

QUEST FOR GROWTH

Illumina acquires BlueBee

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE € 5.08
TARGET PRICE € 5.90

ACCUMULATE

RATING UNCHANGED

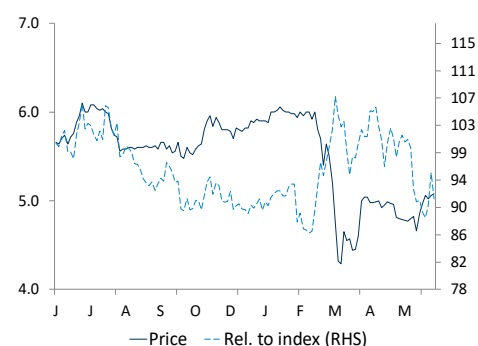
Illumina has acquired BlueBee. QfG has been invested in the company through its partnership with the Capricorn Arkiv fund but also through a direct co-investment. We reiterate our Buy rating and € 5.9 TP.

News: Illumina acquires BlueBee Holding. BlueBee is company founded in 2011 and has evolved rapidly into configurable genomics data analysis provider. Since March 2016, BlueBee is a portfolio company of Capricorn ICT Arkiv, in which Quest for Growth participates. QfG also did a direct co-investment in the company since December 2017.

The acquisition of BlueBee has a positive impact on the NAV of Quest for Growth of about € 6 million or € 0.35 per share. This impact is a combination of the increase in value of the direct investment and the investment through Capricorn ICT Arkiv and it includes a discount on the amount that will be kept in escrow.

Our View: The transaction is the third successful exit of Capricorn ICT Arkiv. In 2015 ICT Arkiv realised the successful exit of its investment in Cartagena and in 2018 of Noona Healthcare. The exit shows that QfG strategy to partner with Capricorn funds is Successful. QfG also had a direct co-investment in the company which was valued at € 1.5m. We therefore assume QfG booked a good profit on the transaction.

Investment Case: The recent transaction shows that QfG is also successful in its private portfolio. We currently estimate the NAV at € 7.05 ps, implying a 31.8% discount at the current market price. We believe the discount is too high as QfG consists for 63% out of listed stakes. We therefore reiterate our accumulate rating and € 5.9 TP.



Source: Thomson Reuters Datastream

Bloomberg	QFG BB
Reuters	QUFG.BR
www.questforgrowth.com	
Market Cap	€ 85.1m
Shares outst.	16.7m
Volume (daily)	€ 59,285
Free float	86.9%

Next corporate event
Results 1H20: 30 July 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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