoretical free float of 31.0% while 95.0% of shares are registered. As a result, the average daily traded volume (270 shares traded per day) in the name has been very little since the reverse-listing in 2021. The lack of sufficient liquidity in the market may lead to the following:

1. Difficulty in stock realising its true value (imperfect pricing).
2. Muted reactions to news flow.
3. Significant price distortions should a sizable order be executed with urgency.
4. Discouraging potential investors as building up and exiting a position will take a significant amount of time.

However, it should be noted that Whitestone's management recognises the liquidity issue and has made consistent efforts to address the liquidity issue by putting in place a liquidity provision contract, increasing analyst coverage of the stock and publishing results more frequently and with more detail.

**Volume Traded Per Day**



Source: Refinitiv Eikon, KBC Securities



## SWOT ANALYSIS, CATALYSTS & RISKS

### SWOT Analysis

Strengths	Weaknesses
<p>Ownership of GFI (exposure to gold) provides some insulation against unexpected significant volatility.</p> <p>Portfolio's bias towards small and medium sized business offers a niche proposition.</p> <p>75.0%+ of entire portfolio is made up of cashflow positive companies.</p> <p>Positive net-cash position will allow management to capitalize on attractive opportunities that come by.</p>	<p>Whitestone Group's market capitalization (sub €30.0m), free float (31.0%) and average daily traded volumes are low. This makes it difficult to build and exit a position in the name.</p> <p>The small market capitalization (sub €30.0m) prevents the group from being included in the investable universe of large institutional investors.</p> <p>Lack of track record might instill hesitance amongst potential investors interested in the name.</p>
Opportunities	Threats
<p>Whitestone Group could strike relationships with other well-established holding companies - this will open up opportunities to coinvest in scale-ups.</p> <p>Whitestone Group could significantly grow portfolio companies through a buy-and-build strategy.</p> <p>Provision of a more detailed NAV split will help investors better understand and assess Whitestone's performance.</p> <p>Gradually increasing size of portfolio by raising capital.</p>	<p>Larger-than-usual trades can have a significant impact on price due to low average daily traded volume.</p> <p>A difficult economic situation can significantly impact the growth of companies in Whitestone's portfolio.</p>

### Catalysts

1. Stable or decreasing interest rates will have a positive impact across the entire portfolio.
2. Reporting of significant NAV increases will help reduce discount and might lead to increased interest in the name.
3. Whitestone's bias towards small and medium sized enterprises will help create a clearly defined niche in the market.
4. Gradual reduction of LBO debts will have a positive impact on NAV.

### Risks To Investment Thesis

1. The financial health of small and medium sized businesses come under stress during economically uncertain periods.
2. Larger-than-usual trades can have a significant impact on price due to low average daily traded volume.
3. Discount could widen significantly should a decrease in NAV be reported.

## VALUATION – FINANCIAL SERVICES

### Gold & Forex International (56.7% Stake)

**Business Description:** Gold & Forex International (GFI) is a trading company and market maker. We specialise in the purchase/sale of investment gold (LBMA coins and bars) and metals (silver, rhodium, and palladium), as well as in the management of physical flows. GFI is the market leader in Belgium and its role as market maker gives it a reputation that is appreciated by many private clients, including private banks and family offices.

The business is managed from Belgium but developed internationally (UE mainly) with various B2B counterparties in Austria, Germany, France, Luxembourg, Switzerland. GFI has integrated all the value chain from buying, storing and selling physical gold and metals. In April 2021, the new deposit service 'GFI SAFE' was launched thanks to a new web platform internally developed. This business ensures recurrent revenues for the company.

GFI's performance is linked to the bid/ask spread of gold and the volumes of gold traded on its platform. During times of uncertainty and higher volatility, volumes traded increase and the bid/ask spread widens and as result, GFI's performance is positively impacted which in turn acts as a hedge within Whitestone's portfolio.



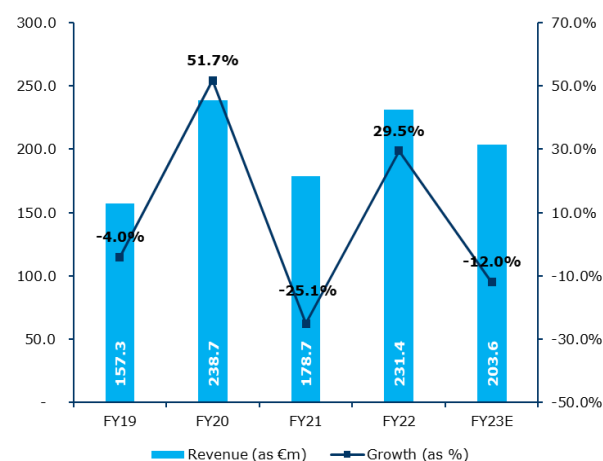
#### GFI's Platform Enables Trading Of Several Types of Metals & Other Types Of Products

##### Our flagship products

<div> <input checked="" type="radio"/> GOLD <input type="radio"/> Other metals <input type="radio"/> Numismatics </div> <div>See all items</div>			
250 gr. Gold Bar	100 gr. Gold Bar	1 Kilo Gold Bar	Napoleon 20 Francs (France)
See more >	See more >	See more >	See more >
Buy at 15 185,00 €	Buy at 6 131,00 €	Buy at 60 500,00 €	Buy at 359,75 €
Sell at 14 655,00 €	Sell at 5 862,00 €	Sell at 58 470,00 €	Sell at 342,00 €

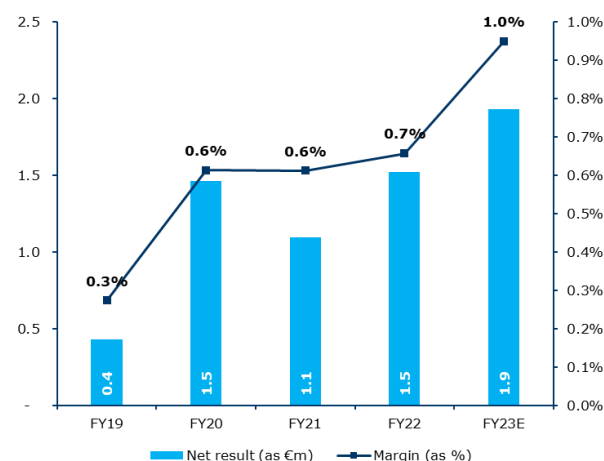
Source: GFI

#### Revenue – FY19 to FY23E



Source: Whitestone Group, KBC Securities

#### Net Result & Net Result Margin – FY19 to FY23E



Source: Whitestone Group, KBC Securities

#### Financials – Gold & Forex International (GFI)

*We value Whitestone's 56.7% stake in GFI to be worth €15.3m which makes it the biggest and most important component in Whitestone's portfolio making up 44.1% of our est. TEVps.*

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)	157.3	238.7	178.7	231.4	203.6
Growth (as %)	-4.0%	51.7%	-25.1%	29.5%	-12.0%
EBITDA (as €m)	0.8	2.3	1.6	2.3	2.0
Margin (as %)	0.5%	1.0%	0.9%	1.0%	1.0%
Op. result (as €m)	0.8	2.3	1.5	2.2	1.8
Margin (as %)	0.5%	1.0%	0.9%	0.9%	0.9%
Net result (as €m)	0.4	1.5	1.1	1.5	1.9
Margin (as %)	0.3%	0.6%	0.6%	0.7%	1.0%
Whitestone's stake (as %)	56.7%	56.7%	56.7%	56.7%	56.7%

