2023 ANNUAL REPORT

Quest
FOR GROWTH

CONTENT

1. MESSAGE TO THE SHAREHOLDERS

2023 was by no means an easy year for Quest for Grow. The precarious market environment and the higher interest rates made it much more difficult for starter enterprises to attract venture or growth capital. The stock market in general posted better returns than in 2022 but smaller listed stocks - in which Quest for Growth mostly invests because of its privak status - struggled to keep up with rising stock market indices driven upwards on the back of a few major stocks and new developments like Artificial Intelligence. Against this challenging background Quest for Growth closed 2023 on a loss of 3.5 million euros. Unfortunately, no dividend will be paid out for the 2023 financial year in the wake of this loss, which has been exacerbated by the losses carried forward from 2022.

Still, we would like to put this lesser year in a long-term context: over ten years, Quest for Growth's portfolio had an annualised return of more than 6% and dividends of more than 85 million euros were paid to ordinary shareholders. So we could look back on a nice track record as we celebrate 25 years of Quest for Growth at the Quest for Summer happening in August 2023.

Our portfolio of listed stocks nevertheless posted a positive result of more than 5% over 2023. We completely sold about four stocks and added two interesting growth companies to the portfolio: SII and Kingspan. In venture and growth capital (funds), Capricorn Digital Growth Fund made a new investment in VoxelSensors, a Belgian deep tech company. Negative evolutions at a number of companies were partially offset by good news elsewhere in the venture and growth capital (funds) portfolio. You can read more about this in the annual report.

Perhaps the most important changes this year were those in the field of shareholdership and governance. The shareholder structure was simplified and the number of preference shares was halved and is now exclusively reserved for people who contribute to the success of Quest for Growth. The rights attached to the preference shares were revised in favour of ordinary shareholders.

The board of directors underwent a major reorganisation and it now comprises eight members with an equal number of women and men, thanks to the arrival of Véronique Léonard and Sabine Vermassen as new directors. We would like to take this opportunity to once again sincerely thank the departing directors, namely Antoon De Proft, René Avonts, Michel Akkermans and Liesbet Peeters.

Looking ahead, we see many challenges but also hopeful evolutions. The funds in which Quest for Growth has invested have kept sufficient funds behind to support the holdings. Among listed stocks, some valuations have fallen back to the lowest levels in recent years, which may be positive for upside potential.

This message is also my last message as chairman of the board of directors as I have resigned my position with effect from 23 January 2024 because I believe that my appointment as CEO of Materialise will demand so much from me that I will not be able to devote sufficient time to the proper and professional performance of this important function at Quest for Growth.

Finally, I would like to take this opportunity to thank the Capricorn Partners team which manages Quest for Growth team for their efforts and all shareholders for their confidence in Quest for Growth.

Brigitte de Vet-Veithen
Retiring chairman
23 January 2024

2. KEY FIGURES

Portfolio	2023	2022	2021	2020	2019
Quoted equities (000€)	84,302	82,860	116,460	101,758	84,891
Venture & growth capital (000€)	13,289	14,170	19,972	15,646	9,279
Venture & growth funds (000€)	35,526	39,481	32,627	25,097	27,365
Financial assets (000€)	133,117	136,511	169,059	142,501	121,535
Cash and other net assets (000€)	7,668	7,799	10,682	10,809	14,693
Other liabilities (000€)	-40	-40	-40	-41	-42
Net asset value (000€)	**140,745**	**144,269**	**179,701**	**153,269**	**136,185**
Net asset value per share (€)	**7.5**	**7.9**	**10.7**	**9.1**	**8.1**

Numbers per share

Net asset value per share (€)	**7.5**	**7.9**	**10.7**	**9.1**	**8.1**
Profit / loss per ordinary share (€)[1]	-0.19	-1.40	1.98	1.02	1.00
Profit / loss per preference share (€)[1]	-0.19	-1.40	-	-	-
Gross dividend per ordinary share (€)	0	0	1.00	0	0
Net dividend per ordinary share (€)	0	0	1.00	0	0
Gross capital reduction per ordinary share (€)	0	0	0	0.40	0

STOCK INFORMATION(2)

Share price (€)	5.0	6.0	8.0	6.5	5.9
Discount %	33.4%	24.3%	25.5%	28.9%	27.3%
Total number of outstanding shares (000)	18,734	18,199	16,774	16,774	16,774
Market capitalisation (000€)	93,670	109,195	133,858	109,033	98,968
Stock market volume in shares (000)	1,540	2,512	2,775	2,876	2,701

Results

Return NAV[2]	-2.44%	-14.7%	21.9%	12.5%	14.0%
Net return on dividend[3]	0%	0%	12.5%	0%	0%
Total dividend (000€)	0	0	19,046	0	0
Dividend preference shares (000€)	0	0	1,971	0	0
Dividend ordinary shares (000€)	0	0	17,075	0	0
Net profit/loss (000€)	-3,524	-24,829	33,141	17,084	16,741
Pay-out ratio	0%	0%	57.5%	0%	0%

(1) calculated based on the average number of shares for the financial year
(2) NAV return after profit distribution, taking into account capital increases (time weighted rate of return)
(3) compared to the share price at the end of the financial year

3. HIGHLIGHTS 2023

1

Quest for Growth celebrates its 25th anniversary! Quest for Growth was founded in 1998 and introduced at the Brussels Stock Exchange in September of the same year.

QUEST FOR GROWTH

PRIVAK
Beleggingsvennootschap met vast kapitaal naar Belgisch recht voor belegging in Niet-genoteerde vennootschappen en in Groeibedrijven

OPENBAAR AANBOD TOT INSCHRIJVING OP
2.000.000 NIEUWE GEWONE AANDELEN
TEGEN BEF 1.000 PER AANDEEL
(te vermeerderen met de uitgiftekosten ten bedrage van BEF 40 per aandeel)
Het aantal aangeboden aandelen kan in functie van het succes van de verrichting, door beslissing van twee bestuurders, worden verhoogd tot maximum 4.000.000 nieuwe gewone aandelen

en

AANVRAAG TOT OPNEMING IN DE EERSTE MARKT VAN DE BEURS VAN BRUSSEL VAN ALLE GEWONE AANDELEN

georganiseerd door

ARTESIA BANK
Lead Manager

KBC Securities
Co-Lead Manager

Bank Brussel Lambert
Co-Manager

Corluy & Co
Co-Manager

Reyers, Beauvois, de Villenfagne
Selling Agent

KBC Bank
Selling Agent

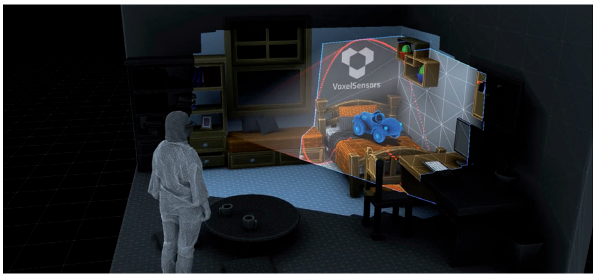
Bacob Bank
Selling Agent

in samenwerking met
Quartz Capital Partners Ltd.

September 1998

2

Voxel Sensors – new investment via the Capricorn Digital Growth Fund, a Belgian deeptech company that develops a revolutionary 3D perception system for blending physical and digital worlds.



3

Simplification of the shareholder structure, whereby the number of preference shares was halved. The rights attached to the preference shares were revised in favour of the ordinary shareholders.

4

Downsizing board of directors - now has eight members instead of ten with equal numbers of women and men, thanks to the arrival of Véronique Léonard and Sabine Vermassen as new directors.

5

SII – January investment in French small cap SII (Société pour l'Informatique Industrielle), on which a bid was announced in December at more than 30% premium.

6

Quoted - full sale of four listed shares, including Umicore which had been part of the portfolio since 2006.

SAP®

STEICO

umicore
materials for a better life

CRODA

4. INVESTMENT STRATEGY

Asset allocation

Quest for Growth is a privak/pricaf, a public alternative investment fund (AIF) with fixed capital under Belgian law, managed by Capricorn Partners NV.

Quest for Growth invests in both quoted and private growth companies. Quest for Growth will invest at least **70%** of its assets in quoted equities with a market capitalization of less than €1,5 billion or in venture and growth capital. At least **25%** of the assets will be invested in venture and growth capital. Quest for Growth will target a combined exposure to venture and growth capital (direct and indirect via venture and growth funds) and uncalled commitments between **45%** and **55%** of its capital. Investments are chiefly made by shares and convertible loans.

Resources that are temporarily not invested in the above categories may be held in financial instruments such as term deposits or short-term commercial paper. Quest for Growth is allowed to hold up to 30% of its assets in cash and cash equivalents.

In general, Quest for Growth limits its investments to the amount of its own funds. The use of borrowings (leverage) is limited to a maximum of 10%, but debt financing will only be used in special circumstances and for a limited period.

The aggregated amount of uncalled committed capital of all venture and growth funds and any debt taken on by Quest for Growth will never exceed 35% of the statutory capital of Quest for Growth.

The use of derivative products is possible within certain limits as an alternative to equities dealing or in order to hedge the quoted equities portfolio.

Geographically, Quest for Growth mainly focuses on European companies. In principle investments in foreign currencies will not be hedged. The asset manager can decide to deviate from the general rule in exceptional circumstances. For example, in case of an investment in venture and growth capital in a country that is perceived as having a significant exchange rate risk or in case of an imminent exit in a not EUR denominated company. The decision to hedge will be exceptional and the reasoning will be documented and reported to the board of directors of Quest for Growth.

Sectors and investment areas

Given the desire to invest in growth companies, the focus lies on industries and themes that are expected to be capable of higher than average growth. Quest for Growth has three central areas of investment, being Digital, Health and Cleantech. These investment areas are in line with the expertise and experience of the investment managers of the Management Company.

Digital includes investments in sectors such as software, hardware and semiconductors. There is focus on sub-areas within Digital that still have strong growth prospects. Examples include digital solutions for the healthcare sector ("Digital Healthcare"), the management of large quantities of data ("Big Data"), the internet of things, e-commerce and cloud software.

In **Health** the focus lies on companies oriented towards the prevention, diagnosis and treatment of illnesses. This encompasses biopharmaceutical and pharmaceutical medicines and medical equipment, devices and services. Examples of firms we are on the look out for include products and technologies offering solutions for major clinical needs or that contribute to keeping a check on rising costs on the healthcare sector.

Cleantech covers innovative products or services for cleaner or more efficient use of the earth's natural resources such as energy, water, air and raw materials. Cleantech can be regarded as a particularly attractive area of investment in the coming years and decades because it offers solutions that enable further economic growth on a planet with limited natural resources. This investment theme can include investments in companies involved in energy efficiency, renewable energy, advanced materials, sustainable chemistry, water and pollution control.

Segments

1 Investments in quoted equities

Quest for Growth's quoted portfolio is 100% actively managed and does not follow any reference index or benchmark. Stock selection is based on fundamental analysis. Important investment criteria are: financial strength, growth prospects, market position, management and governance strength and valuation. The preference lies in long-term investments in growth companies with an attractive valuation.

Most of the shares within the portfolio are in companies with a small or mid sized market capitalisation (small & mid caps). The investment managers believe it is very important to maintain personal contact with the management of these companies. Quest for Growth may also invest in large companies to a certain degree, thus improving the liquidity of part of the portfolio.

Balanced diversification among the various industries is a goal. The portfolio is diversified but selective, with investments in 20 to 30 different companies. The holding in any individual company is in principle no more than 5% of the net asset value.

2 Direct investments in venture & growth capital

Quest for Growth is able, on a selective basis, to co-invest together with the venture and growth funds of Capricorn Partners, which can result in Quest for Growth increasing its exposure to companies in which investments have already been made. This will usually be done in a later phase of the company's development. These kinds of co-investments are initially decided on by the board of directors of Quest for Growth.

To promote investment in venture and growth capital, the board of directors resolved in 2017 to make provision for direct investments that were not joint investments. They have to fall within the existing competences of the Management Company, Capricorn Partners, but outside the active investment period or specialisms of existing Capricorn venture and growth funds. The search is on for companies that at least have returning, paying clientele or a proof of concept (in Health-tech).

For direct investments in venture and growth capital, Quest for Growth will invest a maximum of 5% of the assets in a single company. The initial investment will amount to a maximum of 2.5% of the assets.

The aim with regard to investments in venture and growth capital is to create capital gains by means of takeovers by other market players or in the course of exit (i.e., disposing of the shares in the company) by means of an IPO on the stock market.

3 Investments in venture & growth funds

To a major extent, investments in unquoted equities will be made via venture capital funds of Capricorn Partners, which is Quest for Growth's Management Company. Decisions on whether to undertake investments in these funds are taken by the board of directors of Quest for Growth. The aim is to take significant participations in start-up and growth companies via these funds, whereby the Management Company plays an active role on the board of directors and in supporting the management.

Quest for Growth will not commit more than 20% of its statutory capital to a single fund organized by Capricorn Partners. The aggregated investment in venture and growth funds calculated based on cost of investment will in principle never exceed 35% of the statutory capital of Quest for Growth.

These Capricorn funds in which Quest for Growth invests also strive to create capital gains by eventually selling the companies in their portfolio or listing them at the stock exchange.

5. INVESTMENT REPORT

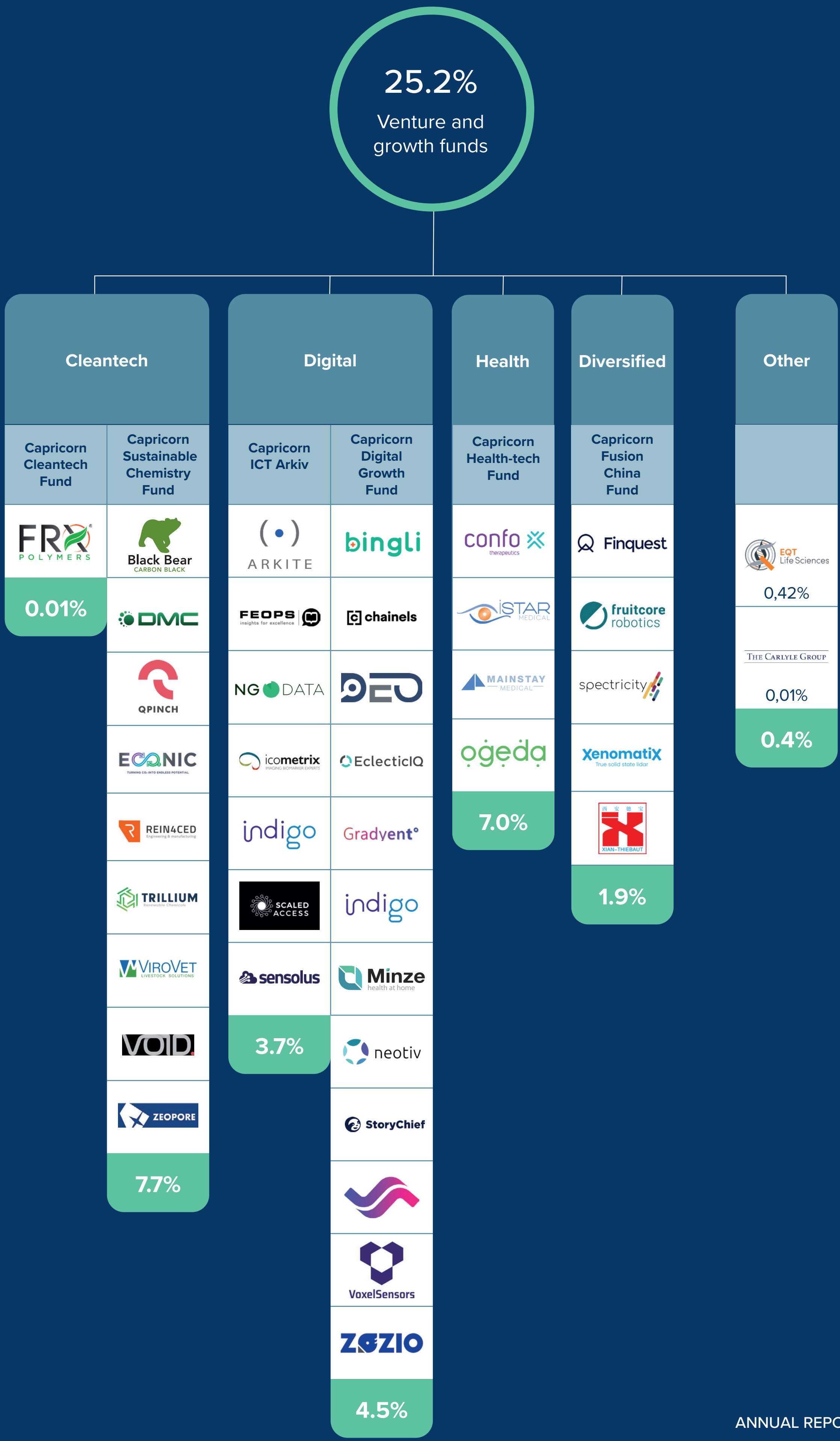
i. Portfolio

59.9% Quoted equities

Cleantech		Digital		Health	
Jensen 3.21%	Kerry 2.98%	Melexis 4.07%	EVS 4.00%	Financière de Tubize 3.90%	Equasens 3.66%
Thermador Groupe 2.91%	MM Karton AG 2.02%	Cewe 3.98%	TKH Group 3.75%	Roche 3.38%	nexus ag 2.60%
Kingspan 1.95%	ABO Wind 1.18%	Nedap 3.55%	Wolters Kluwer 2.61%	Stratec 1.33%	
FRX Polymers 0.005%		Sii 3.51%	LEM 2.30%		
		B&C Speakers 2.15%	Datron 0.86%		
14.2%		**30.8%**		**14.9%**	

9.4% Venture & growth capital

Cleantech	Digital
Qpinch 1.35%	EclecticIQ 1.88%
DMC 1.11%	Sensolus 1.72%
Rein4ced 0.57%	Fruitcore robotics 1.42%
	NGDATA 0.81%
	Finquest 0.58%
3.0%	**6.4%**


25.2%
Venture and growth funds
Cleantech
Digital
Health
Diversified
Other
Capricorn Cleantech Fund
FRX POLYMERS
0.01%
Capricorn Sustainable Chemistry Fund
Black Bear CARBON BLACK
DMC
QPINCH
ECONIC
REIN4CED
TRILLIUM
VIROVET
VOID
ZEOPORE
7.7%
Capricorn ICT Arkiv
ARKITE
FEOPS
NGDATA
icometrix
indigo
SCALED ACCESS
sensolus
3.7%
Capricorn Digital Growth Fund
bingli
chainels
DEO
EclecticIQ
Gradyent
indigo
Minze health at home
neotiv
StoryChief
VoxelSensors
ZOZIO
4.5%
Capricorn Health-tech Fund
confo therapeutics
iSTAR MEDICAL
MAINSTAY MEDICAL
ogeda
7.0%
Capricorn Fusion China Fund
Finquest
fruitcore robotics
spectricity
Xenomatix True solid state lidar
XIAN-THIEBAUT
1.9%
EQT Life Sciences
0,42%
The Carlyle Group
0,01%
0.4%

QUOTED EQUITIES

Equity	Sector / Market	Number of shares	Change in number since 31/12/2022	Currency	Share price	Valuation in EUR	in % of net asset value
	Cleantech					**20,048,963**	
ABO WIND	Deutsche Börse (Xetra)	40,306	-20,481	EUR	41.10	1,656,577	1.18%
FRX INNOVATION	TSXV (Canada)	493,842		CAD	0.02	6,640	0.00%
JENSEN GROUP	Euronext Brussels	135,876	-17,000	EUR	33.20	4,511,083	3.21%
KINGSPAN	Euronext Dublin	35,000	35,000	EUR	78.40	2,744,000	1.95%
KERRY GROUP	Euronext Dublin	53,250	11,750	EUR	78.66	4,188,645	2.98%
MAYR-MELNHOF KARTON	Deutsche Börse (Xetra)	22,500		EUR	126.60	2,848,500	2.02%
THERMADOR	Euronext Paris	48,444	13,000	EUR	84.50	4,093,518	2.91%
	Digital					**43,327,309**	
B&C SPEAKERS	Borsa Italiana	165,004		EUR	18.35	3,027,823	2.15%
CEWE STIFTUNG	Deutsche Börse (Xetra)	55,309	-9,986	EUR	101.20	5,597,271	3.98%
DATRON	Deutsche Börse (Xetra)	119,000		EUR	10.20	1,213,800	0.86%
EVS	Euronext Brussels	195,327	61,702	EUR	28.85	5,635,184	4.00%
LEM HOLDING	SWX Swiss Exchange	1,446		CHF	2,075.00	3,240,227	2.30%
MELEXIS	Euronext Brussels	62,789	11,500	EUR	91.25	5,729,496	4.07%
NEDAP	Euronext Amsterdam	78,148	-15,000	EUR	64.00	5,001,472	3.55%
SII	Euronext Paris	70,746	70,746	EUR	69.80	4,938,071	3.51%
TKH GROUP	Euronext Amsterdam	133,570		EUR	39.50	5,276,015	3.75%
WOLTERS KLUWER	Euronext Amsterdam	28,500	-21,500	EUR	128.70	3,667,950	2.61%
	Health					**20,926,195**	
EQUASENS	Euronext Paris	84,330	17,000	EUR	61.10	5,152,563	3.66%
NEXUS	Deutsche Börse (Xetra)	62,919	3,518	EUR	58.20	3,661,886	2.60%
ROCHE	SWX Swiss Exchange	18,000	1,500	CHF	244.50	4,752,700	3.38%
STRATEC	Deutsche Börse (Xetra)	41,003	11,000	EUR	45.55	1,867,687	1.33%
TUBIZE	Euronext Brussels	76,588	12,000	EUR	71.70	5,491,360	3.90%
						84,302,467	**59.90%**

