

QUEST FOR GROWTH

3Q19 results

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE € 5.54
TARGET PRICE € 6.60

Quest reported a profit of € 7.8m (€ 0.47 p.s.) over 9M19 vs a € 6.8m loss in 9M18. NAV grew 6.6% to € 7.59 p.s. vs € 7.12 p.s. at YE18, while share price simultaneously decreased with 6.0% entailing a discount of 25.4% at 9M19 vs 15.5% at YE18.

Listed portfolio

Most markets recovered slightly in 3Q19 with the STOXX Europe 600 Net Return up by 19.5% compared to the beginning of the year with the STOXX Europe Small Net Return index seeing a 18.4% increase over the same period.

Exel Industries and Biocartis shares were sold completely in the third quarter, while shares of SAP, Steico and Jensen Group were purchased. A partial profit was taken on Akka Technologies, TKH and Aliaxis. In September PSI Software, based in Berlin, was added to the portfolio.

VC investments

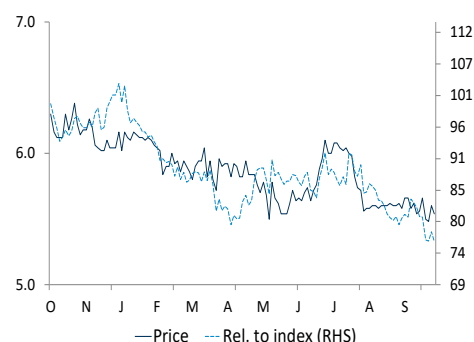
Capricorn Cleantech Fund saw its valuation increasing, be it mainly due to the share price increase in Avantium. In the Capricorn Healthtech fund the decline in Mainstay's price was offset by the price increase of Sequana Medical. Furthermore the fund made a follow-up investment in iStar Medical which develops new ophthalmic implants for the treatment of glaucoma, and completed a € 40m series C-funding. Furthermore the fund received a first milestone payment on the Ogeda sale, of which € 1.5m will go to Quest via a capital reduction.

Our view and conclusion:

Quest has seen an underperformance vs the market and has seen its discount increase with 10% to 25.4% at the end of the 3rd quarter. We reiterate our 6.60 TP and Accumulate rating.

ACCUMULATE

RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg QFG BB
Reuters QUFG.BR
www.questforgrowth.com

Market Cap € 92.8m
Shares outst. 16.7m
Volume (daily) € 56,962
Free float 86.9%

Next corporate event
Results FY19: 23 January 2020

€ m	2016	2017	2018
Net result	0.5	27.4	-26.9
Adj. net result	0.5	27.4	-26.9
Basic EPS (€)	0.04	1.81	-1.61
ROE	0.5%	20.3%	-16.6%
Adj. eq. value	8.90	8.90	7.12
Premium/disc.	14.0%	14.0%	15.4%
DPS (€)	0.00	0.00	0.00
Dividend yield	0.0%	0.0%	0.0%

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