Source: Whitestone Group, KBC Securities

#### Valuation – Gold & Forex International (GFI)

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
Plus500 Ltd	PLUSP.L	597.9	1,618.3	7.7	2.7	NaN	3.1
Interactive Brokers Group Inc	IBKR.O	4,388.9	36,925.8	14.8	8.4	2.5	16.4
Charles Schwab Corp	SCHW.K	18,378.6	104,890.8	18.1	5.7	2.5	40.8
A-Mark Precious Metals Inc	AMRK.O	8,953.0	585.1	7.1	0.1	NaN	9.6
Raymond James Financial Inc	RJF	11,637.8	21,599.8	11.6	1.8	2.1	NaN
<b>Mean</b>		<b>8,791.2</b>	<b>33,124.0</b>	<b>11.9</b>	<b>3.7</b>	<b>2.4</b>	<b>17.5</b>
<b>Median</b>		<b>8,953.0</b>	<b>21,599.8</b>	<b>11.6</b>	<b>2.7</b>	<b>2.5</b>	<b>13.0</b>
<b>Niche Market Premium</b>				40.0%	40.0%	40.0%	40.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>14.2</b>	<b>4.5</b>	<b>2.8</b>	<b>21.0</b>
<b>Final Multiple - Median</b>				<b>14.0</b>	<b>3.2</b>	<b>3.0</b>	<b>15.6</b>
<b>Valuation - Full Company (Mean)</b>				<b>27.6</b>			
<b>Valuation - Full Company (Median)</b>				<b>27.0</b>			
<b>Valuation - Whitestone's Share (Mean)</b>				<b>15.6</b>			
<b>Valuation - Whitestone's Share (Median)</b>				<b>15.3</b>			

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

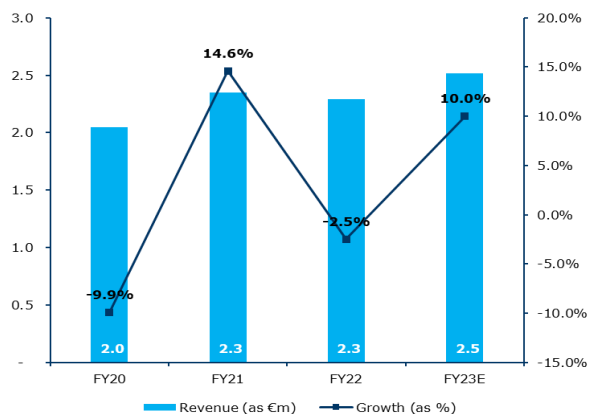
## European Capital Partners (20.0% Stake)

**Business Description:** European Capital Partners (ECP) is an open platform regulated by the CSSF for wealth and asset management and was founded in 2010 by 2 local entrepreneurs. In 2018, ECP became a 'super manco' which allows it to manage both UCITS funds and alternative funds, while providing MiFiD services to private clients.

In 2020, ECP went international by opening up its share capital to strategic Swiss and Belgian partners. European Capital Partners serves private and professional investors with listed and unlisted financial assets. Its culture is entrepreneurial, holistic, responsive and flexible while applying the highest professional standards on a daily basis in the exercise of its activities.



### Revenue – FY20 to FY23E



Source: Whitestone Group, KBC Securities

### Financials – European Capital Partners (ECP)

	FY20	FY21	FY22	FY23E
Revenue (as €m)	2.0	2.3	2.3	2.5
Growth (as %)	-9.9%	14.6%	-2.5%	10.0%
EBITDA (as €m)	(0.2)	0.1	0.1	0.6
Margin (as %)	-8.8%	4.1%	3.4%	25.0%
Op. result (as €m)	(0.2)	0.1	0.1	0.4
Margin (as %)	-10.4%	2.4%	2.3%	17.0%
Net result (as €m)	(0.2)	0.1	0.0	0.3
Margin (as %)	-11.8%	3.4%	1.8%	10.0%
Whitestone's stake (as %)	20.0%	20.0%	20.0%	20.0%

Source: Whitestone Group, KBC Securities

### Valuation – European Capital Partners (ECP)

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
Amundi SA	AMUN.PA	3,333.5	12,693.3	9.9	3.8	1.1	16.9
Julius Baer Gruppe AG	BAER.S	4,189.5	10,047.8	9.6	2.4	1.5	NaN
Vontobel Holding AG	VONN.S	1,423.7	3,278.5	13.3	2.3	1.4	NaN
EFG International AG	EFGN.S	1,514.1	3,789.6	12.7	2.5	1.5	NaN
<b>Mean</b>		<b>2,615.2</b>	<b>7,452.3</b>	<b>11.4</b>	<b>2.8</b>	<b>1.4</b>	<b>16.9</b>
<b>Median</b>		<b>2,423.8</b>	<b>6,918.7</b>	<b>11.3</b>	<b>2.4</b>	<b>1.4</b>	<b>16.9</b>
<b>Niche Market Premium</b>				40.0%	40.0%	40.0%	40.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>13.7</b>	<b>3.3</b>	<b>1.7</b>	<b>20.3</b>
<b>Final Multiple - Median</b>				<b>13.6</b>	<b>2.9</b>	<b>1.7</b>	<b>20.3</b>
<b>Valuation - Full Company (Mean)</b>				<b>8.3</b>			
<b>Valuation - Full Company (Median)</b>				<b>7.4</b>			
<b>Valuation - Whitestone's Share (Mean)</b>				<b>1.7</b>			
<b>Valuation - Whitestone's Share (Median)</b>				<b>1.5</b>			

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

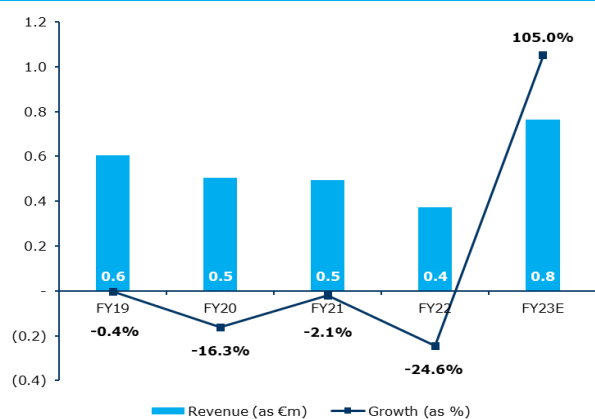
## Whitestone Partners (100.0% Stake)

**Business Description:** Founded in 2012, the subsidiary Whitestone Partners constitutes the historical part of Whitestone Group, particularly the management of listed assets. This company acts as General al Partner of the SICAV-SIF Whitestone Investments which comprises 2 divisions:

1. Absolute Return & Multi Assets (ARMS), is a mixed fund (equities, bonds, gold and cash) with a rather defensive strategy.
2. Long Equity Growth Strategy (LEGS), is an equity fund which only invests in holding companies, fund managers, (diversified) companies with strong family roots, mainly in Europe and the United States.



### Revenue – FY20 to FY23E



Source: Whitestone Group, KBC Securities

### Financials – European Capital Partners (ECP)

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)	0.6	0.5	0.5	0.4	0.8
Growth (as %)	-0.4%	-16.3%	-2.1%	-24.6%	105.0%
EBITDA (as €m)	(0.0)	0.1	0.3	0.1	0.5
Margin (as %)	-5.2%	14.4%	61.5%	20.0%	60.0%
Op. result (as €m)	(0.0)	0.1	0.3	0.1	0.5
Margin (as %)	-6.8%	13.0%	60.5%	19.4%	60.0%
Net result (as €m)	(0.0)	(0.1)	0.2	(0.1)	0.4
Margin (as %)	-5.7%	-14.3%	31.3%	-16.1%	47.0%
Whitestone's stake (as %)	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Whitestone Group, KBC Securities

### Valuation – Whitestone Partners

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
Amundi SA	AMUN.PA	3,333.5	12,693.3	9.9	3.8	1.1	16.9
Julius Baer Gruppe AG	BAER.S	4,189.5	10,047.8	9.6	2.4	1.5	NaN
Vontobel Holding AG	VONN.S	1,423.7	3,278.5	13.3	2.3	1.4	NaN
EFG International AG	EFGN.S	1,514.1	3,789.6	12.7	2.5	1.5	NaN
<b>Mean</b>		<b>2,615.2</b>	<b>7,452.3</b>	<b>11.4</b>	<b>2.8</b>	<b>1.4</b>	<b>16.9</b>
<b>Median</b>		<b>2,423.8</b>	<b>6,918.7</b>	<b>11.3</b>	<b>2.4</b>	<b>1.4</b>	<b>16.9</b>
<b>Niche Market Premium</b>				0.0%	0.0%	0.0%	0.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>9.1</b>	<b>2.2</b>	<b>1.1</b>	<b>13.5</b>
<b>Final Multiple - Median</b>				<b>9.1</b>	<b>2.0</b>	<b>1.2</b>	<b>13.5</b>
<b>Valuation - Full Company (Mean)</b>					<b>1.7</b>		
<b>Valuation - Full Company (Median)</b>					<b>1.5</b>		
<b>Valuation - Whitestone's Share (Mean)</b>					<b>1.7</b>		
<b>Valuation - Whitestone's Share (Median)</b>					<b>1.5</b>		