VENTURE & GROWTH CAPITAL

Participations	Sector	Change since 31/12/2022	Currency	Valuation in base currency	Valuation in EUR	in % of net asset value
DMC	Cleantech		USD	1,719,999	1,556,560	1.11%
ECLECTICIQ	Digital		EUR	2,649,133	2,649,133	1.88%
FINQUEST	Digital		USD	606,555	548,919	0.39%
FRUITCORE ROBOTICS	Digital		EUR	2,000,327	2,000,327	1.42%
NGDATA	Digital	EUR 106,000	EUR	1,101,847	1,101,847	0.78%
QPINCH	Cleantech		EUR	1,899,998	1,899,998	1.35%
REIN4CED	Cleantech	EUR 520,057	EUR	799,238	799,238	0.57%
SENSOLUS	Digital		EUR	2,420,125	2,420,125	1.72%
					12,976,146	**9.22%**

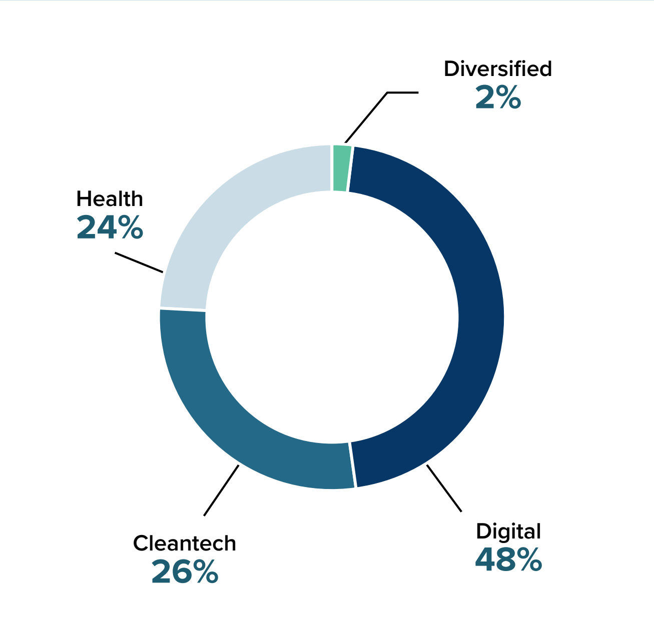
Debt	Sector	Change since 31/12/2022	Currency	Valuation in base currency	Valuation in EUR	in % of net asset value
FINQUEST	Digital	USD 300,000	USD	300,000	271,493	0.19%
NGDATA	Digital	EUR 41,119	EUR	41,119	41,119	0.03%
					312,613	**0.22%**

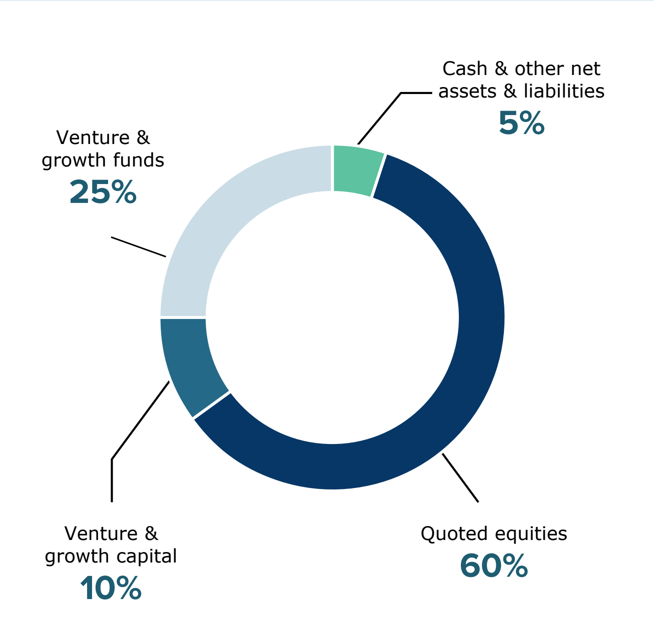
VENTURE & GROWTH FUNDS

Capricorn Partners	Sector	Last valuation date	Change since 31/12/2022	Currency	Valuation in base currency	Valuation in EUR	in % of net asset value
CAPRICORN CLEANTECH FUND	Cleantech	31/12/2023	EUR -837,500	EUR	19,781	19,781	0.01%
CAPRICORN DIGITAL GROWTH FUND	Digital	31/12/2023		EUR	6,349,051	6,349,051	4.51%
CAPRICORN FUSION CHINA FUND	Diversified	31/12/2023	EUR 476,665	EUR	2,707,705	2,707,705	1.92%
CAPRICORN HEALTH-TECH FUND	Health	31/12/2023		EUR	9,861,433	9,861,433	7.01%
CAPRICORN ICT ARKIV	Digital	31/12/2023	EUR 345,000	EUR	5,159,556	5,159,556	3.67%
CAPRICORN SUSTAINABLE CHEMISTRY FUND	Cleantech	31/12/2023	EUR 1,600,000	EUR	10,823,813	10,823,813	7.69%
Other funds							
CARLYLE EUROPE TECHNOLOGY PARTNERS II	Diversified	30/09/2023	EUR -98.113	EUR	7,707	7,707	0.01%
LIFE SCIENCES PARTNERS III	Health	30/09/2023		EUR	144,000	144,000	0.10%
LIFE SCIENCES PARTNERS IV	Health	30/09/2023		EUR	453,000	453,000	0.32%
						35,526,047	**25.24%**

PORTFOLIO OVERVIEW

	Currency	Valuation in EUR	in % of net asset value
Quoted equities	EUR	84,302,467	59.90%
Venture & growth capital	EUR	13,288,759	9.44%
Venture & growth funds	EUR	35,526,047	25.24%
Change in valuation venture & growth capital	EUR	0	0.00%
Financial assets	**EUR**	**133,117,272**	**94.58%**
Cash	EUR	6,801,926	4.83%
Other net assets & liabilities	EUR	825,494	0.59%
Net asset value	**EUR**	**140,744,692**	**100.00%**
Net asset value per share	**EUR**	**7.51**	
Share price	EUR	5.00	
Discount %		**33.45%**	





PORTFOLIO SPREAD

The percentage of listed stocks in the portfolio was 59.9% and remained more or less stable compared to the situation at the end of 2022 (57.4%). 9.4% of the net asset value (NAV) consisted of investments in non-listed companies, compared with 9.8% in 2022. Over 25.2% of the net asset value was invested in venture capital funds (compared with 27.4% on 31 December 2022).

The sum of direct and indirect investments in non-listed companies was 34.7%, well above the statutory minimum of 25% (compared with 37.2% on 31 December 2022). The balance of approximately 5.4% of the portfolio, or over €7.6 million, consisted of cash and other net assets (compared with 5.4% on 31 December 2022). 71.3% of the net asset value was invested in non-listed holdings or listed shares with a market capitalisation of less than 1.5 billion euros, whereas the statutory minimum percentage is 70%.

NET ASSET VALUE AND SHARE PRICE

The net asset value per share at 31 December 2023 was €7.51 compared with €7.93 at 31 December 2022. Quest for Growth's total net asset value at year-end was €140.7 million, compared with over €144.3 million at year-end 2022.

The share price fell by 16.7% over 2023. The discount of the price in relation to the net asset value rose to 33.4% at the end of 2022, up from 24.3% on 31 December 2022.

Quest for Growth's market capitalisation was approximately €93.7 million at year-end.

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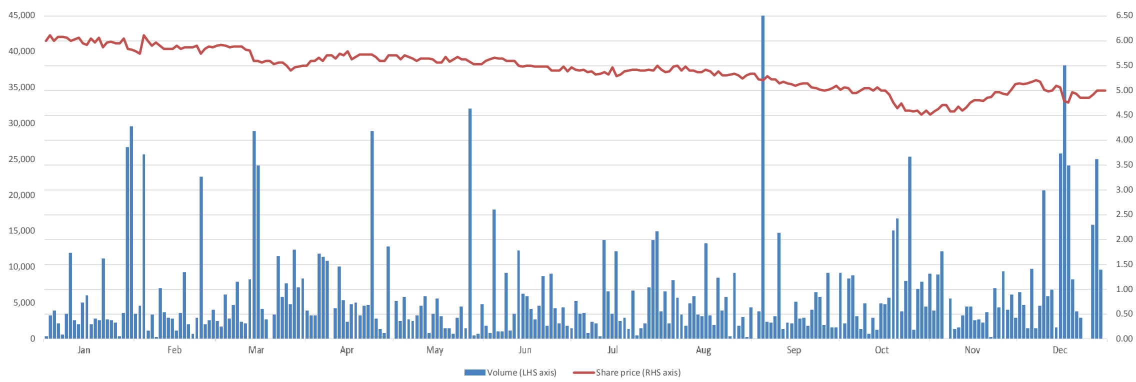
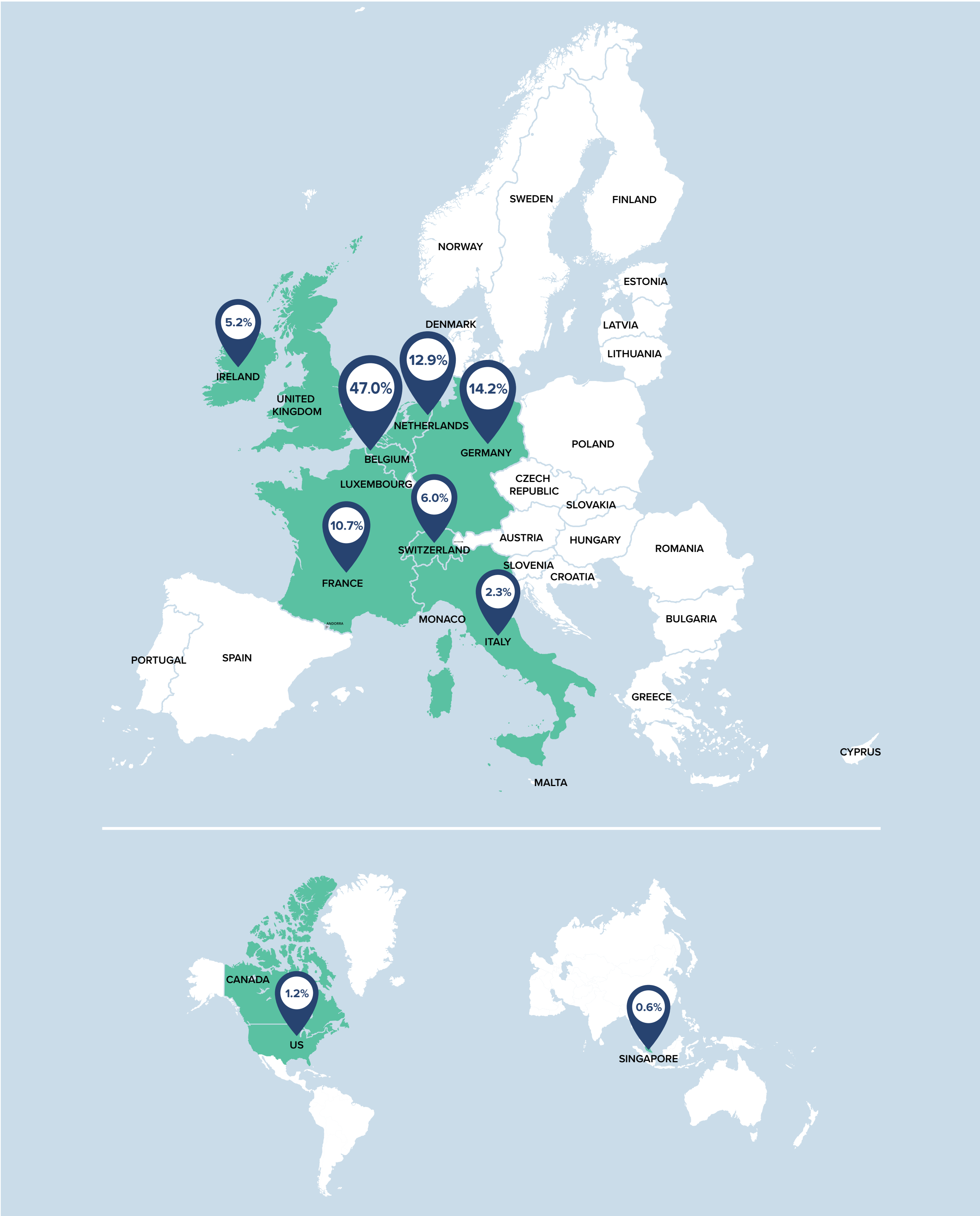
STOCK PRICE & VOLUME



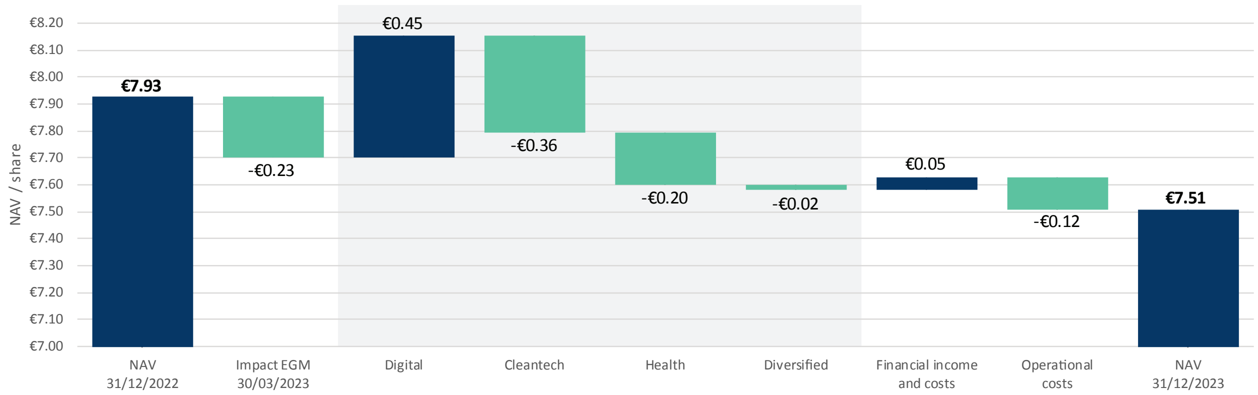
GEOGRAPHICAL SPREAD

The portfolio has excellent diversification between the three different investment areas: Digital, Health and Cleantech. Geographically, the focus of the portfolio is Western Europe, accounting for 98.3% of the total portfolio.

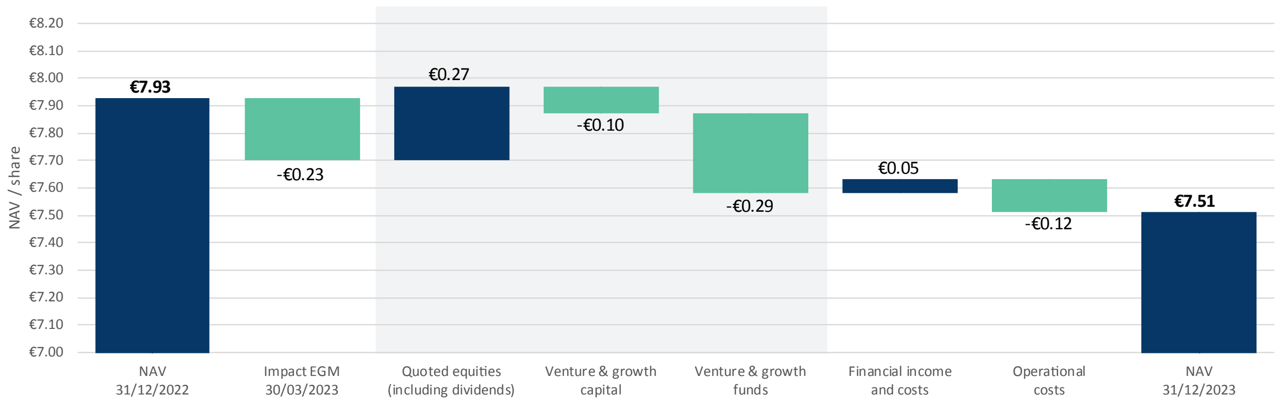


RESULTS BY SEGMENT AND SECTOR

Added value per share per sector



Added value per share per segment



NAV = net asset value, EGM = extraordinary general meeting

1. Market environment

An 'Allegro con brio' start to the year after a disappointing 2022

After a disappointing 2022 for global stock markets, all eyes were on how they would perform in 2023. Stock markets bounced back immediately after year-end, with excellent monthly returns over January. The STOXX 600 recorded the low point of the year on the tables as early as the first trading day, and achieved a return of almost 7% by the end of January and almost 13% at year-end. At the risk of repeating ourselves, the old stock market adage 'as January goes, so goes the year' proved once again to be true.

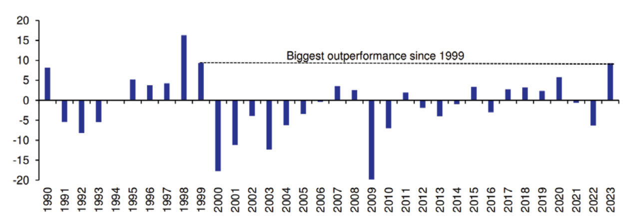
The tide started to turn on the American stock markets halfway through February. The sudden collapse of the Silicon Valley Bank (SVB) brought to the fore one of the potential consequences of sudden interest rate hikes. In the wake of SVB, other regional banks in the States were also confronted with financial headaches. In March, major banking institution Credit Switzerland faltered. Rapid and targeted interventions in the banking system warded off more serious ramifications.

AI and the 'Magnificent 7' propel the stock markets in the States during the summer; Europe consolidates

Once the short-lived disturbance from stress in the banking sector had been weathered, the stock markets in the States settled back into the upward trend, thanks to a breakthrough in the field of artificial intelligence. Chipmaker Nvidia profited to the max after a significantly more positive outlook, pushing the entire technology sector to new heights. By the end of May, the S&P500's annual rise was ostensibly borne almost entirely by its seven largest stocks: Apple, Microsoft, Amazon, Nvidia, Alphabet, Meta and Tesla, which is demonstrated in the graph below.

The monetary policy remained tight throughout the period, which steadily brought inflation down, even though operating profits remained surprisingly strong compared with expectations. The European stock markets continued with their upward momentum, although the rise was less pronounced than it was in the States. The STOXX Europe 600 peaked temporarily after July.

Percentage Point Difference between S&P 500 and Equal-Weighted S&P 500 Annual Price Moves



Source : Bloomberg Finance LP, Deutsche Bank

Another dent in confidence

Despite the good news, the mood started to turn from the end of August onwards. The expectations for inflation, interest rates and operating profits continued to have a major influence on the financial markets. Malaise on the stock markets lasted a good two months until the end of October. Geopolitical tensions in the Middle East fuelled anxiety. That said, the economic impact of the conflict remained limited. 2023 threatened to be a lost year for European investors. Stock exchanges in the States had to surrender territory, but once again the damages suffered on the other side of the pond remained limited.

'Sell in May, but don't forget to come back in November'

The darkest hour is just before dawn, and the same applies to Europe's stock markets in 2023. Investors who did in fact sell in May and stuck meticulously to the old stock market wisdom can look back on a successful operation. Stock markets all over the world bounced back during a strong November.

Inflations rates in the States and the Eurozone confirmed that inflation had indeed peaked and the worst was behind us. The financial markets gradually started to take into account a faster-than-expected easing of the monetary policy. At the same time, the economy continued to perform better than had been feared. The ideal scenario of a soft landing in combination with a gradual drop in the policy interest rate was clearly evident. A widely supported year-end rally was the cherry on top.

The European stock markets ended the year with a total return of nearly 16% for the large caps (STOXX Europe 600 Net Return) and 12% for the STOXX Europe Small 200 Net Return. The stock markets in the States did even better and posted a rise of over 20% for the S&P500 and even more than 50% for the Nasdaq, both denominated in euro.

A widely supported year-end rally as the final agreement

While the stock market recovery was evidently driven by a handful of mega caps in the first few months of the year, this changed towards the end of the year. In Europe, all sectors ostensibly ended on a positive note. Only the food and beverages sector and commodity shares struggled.

All other sectors ended the year in positive territory. The distribution sector (Inditex and H&M) recovered completely from the difficult period during lockdowns. The more cyclical operations, such as the industrial, construction and the automotive sectors, posted solid returns for investors.

2. Sector evolutions

The sectors in which Quest for Growth's quoted equity portfolio invests can be categorised into three themes or segments: Digital, Health and Cleantech.