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

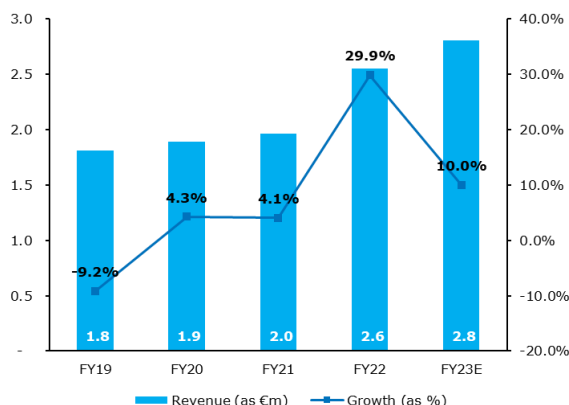
## VALUATION – INDUSTRIAL

### ISO-Tech (50.0% Stake)

**Business Description:** ISO-Tech is active in the sale of composite materials and more particularly the sale of 'Mica', a material offering exceptional electrical and thermal properties. ISO-Tech's client base is diversified across the entire world – 70.0% in the EU, 20.0% in Asia, & 10.0% in America. ISO-Tech operates as a trading house by buying large quantities and delivering the product to end users. ISO-Tech has its own production unit in for the manufacture of some Mica products.



#### Revenue & Growth – FY19 to FY23E



Source: National Bank Of Belgium, KBC Securities

#### Financials – ISO-Tech

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)	1.8	1.9	2.0	2.6	2.8
Growth (as %)	-9.2%	4.3%	4.1%	29.9%	10.0%
EBITDA (as €m)	0.2	0.2	0.5	0.7	0.7
Margin (as %)	13.5%	10.6%	23.0%	27.6%	25.0%
Op. result (as €m)	0.2	0.2	0.4	0.4	0.5
Margin (as %)	13.0%	10.0%	22.5%	17.1%	17.0%
Net result (as €m)	0.2	0.2	0.4	0.3	0.4
Margin (as %)	12.2%	9.5%	19.0%	12.3%	15.0%
Whitestone's stake (as %)	50.0%	50.0%	50.0%	50.0%	50.0%

Source: National Bank Of Belgium, KBC Securities

#### Valuation – ISO-Tech

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
NV Bekaert SA	BEKB.BR	4,362.0	2,557.0	9.1	0.6	1.1	5.6
Norma Group SE	NOEJ.DE	1,243.9	469.0	9.3	0.4	0.6	5.3
Insteel Industries Inc	IIIN.K	534.5	620.9	22.9	1.2	NaN	11.9
SP Group A/S	SPGP.CO	356.8	316.2	15.5	0.9	1.5	5.1
Legrand SA	LEGD.PA	8,554.1	24,029.6	19.9	2.8	3.2	12.9
<b>Mean</b>		<b>3,010.3</b>	<b>5,598.5</b>	<b>15.3</b>	<b>1.2</b>	<b>1.6</b>	<b>8.2</b>
<b>Median</b>		<b>1,243.9</b>	<b>620.9</b>	<b>15.5</b>	<b>0.9</b>	<b>1.3</b>	<b>5.6</b>
<b>Niche Market Premium</b>				20.0%	20.0%	20.0%	20.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>15.3</b>	<b>1.2</b>	<b>1.6</b>	<b>8.2</b>
<b>Final Multiple - Median</b>				<b>15.5</b>	<b>0.9</b>	<b>1.3</b>	<b>5.6</b>
<b>Valuation - Full Company (Mean)</b>				<b>6.5</b>			
<b>Valuation - Full Company (Median)</b>				<b>6.5</b>			
<b>Valuation - Whitestone's Share (Mean)</b>				<b>3.2</b>			
<b>Valuation - Whitestone's Share (Median)</b>				<b>3.3</b>			

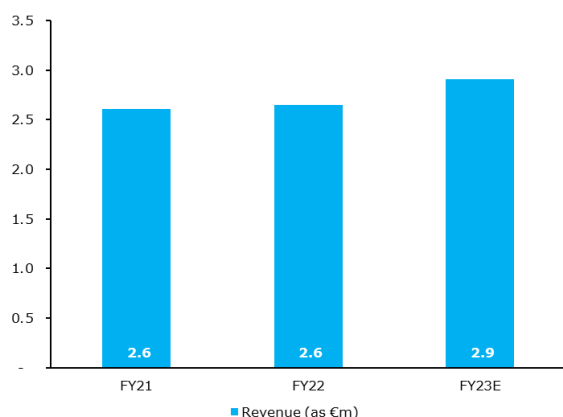
Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

## Atima-TPIM (46.5% Stake)

**Business Description:** ATIMA is active in the machining of composite materials of all types offering specific properties such as low weight, heat resistance, electrical insulation, resistance to corrosion, acids, etc. compared to conventional steel and aluminium. ATIMA enjoys a unique reputation for its know-how and its ability to machine "non-standard" parts. Also, ATIMA has its own material, Wartex™, which is used by players in the steel industry and Wartex™ is distributed all over the world.



### Revenue – FY21 to FY23E



Source: National Bank Of Belgium, KBC Securities

### Financials – Atima-TPIM

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)			2.6	2.6	2.9
Growth (as %)			-	1.6%	10.0%
EBITDA (as €m)			0.2	0.7	0.5
Margin (as %)			6.4%	25.6%	17.5%
Op. result (as €m)			(0.0)	0.5	0.4
Margin (as %)			-0.2%	19.2%	15.0%
Net result (as €m)			0.1	0.3	0.3
Margin (as %)			4.6%	12.8%	10.0%
Whitestone's stake (as %)			46.5%	46.5%	46.5%

Source: National Bank Of Belgium, KBC Securities

### Valuation – Atima-TPIM

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
NV Bekaert SA	BEKB.BR	4,362.0	2,557.0	9.1	0.6	1.1	5.6
Norma Group SE	NOEJ.DE	1,243.9	469.0	9.3	0.4	0.6	5.3
Insteel Industries Inc	IIIN.K	534.5	620.9	22.9	1.2	NaN	11.9
SP Group A/S	SPGP.CO	356.8	316.2	15.5	0.9	1.5	5.1
Legrand SA	LEGD.PA	8,554.1	24,029.6	19.9	2.8	3.2	12.9
<b>Mean</b>		<b>3,010.3</b>	<b>5,598.5</b>	<b>15.3</b>	<b>1.2</b>	<b>1.6</b>	<b>8.2</b>
<b>Median</b>		<b>1,243.9</b>	<b>620.9</b>	<b>15.5</b>	<b>0.9</b>	<b>1.3</b>	<b>5.6</b>
<b>Niche Market Premium</b>				20.0%	20.0%	20.0%	20.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>15.3</b>	<b>1.2</b>	<b>1.6</b>	<b>8.2</b>
<b>Final Multiple - Median</b>				<b>15.5</b>	<b>0.9</b>	<b>1.3</b>	<b>5.6</b>
<b>Valuation - Full Company (Mean)</b>				<b>4.5</b>			
<b>Valuation - Full Company (Median)</b>				<b>4.5</b>			
<b>Valuation - Whitestone's Share (Mean)</b>				<b>2.1</b>			
<b>Valuation - Whitestone's Share (Median)</b>				<b>2.1</b>			