Digital: After a difficult 2022, semiconductor producers could breathe again. Supply chains recovered from an exceptionally stressful period. Underlying demand normalised and growth prospects seem to be intact. The STOXX 600 Technology Net Return index recovered by more than 32% and was among the best-performing sectors of the year. Dutch machine building and engineering companies BESI and ASMI saw their share prices more than double. Share prices of software companies also recovered from a difficult year on the stock markets in 2022.

Health: STOXX 600 Health Care's performance in 2023 was mediocre and, apart from the obesity hype, there was no distinct trend. Novo Nordisk performed well and expanded to become the biggest listed company in Europe in terms of market capitalisation. German company Gerresheimer also saw its share price rise. Based in Dusseldorf, the company produces packaging for Novo Nordisk's popular diabetes drug. Sartorius Stedim and Lonza share prices came under pressure on the back of a sharp drop in demand for corona vaccines.

Cleantech: Shares in clean technology or 'cleantech' are spread across a range of sectors. Reliable indicators of the global cleantech sector, such as The Cleantech Index (total return of just under 4% in USD, converted to EUR quasi status quo) performed weaker compared with the stock market in general. Various companies suffered from high interest rates, which threatened to render new renewable energy projects less profitable. High interest rates also had their impact on the valuation multiples in the entire sector. The Scandinavian poster boys of the European cleantech sector, such as Orsted (-41%), Tomra (-25%) and Nibe (-27%), saw their share prices in local currency fall sharply, despite a year-end recovery. The outlook for cleantech is still favourable in the long term.

3. Portfolio return

The estimated return in the portfolio of listed equities in 2023 was about 5% (excluding cash and before expenses). The listed portfolio realised a return that relatively speaking lagged behind the European stock market indices because of a number of underperforming stocks in the portfolio (see chart below).

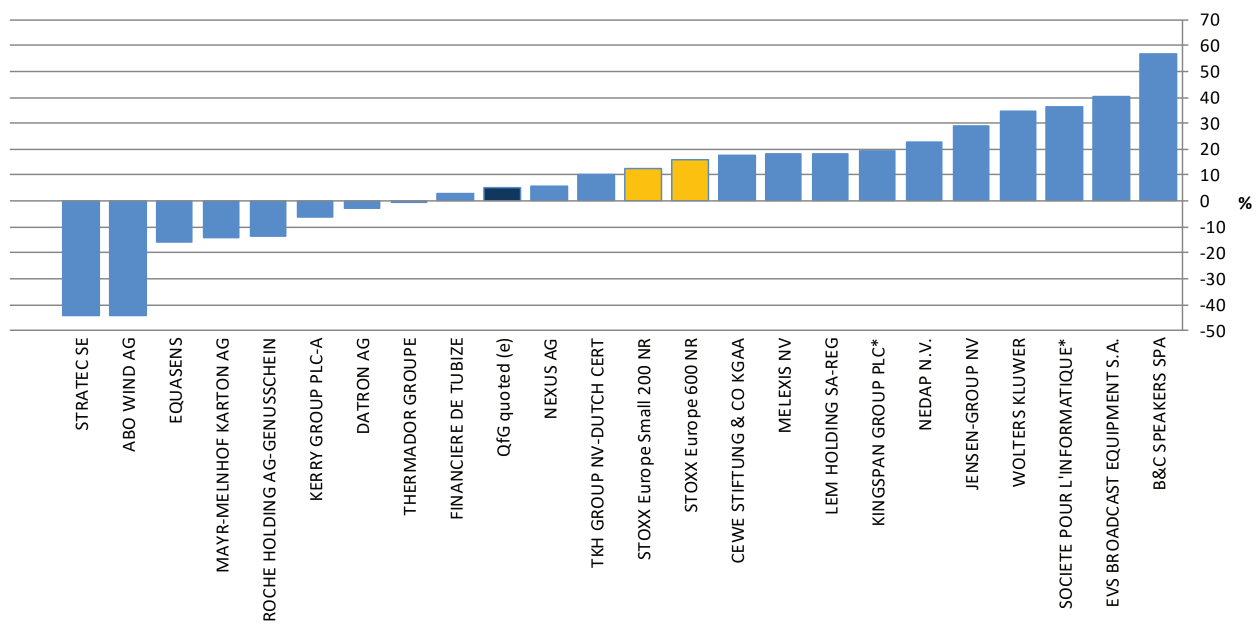
Performance of individual companies in the portfolio

Among the outperformers are B&C Speakers, EVS Broadcast Equipment and the Jensen Group. These companies went through an extremely difficult period during the 2020 and 2021 lockdowns. That said, they were able to rely on a rock-solid balance sheet during this exceptional period, as well as market leadership in a very specific niche and management with a strategic vision that looks beyond the next round of results reporting. It is these ingredients that form the basis for the strong results noted by these three companies over 2023.

In addition to this, one of the stable large caps in the portfolio, Wolters Kluwer, performed extremely well on the stock market. SII (Société pour l'Informatique Industrielle), the French specialist in IT and R&D outsourcing, also performed well. In December, the family of founder Bernard Huvé, together with management and private equity investor Blackstone announced their intentions to privatise the company for EUR 70 per share; a premium of more than 30% on the last share price before the offer.

The company posting the biggest fall was the German Stratec, a manufacturer of medical diagnostics equipment. Stratec bore the brunt of the sharp drop in demand for Covid tests. Another German company, ABO Wind, developer of renewable energy projects, also saw its share price drop sharply after surging in recent years.

Performance of the individual companies in the portfolio



** since the day of the first purchase in Quest for Growth: 2/2/23 for SII, 7/11/23 for Kingspan*
Source: Bloomberg, Capricorn Partners
QfG Quoted (e): estimation hors coûts et cash

Portfolio: investments and divestments

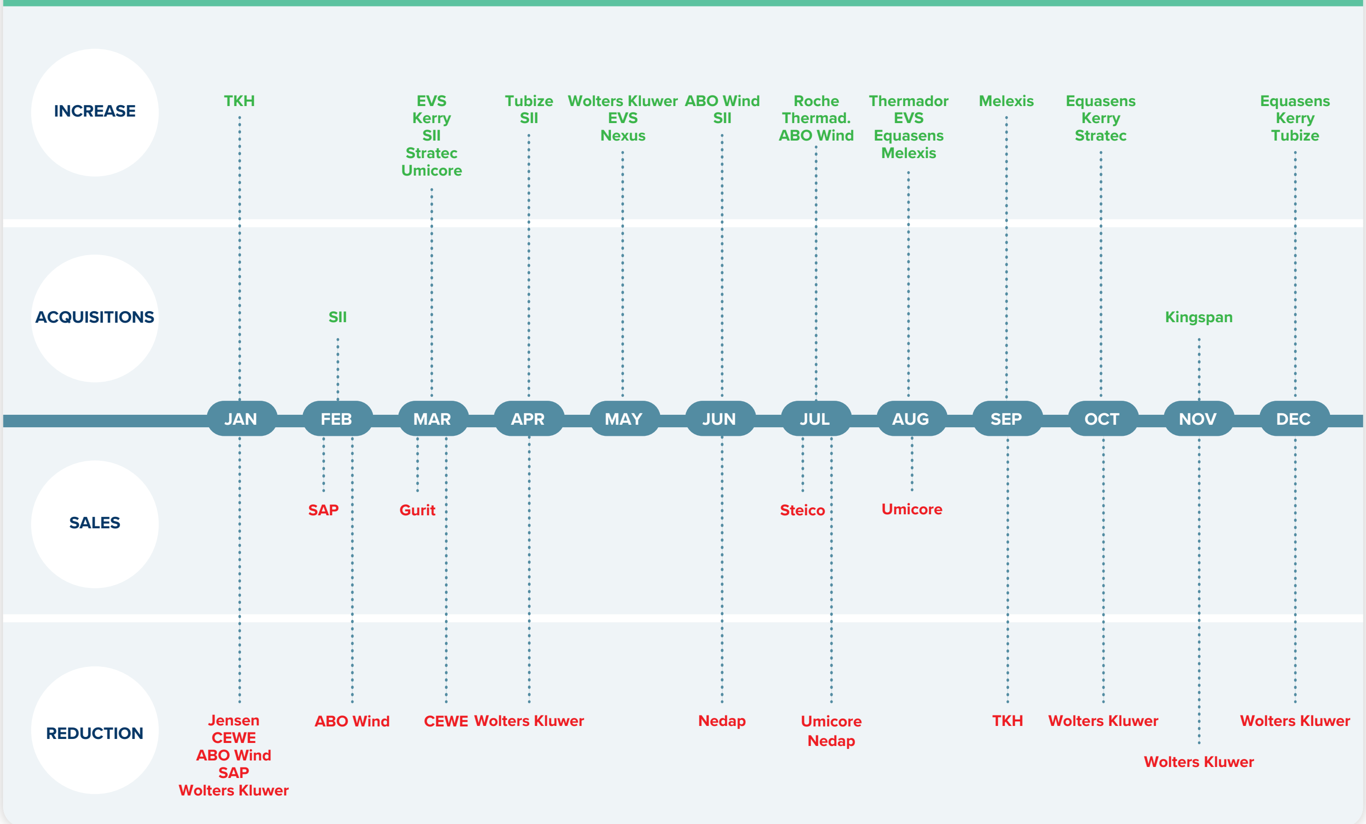
In February, Quest for Growth bought shares in French company SII, a specialist providing technology support and IT consultancy services to companies from various sectors. SII was in a position to present a good growth trajectory. Its valuation was attractive and the company had built up a considerable net cash position. At the beginning of December came the above-mentioned takeover bid for the French IT player, which sent the share price upwards.

Quest for Growth said goodbye to four companies all in all: SAP, Gurit, Steico and Umicore. The Swiss company Gurit, a supplier in the wind power sector, saw its profitability decline significantly over the past two years. After more than ten years in the portfolio, SAP was replaced by a smaller IT company, SII. Umicore witnessed a further drop in the price of precious metals, while investment pressure for its battery division is set to remain high for the foreseeable future. Finally, after a few good years, Steico saw growth and profitability decline in the wake of increased competition for wood fibre insulation in the domestic market in Germany. We took advantage of a temporary rebound in its share price when the Irish Kingspan took over a majority interest in Steico from its founder.

Quest for Growth bought shares in Kingspan at the beginning of November. Kingspan operates globally as a producer of insulation material for buildings. The company is a crucial player in the quest for energy-neutral buildings.

Below is an overview of purchases and sales (top and bottom rows) through 2023 in the listed portfolio, as well as new investments and entire divestments (middle two rows).

ACQUISITIONS AND SALES IN PORTFOLIO FOR FINANCIAL YEAR 2023



Profiles of all portfolio companies at 31 December 2023 are detailed in the annual report under the "Company Profiles" section.

4. Top 10 investments

The following chart shows the 10 largest listed positions as a percentage of NAV in Quest for Growth on 31/12/2023. The three largest at that time are Melexis, EVS and CEWE. Seven of the 10 largest positions are small caps under the definition used by Quest for Growth, specifically stocks with a market capitalisation of less than €1.5 billion. Only Melexis, Tubize and Roche have a higher market capitalisation.

Melexis INSPIRED ENGINEERING	B	Automotive sensors	4.1%
EVS	NL	Live Broadcasting Equipment	4.0%
cewe	D	Photo and online printing services	4.0%
Financière de Tubize	B	Biopharmaceuticals	3.9%
TKH GROUP	NL	Telecom, Building and Industrial Solutions	3.7%
EQUASENS	F	Software & Pharmacies	3.7%
nedap	NL	Technological Solutions	3.6%
sii	F	Outsourcing Services	3.5%
Roche	CH	Pharmaceuticals and Diagnstics	3.4%
JENSEN	B	Heavy Duty Laundry Systems	3.2%

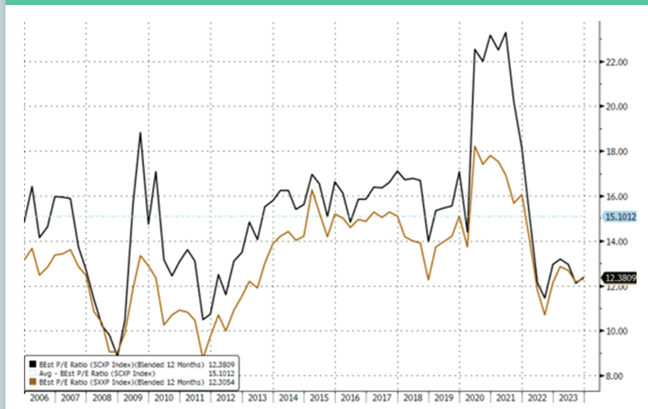
5. Outlook

The STOXX 600 Europe index stands slightly higher at the end of 2023 compared to the end of 2022.From a historical point of view, valuation multiples for European shares were low, however. The price-earnings ratio, based on earnings estimates for the next 12 months, stood at 13.0x at the end of December.

The STOXX Europe Small 200, which unites companies with relatively low market capitalisation, also posted a 13.2x P/E at the end of December. The traditional valuation premium that small caps have compared to large caps has evaporated completely over the last two years. The average price-to-future earnings per share ratio for the STOXX Europe Small 200 was 16.5x, whereas STOXX Europe 600's ratio was more than 10% lower at 14.6x. The higher growth prospects for small caps are set to remain intact in the long term. The average valuation of the listed stocks in Quest for Growth's portfolio is also lower than the average in recent years. This creates opportunities to buy shares in the portfolio or to add shares to the portfolio.

With the improved economic outlook combined with less fear of inflation, relatively low valuation multiples and the intrinsic qualities of our portfolio companies, we believe we can look forward positively, albeit cautiously.

P/E ratio's Stoxx Europe Small 200 (black) and Stoxx Europe 600 (yellow)



CLEANTECH

ABO WIND

Project developer for wind and solar energy

Founded in 1996 by Dr. Jochen Ahn and Matthias Bockholt, **ABO WIND** is an international project developer for wind and solar energy projects, also combined with energy storage solutions and production of green hydrogen. The company additionally provides operational management, maintenance, inspection and repair services. It is headquartered in Wiesbaden, Germany.

Country	Germany
Market cap	€400 million
Porfolio entry	2020
SDG	7 9

JENSEN

Water and energy efficient laundry systems

JENSEN-GROUP NV is supplier to the heavy-duty laundry industry. The company markets products and services that include transportation and handling systems, tunnel washers, separators, feeders, ironers, folders and complete project management for fully-equipped and managed industrial laundries. The group supplies sustainable single machines, systems and integrated solutions and is developing environmental friendly and innovative products to reduce consumption of energy and water (CleanTech brand). It was founded by Jørn Munch Jensen and is headquartered in Ghent, Belgium.

Country	Belgium
Market cap	€330 million
Porfolio entry	2016
SDG	6 7 9

FRX POLYMERS

Enabling innovation for safe and sustainable solutions

FRX INNOVATIONS INC. manufactures flame retardant ingredients. Its Nofia range of products offers a safe and sustainable solution to industries such as fibers & textiles, electrical & electronics, transportation and building & construction. FRX Innovations was formed as the holding company of FRX Polymers (U.S., Europe and China) in 2021 and went public on the TSX-V exchange in 2022.

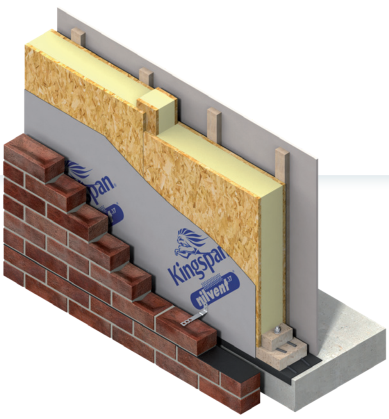
Country	Canada
Market cap	€8 million
Porfolio entry	2009
SDG	9 12

SEE EXPLANATION SDG'S ON PAGE 59

High-performance insulation and building solutions

KINGSPAN GROUP PLC is an Ireland-based provider of low energy building solutions. It operates within five product groups: Insulated Panels, Insulation, Light, Air + Water, Roofing + Waterproofing and Data + Flooring. The Insulated Panels segment is engaged in manufacture of insulated panels, structural framing and metal facades. The Insulation segment is manufacturing of rigid insulation boards, pipe insulation and engineered timber systems. Its Light, Air + Water segment is providing water management, renewable energy technologies, daylighting and energy efficient lighting, as well as natural ventilation and smoke management solutions. In the Roofing + Waterproofing segment, Kingspan provides flat, rigid pitched and flexible pitched roofing systems. Its Data & Flooring segment is a supplier of raised access floors and data center airflow systems.

Country	Ireland
Market cap	€12.6 billion
Porfolio entry	2023
SDG	7 9 11



Taste and nutrition solutions for food & beverages

KERRY GROUP PLC is a provider of food ingredients, based in Kildare, Ireland. The Company serves the food, beverage and pharmaceutical industries, and is a supplier of branded and customer branded foods to the Irish, the United Kingdom and selected international markets. The Company operates through two segments: Taste & Nutrition and Dairy Ireland. The Taste & Nutrition segment manufactures and distributes application specific ingredients and flavours spanning various technology platforms. The Dairy Ireland segment manufactures and supplies dairy solutions as well as finished dairy goods for sale directly into retail.

Country	Ireland
Market cap	€13 billion
Porfolio entry	2020
SDG	2 3 12

SEE EXPLANATION SDG'S ON PAGE 59

Cartonboad and packaging from recycled wastepaper

MAYR-MELNHOF KARTON AG is a producer of cartonboard, predominantly using recycled feedstock. Its operations are divided into two core business divisions: MM Board & Paper and MM Packaging. MM Board & Paper produces and markets carton board from recycled fibers and virgin fibers. It operates mills in several European countries. The MM Packaging division converts carton board into folding cartons, with the majority of the manufactured products being sold to multinational customers in the branded goods industry. Next to Europe, MM Packaging also has production plants in Latin America and Asia. The Austrian company's IPO at the Vienna Stock Exchange was in 1994.

Country	Austria
Market cap	2.3 billion
Porfolio entry	2020
SDG	9 12 15

Products for fluid circulation

THERMADOR GROUPE is a specialized distributor of accessories and equipment for fluid circulation in construction and industry. Its products include central heating and hot water accessories, pumps, plumbing equipment, valves and fittings, ventilation and swimming pool equipment and accessories. Subsidiaries are grouped in four segments: Fluid circuits in construction, Domestic pumps, Heavy tooling and Fluid circuits in industry. The company was founded in 1986 and is headquartered in Saint-Quentin-Fallavier, France.

Country	France
Market cap	€700 million
Porfolio entry	2021
SDG	6 7 9

SEE EXPLANATION SDG'S ON PAGE 59

B&C SPEAKERS

Electro-acoustic transducers for the audio market

Founded in 1946, **B&C SPEAKERS** is an Italian company involved in the design, manufacture and distribution of electro-acoustic transducers for the "public address" (pa) audio market within the two segments "Professional PA" (mainly fixed installations in stadiums, cinemas etc.) and "Musical Instrument PA" (portable equipment). The offering includes low- and high frequency drivers, high frequency horns and coaxial components. Under the "Architettura Sonora" brand name, the company also offers high-performance design loudspeakers for indoor and outdoor use. B&C Speakers is located in Bagno a Ripoli (Florence), Italy.

Country	Italy
Market cap	€174 million
Porfolio entry	2019
SDG	3 8 9

cewe

Europe's leading online photo service provider

CEWE STIFTUNG & CO. KGAA ("CEWE") engages in the provision of innovative photo and online printing services, with CEWE PHOTO BOOK as the leading European photo book product and brand. Under its WhiteWall operations, high-quality photo development and frames are offered, addressing professional photographers. Additionally, Cewe operates through the segments Commercial Online Printing and Retail. In the Commercial Online Printing segment, printed material for businesses is marketed through the sales platforms Saxoprint, Laserline and viaprinto. The Retail segment offers photo-related hardware and photofinishing products. Founded in 1961, CEWE was taken to the stock exchange in 1993. The company is headquartered in Oldenburg, Germany.

Country	Germany
Market cap	€740 million
Porfolio entry	2017
SDG	3 8 9

SEE EXPLANATION SDG'S ON PAGE 59

DATRON Smart Manufacturing Solutions

Equipment for high-speed milling of materials

DATRON AG develops and manufactures CNC and CAD/CAM equipment and a wide range of specialised tools in the field of high-speed milling of materials like aluminium, plastics and compounds. The company also offers neighbouring technology such as dispensing machines. Their products cover a wide range of industrial production processes as well as applications in the field of dental technology. The company was founded in 1969 and went IPO in 2011. Datron is headquartered in Mühltal, Germany.

Country	Germany
Market cap	€40 million
Porfolio entry	2017
SDG	9

EVS

Live video technology

EVS provides live video technology for broadcast and new media productions. It introduced the Live Slow-Motion system that has become the standard replay technology for broadcast sporting events. EVS' flagship hardware product is the XT-VIA live production server. Other products include asset management (IPDirector), unified live production (X-One), software-defined live production switchers (DYVI) and video assistance (Xeebra). Customer segments are LAB and LSP. LAB - "Live Audience Business" gathers customers using EVS products and solutions to create content for their own audience. LSP - "Live Service Providers" offer rental and service offerings to LAB customers. EVS was founded in 1994 and was listed on the Brussels Stock Exchange in October 1998.

Country	Belgium
Market cap	€420 million
Porfolio entry	2022
SDG	9

SEE EXPLANATION SDG'S ON PAGE 59

LEM

Electrical measurement solutions for energy and mobility

LEM produces components for power electronics. Its core products are transducers for measuring electrical parameters like current and voltage. LEM's transducers are used in applications such as railway, motor drives, power supplies, AC/DC converters and wind and solar power generation. The products provide more control, more reliable energy and better energy efficiency. LEM reports two business segments: The Industry segment includes the businesses Drives, Renewable energy, Traction and High precision. In the Automotive segment, it develops solutions for battery management and electrical motor controls for green and conventional cars. Liaisons Electroniques-Mecaniques LEM SA was founded in 1972 and is headquartered in Plan-Les-Ouates, Switzerland.

Country	Switzerland
Market cap	€2.3 billion
Porfolio entry	2019
SDG	7 9 11

Melexis

Sensors for fuel efficiency, safety and comfort in cars

MELEXIS is a mixed signal semiconductor manufacturer. Its product range includes hall effect or magnetic sensors (Triaxis brand), pressure & acceleration sensors (based on MEMS), wireless communication ICs (RF and RFID), actuators (for engine control and LIN bus systems) and optical sensors. Melexis' products are primarily used in automotive electronics systems, where they help to improve fuel efficiency, safety and comfort. Melexis also uses it core competence to supply ICs and sensors to consumer, medical and industrial markets. Melexis adopts a fabless model. It is headquartered in Ieper, Belgium and has other important facilities in Tessenderlo (Belgium), Bulgaria and Germany. In October 1997 Melexis had its IPO on the EASDAQ Stock exchange.

Country	Belgium
Market cap	€3.5 billion
Porfolio entry	2011
SDG	3 7 9

SEE EXPLANATION SDG'S ON PAGE 59

Technologies to make people's work more comfortable

NEDAP offers technological solutions that target to make people's work more comfortable and successful ("Technology for Life"). The company focuses on 4 core technologies: Connected devices, Communications technology, Software architecture and User eXperience. It operates in 7 business units addressing niche markets: Healthcare, Livestock Management Cows, Retail, Security Management, Identification Systems, Light Controls and Staffing Solutions. Nedap was established in 1929 and is stock listed since 1947. It is headquartered in Groenlo, the Netherlands.

Country	Netherlands
Market cap	€410 million
Porfolio entry	2018
SDG	3 8 9

Developing a digital world

SII SA (Societe Pour l'Informatique Industrielle) is a technology consulting and IT services company. It addresses blue-chip clients in sectors such as Aerospace & Defence, Banking & Insurance, Telecom and Energy. The main activities are located in France and Poland. The company was founded by Bernard Huvé on February 21, 1979.

Country	France
Market cap	€1 billion
Porfolio entry	2023
SDG	8 9

SEE EXPLANATION SDG'S ON PAGE 59

Smart vision, manufacturing and connectivity solutions

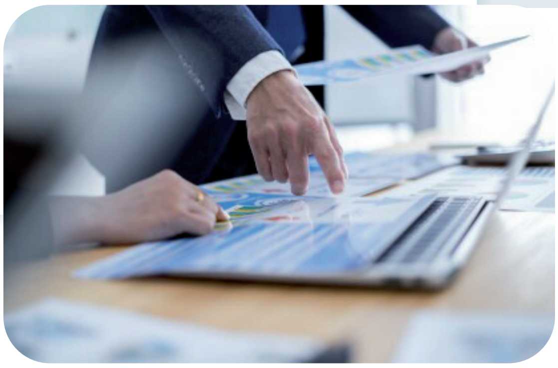
TKH GROUP focuses on three Smart Technologies: Smart Vision Systems creates 2D and 3D Machine Vision and Security Vision Systems in combination with in-house developed software. These are used in consumer electronics, factory automation, logistics, wood industry, infrastructures and buildings and medical and life sciences. Smart Manufacturing Systems further capitalize on both Vision and Connectivity technologies and develop systems and machines for tyre production, factory automation and medicine distribution. Smart Connectivity Systems creates integrated solutions for on- and off-shore energy distribution, Fibre Optic connectivity systems for data and communication networks and cable systems for industrial automation, airfield ground lighting systems and contactless energy and data distribution (CEDD). The company's roots go back to the year 1930.

Country	Netherlands
Market cap	€1.6 billion
Porfolio entry	2014
SDG	7 8 9

Information, software and services for professionals

WOLTERS KLUWER provides information, software, and services for professionals such as clinicians, accountants, lawyers, and for tax, finance, audit, risk, compliance, and regulatory sectors. It operates through the following five divisions: Health, Tax & Accounting, Financial & Corporate Compliance, Legal & Regulatory and Corporate Performance & ESG. The company was founded by Jan-Berend Wolters and Æbele Everts Kluwer in 1836 and is headquartered in Alphen aan den Rijn, the Netherlands.

Country	Netherlands
Market cap	€31.5 billion
Porfolio entry	2020
SDG	3 4 16

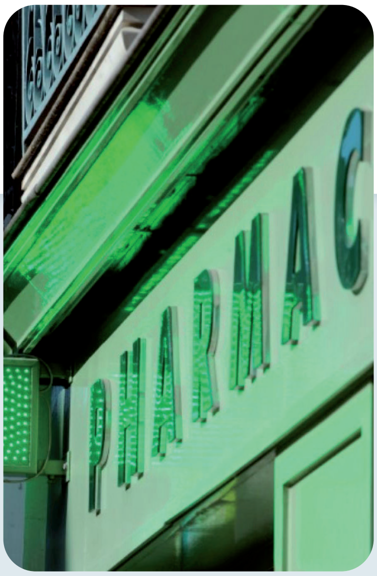


SEE EXPLANATION SDG'S ON PAGE 59

EQUASENS

Software for pharmacies and the healthcare industry

EQUASENS develops software and devices for pharmacies and the health-care industry. It operates through the five divisions e-Connect (smart healthcare solutions), Medical Solutions (electronic patient records for practices and nursing homes), Pharmagest (technology solutions for pharmacies), Axigate Link (software for hospitals) and Fintech (financing solutions for rental products). The company was founded in 1996 and is headquartered in Villers-les-Nancy, France.



Country	France
Market cap	€900 million
Porfolio entry	2010
SDG	3 8 9

nexus | ag

Software for healthcare institutions

NEXUS AG is a provider of software solutions to the health-care market. The offering includes modular software solutions, from planning to equipment integration and documentation, for areas such as diagnostics (DIS Product Suite), complete information systems for hospitals (KIS/HIS) and nursing homes. The Healthcare Services unit provides outsourcing and SAP integration services for the healthcare sector. The company is headquartered in Donaueschingen, Germany.

Country	Germany
Market cap	€960 million
Porfolio entry	2011
SDG	3 8 9

SEE EXPLANATION SDG'S ON PAGE 59

Roche

Innovative medicines and diagnostic test

ROCHE HOLDING AG operates as a research healthcare company. It operates through the segments Pharmaceuticals and Diagnostics. The Pharmaceutical segment refers to development of medicines in the field of oncology, immunology, ophthalmology, infectious diseases and neuroscience. The Diagnostic segment refers to diagnosis of diseases through an in-vitro diagnostics process. The company was founded by Fritz Hoffmann-La Roche on October 1st, 1896 and is headquartered in Basel, Switzerland.

Country	Switzerland
Market cap	€200 billion
Porfolio entry	2020
SDG	3 9

stratec

Analyzer systems for diagnostics

STRATEC designs and manufactures fully automated analyzer systems for its partners in the fields of in-vitro diagnostics (investigation of samples taken from the human body) and life sciences. Furthermore, the company offers integrated laboratory software and complex consumables for diagnostics applications. It operates through the following main segments: Instrumentation, Diatron (hematology and clinical chemistry) and Smart Consumables. The company was founded by Hermann Leistner in 1979 and is headquartered in Birkenfeld, Germany.

Country	Germany
Market cap	€500 million
Porfolio entry	2020
SDG	3 9

Financiere de Tubize

Shareholder of biopharmaceutical company UCB

FINANCIÈRE DE TUBIZE is a holding company and the reference shareholder that owns an interest of 35% of all shares issued by UCB. UCB is a biopharmaceutical company, focused on the discovery and development of medicines for diseases of the immune system or of the central nervous system. Products include Vimpat, Briviact and Keppra (epilepsy), Neupro (Parkinson's disease and restless leg syndrome), Cimzia (immunology) and Zyrtec (allergies).

Country	Belgium
Market cap	€2.9 billion
Porfolio entry	2010
SDG	3 9

SEE EXPLANATION SDG'S ON PAGE 59

1. Market environment

Further cooling down of the venture capital market

From a macro-economic perspective, the venture capital market is following the general economic mood and stock market trends. However, valuations in venture capital take place more irregularly and are less predictable, they show more shocks and tend to lag slightly behind the stock market evolution. Operations in the industry are declining amid high inflation and interest rates, slowing economic growth, tight financing markets and uncertain geopolitical circumstances.

Fundraising in Europe remains low

Fundraising in venture capital has remained in the doldrums in 2023 because capital is still expensive in a climate of aggressive interest rates. Investors have a wait-and-see approach to pledging new capital because of nervousness in the venture capital market due to price declines in public markets.

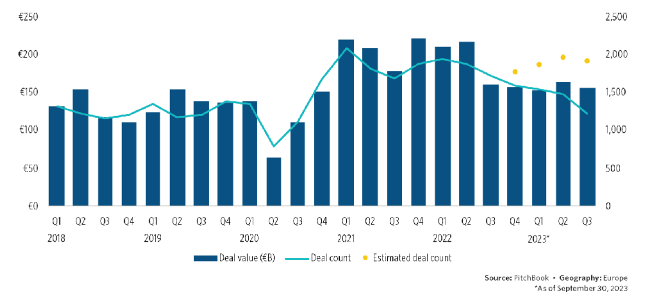
European exit activities reach the same level as in 2022

European PE exit values reached around the same level as 2022. Just as in the previous year, 2023 was characterised by a difficult exit environment thanks in part to volatile public equity markets and a bleak macro-economic outlook. After a quiet period since the beginning of 2022, a few exits trickled back via public listings. Preparations for exits will be an important item for consideration in the coming 12 months.

ESG: an important differentiator

Fund managers are anticipating fundraising to be weaker over the next 12 months, but are positive in the medium to long term. ESG will become a key differentiator with a great deal of focus on Article 8 and 9 funds under the EU Sustainable Finance Disclosure Regulation (SFDR). Sustainability is a key point of concern for investments. More activity in the field of renewable energy is predicted, making this the most important target group, ahead of life sciences and healthcare.

PE deal activity by quarter



PE exit activity by quarter

Persistent conservative stance in subsequent funding rounds

A decline in investment volumes and a delay in closing new funding rounds continued in 2023. The major price declines in listed securities have put pressure on the valuation of private innovative companies. It remains to be seen during the coming funding rounds whether the conservative approach and lower valuation multiples will persist.

Source: https://www.investeurope.eu/news/newsroom/private-equity-h1-2023-activity-weakens-as-industry-survey-shows-tentative-signs-of-optimism-and-exit-preparations/

Source: https://pitchbook.com/news/reports/q3-2023-european-pe-breakdown

HIGHLIGHTS 2023

First quarter

The Liege-based company **Miracor Medical**, specialising in interventional cardiology, was unable to attract new investors. The company has halted the pre-marketing of its PiCSO device and let go some of its employees. The value of Miracor Medical was already fully written off at the end of the 2022 financial year.

Second quarter

Following the acquisition of **HalioDx** in 2021, part of the escrow amount was received during the second quarter of 2023. The remaining part will be paid out later and is currently valued at a 10% discount.

Third quarter

Prolupin GmbH, a German company that produces vegetable proteins for lupin-based food, initiated insolvency proceedings and has since been declared bankrupt.

Fourth quarter

Following the sale of **OneWelcome** to Thales in 2022, part of the escrow amount was received. The remaining part will be paid out later and is currently valued at a 10% discount.

Quest for Growth also made various follow-up investments in existing co-investments.

Outlook for 2024

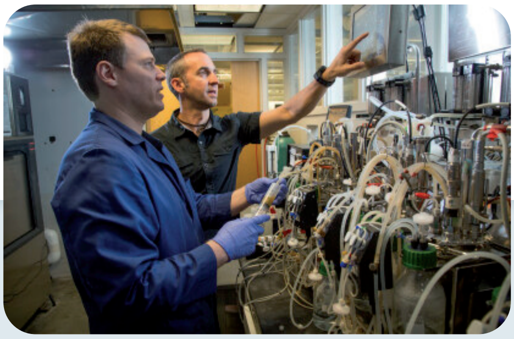
In 2024, the portfolio of investments in venture and growth capital and venture and growth capital funds is expected to further expand. The investment climate for venture and growth capital is expected to remain challenging, and this especially for those companies that need additional cash.

CLEANTECH

DMC

Bringing reproducibility and economics to fermentation

DMC produces molecules for the food, feed, chemical intermediates and chemical speciality industries. DMC opens up a wide range of high-margin products that are currently difficult to manufacture (hence costly). The company uses two-step fermentation to create fermentation facilities with short development times and high repeatability. The key technology is 'gene silencing': the microbe's metabolic system is programmed in such a way that only the gene sequence for the desired product is active. DMC can enable significant carbon footprint reductions through more efficient manufacturing and the use of renewable feedstock to replace molecules that are currently produced through classical chemical pathways.



Sector	Industrial Biotechnology
Country	US
Porfolio entry	2018
SDG	2 3 12

QPINCH

Industrial energy from waste heat

The **Qpinch** Heat Transformer uses a patented approach to overcome the hurdles faced by conventional technologies to upgrade waste heat into 'usable' heat (having the right temperature to drive industrial processes). The large scale and broad applicability of this technology positions Qpinch for providing strategic solutions to reducing emissions more cheaply and faster in the petrochemicals, food and beverages, paper and pulp, and other industries. The Qpinch technology provides a heat lift for waste heat that could otherwise not be utilised. Compared with conventional heat pumps, the closed-loop process minimises operational costs as well as electricity use. The technology is easily scalable and therefore able to process enormous levels of industrial waste heat, enabling a quantum leap in energy efficiency and in CO2 reduction.

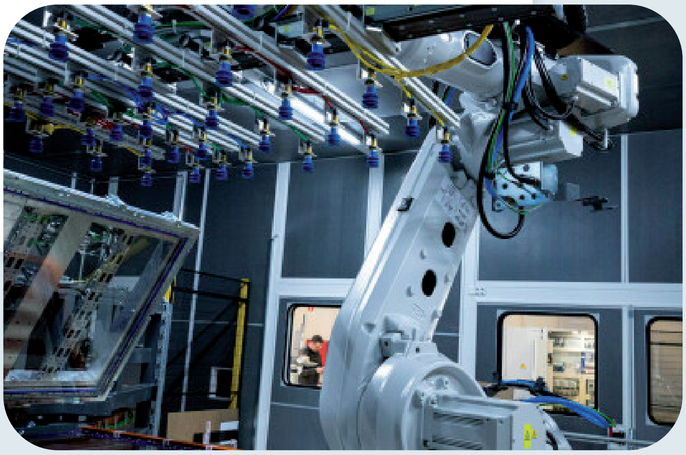
Sector	Advanced Processes
Country	Belgium
Porfolio entry	2021
SDG	7 12 13

SEE EXPLANATION SDG'S ON PAGE 59

Impact-resistant, recyclable composites

REIN4CED produces a new breed of lightweight, impact-resistant and recyclable composites. REIN4CED leads the innovation cycle in the bicycle industry by engineering, designing and manufacturing for bike brands looking for maximum performance as well as for enhanced safety and durability. REIN4CED's products are broadly applicable in industries where lightweight, strength and impact resistance are key. Its patent-protected material technology offers leisure, automotive and aerospace OEMs an entirely new platform for material innovation. The use of thermoplastic composite materials makes the finished products much safer and reduces CO_2 emissions during production. In addition, the advantage of reduced weight remains and the production process can be automated which can make production in Europe competitive.

Sector	Advanced Materials
Country	Belgium
Porfolio entry	2021
SDG	9 12



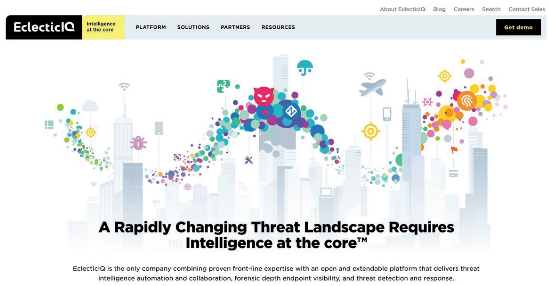
SEE EXPLANATION SDG'S ON PAGE 59

EclecticIQ

Cyber threat intelligence

ECLECTICIQ is the only European cybersecurity company combining proven front-line expertise with an open and extendable platform that delivers threat-intelligence automation and collaboration, forensic depth endpoint visibility, and threat detection and response. Leveraging smart AI technologies, EclecticIQ translates raw threat intelligence data into actionable insights for cyber analysts. EclecticIQ's offering allows organisations and governments to develop their digital activities in a secure environment.

Sector	Business 4.0
Country	Netherlands
Porfolio entry	2020
SDG	9 16



Finquest

Connecting private equity funds and corporate buyers to private companies

FINQUEST is a big data and AI company focused on identifying and connecting its clients with relevant off-market acquisition and investment opportunities across the globe. The company's database of more than 200 million private companies is constantly updated and enhanced through a broad-spectrum implementation of crawlers and AI, providing targeted, curated, and actionable introductions in the private company space.

Sector	Big Data and AI platform
Country	Singapore
Porfolio entry	2022
SDG	/

SEE EXPLANATION SDG'S ON PAGE 59

fruitcore robotics

Democratizing access to industrial automation

fruitcore robotics empowers SMEs to introduce industrial robots in manufacturing and logistics. Their HORST robots ("Highly Optimised Robotic System Technology") significantly lower all adoption hurdles with low Capex requirement, fast implementation, intuitive programming and high productivity. fruitcore robotics achieves these advantages through a unique combination of its own hardware, fully in-house developed software suite and robot connectivity.

Sector	Industrial Robotics & Automation
Country	Germany
Porfolio entry	2022
SDG	3 4 8 9 12

NGDATA

Facilitating truly personalized marketing

NGDATA's Intelligent Engagement Platform is a feature-rich, AI-powered customer data platform. Through a combination of insightful customer DNA and real-time interaction management, it facilitates one-to-one, personalised marketing at every stage of the customer journey. NGDATA has been developed using state-of-the-art big data technology. The platform uses vast amounts of data in real-time to build the rich, relevant and context-aware individual customer profiles that drive marketing actions.

Sector	Business 4.0
Country	Belgium
Porfolio entry	2022

sensolus

Asset tracking solutions in logistics

SENSOLUS specialises in activity and location monitoring of non-powered assets. The company provides end-to-end supply chain visibility and insights to their customers, which include Airbus, TCR, AB InBev and Veolia. The Sensolus industrial internet-of-things technology covers the full trajectory from data to actionable insights, starting with data collection based on low-power devices with edge intelligence, a patent protected data integrity solution for networks, and an intuitive cloud platform for data visualisation and insights.

Sector	Business 4.0
Country	Belgium
Porfolio entry	2017
SDG	8 9 12

SEE EXPLANATION SDG'S ON PAGE 59

1. Overview and history

Since 2008

Capricorn CLEANTECH

Capricorn Cleantech Fund

Advancing green chemistry, the circular economy and carbon-neutrality

Commited capital: €112,000,000

Weight in NAV QfG: 0.01%

Uncalled capital QfG: €0

The fund invested in European and North American innovation companies in a wide range of cleantech areas. These companies are specialised in reducing and optimising the use of natural resources, harnessing the benefits of renewable materials and energy, and providing the next generation of sustainable automotive and semiconductor technologies.

Since 2010

Capricorn HEALTH

Capricorn Health-tech Fund

Focusing on technologies that help prevent, diagnose and treat diseases

Commited capital: €42,052,000

Weight in NAV QfG: 7.01%

Uncalled capital QfG: €1,050,000

The fund focuses on non-digital technologies that help prevent, diagnose and treat diseases, while the Capricorn Digital Growth Fund focuses on digital health technologies. The human healthcare technology sector covers a wide range of products and services in sub-sectors such as bio-pharmaceuticals and pharmaceuticals, vaccines, medical devices, medical imaging, diagnostics, research equipment and nutraceuticals.

Since 2012

Capricorn DIGITAL

Capricorn ICT Arkiv

From data to actionable insights

Committed capital: €33,202,000

Weight in NAV QfG: 3.67%

Uncalled capital QfG: €1,127,000

Capricorn's first fund focused on the opportunities that arise from transforming data into actionable insights using AI and data science technologies, both within digital healthcare and Business 4.0.