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

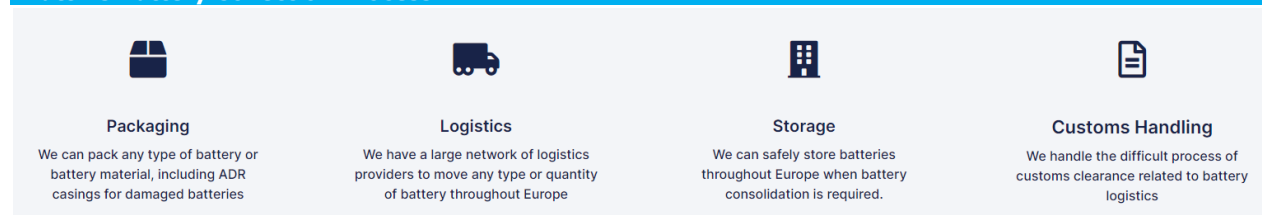


## Battri (Stake Not Disclosed)



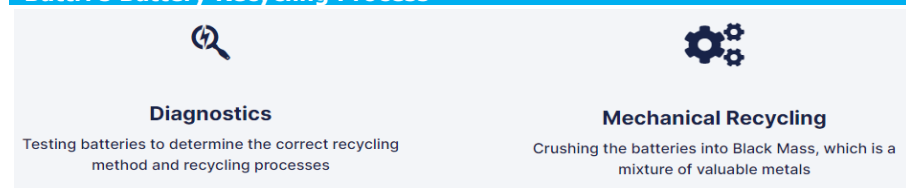
**Business Description:** Battri is a French battery recycling company whose mission it is to make it simple and easy to recycle Lithium-ion batteries. Currently, the company is setting up a battery recycling facility in France and is also establishing seamless networks to buy/collect lithium-ion batteries from all across Europe.

### Battri's Battery Collection Process



Source: Battri

### Battri's Battery Recycling Process



Source: Battri

Battri's recycling facility will be well-equipped and will be able to accommodate several battery types:

1. **NMC:** Nickel Manganese Cobalt Oxide.
2. **LFP:** Lithium Iron Phosphate.
3. **NCA:** Lithium Nickel Cobalt Aluminium Oxide.
4. **LTO:** Lithium Titanate Oxide.
5. **LCO:** Lithium Cobalt Oxide.
6. **LMO:** Lithium Manganese Oxide.

Battri will produce 2 materials from recycled electric vehicle batteries namely 'black mass' and 'metal scrap' and these 2 materials are used to produce new batteries.

### Final Products Of Battri's Recycling Process



Source: Battri

**Valuation:** Since the investment in Battri was made during October 2023 and the company is still in the set up phase, we consider the €1.0m investment in Battri to be representative of the investment's current value.

## VALUATION - ENVIRONMENTAL

### Newtree Impact (4.6% Stake)

**Business Description:** Through its listing on the Euronext, Newtree Impact wants to make impact investing accessible to everyone. The company invests in technologies that are likely to transform the way we produce and consume our food in order to feed an ever growing population facing a strong deterioration of ecosystems. The sectors approached are all alternatives to animal proteins, plant proteins, carbon sinks or any innovation in the food chain offering a better climate solution to the pre-existing one. The 3 major investment themes are: Agri-Tech, Food-loss, and Food tech.



#### Newtree Impact's Portfolio

<p><b>AquaSpark</b> - Investing in the Future of Aquaculture</p> <p><b>AquaSpark ~ NL</b></p> <ul style="list-style-type: none"> <li>- Global aquaculture investment holding</li> <li>- 27 Portfolio companies</li> <li>- 191MnKg of feed &amp; 66Mn of fish saved (2022)</li> </ul> <p>Category Investment Food-T €1.2M</p>	<p><b>NEWTREE</b></p> <p><b>Newtree SA ~ BE</b></p> <ul style="list-style-type: none"> <li>- Sustainable chocolate &amp; coffee company</li> <li>- X-times Archers, Great Taste &amp; ITQI Awards &amp; Carbon neutral</li> <li>- Premium quality</li> </ul> <p>Category Investment Food-T €2M</p>	<p><b>Proteon Pharmaceuticals</b></p> <p><b>Proteon ~ PL</b></p> <ul style="list-style-type: none"> <li>- Precision biology for microbiome protection</li> <li>- Eliminate unnecessary use of Antibiotics</li> <li>- 3 Products already in market, 4<sup>th</sup> in line</li> </ul> <p>Category Investment Agri-T €600K</p>	<p><b>PROTIX</b></p> <p><b>Protix ~ NL</b></p> <ul style="list-style-type: none"> <li>- Production of insect-based proteins</li> <li>- 6 products in portfolio, aquaculture &amp; pet food</li> <li>- Only large-scale insect production company</li> </ul> <p>Category Investment Food-T €300K</p>	<p><b>Funds ~ US &amp; EU</b></p> <ul style="list-style-type: none"> <li>- Plant-based, dairy, food-tech, fermentation, &amp; cellular agriculture</li> <li>- Focus on EU, US &amp; Asia</li> <li>- F1-1/2 invested &gt;20 lines F2-Close 2021&gt;14 lines</li> </ul> <p>Category Commitment Food-T €1.5m</p>
<p><b>Atomo</b></p> <p><b>Atomo Coffee ~ US</b></p> <ul style="list-style-type: none"> <li>- Developing coffee without coffee beans.</li> <li>- Horizon Ventures, S2G ventures, Bessemer &amp; AgFunder as investors.</li> <li>- 4 patents assigned</li> </ul> <p>Category Investment Food-T €314K</p>	<p><b>CUBIQ</b></p> <p><b>Cubiq Foods ~ ES</b></p> <ul style="list-style-type: none"> <li>- Plant-based oil &amp; fat replacers.</li> <li>- 3 solutions in pipeline, 1 already available.</li> <li>- Cargill as Strategic partner</li> </ul> <p>Category Investment Food-T €500K</p>	<p><b>evodia.bio</b></p> <p><b>EvodiaBio ~ DK</b></p> <ul style="list-style-type: none"> <li>- Metabolic engineering to produce high-value isoprenoids.</li> <li>- Product, Yops, to replace hops &amp; hop oil.</li> <li>- 1 patent assigned.</li> </ul> <p>Category Investment Food-T €703K</p>	<p><b>ALGAMA</b></p> <p><b>Algama Foods ~ FR</b></p> <ul style="list-style-type: none"> <li>- Algae-based ingredients for F&amp;B.</li> <li>- In-partner with Bimbo, Cargill, Puratos, Kraft Heinz etc.</li> <li>- 25+ available patents.</li> </ul> <p>Category Investment Food-T €1M</p>	<p><b>Fund 3</b></p> <p><b>AG Fund ~ US</b></p> <ul style="list-style-type: none"> <li>- Agri-Food tech fund for Early-stage companies</li> <li>- 2.11x in 4 successfully closed funds.</li> <li>- 50+ Investments, pioneers in the space.</li> </ul> <p>Category Commitment Agri-T €500K</p>
<p><b>fable</b></p> <p><b>Fable Foods ~ AU</b></p> <ul style="list-style-type: none"> <li>- Braised alternative meat products from mushrooms.</li> <li>- Available in &gt;300 QSRs in Australia.</li> <li>- 3 IPs in place.</li> </ul> <p>Category Investment Food-T €284K</p>	<p><b>heura</b></p> <p><b>Heura Foods ~ ES</b></p> <ul style="list-style-type: none"> <li>- Mediterranean Plant-based meat.</li> <li>- 11 Chilled &amp; 14 Frozen products in the market.</li> <li>- Multiple IPs &amp; proprietary GRT tech.</li> </ul> <p>Category Investment Food-T €1.5M</p>	<p><b>cropx</b></p> <p><b>CropX Inc. ~ IS</b></p> <ul style="list-style-type: none"> <li>- Ag-analytics farm management solution.</li> <li>- Customers in 60 countries, &amp; 3M acres.</li> <li>- 4 acquisitions made since 2020.</li> </ul> <p>Category Investment Agri-T €764K</p>	<p><b>NEW/SCHOOL</b></p> <p><b>New School Foods ~ CA</b></p> <ul style="list-style-type: none"> <li>- Plant-based whole-cut Meat &amp; Seafood.</li> <li>- Patented directional freezing technology.</li> <li>- R&amp;D focused team, with Uni collaborations</li> </ul> <p>Category Investment Food-T €274K</p>	<p><b>NEWTREE</b> Proteon Pharmaceuticals</p> <p><b>Newtree and Proteon</b></p> <ul style="list-style-type: none"> <li>- Reinforcing Newtree Group with €188K, while €250K was approved by the IC and Board.</li> <li>- Participated in the SAFE round by Proteon with ticket of €100K, maintaining our stake of ~0.75%.</li> </ul>

Source: Newtree Impact

**Valuation:** Since Newtree Impact is listed on the Euronext, we make use of the stock price to value the stake under NAV. Since there are no available target prices for Newtree Impact, we make use of the stock price to value the stake under target equity value (TEV) as well.