Since 2018

Capricorn CLEANTECH

Capricorn Sustainable Chemistry Fund

Advancing green chemistry, the circular economy and carbon-neutrality

Commited capital: €86,500,000

Weight in NAV QfG: 7.69%

Uncalled capital QfG: €3,400,000

The fund capitalises on the ever-increasing opportunities resulting from the urgent need for new technologies to reuse, recycle or reduce the consumption of natural resources. These technologies significantly reduce the carbon footprint and reduce resource requirements for processes and products. They are critical in the transition to a sustainable and ultimately circular economy. This includes food and feed ingredients, materials and chemical products manufactured from renewable resources and/or through sustainable processes. The Fund focuses on investment opportunities in Europe and North America but will also consider investments in other regions.

Since 2019

Capricorn DIGITAL

Capricorn Digital Growth Fund

From data to actionable insights

Committed capital: €84,500,000

Weight in NAV QfG: 4.51%

Uncalled capital QfG: €12,000,000

The fund focuses on investments in data-driven companies, concentrating on the growing number of investment opportunities, based on the trend of turning data into actionable insights on the one hand and the emerging use of artificial intelligence and data science techniques on the other. In this context, the investment team will mainly focus on applications in two areas: Digital Health and Industry 4.0. Geographically, the Capricorn Digital Growth Fund will focus on investment opportunities in Europe. The fund invests across the funding continuum from start-up to scale-up.

Since 2021

Capricorn FUSION

Capricorn Fusion China Fund

Building investment bridges betweIn EURope and China

Committed capital: €36,300,000

Weight in NAV QfG: 1.92%

Uncalled capital QfG: €5,519,587

The fund focuses on investing in companies that link the European and Chinese markets. On the one hand, the fund is looking for innovative European companies which see a clear role for the Chinese market in their development (in sourcing, supply, production or commercialization). On the other hand, the fund will also invest in Chinese companies looking to step into the European market.

HIGHLIGHTS 2023

Capricorn CLEANTECH

Capricorn Cleantech Fund

Avantium N.V. announced in June that it had entered into a joint development agreement with Bangkok-based SCG Chemicals. The intention is to develop the production of glycolic acid monomer and PLGA polyesters using its Volta technology and scale it up to a pilot plant. Despite positive reporting in the news, the share price was unable to hold on to its short-lived rise. Shares in Avantium N.V. were sold in 2023.

Capricorn DIGITAL

Capricorn ICT Arkiv

Following the sale of **OneWelcome** to Thales in 2022, part of the escrow amount was received. The remaining part will be paid out later and is currently valued at a 10% discount.

The fund also made some follow-on investments in existing portfolio companies.

Capricorn HEALTH

Capricorn Healthtech Fund

Besides entering into a licensing contract with Eli Lilly, **Confo Therapeutics** also announced a collaboration with the major Japanese pharma company Daiichi Sankyo for the development of medicines to combat neurological illnesses. Confo Therapeutics will be given an advance payment and milestone payments for both contracts.

Following the 2017 sale of **Ogeda** to Astellas Pharma in the Capricorn Health Tech Fund, a potential milestone payment is still outstanding. Astellas Pharma announced that the US FDA had approved its application for a new drug, fezolinetant. As a result, the total amount of the second milestone payment was released and placed in a blocked account by Astellas Pharma. This milestone payment will normally be released and paid out to Ogeda's former shareholders in the summer of 2024.

Achievements

confo therapeutics	Licensing agreement totalling up to $630M with Lilly
icometrix IMAGING BIOMARKER EXPERTS	Receives CPT III reimbursement code within USA
bingli	Is reimbursed via Dutch health insurance company VGZ
neotiv	Neotiv' collaboration with Roche in full action in Germany
indigo	Finishes its first in-human study

Clinical impact

confo therapeutics	Proved to increase OR throughput by 25% with their digital twin
icometrix IMAGING BIOMARKER EXPERTS	80% reduced risk of device related thrombus in LAA procedures
bingli	42% of patients being medication free showed in three-year results
neotiv	77% of patients having >50% back pain reduction showed in three-year results
indigo	25% reduction in misinterpretation of urinary tract function when using Minze's homeflow

Capricorn CLEANTECH

Capricorn Sustainable Chemistry Fund

Prolupin GmbH, a German company that produces vegetable proteins for lupin-based food, initiated insolvency proceedings and has since been declared bankrupt.

The fund also made some follow-on investments in existing portfolio companies.

Achievements

TRILLIUM Renewable Chemicals	selected as 10 START-UPS TO WATCH By c&en, Chemicals & Engineering news
VIROVET LIVESTOCK SOLUTIONS	Achieves groundbreaking results with antiviral drug against bovine viral diarrhea virus
ECONIC TURNING CO₂ INTO ENDLESS POTENTIAL	Licensing agreement withto develop and grow CO_2 based polyurethanes in USA

Industrial Achievements

DMC	DMC opens new 9,500 Square Foot R&D Facility
ZEOPORE	150 Ton/a in-house industrial pilot unit for mesoporizing zeolites

Capricorn DIGITAL

Capricorn Digital Growth Fund

During the second quarter of 2023, Capricorn Digital Growth Fund invested in the Belgian company **VoxelSensors**. The company is developing a revolutionary 3D perception system for fusing physical and digital worlds. Their Switching Pixels™ system is a revolutionary sensor architecture designed for 3D perception based on laser beam scanning, and offers low latency at low power consumption, as is required for future extended reality applications. The funding will be used to further develop the VoxelSensors roadmap, to hire key staff and strengthen business engagement with customers in the States and Asia. In addition, VoxelSensors will continue to work on raising funds to support its ambitious growth plans.

The fund also made some follow-on investments in existing portfolio companies.

New investment

VoxelSensors

Impact

Gradyent 's benefits include a reduction of up to:

15%	10%	5%
in heat loss	in CO2 emissions	in full costs

Achievements

ARKITE	Won the 2023 Plug&Play Global Innovation Award
ZOZIO	Entered the German market
StoryChief	Launched AI-drive Power Mode to revolutionize content marketing management
	Onboarded several new large customers, such as PEPSICO
EclecticIQ	Selected in consortium by European Commission to enhance Europe's cyber capabilities
sensolus	Entered the US market with its NB-IoT based solution
NG DATA	Received approval from their partner NCR to complete the onboarding of 450+ banks in the US

HIGHLIGHTS 2023

“Extended Reality has rapidly gained traction in recent years, with diverse applications across sectors such as gaming, education, healthcare, manufacturing, and more. With our Switching Pixels® Active Event Sensor technology we are poised to deliver unparalleled opportunities for groundbreaking user experiences

Johannes Peeters, CEO Voxelsensors

What kind of business do you run?

VoxelSensors: VoxelSensors focuses on developing an innovative ultra-low power and ultra-low latency 3D perception technology for Spatial Computing in Extended Reality (XR). from semiconductor to software. The company was founded in response to the energy inefficiency and noticeable delays in existing XR technologies. VoxelSensors aims to enable "the sense of presence" and "superpowers" in XR by offering Spatial Computing building blocks operating at unmatched power efficiency and low latency. Their solution holds great promise for creating sleek and immersive augmented reality (AR) and mixed reality (MR) devices.

What challenges were you facing, and what motivated you to solve them? What was at stake?

VoxelSensors: VoxelSensors' founders, with over 50 years of collective experience in the technology domain, identified the limitations and challenges in XR. Their mission is to address these challenges and make Spatial Computing accessible to a global consumer audience. Low power and low latency are some of the toughest challenges to resolve to enable mass market adoption. The COVID-19 pandemic presented its own set of challenges, as the company was created the evening before the first lockdown and had to build a team entirely remotely. Developing semiconductors is a complex task, requiring deep technical knowledge, significant funding, and patience to realize revenue generation. However, the founders were determined to overcome these challenges.

How and where did you meet?

VoxelSensors: The core team has known each other since 2008, and their journey in the technology domain began during their university studies. They founded the VUB 3D sensing spinoff (Optrima) and later merged it with the Brussels software company SoftKinetic in 2010. The team played essential roles in the acquisition of SoftKinetic by Sony in 2015. After leaving Sony and having wandered off in different areas, in early 2020, the founders embarked on a new venture, armed with novel technology for making Spatial Computing mainstream.

You spoke with several potential investors. Why did you choose for a consortium led by Capricorn Partners and Qbic?

VoxelSensors: Capricorn Partners and Qbic, both leading Belgian venture capital firms, share a strong interest in VoxelSensors' story. They understand the dynamics of the semiconductor and hardware development industry, which is known for its need for time and capital investment. These funds are ambitious and patient, aligning well with VoxelSensors' vision.

How do you see to grow your cooperation in the future? How do you see your company making a difference in the future?

VoxelSensors: VoxelSensors is committed to addressing power consumption and latency challenges in Spatial Computing. Their technology is applicable across various domains, including AR and MR devices, smartphones, industrial automation, drones, and automotive applications. VoxelSensors plans to foster deeper collaboration with their network, maximizing their combined expertise and resources. Their goal is to lead the market by nurturing an innovative culture, driving sustainable growth, and reshaping industry standards. They envision a future marked by novel solutions and unparalleled market leadership, enabling advancements in areas such as industrial automation, robotics, education, healthcare, and autonomous vehicles.

What was the motivation to invest in VoxelSensors?

Marc Lambrechts, Investment Director at Capricorn Partners: We appreciate the broad experience in the team, the flexibility of the 3D perception solution towards different applications and the solid intellectual property base, essential for the success of a deep tech start-up. The team has a proven track record to build a scalable business model within a Europe-based semiconductor value chain. We also highly value the support of the Brussels region via Innoviris.”

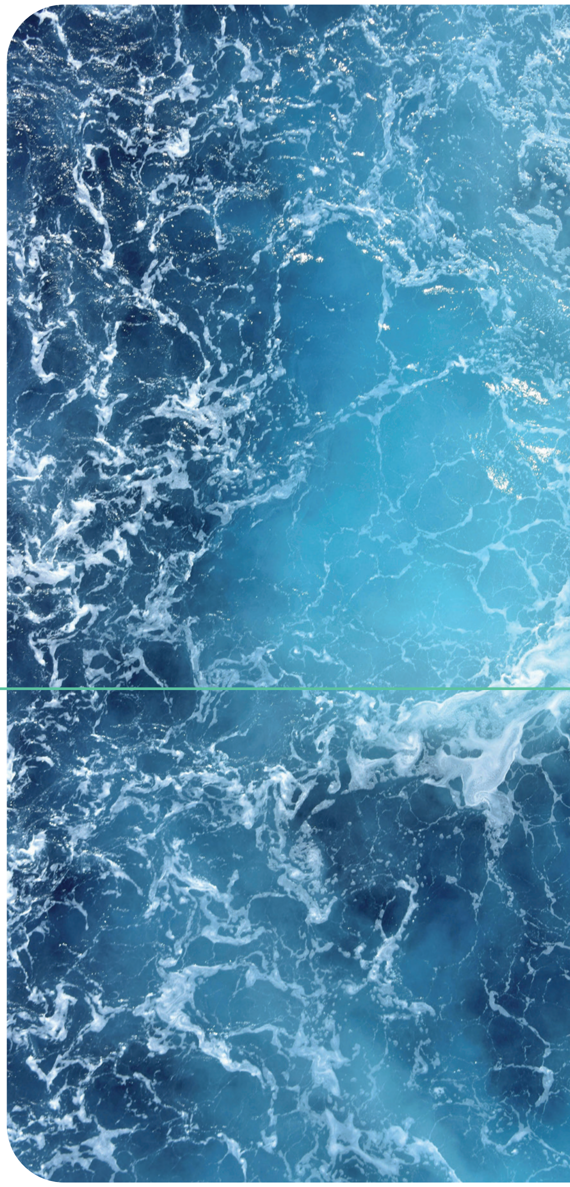
Capricorn HEALTH

Capricorn Fusion China Fund

In June, the Capricorn Fusion China Fund participated in a €5 million capital round at the Belgian Spectricity for the further development and commercialization of a hyperspectral camera. The Chinese portfolio company Xi'an Thiebaut Pharmaceutical Packaging decided to build a new factory in Xi'an Airport New City. This new location outside the center of Xi'an allows capacity to be further scaled up.

Achievements

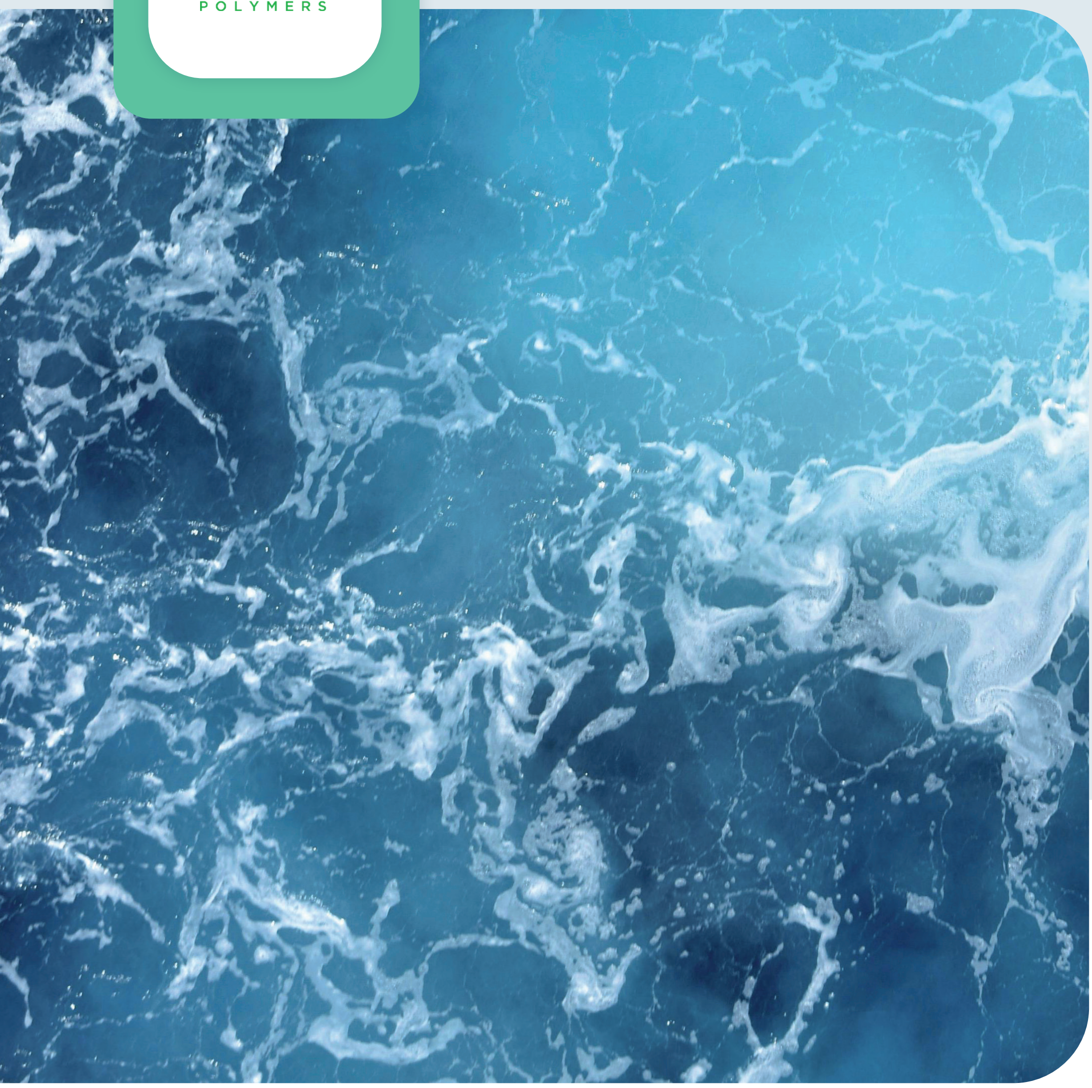
XenomatiX True solid state lidar	Agreement with city of Leuven to scan its roads with XenomatiX' LIDAR system to enhance road safety
spectricity	Launched the first miniature, mobile-device ready multispectral image sensor
Finquest	Increased focus on moving servers to locations with clean energy
fruitcore robotics	Rolled-out a software update for its industrial robots, enabling users to intuitively program complex paths.
西 安 德 宝 XIAN–THIEBAUT	Made investment decision to relocate to increase the capacity of their pharmaceutical packaging business



Fonds Capricorn

CAPRICORN CLEANTECH FUND

CO-INVESTMENT

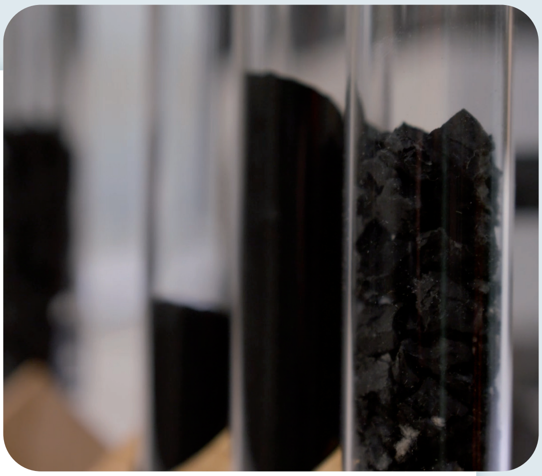


SEE EXPLANATION SDG’S ON PAGE 59

Capricorn CLEANTECH

CAPRICORN SUSTAINABLE CHEMISTRY FUND

Black Bear CARBON BLACK



Recovering carbon black from end-of-life tyres

BLACK BEAR CARBON recovers carbon black from end-of-life tyres (ELTs). ELTs are often stored in large dumps that are major breeding grounds for diseases-carrying mosquitos. Moreover, if these heaps catch fire, they produce enormous of amounts of soot. Black Bear Carbon saves approx. 10 tonnes of CO2 per ton of recovered carbon black. Carbon black is widely used in the manufacture of tyres, plastics, paints and many other products. The traditional production process is energy and CO2 intensive (new carbon black being made from heavy petroleum products). Black Bear Carbon reduces the need for the use of heavy petroleum products, thereby saving resources and energy.

Sector	Functional Chemicals
Country	Netherlands
Porfolio entry	2018
SDG	3 8 9

TRILLIUM Renewable Chemicals

Renewable chemicals

TRILLIUM is a spin-out from Southern Research (Alabama, USA) that has developed an economical and sustainable process to produce acrylonitrile from renewable resources. Trillium provides a green drop-in, cost-effective alternative to chemicals that are currently produced from fossil fuel-derived propylene. Trillium's bio-based chemicals are identical and therefore deliver equal performance after conversion into the desired materials. Furthermore, Trillium's technology can be used in local, small-scale production units, so the long-range hazardous transport of acrylonitrile can be avoided. As a result, a public health risk is removed and GHG emissions can be meaningfully reduced.

Sector	Industrial Processes Technologies
Country	Unites States
Porfolio entry	2021
SDG	9 12

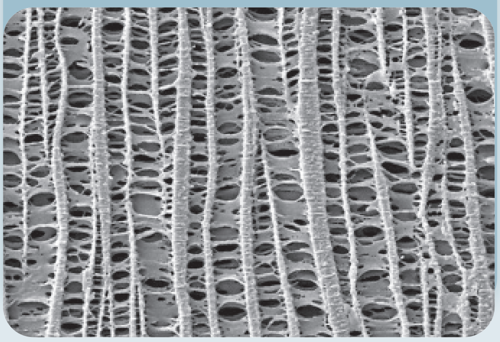
SEE EXPLANATION SDG'S ON PAGE 59

CAPRICORN SUSTAINABLE CHEMISTRY FUND

Reducing raw materials use in polymer films

VOID has developed a technology to reduce the use of raw materials in polymer films (used for bags, foils, etc.) while offering improvements in their properties, such as enabling further stretching. The effect is a 25% lower polymer use. The technology also eliminates the use of titanium dioxide, making the film 100% recyclable. VOID allows for significant carbon footprint reductions through more efficient resource use and its increased recyclability of multilayer polymer film packaging material.

Sector	Functional Chemicals
Country	United Kingdom
Porfolio entry	2020
SDG	9 12 13



Controlling diseases in livestock

VIROVET develops disruptive and innovative technologies for the control of diseases in livestock, such as the company's innovative vaccine platform. It also has several antiviral drugs in the pipeline. The company's plasmid-launched vaccination approach enables the next generation of thermostable, low-dose and broadly applicable vaccine formulations. This, together with its dedicated small molecule approach, means the company is earmarked to be a disruptor in the animal health sector. Its products will help protect sensitive food supply chains and guarantee the protein supply that is still essential for both developing and industrialised societies.

Sector	Food & feed
Country	Belgium
Porfolio entry	2020
SDG	2 12 15

CO-INVESTMENTS

DMC

QPINCH

REIN4CED

SEE EXPLANATION SDG'S ON PAGE 59

Revolutionizing zeolite catalyst performance

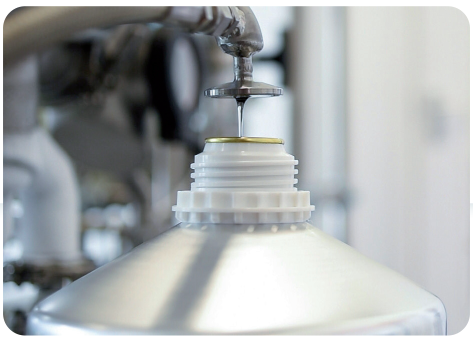
ZEOPORE, a spin-out from the University of Leuven, has developed a toolbox which is able to tune the amount, size and interconnectivity of mesopores in zeolites (catalysts for conversion processes), ensuring optimal settings for specific zeolite, feedstock and application combinations. Zeopore's technology results in highly accessible mesoporous zeolites, with a direct increase in stability and selectivity in zeolite applications, such as plastics recycling and the production and conversion of bio-renewables. As resources are more efficiently used in these processes, resulting in a reduced environmental footprint.