## Emulco (25.0% Stake)

**Business Description:** Emulco (The Emulsion Company) was founded in Belgium in 2005 to develop high-end emulsions, invest in advanced R&D for emulsion technology and perform lab activities for third parties as well as to explore additional research and development possibilities for worldwide customers. Emulco is specialized in high-end and complex emulsions such as EPDM, PIB and bio emulsions for the wood, food packaging, construction, cosmetics, chemical and textile industries. The company strives to offer innovative and sustainable products to its customers. Whether it's a, simple, complex, bio, -mineral or -polymer based molecule, Emulco is always considering if it can turn the molecule into a stable water based emulsion.



### Emulco's Product Mix

AquaVeg	AquaPib®
<p>AquaVeg emulsions are water-based emulsions from vegetable waxes. Originated from widely available triglycerides, these water carried emulsions are a sustainable and green alternative for mineral wax emulsions, being biodegradable and with zero VOC emissions.</p> <p><b>Applications:</b>  Wood industry (MDF, PB, OSB, CLT, LVL, etc.), paper industry (food contact paper, wrapping, coatings, etc.), cosmetics, agrochemical industry, inks and anti-corrosion.</p>	<p>AquaPib® emulsions are patented water-based low viscosity emulsions based on the polyisobutylene (PIB) molecule. PIB is available in many molecular weights. Emulco is capable of emulsifying PIB up to a molecular weight of 85.000g/mol. AquaPib® can be obtained from Mass Balance vegetable sources as well.</p> <p><b>Applications:</b>  Water vapor barrier, flexible at extremely low temperatures (-60°C), adhesive properties on almost all materials (except silicones), sealant and anti-corrosion.</p>
AquaPol®	Fractagator®
<p>AquaPol® MRT55 is a water-based low viscosity emulsion of EPDM. AquaPol® MRT55 is a result of Emulco's emulsification technology and the expertise of USA-based EPDM supplier/producer Lion Elastomers. This molecule can be combined with a cross-linker and as a result a water-based emulsion converts into a solid EPDM membrane. This water based system allows the user to replace a solvent based problem with a water based solution.</p> <p><b>Applications:</b>  Construction coating, roofing membrane, barrier coating that provides air, water or chemical impermeability and as an anti-corrosive coating.</p>	<p>Fractagator® is a novel and patented emulsification device based on fractal mixing and allowing continuous emulsification process. It makes use of specially designed static mixer units to create symmetric flow patterns, similar to the baker's transformation. It uniquely enables emulsion processing in a continuous manner.</p> <p><b>Applications:</b>  Ideal tool for companies and sectors needing continuous emulsification, such as the food, cosmetics, chemical and para-pharmacy industries.</p>

Source: Emulco

**Valuation:** Due to very low visibility of company and subsequent unavailability of data, we make use of the book value of the investment of €1.5m (provided by Whitestone Group) and apply an illiquidity discount of 20.0% to arrive at a final valuation of €1.2m.

## Probiotic Group (10.0% Stake)

**Business Description:** Probiotic Group is a microbiology-based biotechnology laboratory with a reputation in the fields of cleaning and probiotic-based care. Probiotic Group aims to bring change to hygiene habits through its Provilan® brand. Under the Provilan® brand, the company develops a range of care, hygiene and cleaning products made from environmentally friendly ingredients - this safe and natural range also includes pet hygiene products. Through science and expertise, the Probiotic Group offers sustainable and ecological hygiene solutions which also leads to a much lower impact on the environment. The company also works under the 'Private Label' model wherein Probiotic Group would manufacture products which will be sold under the client's (FMCG and speciality chemical companies) own brand.



### Probiotic's Product Mix

<p><b>LUcaa<sup>+</sup></b></p> <p><b>LUCAA+</b></p>	<p><b>evaa<sup>+</sup></b></p> <p><b>EVAA+</b></p>
<p>The LUCAA+ product range for pets is a set of natural products for the care and hygiene of your dog, cat, rabbit and other animals.</p>	<p>The EVAA+ product range for house cleaning is a set of environmentally friendly products which are composed of beneficial microorganisms, better known as probiotics which are biodegradable (environmentally friendly).</p>
<p><b>Denaa<sup>+</sup></b></p> <p><b>DENAA+</b></p>	<p><b>TeRRaa<sup>+</sup></b></p> <p><b>TERRAA+</b></p>
<p>The DENAA+ product range consists of cleaning products specifically designed for environments with high risks of microbial invasions such as dental practices, beauty salons, gyms, hospitals, nursing homes, medical practices, pharmacies, schools, etc.</p>	<p>The TERRAA+ product range consists of probiotic-based solutions for septic tanks, aquatic environments and industry. They consist of a set of bacteria specially developed to meet specific needs, such as cleaning contaminated soils and water, as well as reducing sludge and organic matter.</p>

Source: Probiotic Group

**Valuation:** Due to very low visibility of company and subsequent unavailability of data, we make use of the book value of the investment of €1.3m (provided by Whitestone Group) and apply an illiquidity discount of 20.0% to arrive at a final valuation of €1.0m.

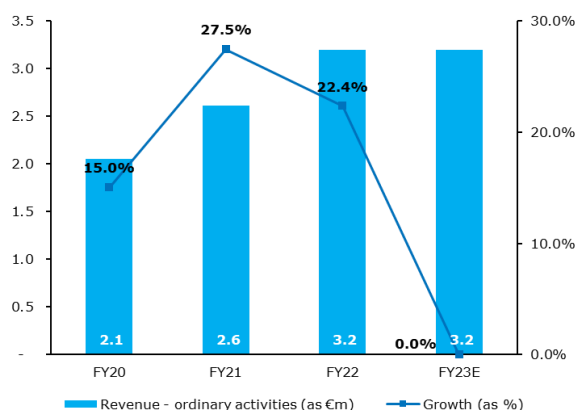
## VALUATION - TECHNOLOGY



### Freedelivery (23.4% Stake)

**Business Description:** Since its creation in 2010, Freedelivery has supported players in the retail sector in the collection, updating and processing of personal data with a dual approach: taking into account the needs and projects of retailers on the one hand, but also those of consumers concerned about obtaining maximum transparency as to the processing of their personal data. Freedelivery has over 800 customers such as MediaMarkt, Broze, Pizza Hut, Trafic, Delitrateur, Prik&Tik, Comptoir des Vins, Tournesols, Bongo, Intermarché, Hairdis, etc.

#### Revenue – FY20 to FY23E



Source: National Bank Of Belgium, KBC Securities

#### Financials – Freedelivery

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)	1.8	2.1	2.6	3.2	3.2
Growth (as %)	-	15.0%	27.5%	22.4%	0.0%
EBITDA (as €m)	0.7	0.4	0.7	0.7	0.6
Margin (as %)	38.1%	19.0%	25.2%	23.3%	19.0%
Op. result (as €m)	0.4	0.4	0.6	0.9	0.5
Margin (as %)	25.0%	17.9%	22.2%	27.8%	17.0%
Net result (as €m)	0.4	0.3	0.4	0.7	0.3
Margin (as %)	24.7%	14.8%	17.1%	20.8%	10.0%
Whitestone's stake (as %)	23.4%	23.4%	23.4%	23.4%	23.4%

Source: National Bank Of Belgium, KBC Securities

#### Valuation – Freedelivery

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
SPS Commerce Inc	SPSC.O	577.3	6,152.7	57.3	10.7	NaN	34.8
ACI Worldwide Inc	ACIW.O	1,419.6	2,953.1	22.4	2.1	NaN	9.7
CGI Inc	GIBa.TO	10,221.0	21,308.8	19.6	2.1	3.6	11.0
Constellation Software Inc	CSU.TO	9,106.5	53,041.9	34.4	5.8	NaN	22.0
<b>Mean</b>		<b>5,331.1</b>	<b>20,864.1</b>	<b>33.4</b>	<b>5.2</b>	<b>3.6</b>	<b>19.4</b>
<b>Median</b>		<b>5,263.0</b>	<b>13,730.7</b>	<b>28.4</b>	<b>3.9</b>	<b>3.6</b>	<b>16.5</b>
<b>Niche Market Premium</b>				0.0%	0.0%	0.0%	0.0%
<b>Size Discount (as %)</b>				0.0%	0.0%	0.0%	0.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>26.7</b>	<b>4.1</b>	<b>2.9</b>	<b>15.5</b>
<b>Final Multiple - Median</b>				<b>22.7</b>	<b>3.1</b>	<b>2.9</b>	<b>13.2</b>
<b>Valuation - Full Company (Mean)</b>					<b>13.2</b>		
<b>Valuation - Full Company (Median)</b>					<b>10.1</b>		
<b>Valuation - Whitestone's Share (Mean)</b>					<b>3.1</b>		
<b>Valuation - Whitestone's Share (Median)</b>					<b>2.4</b>		

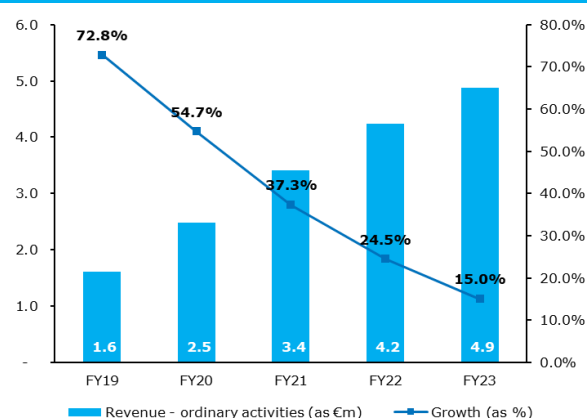
Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

## EMAsphere (9.9% Stake)

**Business Description:** EMAsphere, a Walloon scale-up, publishes a reporting platform for financial analysts who want to save time. Launched in 2015, EMAsphere's mission is to provide CFOs with up-to-date reporting at their fingertips so that they can finally focus on analysing the performance of their business. The EMAsphere platform automatically connects to all the company's software – accounting system, CRM, ERP, HR – and structures the data into dashboards and financial and non-financial management indicators.



### Revenue – FY20 to FY23E



Source: National Bank Of Belgium, KBC Securities

### Financials – EMAsphere

	FY19	FY20	FY21	FY22	FY23E
Revenue (as €m)	1.6	2.5	3.4	4.2	4.9
Growth (as %)	72.8%	54.7%	37.3%	24.5%	15.0%
EBITDA (as €m)	(3.0)	(2.4)	(2.0)	(1.8)	(1.5)
Margin (as %)	-189.5%	-96.3%	-59.6%	-41.7%	-30.0%
Op. result (as €m)	(3.7)	(3.2)	(2.9)	(2.7)	(2.2)
Margin (as %)	-229.1%	-130.2%	-83.8%	-63.0%	-45.0%
Net result (as €m)	(3.6)	(3.2)	(2.8)	(2.7)	(1.2)
Margin (as %)	-226.5%	-127.8%	-82.7%	-63.3%	-25.0%
Whitestone's stake (as %)	9.9%	9.9%	9.9%	9.9%	9.9%

Source: National Bank Of Belgium, KBC Securities

### Valuation - EMAsphere

Company Name	RIC	Total Revenue	Market Cap.	P/E	P/S	P/B	P/EBITDA
Intuit Inc	INTU.O	14,801.3	165,374.7	38.8	11.1	8.9	28.4
Sap Se	SAPG.DE	33,844.7	204,177.2	33.5	6.0	4.6	23.0
Workday Inc	WDAY.O	6,674.5	70,587.7	50.3	10.5	11.2	36.1
Sage Group PLC	SGE.L	2,781.7	13,672.9	31.8	4.9	8.7	21.4
Xero Ltd	XRO.AX	950.6	9,901.6	112.1	10.3	13.8	36.7
<b>Mean</b>		<b>11,810.6</b>	<b>92,742.8</b>	<b>53.3</b>	<b>8.6</b>	<b>9.4</b>	<b>29.1</b>
<b>Median</b>		<b>6,674.5</b>	<b>70,587.7</b>	<b>38.8</b>	<b>10.3</b>	<b>8.9</b>	<b>28.4</b>
<b>Niche Market Premium</b>				0.0%	0.0%	0.0%	0.0%
<b>Size Discount (as %)</b>				10.0%	10.0%	10.0%	10.0%
<b>Illiquidity Discount (as %)</b>				20.0%	20.0%	20.0%	20.0%
<b>Final Multiple - Mean</b>				<b>37.3</b>	<b>6.0</b>	<b>6.6</b>	<b>20.4</b>
<b>Final Multiple - Median</b>				<b>27.1</b>	<b>7.2</b>	<b>6.2</b>	<b>19.8</b>
<b>Valuation - Full Company (Mean)</b>				<b>29.2</b>			
<b>Valuation - Full Company (Median)</b>				<b>35.2</b>			
<b>Valuation - Whitestone's Share (Mean)</b>				<b>2.9</b>			
<b>Valuation - Whitestone's Share (Median)</b>				<b>3.5</b>			

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024



## VALUATION – GROUP LEVEL

We make use a 'sum-of-the-parts' model to calculate the net asset value (NAV) of Whitestone Group. We calculate the 'Gross Asset Value (GAV)' by adding up the valuations of all individual companies in the portfolio after which we add the 'net cash/net debt' position to arrive at the net asset value (NAV) & target equity value (TEV) of Whitestone's portfolio. We then divide the NAV and TEV by the total shares outstanding (net of treasury shares) to arrive at the NAV per share (NAVps) and TEV per share (TEVps). Finally, we apply a 10.0% group-level discount to the TEVps to account for the very low liquidity of the shares. **Our model indicates a target equity value of €15.3ps and after having applied a 10.0% group level illiquidity discount, we arrive at our TP of €13.7 implying a 31.7% upside.**

*Our model indicates a target equity value of €15.3ps and after having applied a 10.0% group level illiquidity discount, we arrive at our TP of €13.7 implying a 31.7% upside.*

### NAV Table – Whitestone Group

Calculation - NAV & TEV	Description	Stake (%)	NAV (as Cm)	% of NAV	TEV (as Cm) <sup>(1)</sup>	% of TEV
<b>Financial Services</b>	<b>Varied</b>	<b>Varied</b>	<b>13.6</b>	<b>46.0%</b>	<b>18.3</b>	<b>52.6%</b>
<b>Industrial</b>	<b>Varied</b>	<b>Varied</b>	<b>6.3</b>	<b>21.4%</b>	<b>6.4</b>	<b>18.3%</b>
<b>Environmental</b>	<b>Varied</b>	<b>Varied</b>	<b>3.5</b>	<b>12.0%</b>	<b>2.6</b>	<b>7.6%</b>
<b>Technology</b>	<b>Varied</b>	<b>Varied</b>	<b>4.4</b>	<b>15.0%</b>	<b>5.8</b>	<b>16.8%</b>
<b>Real Estate (Own Use)</b>	<b>Real Estate (Own Use)</b>	<b>NA</b>	<b>0.5</b>	<b>1.6%</b>	<b>0.5</b>	<b>1.4%</b>
<b>Gross Asset Value (GAV)</b>			<b>28.3</b>	<b>96.0%</b>	<b>33.6</b>	<b>96.6%</b>
Net cash/(net debt) at holding level			1.2	4.0%	1.2	3.4%
<b>Net Asset Value (NAV) &amp; Target Equity Value (TEV)</b>			<b>29.5</b>	<b>100.0%</b>	<b>34.8</b>	<b>100.0%</b>
No. of shares outstanding (as m)			2.3		2.3	
No. of treasury shares (for remuneration, resale, collateral, etc.; as m)			-		-	
No. of treasury shares (available for cancellation; as m)			-		-	
<b>No. of shares outstanding (net of treasury shares; as m)</b>			<b>2.3</b>		<b>2.3</b>	
<b>Net Asset Value (NAV) &amp; Target Equity Value (TEV) - Per Share</b>			<b>12.9</b>		<b>15.3</b>	
Last close price (as €ps)			10.4		10.4	
<b>Implied discount or (premium) - NAVps or TEVps (vs) last close price</b>			<b>19.7%</b>		<b>31.8%</b>	
2-year average discount or (premium)			11.0%		11.0%	
1-year average discount or (premium)			18.2%		18.2%	
<b>Target Price</b>					<b>13.7</b>	
<b>Recommendation</b>					<b>Buy</b>	
Implied premium or (discount) - target price (vs) NAVps & TEVps			4.8%		(12.2%)	
Implied upside or (downside) potential - last close price (vs) target price			30.8%		30.8%	
Listed portion of total portfolio (as %)			1.5%		1.2%	

Source: Whitestone Group, KBC Securities

<sup>(1)</sup> For stocks that are not covered by KBCS, "KBCS TP" is the average TP set by other brokers.