Sector	Functional Chemicals
Country	Belgium
Porfolio entry	2020
SDG	9 12

Carbon-to-value catalyst platform technology

ECONIC Technologies is a pioneer in the utilisation of carbon dioxide (CO_2) as a valuable raw material. Econic's technology inserts waste CO_2 molecules into polymers used in essential everyday products. The use of CO_2 sustainably displaces conventional oil-based feedstocks and complements bio-based raw materials, to create more sustainable, more cost effective, higher performing, end products. Econic was founded in 2011 by Prof. Charlotte Williams, at Imperial College London. The company is ready to meet consumer and societal drive to net zero and fit with the existing supply chain. The recipient of many nominations and awards, the company was most recently named as winner in the Sustainability sector of 'Future22' by Tech Tour, Europe's largest investor-oriented community.

Sector	Advanced Chemicals and Raw Materials
Country	United Kingdom
Porfolio entry	2022
SDG	9 12 13



SEE EXPLANATION SDG'S ON PAGE 59

Capricorn DIGITAL

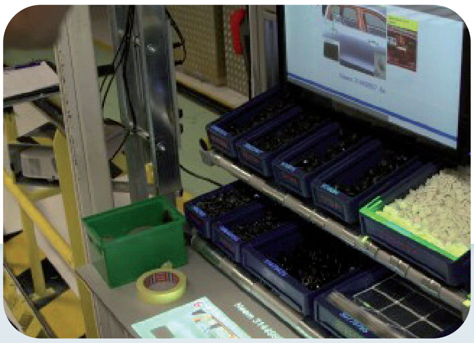
CAPRICORN ICT ARKIV

ARKITE

Digital work instructions

The Human Interface Mate's no-code platform by **Arkite** guides operators with augmented reality instructions in complex and/or repetitive manual assembly tasks. The investment in Arkite fits our Industry 4.0 focus and provides a human-centric solution for operator guidance, whilst respecting privacy and improving ergonomics in an industrial working environment.

Sector	Industry 4.0
Country	Belgium
Porfolio entry	2017
SDG	8 9

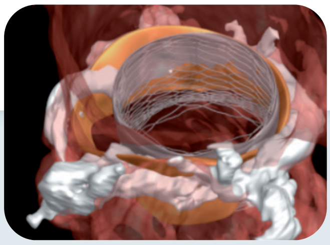


FEOPS insights for excellence

Transforming cardiac images into digital twins

FEOPS is a digital health player offering cloud-based procedure planning solutions in the structural heart space. FEops illustrates the possibilities of adapting well-known techniques from the engineering and Industry 4.0 world to the healthcare space. FEops combines digital twins with AI-enabled anatomical analyses to generate data-driven insights that enhance and improve procedure planning and periprocedural.

Sector	Digital Health
Country	Belgium
Porfolio entry	2015
SDG	3 12



CO-INVESTMENTS

NGDATA

sensolus

SEE EXPLANATION SDG'S ON PAGE 59

Transforming patient care

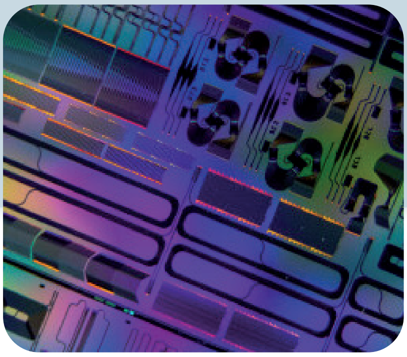
With its CE-marked and FDA-approved solution Icobrain by Icometrix is positively transforming patient care through imaging AI. Icobrain quantifies clinically relevant brain structures in individual patients who are suffering from neurological disorders such as multiple sclerosis, dementia or TBI. Icompanion, in turn, is a platform that supports MS patients and enriches the imaging data with real world input.

Sector	Digital Health
Country	Belgium
Porfolio entry	2015
SDG	3

Glucose-monitoring sensors

INDIGO Diabetes is developing the world's first continuous multi-metabolite monitoring system for people living with diabetes. This investment is an excellent example of a connected medtech investment opportunity. Based on scalable hardware technology from the telecoms industry, Indigo will make new sensing capabilities available, providing additional actionable insights for diabetes patients and care providers.

Sector	Digital Health
Country	Belgium
Porfolio entry	2016
SDG	3



SEE EXPLANATION SDG'S ON PAGE 59

CAPRICORN DIGITAL GROWTH FUND

DEO

Data-driven efficiency for the operating room

DEO's mission is to resolve a key challenge of our health-care ecosystem: meet an increasing patient demand with timely and high-quality care, overcoming shortages in medical staff and the immense pressure on hospital reimbursement. To do so, DEO has developed an innovative OR Efficiency Platform.
DEO's product will have a big impact on more efficient OR management resulting in a better patient outcome and improved ergonomics and job satisfaction for the clinicians.

Sector	Digital Healthcare
Country	Belgium
Porfolio entry	2021
SDG	3

Gradyent

Managing district heating networks

District heating networks provide heating for residential properties, using heat from renewable energy sources or recovered from industrial processes. **Gradyent** offers a proven digital twin and AI-based solution for optimising the management of such networks. Our investment concept is based on the rapid growth of district heating networks in many countries, and the need to manage their growing complexity (both in terms of heat sources and the needs of consumers) in a smart and sustainable way.

Sector	Industry 4.0
Country	Netherlands
Porfolio entry	2020
SDG	7 11

SEE EXPLANATION SDG'S ON PAGE 59

ZOZIO

Reinvention of factory logistics

Zozio, created in 2019, has made its name in the industry with the only AI-powered platform for predictive logistics and aims to become the logistics platform of reference in the industry of tomorrow. Zozio is working with big companies, enabling them to optimise factory flows by freeing the operator from long and repetitive tasks. Thus, the manager is assisted in his decision making, the factory is more efficient and finally the company gains in productivity.

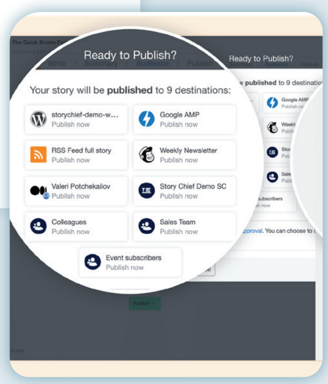
Sector	Industry 4.0
Country	France
Porfolio entry	2022
SDG	8 9 12

StoryChief

Streamlining content marketing processes

STORYCHIEF is a content marketing platform from Ghent, Belgium. A user-friendly environment that helps agencies and marketing teams manage their content life cycle in one place from briefing, multi-channel optimization, planning, review, publishing and analytics.

Sector	Business 4.0
Country	Belgium
Porfolio entry	2022
SDG	/



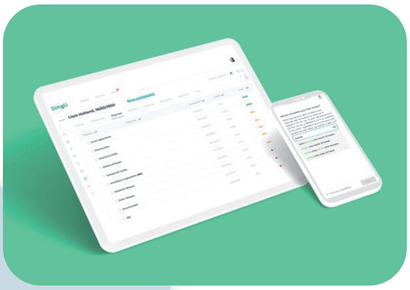
Trensition

AI-driven strategic intelligence

TRENSITION developed an AI-driven strategic intelligence SaaS platform, Trendtracker, that supports organisations in taking more informed strategic decisions, continuously. Trendtracker provides companies with a 100% custom and data-based, transparent, and objective view of trends that are coming today, tomorrow and the day after.

Sector	Big Data and AI platform
Country	Belgium
Porfolio entry	2022
SDG	8 9

SEE EXPLANATION SDG'S ON PAGE 59



bingli

The smartest medical interview

BINGLI is a digital health company offering a patient-doctor anamnesis (medical history information gather by a physician by asking questions) solution based on a combination of AI-driven technology and fixed predefined questions. This solution provides the clinicians with the necessary information before consultation or clinical intervention and has the potential of becoming a screening tool based on contextual data.

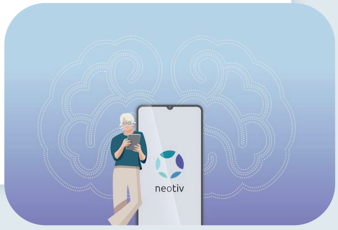
Sector	Digital Health
Country	Belgium
Porfolio entry	2022
SDG	3

neotiv

Enabling cognitive health

NEOTIV is a digital health company offering a cognitive test solution that can diagnose patients with mild cognitive impairment (MCI), which is known as a precursor to other diseases such as Alzheimer or Dementia. The solution is based on specific scene and object recognition tests. This provides clinicians the opportunity to diagnose MCI and neotiv's solution can become the screening tool for cognitive tests in the next years.

Sector	Digital Health
Country	Germany
Porfolio entry	2022
SDG	3



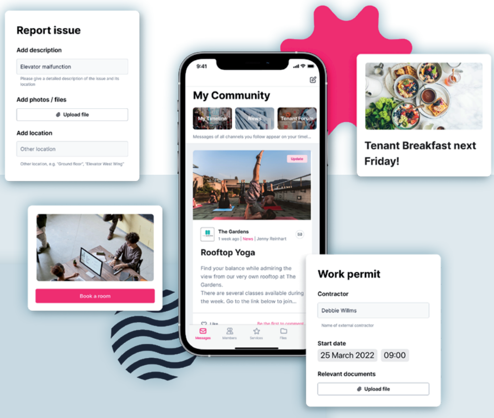
Minze
health at home

Uroflowmetry and bladder diaries reinvented

MINZE is a digital health company offering a solution to diagnose, monitor & treat patients with lower urinary tract symptoms (LUTS) inside and outside of the hospital. Minze offers different hardware solutions (Hospiflow, Homeflow, Diary Pod), a digital app for the patient and a remote patient monitoring platform for the clinician. Their solutions provide patients an easy way to monitor their LUTS symptoms by tracking their urination (volume, pressure) which is essential information for clinicians to perform a better diagnosis.

Sector	Digital Health
Country	Belgium
Porfolio entry	2022
SDG	3

SEE EXPLANATION SDG'S ON PAGE 59



chainels

Bringing tenants together

CHAINELS offers a tenant experience app that connects those that live and work in mixed-used, residential, retail and office destinations. Their app also serves as a property management portal and community platform which enhances communication between all stakeholders including landlords, tenants, occupiers, investors, owners, developers, operators, local authorities, and public officials.

Sector	Business 4.0
Country	Netherlands
Porfolio entry	2022
SDG	8 9

VoxelSensors

3D perception systems

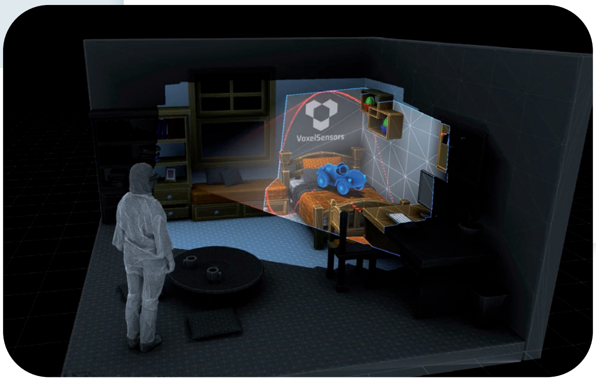
VOXELSENSORS develops a revolutionary 3D perception system for blending physical and digital worlds. Their Switching Pixels™ system is a revolutionary sensor architecture designed for laser beam scanning based 3D perception and provides low latency at low power consumption as required for future extended reality applications.

Sector	Deeptech
Country	Belgium
Porfolio entry	2023
SDG	9 12

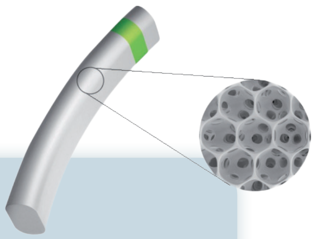
CO-INVESTMENTS

EclecticIQ

indigo



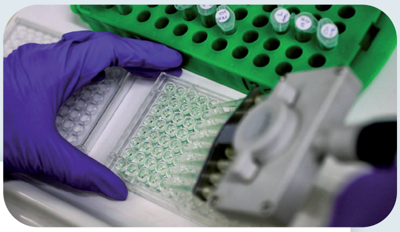
CAPRICORN HEALTH-TECH FUND



Implants for patients with glaucoma

ISTAR MEDICAL aims to improve the lives of patients suffering from eye diseases by developing innovative minimally invasive ophthalmic implants made from STAR® Biomaterial. It is estimated that globally about 80 million, mainly elderly people, suffer from glaucoma. Glaucoma is the second-leading cause of blindness and often a result of lack of therapy compliance. Funding innovations that reduce the therapy burden on patients lies at the heart of the fund's strategy.

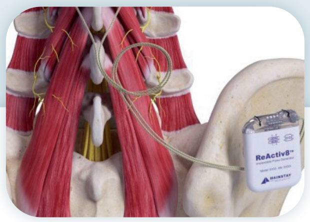
Sector	Medical Devices
Country	Belgium
Porfolio entry	2013
SDG	3



Stabilize, target, discover and transform

CONFO THERAPEUTICS is a leader in the discovery of GPCR (G protein-coupled receptors) modulating therapies. The company has been building a technology platform and develops internal discovery programs addressing otherwise unmet medical needs of patients with severe illnesses that currently lack disease-modifying treatments. Our investment in Confo Therapeutics is a prime example of the fund's mission to provide capital to enablers of drug discoveries across a multitude of diseases.

Sector	Pharma & Biotech
Country	Belgium
Porfolio entry	2015
SDG	3



Rehabilitative treatment for severe low back pain

MAINSTAY MEDICAL has developed a groundbreaking treatment for chronic lower back pain through stimulating and restoring the neuromuscular function of the muscles that stabilize the lumbar spine.
Chronic low back pain causes immense suffering for patients and can lead to full disability. Developing and marketing devices to avoid chronic pain and immobility it is a prime example of the fund's investment strategy.

Sector	Medical Devices
Country	United States / Ireland
Porfolio entry	2012
SDG	3

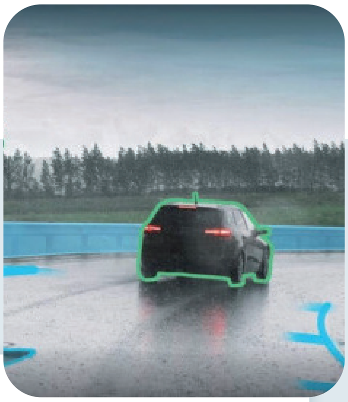
SEE EXPLANATION SDG'S ON PAGE 59

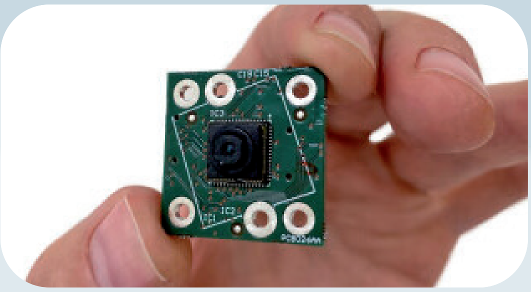
spectricity

Meet the next generation of sensing

SPECTRICITY is a fabless company headquartered in Belgium. They develop and manufacture spectral sensing solutions using CMOS technologies. These solutions are designed for high volume production and use in consumer and mobile devices. China has been one of the leading cell phone manufacturing countries in the world and may continue to develop steadily in the near future. In addition, China's domestic mobile phone market has become one of the largest cell phone markets in the world.

Sector	Hyperspectral imaging
Country	Belgium
Porfolio entry	2021
SDG	3 9





XenomatiX
True solid state lidar

3D sensor vision solutions for safer roads

XENOMATIX mission is to provide road safety and road comfort with its solidly reliable, versatile and affordable true-solid-state LiDAR technology. Consumer attitudes in China, where autonomous vehicles and new mobility options are more positively received, will have a big impact on the global automotive industry, certainly taking into account the size of China's domestic market.

Sector	Solid-state LIDAR
Country	Belgium
Porfolio entry	2021
SDG	3 9

西安德宝 XIAN-THIEBAUT

Collapsible alumunium tubes

XI'AN THIEBAUT is a Sino-Belgian joint venture specialising in the production of collapsible aluminium tubes for packaging pharmaceuticals and cosmetics. Xi'an Thiebaut's aim is to continuously improve the quality of pharmaceutical packaging for better human health. The investment illustrates the mission of the Capricorn Fusion China Fund to invest in western technology with a clear value for the Chinese middle class and its growing health awareness.

Sector	Manufacturing
Country	China
Porfolio entry	2020
SDG	3 12 14

CO-INVESTMENTS

Finquest

fruitcore robotics

SEE EXPLANATION SDG'S ON PAGE 59

Other funds

THE CARLYLE GROUP

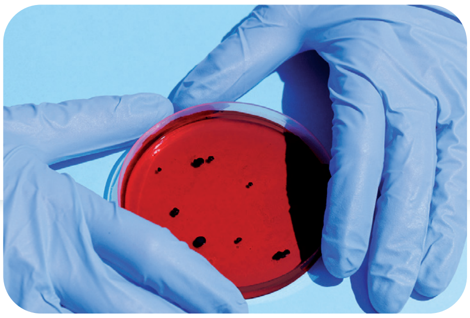
CETP Carlyle Europe Technology Partners) is managed by subsidiaries of the Carlyle Group, which is one of the largest and most experienced global private equity companies. CETP concentrates on investing in European companies, particularly in the technology, media and telecommunications sectors. The fund also focuses on buyouts in which potential portfolio companies can bear debt capitalisation, and on investing equity capital in companies with existing income flows, whether or not these are profitable ("later stage venture"). Quest for Growth has co-invested in a large number of CETP's portfolio businesses via Carlyle Europe Technology Partners Co-investment, LP.

Sector	Agnostics
Country	United States
Porfolio entry	2007

EQT Life Sciences

EQT LIFE SCIENCES is one of the largest specialist European investors in the healthcare and biotechnology sector. Since the end of the 1980s, EQT's management has invested in a large number of very innovative companies, many of which have grown into leading firms in the global life sciences sector. EQT has offices in Amsterdam (the Netherlands), Munich (Germany) and Boston (USA).

Sector	Life Sciences
Country	Netherlands
Porfolio entry	2006



6. ESG REPORT

Responsible financing means that Environmental, Social and Governance (ESG) criteria are taken into account in investment decisions, which lead to sustainable growth and the transition to a climate-neutral economy.

With Quest for Growth, we have been working for years to promote a positive ESG impact among our portfolio companies and this way we meet the expectations of our shareholders. We know that this responsible method of investing is the only right way. If we wish to address the climate crisis, we must focus on green innovative technologies. Consequently, as a fund, we have been committed for years to promoting low-carbon technologies

But it is not only important to invest in these technologies. They must also be affordable and accessible enough to be able to apply them on a large scale. This is precisely why Quest for Growth invests in both cleantech start-ups with ground-breaking ideas and in quoted companies with the commercial strength to use that technology. This approach gives our shareholders a unique opportunity to invest in a diversified portfolio.

We therefore deploy our capital for responsible progress. Via our active shareholding model, we enter into a dialogue with our investments and increase their economic value by steering the activities in a more sustainable direction. We divide our capital among three investment domains: Cleantech, Health Tech and Digital.

In addition to promoting the environmental and social characteristics to companies, we primarily stimulate good governance of the organisations.

Capricorn Partners developed an integrated and proactive ESG investment strategy. From the selection of the portfolio companies and venture funds to the monitoring of the companies in our portfolio, we increasingly consider our decisions in the light of their impact on people and the environment.

Our strategy also continues to build on internationally recognised principles that we have signed in relation to investment. We also comply with European legislation in the field of sustainable financing and reporting.

You can view the ESG policy at any time on the ESG page of the Capricorn Partners website (www.capricorn.be).

THE PRINCIPLES WE RELY ON

United Nations Global Compact

HUMAN RIGHTS | LABOUR | ENVIRONMENT | ANTI-CORRUPTION

The ten principles of the UN Global Compact

Quest for Growth accepts no form of abuse relating to human rights, labour, the environment or anti-corruption in the investment portfolio.

Capricorn Partners has signed the 10 principles of the United Nations Global Compact. These principles are based on international UN declarations relating to **human rights, labour, the environment and anti-corruption.**

The principles concerning **human rights** call on companies to support and respect the protection of internationally recognised human rights and requires them to ensure that they do not cooperate in violations of human rights.

With regard to **labour**, Quest for Growth requires the portfolio companies to show support for the freedom of association and effective recognition of the right to collective negotiation. The principles also require companies to eliminate all forms of forced labour or mandatory labour, to effectively discontinue child labour and to combat every form of discrimination in the fields of labour and occupations.

Respect for the **environment** is a key element of this United Nations pact. Companies must take precautions in addressing environmental challenges and must take initiatives to promote greater environmental awareness. They must also stimulate the development and circulation of environmentally friendly technologies.