Source: Refinitiv Eikon, KBC Securities; data as of 6<sup>th</sup> February 2024

**10.0% Group-Level Discount:** Despite having applied a 20.0% illiquidity discount when valuing every individual asset in the portfolio, we apply a 10.0% discount to the target equity value (TEVps; group-level) to account for the very low liquidity in the shares of Whitestone Group.

**Individual Asset Valuation - Listed:** Currently, Newtree Impact SA is the only listed asset in Whitestone Group's portfolio and we make use the latest share price and the last disclosed ownership % to value the asset under both NAV and TEV.

**Individual Asset Valuation - Private:** For assets that are currently yielding negative cashflows, we make use of the book value of the asset under both NAV and TEV. For cashflow positive assets, we make use of peer multiples, 1-year forward forecasts and last disclosed ownership % to put a value on the asset. All valuations include a standard 20.0% illiquidity discount and may incorporate size discount and nice-market premium where applicable.



## SENSITIVITY ANALYSIS

### Sensitivity Analysis – Net Asset Value

#### Sensitivity Analysis - NAVps (vs) Variation in Financial Services & Technology

Variation (% & In €m) - Technology	Variation (% & In €m) - Financial Services										
	+/- 5.0%	NAVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		12.9	16.3	15.6	14.9	14.2	13.6	12.9	12.2	11.5	10.9
	20.0%	5.3	14.5	14.2	13.9	13.6	13.3	13.0	12.7	12.4	12.1
	15.0%	5.1	14.4	14.1	13.8	13.5	13.2	12.9	12.6	12.3	12.0
	10.0%	4.9	14.3	14.0	13.7	13.4	13.1	12.8	12.5	12.2	12.0
	5.0%	4.6	14.2	13.9	13.6	13.3	13.0	12.7	12.4	12.2	11.9
	0.0%	4.4	14.1	13.8	13.5	13.2	12.9	12.7	12.4	12.1	11.8
	-5.0%	4.2	14.0	13.7	13.4	13.1	12.9	12.6	12.3	12.0	11.7
	-10.0%	4.0	13.9	13.6	13.3	13.1	12.8	12.5	12.2	11.9	11.6
	-15.0%	3.8	13.8	13.5	13.3	13.0	12.7	12.4	12.1	11.8	11.5
	-20.0%	3.5	13.8	13.5	13.2	12.9	12.6	12.3	12.0	11.7	11.4

#### Sensitivity Analysis - NAVps (vs) Variation in Financial Services & Industry

Variation (% & In €m) - Industry	Variation (% & In €m) - Financial Services										
	+/- 5.0%	NAVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		12.9	16.3	15.6	14.9	14.2	13.6	12.9	12.2	11.5	10.9
	20.0%	7.6	14.7	14.4	14.1	13.8	13.5	13.2	12.9	12.6	12.3
	15.0%	7.3	14.6	14.3	14.0	13.7	13.4	13.1	12.8	12.5	12.2
	10.0%	6.9	14.4	14.1	13.8	13.5	13.2	12.9	12.6	12.3	12.0
	5.0%	6.6	14.3	14.0	13.7	13.4	13.1	12.8	12.5	12.2	11.9
	0.0%	6.3	14.1	13.8	13.5	13.2	12.9	12.7	12.4	12.1	11.8
	-5.0%	6.0	14.0	13.7	13.4	13.1	12.8	12.5	12.2	11.9	11.6
	-10.0%	5.7	13.9	13.6	13.3	13.0	12.7	12.4	12.1	11.8	11.5
	-15.0%	5.4	13.7	13.4	13.1	12.8	12.5	12.2	11.9	11.6	11.3
	-20.0%	5.0	13.6	13.3	13.0	12.7	12.4	12.1	11.8	11.5	11.2

#### Sensitivity Analysis - NAVps (vs) Variation in Financial Services & Environment

Variation (% & In €m) - Environment	Variation (% & In €m) - Financial Services										
	+/- 5.0%	NAVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		12.9	16.3	15.6	14.9	14.2	13.6	12.9	12.2	11.5	10.9
	20.0%	4.2	14.4	14.2	13.9	13.6	13.3	13.0	12.7	12.4	12.1
	15.0%	4.1	14.4	14.1	13.8	13.5	13.2	12.9	12.6	12.3	12.0
	10.0%	3.9	14.3	14.0	13.7	13.4	13.1	12.8	12.5	12.2	11.9
	5.0%	3.7	14.2	13.9	13.6	13.3	13.0	12.7	12.4	12.1	11.8
	0.0%	3.5	14.1	13.8	13.5	13.2	12.9	12.7	12.4	12.1	11.8
	-5.0%	3.4	14.1	13.8	13.5	13.2	12.9	12.6	12.3	12.0	11.7
	-10.0%	3.2	14.0	13.7	13.4	13.1	12.8	12.5	12.2	11.9	11.6
	-15.0%	3.0	13.9	13.6	13.3	13.0	12.7	12.4	12.1	11.8	11.5
	-20.0%	2.8	13.8	13.5	13.2	12.9	12.6	12.3	12.0	11.7	11.4

Source: KBC Securities

**Sensitivity Analysis – Target Equity Value**

**Sensitivity Analysis - TEVps (vs) Variation in Financial Services & Technology**

Variation (% & In €m) - Technology	Variation (% & In €m) - Financial Services										
	+/- 5.0%	TEVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		<b>15.3</b>	21.9	21.0	20.1	19.2	<b>18.3</b>	17.4	16.5	15.5	14.6
	20.0%	7.0	17.4	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2
	15.0%	6.7	17.2	16.8	16.4	16.0	15.6	15.2	14.8	14.4	14.0
	10.0%	6.4	17.1	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9
	5.0%	6.1	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8
	0.0%	<b>5.8</b>	16.9	16.5	16.1	15.7	15.3	14.9	14.5	14.1	13.7
	-5.0%	5.5	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5
	-10.0%	5.2	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8	13.4
	-15.0%	5.0	16.5	16.1	15.7	15.3	14.9	14.5	14.1	13.7	13.3
	-20.0%	4.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5	13.1

**Sensitivity Analysis - TEVps (vs) Variation in Financial Services & Industry**

Variation (% & In €m) - Industry	Variation (% & In €m) - Financial Services										
	+/- 5.0%	TEVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		<b>15.3</b>	21.9	21.0	20.1	19.2	<b>18.3</b>	17.4	16.5	15.5	14.6
	20.0%	7.6	17.4	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2
	15.0%	7.3	17.3	16.9	16.5	16.1	15.7	15.3	14.9	14.5	14.1
	10.0%	7.0	17.1	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9
	5.0%	6.7	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8
	0.0%	<b>6.4</b>	16.9	16.5	16.1	15.7	15.3	14.9	14.5	14.1	13.7
	-5.0%	6.0	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5
	-10.0%	5.7	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8	13.4
	-15.0%	5.4	16.4	16.0	15.6	15.2	14.8	14.4	14.0	13.6	13.2
	-20.0%	5.1	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5	13.1