The last principle is that of a**nti-corruption**. No doubt at all may exist in that respect. The companies in our portfolio must counter every form of corruption, including blackmail and bribery, and if necessary, must be sanctioned appropriately.

Quest for Growth has not identified any violations of the UN Global Compact principles at its portfolio companies over the past two years.

Principles for Responsible Investment

The UN Principles of Responsible Investment (PRI)

Capricorn Partners has also endorsed the UN's 6 Principles of Responsible Investment.

This commitment means that we integrate ESG characteristics and risk factors in our investment analyses, our due diligence inquiries and our decision-making process, and that we play an active role in the management boards of the private portfolio companies and exercise our voting rights. In both cases, we take decisions that are consistent with our ESG policy. In the past year, Quest for Growth has taken every opportunity to exercise voting rights.

We report annually to our investors on our ESG engagement. Where relevant, taking account of the size and activities of the portfolio companies, we report on the qualitative and quantitative progress of the ESG factors in our portfolio companies. We also promote the acceptance and implementation of the PRI within the investment sector and participate in conferences, networks and information platforms in order to share information. Capricorn Partners has been a member of UN PRI network for a number of years because we believe in the power of this network and the initiatives associated with it.

Finally, we report on our activities and progress relating to the implementation of these principles. Last year's internal research showed that Capricorn Partners scored high on the investment policy for both listed equities and private equities, while the score for the use of voting rights in listed companies was slightly above the median. During the year, we thoroughly addressed this voting rights issue and subsequently updated the ESG policy (published on our website). In addition, we explain the use of voting rights in the ESG chapter of the annual report (page 68).

SUSTAINABLE DEVELOPMENT GOALS

The UN Sustainable Development Goals (SDGs)

Our ESG strategy is based on the UN Sustainable Development Goals. The **17 goals** aim to eliminate poverty, protect the planet and bring peace and welfare for everyone towards 2030. Every company and every fund that we invest in has a positive impact on one or more SDGs.

Quest for Growth contributes most to the following goals

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE — **Building resilient infrastructure, promoting inclusive and sustainable industrialisation and fostering innovation**

12 RESPONSIBLE CONSUMPTION AND PRODUCTION — **Ensure sustainable consumption and production**

7 AFFORDABLE AND CLEAN ENERGY — **Ensuring access to affordable, reliable, sustainable and modern energy for all**

3 GOOD HEALTH AND WELL-BEING — **Ensuring healthy living and promoting well-being for all at all ages**

In 2019, the European Union's Green Deal expressed the ambition to become the world's first climate-neutral continent by 2050. To achieve this ambition, financial resources must flow to sustainable activities and companies to the maximum extent possible. Transparency is the key word here. Quest for Growth fully agrees with this.

In implementation of the Sustainable Finance Action Plan, Europe has therefore enacted new legislation containing guidelines on corporate sustainability and mandatory reporting, both for financial market players and non-financial companies: the Sustainable Finance Disclosure Regulation (SFDR) and the Corporate Sustainability Reporting Directive (CSRD). As the underlying initiative, the EU Sustainable Finance Taxonomy provides the common language, unambiguously defining what constitutes a sustainable activity.

Corporate Sustainability Reporting Directive (CSRD).

Quest for Growth (QfG) falls under category 3 of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU, in relation to corporate sustainability reporting ("CSRD") as (i) QfG is listed on a stock exchange and (ii) at least two of the three pre-set criteria for qualification as an SME have been exceeded. This means that the first CSRD reporting is not due until 2027, in respect of the financial year starting on 1 January 2026 (see Article 5(2)(c)(i) of the CSRD).

SFDR legislation

Investment funds will be required to communicate transparently how they integrate sustainability risks and opportunities into their investment choices and recommendations. The legislation introduces a classification system with reporting requirements for investment products.

For example, the SFDR distinguishes between:

- financial products that finance unsustainable activities;
- financial products that promote environmental and/or social characteristics (Article 8 funds)
- and sustainable investments (article 9 funds).

Quest for Growth is an Article 8 fund: it promotes ecological and/or social characteristics but does not have sustainable investment as an objective. It is also referred to as a ‘light green fund'.

We integrate ESG factors and risks into our investment strategy, from selection to monitoring, and we aim for active ownership in the companies in which we invest, so that we can have an impact on the ESG decision-making. But we are also critical regarding every potential negative impact on the environment, people and society, and we also exclude companies based on undesirable conduct and based on products with a negative impact. We regard all this as promoting ESG characteristics in the portfolio companies.

The EU taxonomy

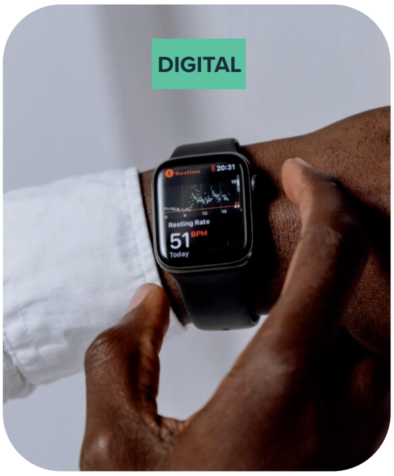
What sustainable economic activities involve must be clear to all actors. For that reason, the EU created the Sustainable Finance Taxonomy: a classification system with objective criteria that determines which economic activities make a substantial contribution towards the EU's environmental and climate objectives.

Financial institutions and companies must state whether their investments are ‘**eligible**’, which means **that the activities are included in the activities on the list of the EU taxonomy**. If that is the case, they must state whether their activities are ‘**aligned**’: i.e., whether they **comply with the DNSH principle, the social assurances and specific technical criteria** for that activity.

Since venture capital investments are mainly in technologies that indirectly generate impact, investment activities do not currently align with the EU taxonomy framework. The framework is not yet fully aligned with such investment types. In addition, we note that the information available this year remains insufficient to demonstrate a reliable figure of eligibility for the listed portfolio.

ESG approach for Quest for Growth

Investments in three sectors



Technology with a purpose - investing where technology impacts most

With Capricorn's venture funds, investing in Healtcare, Cleantech and Digital solutions, our mission is to invest in companies that are dedicated to building applications or enabling technologies that contribute to creating a better society.

Our leading principles guide our team through our investment cycle, from pre-investment to exit:

- We put the human interaction first in our collaboration with portfolio companies. We partner with entrepreneurs and speak their language. How far do the ambitions of the founders go and can we achieve an excellent return on investment and value through strong mutual trust? We communicate transparently and respond to the needs arising from this dialogue.
- As an investor, we look under the hood of innovative technologies. Besides, we are keen to discuss go-to-market strategy upfront before we engage in a long-term partnership with the owners of the company. In the early stage of the investment process, we validate the product market fit with potential customers in our network.
- We believe that purpose-driven companies have a stronger economic performance. We have experienced this since the early beginnings of Capricorn Partners. That is why we set up funds with healthcare, cleantech and digital business as investment focus. Our focus lies beyond immediate returns, as we are long-term investors supported by a robust investor community. Above all, we prioritize sustainable financial outcomes as we strive for lasting success.

Leading by example at Capricorn Partners

To guide our team through the practice of sustainability, we have a strong ESG policy in which we set out formal guidelines, rules, exclusions and our monitoring processes.

At Capricorn Partners, we know our ESG strengths, weaknesses and opportunities. Our aim is to reflect these values when engaging with our portfolio companies. This is translated into a strong focus on good governance, a clear vision on a well-managed and inclusive workplace and the measurement and gradual improvement of relevant environmental objectives.

A clear focus on innovative technologies in Digital Business, Health and Cleantech

Technology can contribute with digital solutions in a broad range of sectors: Capricorn Digital focuses on investment opportunities emerging from turning data into actionable insights using AI, Digital Twin, IoT and data science technologies. The focus is on software, but we are also open to hardware enabled software solutions and selective deeptech opportunities. We target the digital optimization of all business functions across industry sectors covering Industry 4.0, proptech and the digital enterprise. This includes, for example, solutions for smart manufacturing, logistics, energy management, sales & marketing or cybersecurity.

Technology can contribute to overcome health challenges: Capricorn Health encourages the development of novel medical technologies in healthtech, including digital health and medtech solutions, which solves the complex medical challenges in front us. Possible technologies ranges from AI, digital twin, new materials, robotics and more. All the targeted investments are linked to personalized care, which promotes value-based healthcare.

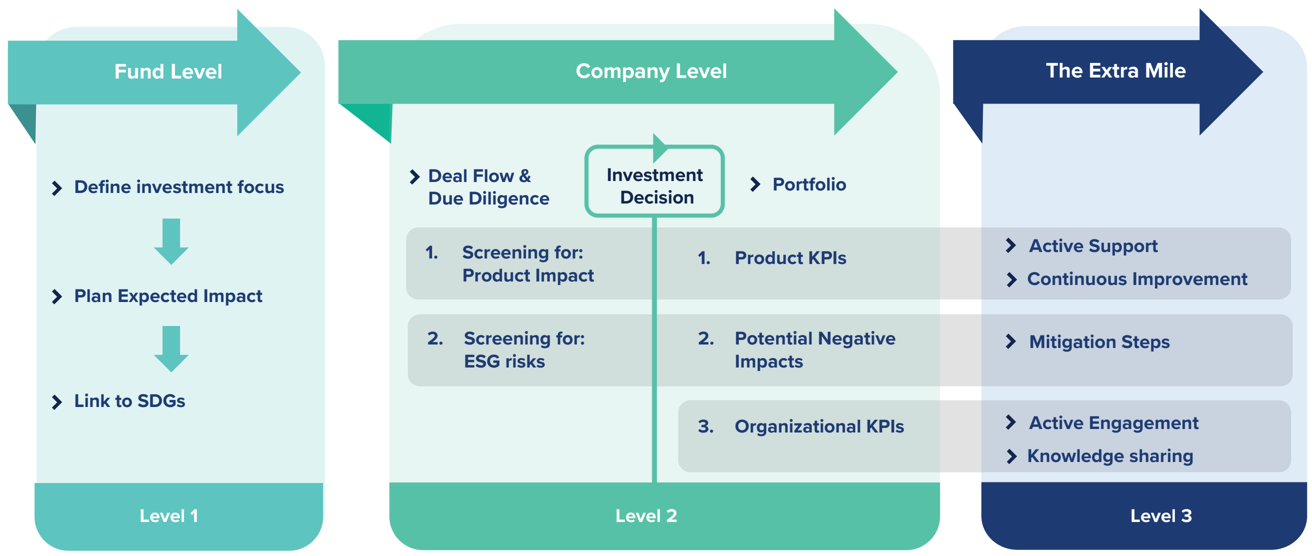
Clean technology represents new sustainable technologies that reduce or eliminate negative ecological impact and that improve the productive and responsible use of natural resources: Capricorn Cleantech invests in chemistry related innovation targeting energy transition, materials transition, and food system transition towards net-zero emissions. Each of the transitions will come with its own set of questions and challenges, but chemicals and materials constitute the core of all three. They are omnipresent in our daily lives, from the packaging of the food we eat, to the clothes we wear, to the solar panels we generate green electricity with.

Our Responsible Investment Framework in Digital, Health and Cleantech

We believe that our responsible investment framework leads to better exit opportunities. It revolves around advancing sustainable business practices and aligning them with the ESG expectations of potential buyers.

This framework is developed by the Digital, Health and Cleantech investment team at Capricorn Partners. The respective teams are responsible for applying this framework and will report progress in the form of a yearly responsible investment report towards the shareholders of the Capricorn Digital, the Capricorn Health and the Capricorn Cleantech funds. The framework will undergo continuous review, taking into account regulatory changes and feedback from our investors and portfolio companies.

The figure below shows an overview of our responsible investment framework:



The framework is applied on three levels:

1. At the fund level, we formulate an objective for the fund, with a corresponding investment focus, expected impact and SDG alignment.

2. At the company level, a company's impact is evaluated both pre-investment, during the deal flow and due diligence phase, as well as post-investment, when it becomes part of the portfolio.

   2.1. During the deal flow and due diligence phase, the impact of a company's product or technology as well as the company's ESG risks are evaluated. If a company's product has a negative impact on society or if the company exhibits significant structural ESG risks, it will receive a negative investment decision.

   2.2. To monitor the impact of our portfolio companies, we use measurable and actionable impact indicators. We focus on product KPIs, potential negative impact indicators and organizational KPIs.

   - The product KPIs are company specific and used to measure the expected impact resulting from a company's products or services, and are linked to the relevant UN Sustainable Development Goals (SDGs). A responsible AI evaluation is performed if relevant.

   - Potential negative impacts are identified and mitigation steps are formulated and monitored.

   - The organizational KPIs are not company-specific but provide a comprehensive perspective on how a company is governed with regard to ESG aspects.

3. At Capricorn Partners, we aim to go the extra mile when it comes to responsible investment. We serve as a sparring partner for portfolio companies, offering guidance in implementing best practices, establishing product KPIs and developing mitigation strategies to address ESG risks.

1. Fund level

Capricorn Digital, Health and Cleantech have an investment scope with an expected impact that guides the sourcing of deals and active management of portfolio companies. Based on the established investment and impact focus, a combination of SDGs are identified for which we expect portfolios companies to contribute to.

For Capricorn Digital, we expect portfolio companies to address one or more of the following SDGs:
- SDG 8: decent work and economic growth
- SDG 9: industry, innovation and infrastructure
- SDG 11: sustainable cities and communities
- SDG 12: responsible consumption and production

For Capricorn Health, we expect portfolio companies to address one or more of the following SDGs:
- SDG 3: good health and well-being
- SDG 4: quality and education
- SDG 8: decent work and economic growth
- SDG 10: reduced inequalities
- SDG 12: responsible consumption & production

For Capricorn Cleantech, we expect portfolio companies to address one or more of the following SDGs:
- SDG 9: industry, innovation, and infrastructure
- SDG 12: responsible consumption and production

We do not exclude a positive contribution to other SDGs, on the contrary.

2. Company level

We have introduced responsible investing across all stages of our investment processes, starting from establishing the fund thesis to sourcing deals and active management of our portfolio companies. At a company level, impact is measured and monitored during the different stages of an investment.

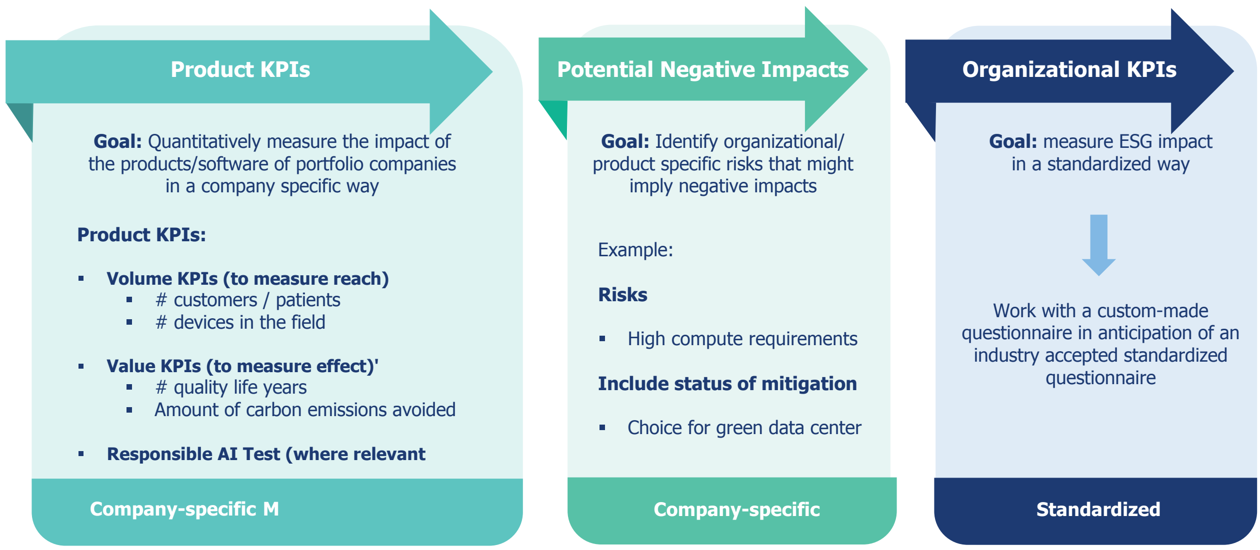
In the deal flow sourcing and due diligence stage we perform a positive and negative screening before we conclude to invest.

- The positive screening includes an assessment of potential investments by explicit mapping to the fund's expected impact and the relevant SDGs.
- The negative screening consists of excluding investments in problem areas and identifying potential ESG risks and possible mitigation steps.

After having invested, we perform the following steps for each company on a yearly basis:

- Measure impact of the company's products using Product KPIs, as a combination of Volume & Value KPIs, and conduct a Responsible AI Evaluation where relevant.
- Monitor Potential Negative Impacts and identify a corresponding mitigation strategy.
- Use Organizational KPIs to measure ESG practices at company level in quantitative and qualitative way.

The figure below illustrates our post-investment approach in more detail:



2.1 Product KPIs

The product KPIs are the keys to success of the business and will be subject of regular discussion at Board and Management level of the portfolio company.

Product KPIs are split into:

Volume KPIs, that measure the reach of the impact of a company's solution. Examples include:

- Number of customers, active users, patients, or hospitals that use the solution
- Number of buildings connected to a smart building platform
- Number of manufacturing sites supported

Value KPIs, that can be multiplied with the Volume KPIs, in order to calculate total impact. For example:

- Reduction in time to diagnosis per patient
- Health economics data related to a patient or a hospital
- Tons CO2 saved thanks to connecting a building to the smart building platform
- Tons CO2 saved thanks to supporting a manufacturing site

Ahead of the legislation we also aim to conduct a Responsible AI Test for our portfolio companies utilizing AI, that quantifies the degree to which a company employs AI in a responsible manner.

The evaluation will involve a series of questions aimed at assessing the extent to which a company's use of AI aligns with responsible AI principles derived from existing drafts of AI regulations.

1. Human agency and oversight
2. Technical robustness and safety
3. Privacy and Data governance
4. Transparency
5. Diversity, non-discrimination and fairness
6. Societal and environmental well-being
7. Accountability

Using the provided answers, a quantitative score will be derived, enabling benchmarking of the various portfolio companies. Additionally, it will provide recommendations for areas for improvement.

2.2 Potential Negative Impacts

When evaluating our portfolio companies, we also assess the Potential Negative Impacts (PNIs) that their products and/or services may have. If any PNIs are identified, we actively identify and monitor mitigation efforts. Throughout this process, we consider the entire value chain of the company.

In the case of Capricorn Digital, an important PNI that we encounter is for example the high compute requirement and associated energy consumption of digital solutions. Options to mitigate this PNI include:

- Increase efforts to get insights into compute related energy consumption
- Transition towards a (dark) green data center
- Keep compute requirements in mind throughout the development cycle
- Similarly, for Capricorn Health, a PNI could arise from the lack of security of data resulting in data breaches. To address this concern, a corresponding mitigation action could be:
- Become GDPR & ISO 27001 compliant

In the case of Capricorn cleantech, an important PNI that we could encounter is for example wastewater discharge and Health, Safety and Environment (HSE) matters. Options to mitigate this PNI include:

- Increase efforts to a more efficient process, reduce process chemicals used and minimize waste water production
- Implement waste water treatment
- Monitor HSE matters and develop a solid HSE strategy

During the investment phase, we aim to monitor the PNIs by quantifying them whenever feasible.

2.3 Organizational KPIs

In addition to measuring the impact generated by the products of our portfolio companies, we also evaluate the impact that stems from the way these companies are governed. To assess this impact, we utilize Organizational KPIs that are not specific to individual companies. Instead, we adopt an industry-recognized Environmental, Social, and Governance (ESG) framework to prevent placing excessive reporting burden on our portfolio companies. We expect best effort of the portfolio companies to provide feedback on a yearly basis, and to allow us to have an ongoing dialogue on ESG matters throughout the year.

By employing the ESG framework, we gather annual data on the following aspects:

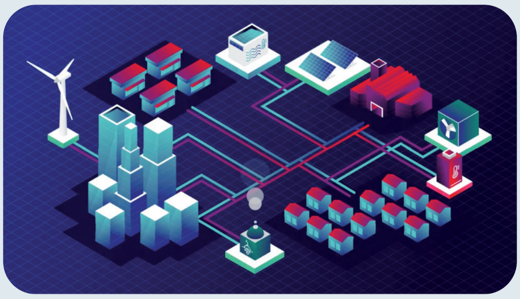
- Environmental factors, including carbon emissions, initiatives for sustainable travel, and waste recycling policies, for instance.
- Social factors, such as workplace diversity, inclusiveness, and staff well-being, among other relevant indicators.
- Governance factors, such as board oversight, data governance, cyber security, and corporate policies, amongst others.

2.4 Monitoring results

The ESG risks and opportunities of our investments are monitored and published in the annual reports of the various funds. These annual sustainability reports subject each investment to an ESG exercise and list action points for next year. The main adverse effects of each investment are also explained in detail.

In the next paragraph we give you insight into the story of Gradient and how they monitor ESG results.