**Sensitivity Analysis - TEVps (vs) Variation in Financial Services & Environment**

Variation (% & In €m) - Environment	Variation (% & In €m) - Financial Services										
	+/- 5.0%	TEVps	20.0%	15.0%	10.0%	5.0%	0.0%	-5.0%	-10.0%	-15.0%	-20.0%
		<b>15.3</b>	21.9	21.0	20.1	19.2	<b>18.3</b>	17.4	16.5	15.5	14.6
	20.0%	3.2	17.1	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9
	15.0%	3.0	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8
	10.0%	2.9	17.0	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8
	5.0%	2.8	16.9	16.5	16.1	15.7	15.3	14.9	14.5	14.1	13.7
	0.0%	<b>2.6</b>	16.9	16.5	16.1	15.7	15.3	14.9	14.5	14.1	13.7
	-5.0%	2.5	16.8	16.4	16.0	15.6	15.2	14.8	14.4	14.0	13.6
	-10.0%	2.4	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5
	-15.0%	2.2	16.7	16.3	15.9	15.5	15.1	14.7	14.3	13.9	13.5
	-20.0%	2.1	16.6	16.2	15.8	15.4	15.0	14.6	14.2	13.8	13.4

Source: KBC Securities

## FINANCIAL DATA

Income Statement (€)	2018A	2019A	2020A	2021A 6M	2022A
Sales & operating income	--	--	--	83.9	234.5
Profit/loss from operating activities	--	--	--	(0.5)	0.8
Profit/loss before tax	--	--	--	(0.8)	(0.1)
Net Profit (group share)	--	--	--	(1.1)	(0.8)

Source: KBC Securities

Balance Sheet (€)	2018A	2019A	2020A	2021A 6M	2022A
Cash & equivalents	--	--	--	6.3	6.5
Total assets	--	--	--	21.0	27.1
Equity attributable to holders of the parent	--	--	--	12.9	15.3
Financial debt	--	--	--	9.0	12.3
Total liabilities	--	--	--	21.0	27.1

Source: KBC Securities

Cash Flow Statement (€)	2018A	2019A	2020A	2021A 6M	2022A
Cash flow from operating activities	--	--	--	0.0	0.0
Cash flow from investments	--	--	--	0.0	0.0
Cash flow from financing	--	--	--	0.0	0.0
Change in cash & equivalents	--	--	--	0.0	0.0

Source: KBC Securities

Per Share Data (€)	2018A	2019A	2020A	2021A 6M	2022A
Outstanding shares	--	--	--	2.3	2.3
Outstanding shares - diluted	--	--	--	2.3	2.3
Basic EPS	--	--	--	(0.48)	(0.35)
Diluted EPS	--	--	--	(0.48)	(0.35)
Dividend per share	--	--	--	0.00	0.00

Source: KBC Securities

Valuation Data	2018A	2019A	2020A	2021A 6M	2022A
Market capitalisation (€m)	--	--	--	31.4	21.2
Dividend yield (%)	--	--	--	0.0	0.0

Source: KBC Securities

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The company disclosures can also be consulted on our website

<https://research.kbcsecurities.com/portal/portal.html#!/disclosures>

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This publication has been finalised and published on Feb 2 2024 before market opening.

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Stock Rating	Definition	% Of Cov Universe	% IB Client in Last Year
Buy	Expected total return (including dividends) of 10% or more over a 6-month period	45.5	20.0
Accumulate	Expected total return (including dividends) between 0% and 15% over a 6-month period	38.2	19.0
Hold	Expected total return (including dividends) between -5% and 5% over a 6-month period	13.6	13.3
Reduce	Expected total return (including dividends) between -15% and 0% over a 6-month period	2.7	0.0
Sell	Expected total return (including dividends) of -10% or worse over a 6-month period	0.0	0.0

Due to external factors and in exceptional cases, KBC Securities allows the use of ratings such as Accept the Offer, Black Out, No Recommendation or Suspended.

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### Business Description for: Whitestone Group

Whitestone Group SA is a holding company based out of Lasne, Belgium. Whitestone Group's portfolio is made up of 4 divisions namely 'Industrial', 'Environment', 'Technology', and 'Financial Services'. Whitestone's portfolio consists of various direct stakes in small and medium sized companies across Belgium, Luxembourg, Switzerland, and France.

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- B. This company owns more than 5.0% of its own shares
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E. KBC Securities NV makes a market and/or is liquidity provider for this company

Subject Company	Relevant disclosure(s) if any
Whitestone Group	D

**The price target for Whitestone Group is based on the following parameters:**

Whitestone is a long-term and active investor with a bias towards investing in small and medium sized businesses across select European countries - by doing so, we think that Whitestone has created a niche in the market. The investment in GFI should provide a hedge against unexpected/significant volatility in public markets while investments in fast growing SMEs will provide much needed growth and may result in exits that lead to outsized capital gains. Whitestone's portfolio offers 2 layers of diversification as the portfolio is invested across 4 countries (BE, FR, LU, and CH) and 4 sectors. While current market capitalisation is below €30.0m, potential capital raises in the future followed by expansion/rotation of the portfolio will create long-term shareholder value. Currently, 75.0% of value of Whitestone's portfolio is comprised of companies with positive FCF and this % is expected to increase with multiple companies expected to break-even in the next couple of years. We believe that a combination of these factors will help Whitestone achieve consistent NAV increases.

**The risks which may impede the achievement of our price target for Whitestone Group are:**

- 1) The financial health of small and medium sized businesses come under stress during an economically uncertain environment.
- 2) Larger-than-usual trades can have a significant impact on price due to low average daily traded volume.
- 3) Discount could widen significantly should a decrease in NAV be reported.

Below is an overview of the stock ratings and target price history in the last 12 months for the stock(s) described in this report.

Company	Date	Rating	Target Price
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## CONTACT DETAILS

Patrick De Baets

+32 2 417 36 81

Head of Equities

### Research team

#### Analyst

Wim Lewi (Head of Research)  
Thomas Couvreur  
Michiel Declercq  
Lynn Hautekeete  
Wim Hoste  
Sharad Kumar S.P  
Thibault Leneeuw  
Jacob Mekhael  
Kristof Samoy  
Guy Sips  
Thomas Vranken

#### Contact

+32 2 417 40 92  
+32 2 429 06 63  
+32 2 429 18 05  
+32 2 448 22 05  
+32 2 429 37 13  
+32 2 429 37 11  
+32 2 448 34 83  
+32 2 448 40 32  
+32 2 448 37 62  
+32 2 429 30 02  
+32 2 417 25 54

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Consumer Goods  
Biotech & Pharma  
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Small & Midcaps Benelux  
Biotech & Pharma

### Equity sales team

#### Sales

Stefaan De Lathouwer (Head of Equity Sales)  
Gilles Delcroix  
Xavier Gossaert  
Tim Leemans  
Axel Roegiers  
Jeroen Van den Bossche

#### Contact

+32 2 417 44 68  
+32 2 417 44 66  
+32 2 417 53 68  
+32 2 417 25 48  
+32 2 417 53 67  
+32 2 417 25 89

#### Sales (US)

Sebastiaan Pol  
Arjan Dorrestijn

+1 212 845 20 52  
+1 212 541 06 48

#### Sales Trading

Isabel Sebreghs (Head of Sales Trading)  
Laurens Fontaine  
Jurgen Triest

+32 2 417 63 63  
+32 2 417 50 17  
+32 2 417 32 28

### Bond sales team

#### Sales

Alexander Lehmann (Head of Sales)  
Bert Beckx  
Alban Kerdranvat  
Pranab Patel  
Koen Princen  
David Smagge

#### Contact

+32 2 417 46 25  
+32 2 417 31 57  
+32 2 417 25 45  
+32 2 417 46 75  
+32 2 417 44 65  
+32 2 417 61 54

### Syndication team

Stephanie Van Heyste  
Bart Vanelderden  
Laurent Steinier

+32 2 429 98 43  
+32 2 417 25 96  
+32 2 429 36 18

KBC Securities NV  
Havenlaan 2 Avenue du Port  
1080 Brussels  
Belgium  
+32 2 417 44 04  
Regulated by FSMA and NBB

KBC Securities (Hungarian Branch)  
Lechner Ödön fasor 10  
1095 Budapest  
Hungary  
+361 483 4005  
Regulated by PSZAF

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