Last point, in 2023 we cast our vote at 10 shareholder meetings of non-quoted companies.



2.5 Portfolio companies in the spotlight

Gradyent, a Rotterdam-based technology scale-up has developed a software platform to enable network managers to operate heating networks in a smarter, data-driven way. With the help of physics-based models and AI, data from IoT sensors in the network, digital meters in buildings and weather data are combined to make a digital copy of the physical heating system. This digital copy (digital twin) is then used to visualize and optimize the network performance. Capricorn Partners has invested in Gradyent's growth since 2020 via their Capricorn Digital Growth Fund.

What are heating networks? Instead of relying on individual gas boilers to heat our water and buildings, it is much more environmentally friendly to use heat from centrally available sustainable heat sources and distribute it through a heating network of insulated pipes to hundreds of residential, office or other buildings. Hot water or steam is the medium through which the heat is transported. To minimize heat loss during transportation, it is better to consume the heat in surrounding buildings (as an energy community). Sustainable heat sources are diverse: geothermal heat, waste heat from data centers, co-generated heat from (renewable) electricity production or rest heat captured from industrial processes, such as chemical plants (rather than releasing it into the atmosphere).

In short, heating networks are a key driver of sustainable heating, as they unlock more sustainable heating sources.

Heating networks are growing in complexity Heating networks are complex systems to manage, as the water temperature and pressure in the pipes need to be monitored and optimized to minimize heat losses and provide predictable conditions in the buildings. Generally, 20% to 30% of the heat is lost in heating networks as the hot water or steam flow through the pipes, mainly due to poorly insulated pipes, and poorly configured temperature and pressure set points. Through lack of visibility and understanding of how the network responds, network operators often set the temperature too high, to ensure the water is sufficiently hot upon arrival in the buildings. This is an inefficient use of the provided heat (which is increasingly more painful in the context of high energy prices).

Recently, we have witnessed district heating networks growing exponentially across the globe, in number, size as well as in complexity. While adding more and different types of heat sources is economically and environmentally beneficial, it makes it more complex to operate the network efficiently, due to the different characteristics and limitations of the different heat sources. Furthermore, it has become more important to carefully balance the consumption by buildings in order to shave the peaks in demand (called dynamic load balancing). All these factors are making it overly complex for network engineers to manage in a purely manual way.

Gradyent leverages the power of a real-time Digital Twin to address this growing complexity Deploying the Gradyent platform enables heating network managers to achieve significant benefits such as reducing heat loss by up to 15%, cutting CO_2 emissions by 10%, lowering fuel costs by 5%, and reducing CAPEX by 20%, all while enhancing the security of end-user heat supply. Currently, Gradyent is active in 7 countries and around 20 cities, such as Vienna, Helsinki, and Rotterdam. For example, in Helsinki (Finland), Gradyent helps Helen, the utility company supplying 90% of the city's buildings with space and water heating, to optimize and decarbonize their heating grid by predicting network behavior and providing insights into future circumstances, for example to support phasing out the coal-powered plants. As Gradyent is on a quest to help 1,000 heating networks to accelerate the energy transition to this more sustainable way to heat our buildings, the company recently raised €10 million in funding from the venture funds Eneco Ventures, Capricorn Partners, Helen Ventures and Energiiq. Capricorn Partners is a proud investor in Gradyent, a great example of how to leverage smart software to facilitate the energy transition.

Gradyent

“ Saving energy is more important than ever. District heating systems lose between 20 and 30% of energy during distribution. Our Digital Twin solution helps customers all across Europe reduce these losses..

Hervé Huisman, CEO Gradyent

Voting and commitment among listed companies

At the listed portfolio, Capricorn Partners takes to heart its role as manager of Quest for Growth when it comes to promoting good governance, diversity and sustainability. First and foremost, a dialogue is set up to make our concerns about a specific subject known to the company in question.

Among other things, we set up a dialogue with the representatives of the companies in the portfolio for the following topics. If the opportunity presents itself, we also vote on proposals during the general meetings of shareholders that the companies in our portfolio convene.

- *Capital Changes*

Capricorn in general only supports or approves changes in the investments' capital structure, if they are not detrimental to the fund and their shareholders. For quoted equities, Capricorn in general objects and will consider to vote against violations of the one share one vote principle or poison pill schemes.

- *Corporate governance*

In the following cases, Capricorn will engage and consider to vote for changes in the governing bodies of the portfolio companies:

- weak or sharp decline of performance, including non-financial performance measures (such as environmental indicators related to decarbonisation, water use, biodiversity, pollution and waste)
- significant doubts about the competences of (members of) the governing bodies
- substantial legal compliance failure or other severe misconduct, including undesirable behaviour related to the areas of human and labour rights, biodiversity, pollution and other environmental issues
- insufficient board diversity, especially focused on gender diversity and board independence

- *Remuneration*

Capricorn encourages balanced, fair and transparent remuneration policies and will vote against excessive management remuneration proposals and inadequate remuneration reports.

- *Mergers and Acquisitions*

Capricorn will look at mergers and acquisitions on a case-by-case basis. Only if sufficient information is available to the stakeholders of the portfolio company and the process is in line with the interests of the fund, Capricorn will support or vote for a merger or a takeover.

- *Reporting*

If there is a lack of validity of the legally required reports, Capricorn will abstain or vote against the particular agenda items. If the financial statements are not compliant with standard accounting rules, Capricorn will vote against the approval of the annual financial statements.

Our efforts concerning dialogue, interaction and engagement focused on three companies in particular. We discussed the lack of diversity at the level of the management board twice, and we addressed the issue of changes to the company structure once.

The annual re-election of the entire management board is on the agenda each year at the Swiss technology company LEM Holding. In the wake of the general meeting, we raised our concerns with the management about the lack of diversity in the board of directors. LEM responded to our question with an overview of the diversity throughout the company. This response revealed that LEM believes that diversity is important and that gender diversity at the group is balanced. Women hold various key management positions at the company. In addition, LEM undertook to increase diversity, including at management board level.

Nexus, a provider of software for hospitals, also submitted a proposal for the reappointment of its entire six-member board of directors. Nexus put forward a proposal for the reappointment of the same six directors, of which only one was a female candidate.

In this case, too, we decided to enter into dialogue with Nexus. In the absence of a convincing response, we decided not to support the reappointment.

Finally, we discussed a proposal put forward by ABO Wind with its management. The proposal called for a change to the structure of the company. One advantage of the proposed new structure is that it will facilitate the financing of future growth, while at the same time strengthening the position of family shareholders compared to the current structure.

Over 2023 as a whole, Capricorn Partners cast its vote in a total of 18 meetings held by listed companies.

Voting and Interaction with private companies

When we invest in a private company, we in principle want to sit on the board of directors. This allows us to coach and actively guide the companies in launching their products or services on the market and developing a profitable business model. As the company evolves, we also coach them on corporate social responsibility. We ask them to draw up their own ESG policies, taking into account key risks and impacts.

Some young companies do not yet have a proper governance structure, such as a board of directors consisting of (one) independent advisor(s) with relevant experience in the sector and representatives of the main investors. In such cases, we request that a board of directors be established, in which Capricorn Partners has at least one board seat (or, by way of an exception, an observer's seat) at the time the initial investment closes.

At meetings of shareholders and general meetings, we use our voting rights partly to ensure that the investment goals of the fund are taken into account.

ESG criteria

Overall the quoted portfolio scores well on ESG. Elements we look at include aligned interests of management through participation in the shareholder structure, quality of management, transparency, remuneration policy, diversity and staff development.

The performance of the quoted portfolio companies on the criteria below is in line with the median score of the STOXX Europe Small 200 and STOXX Europe 600 indices. The wage ratio is lower than the indices, partly because to a large extent investments are made in smaller companies than the median of the indices.

	QfG portfolio companies	STOXX Europe 600 Index	STOXX Europe Small 200
Environnemental			
CO_2 Intensity (Scope 1 + 2)	14,76	13,45	8,30
Social			
Diversity - % Women board of directors	36,4%	38,5%	37,5%
Wage ratio	27,1	43,0	32,4
Gouvernance			
% Independent Directors	66,7%	66,7%	63,6%
Role CEO and chairman BoD seperated	95,2%	90,0%	91,5%

Exclusion based on activities

As far as factors for exclusion are concerned, none of the companies in the portfolio were directly exposed to exclusion based on activities that exceeded the tolerance thresholds. Several companies are indirectly involved in sectors and operations that expose them to ESG risks. However, the operations of companies that qualified for positive audit significantly offset indirect exposure to activities that pose a high ESG risk. Quest for Growth keeps in close contact with the companies in its portfolio. It uses these contacts to make its exclusion policies known and to monitor companies closely where necessary.

Mayr-Melnhof is indirectly exposed as a supplier to the tobacco industry. However, the positive impact of its key recycling operations amply compensates for this indirect exposure. This activity is, however, shrinking as a percentage of the turnover. Mayr-Melnhof has acquired various companies since the end of 2020, representing more than EUR 1 billion of extra revenue from activities that have a positive impact. We estimate Mayr-Melnhof's indirect exposure to the tobacco industry to be between 10-15%, which is below our 25% tolerance threshold for indirect exposure. We contacted the Mayr-Melnhof representative twice over the course of 2023. We foresee a further reduction in Mayr-Melnhof's exposure to the tobacco industry in the wake of declining global demand for tobacco products and an increase in other operations at Mayr-Melnhof itself.

Portfolio companies in the spotlight

Kingspan

Kingspan, the most recent newcomer in the portfolio of listed companies, plays a crucial role in reducing carbon emissions in buildings. Based in Ireland, Kingspan is one of the leading European companies in the production of insulation materials for all kinds of buildings. Kingspan broadened its strategy to include the entire building envelope based on its strong position as an insulation specialist.

All over the world, buildings – and everything it requires to build, maintain and renovate them – account for 40% of global carbon emissions. And there is still a great deal of construction going on: 6.1 billion square metres of new structures worldwide, which is the equivalent of approximately ten times the size of New York City every year. The reduction of enormous volumes of carbon dioxide is due to the use of Kingspan's insulation products.

Apart from the natural demand prompted by this increase in buildings, Kingspan is tapping into new markets through its own product developments. It is a global market leader in the production of insulated facade panels, it produces insulated piping and is currently working on launching the industrial production of insulated solar panels, which will be integrated directly into the roof cladding of buildings. Through acquisitions, Kingspan is creating an entire roofing and insulation platform and it recently strengthened its presence in the market for natural insulation materials.

Kingspan has also taken steps internally to reduce its own carbon footprint. It has set specific targets aimed at reducing harmful emissions by using renewable energy, promoting the circular economy for raw material supply and harvesting rainwater.

Eugene Murtagh founded Kingspan in 1965. At first, the company focused on producing steel structures for buildings. From the 70s onwards, the company started shifting the emphasis to producing insulation. Eugene stepped aside in 2005, clearing the way for his son, Gene Murtagh, to succeed him. Gene heads up the company as CEO to this day. The Murtagh family is still Kingspan's major shareholder and, as a force for stability in the company, it safeguards the company's vision in the long term.

EVS

The Belgian company EVS Broadcasting Equipment is a global icon in the world of live coverage for sports events such as the Olympics, the World Cup and the American Super Bowl. EVS developed various high-tech products for this, such as hardware, servers and software. Thematically, it would be logical to classify EVS as 'digital'. EVS's efforts in terms of ESG therefore focus on reducing its own environmental footprint, on social aspects of the company and on good governance.

Globally, the IT sector represents around 4% of greenhouse gas emissions; its energy consumption grows by around 9% annually. EVS had its own carbon emissions calculated, and the results showed that more than half of the emission was caused by the product range that it puts on the market. It is especially the servers that it sells to its customer that consume a lot of energy over the entire service life of the products.

As a member of the Institute for Sustainable IT, EVS is examining how it can reduce the energy consumption of its products by virtualising certain products in the cloud so that they only consume energy when they are actually used. EVS also considers how it can lower energy consumption when developing hardware. When all is said and done, a lot depends on how customers use the product and whether they use renewable energy.

EVS itself invests significantly in renewable energy. Around 10% of the energy that the head office consumes annually comes from solar power that they themselves have generated. In addition to this, EVS has been busy installing charging points to support the electrification of its fleet.

EVS's 'Caring Employee' strategy plays an important role when it comes to social aspects. EVS has recruited many new members of staff in recent years. It employed nearly 100 new members of staff in 2022 alone. Since this often involves people with very specific technical profiles, a sound human resources policy is needed to find and retain all those workers. EVS was awarded 'Top Employer' this year for its detailed and thorough human resources policy, which focuses on a good balance between the professional level and the personal level.

7. CORPORATE GOVERNANCE

a. Corporate Governance Code

Introduction

Quest for Growth has adopted the Belgische Corporate Governance Code for quoted companies (version 2020) (www.corporategovernancecommittee.be) as its reference code and will hereafter report on its corporate governance policy for the past financial year.

The prinicples of the Corporate Governance Code are incorporated in the **Corporate Governance Charter** and in the **Good Governance Statement**.

Corporate Governance Charter

In its Corporate Governance Charter, Quest for Growth explains the main aspects of its corporate governance policy. The Charter is available on the website of the company (www.questforgrowth.com).

Following the March 2023 capital operation, the Charter was updated by the secretary and approved at the board meeting of 25 July 2023. The main changes relate to:

- the changed capital structure, in particular the reduction of the number of preference shares by 500, the elimination of the two classes of preference shares and the increase in the number of ordinary shares by 535,249;
- the reduced and renewed composition of the board of directors, in particular that there are now a maximum of eight instead of ten directors, of which two (instead of four) directors are nominated by the preference shareholders;
- the amended remuneration of the directors, in particular a fixed remuneration in line with the market per director (who is not nominated by the preferred shareholders) instead of a fixed remuneration plus attendance fees;
- the reappointment of the audit committee to the audit and risk committee;
- the company's power of representation which now lies with two directors instead of three;
- the inclusion of Belfius Insurance as the only significant shareholder;
- the changed dividend policy, in particular that the preference dividend is paid only on the part of the dividend exceeding the amount necessary to pay out to the shareholders overall a remuneration equal to an amount of nominal 6% on an annual basis, cumulatively recoverable for previous financial years (as from 1 January 2023) in which (and to the extent of which) there have been no dividend distributions for a corresponding %, calculated on the equity as expressed on the balance sheet after deduction of the dividend paid out in the course of the financial year. In which case the additional distribution will be distributed as follows: 90% goes to all shares and 10% is distributed to preference shares.
- adding the Whistleblower Policy and other updated versions of the Management Company's Policies.

The Corporate Governance Charter (excluding its Notess) was also translated into Dutch. An English and Dutch text were posted on the company's website. .

Good Governance Statement

The board of directors declares, based on the report of the secretary, that the company has applied the provisions for the Belgische Corporate Governance Code 2020 for the financial year 2023, except for provisions 7.6, 7.7, 7.8, 7.9 and 7.12 of the Code.

Corporate Governance Code

Quest for Growth received a letter of congratulations from the Corporate Governance Committee on 13 December 2023! The monitoring review of the 2022 annual reports showed that Quest for Growth complies with all provisions of the 2020 Code. This means that either the provisions are being followed or are being interpreted qualitatively.

The following provisions of the Corporate Governance Code were not applied in 2023:

1. *Provision 7.6: Non-executive directors receive part of their remuneration in the form of shares in the company. These shares should be retained for at least one year after the non-executive director leaves the board and at least three years after the shares were granted. However Quest for Growth does not grant share options to non-executive directors.*

The non-compliance of this provision was also mentioned in the reports of the past financial years and the board of directors does not wish to make any changes to this in the next financial year.

The board continues to believe that (i) remuneration through shares could undermine the independence of non-executive directors, even though the variable remuneration is aimed at the medium term, (ii) QfG does not own any shares that would allow them to be granted to directors and (iii) a study report conducted by Guberna and the VBO has shown that a large majority of quoted companies do not follow this principle (according to the Study Report of December 2023, only 15% follow this recommendation, among which not one small quoted company).

2. *Provision 7.7 The remuneration policy for members of the executive management describes the different components of the remuneration and determines the appropriate balance between fixed and variable remuneration, and cash and deferred remuneration.*

3. *Provision 7.8 In order to align the interests of the members of the executive management with the objectives os sustainable value creation of the company, the variable part of the remuneration package of the executive directors is linked to the overall performance of the company and the individual performances.*

4. *Provision 7.12 On the advice of the remuneration committee, the board approves the main conditions of the contracts of the CEO and the other members of the executive management. The board includes provisions allowing the company to reclaim variable remuneration, or to withhold payment of variable remuneration, and specifies the circumstances under which this would be appropriate, to the extent enforceable by law. The contract contains specific provisions regarding early termination.*

These provisions can be treated together as they all relate to aspects of executive management remuneration.

The **remuneration policy** of QfG is in fact limited to a policy outlined for the non-executive directors and the provision that Capricorn Partners receives a fixed remuneration of 1% of the share capital of QfG for its role as management company. The remuneration of natural persons who perform the management of QfG on a day-to-day basis is the responsibility of Capricorn Partners, which must ensure that it has a remuneration policy that complies with the requirements set out in the Code of Companies and Associations, the AIFM-Law of 19 April 2014 and the AIFM-Directive. Capricorn Partners is not a listed company and therefore the Corporate Governance Code does not apply to it.

The board of directors of QfG is however aware that its responsibility for compliance with the Code is not thereby terminated and that the board should therefore ensure that the management company applies the aforementioned provisions 7.7, 7.8 and 7.12 concerning the remuneration of the members of the executive management, applies its own remuneration policy with regard to these persons who are part of the executive management of QfG.

In 2022, the board of directors instructed the nomination and remuneration committee to examine the above-mentioned provisions of the Code in the management company's remuneration policy and report on this to the board of directors. The nomination and remuneration committee addressed this issue at the end of 2022 and considered that the simplification and reduction of certain preferential rights belonging to Class A and B shares is an important prior step to move towards a new variable remuneration policy. These steps were taken in 2023 and half of the preference shares were cancelled via split into ordinary shares.

The nomination and remuneration committee further considered the compliance with the principles of Corporate Governance Code. Capricorn Partners has already provided the following clarifications on their remuneration policy: "At Capricorn Partners, no variable remuneration linked to individual performance is granted as this would only fuel internal rivalry between employees and not promote teamwork. However, all employees are granted an identical profit bonus linked to Capricorn Partners' overall financial performance and to fulfilling the action points of the ESG Action Plan. The variable remuneration relating to the Quest for Growth fund under management consists of granting a number of options on the preference shares, which in financially favourable years give the right to an extra dividend. This remuneration is exclusively linked to the distributed profit of Quest for Growth, which is approved by the general meeting on the basis of annual figures verified by the auditor. Thus there is an alignment between the shareholders, the company and the employees of the management company. The granting and distribution of these options depend on the time spent by the employees concerned in managing QfG. These shares can also be redeemed by the management company at any time. Preference shares have been subject to a realignment in 2023, as a result of which only persons who still have an active role in the management of QfG are allocated preference shares. The rights of the preference shares were also changed in that the preference dividend right is only granted later. Capricorn Partners has a full remuneration committee that evaluates annually the remuneration of the board members of the management company as well as the A.I.F.M. staff (these are the employees whose actions can influence the risk profile of the management company or the funds under management).

The board of directors considers this explanation sufficient and asks to set up a joint meeting between the two remuneration committees to agree on these principles but does not wish to intervene more actively in the management company's remuneration policy.

5. *Provision 7.9 The board sets a minimum threshold of shares to be held by members of the executive management*

In 2021, the board determined that executive management should hold 0.5% of QfG's shares. This percentage is no longer feasible now that Mr Jos Peeters has withdrawn from the executive committee of Capricorn Partners and thus from the executive management of Quest for Growth. The board of directors deliberated on this provision and decided not to impose this obligation anymore. The reason for this is that this rule is obtained in an alternative way, namely via the allocation of the preference shares that can now be acquired (and purchased) exclusively by persons who contribute day in day out to the success of Quest for Growth and a fortiori therefore to members of the executive management. The aforementioned Study Report prepared by Guberna and the Corporate Governance Code Commission also shows that only 19% of BEL Small companies apply this recommendation.

b. Capital structure

i. Share capital

The **share capital** of the company amounts to €148,298,945.16 and is, following the split of 500 preference shares into ordinary shares, represented by 18,733,961 shares, with no nominal value. The shares are divided into two classes, namely 18,733,461 ordinary shares and 500 preference shares. All shares granted by simple subscription on a subsequent capital increase are ordinary shares. Only shares entitled to dividends exist.

The **ordinary shares** are registered or dematerialised and are all tradeable on the regulated Euronext Brussels market without any transfer restrictions.

The **preference shares** are and will remain registered, are not traded on a regulated market, and are reserved for the founders and individuals who contribute to the company's success.

The holders of preference shares will enjoy a preference dividend as stipulated in article 43 of the articles of association

*"The holders of **preference shares** enjoy a preference dividend. This preference dividend is paid on the part of the dividend exceeding the amount necessary to pay out broadly to the shareholders a payment equal to a compensation of nominal 6% on an annual basis, **cumulatively recoverable for previous financial years in which (and to the extent of which) there have been no dividend payments for a corresponding %**, calculated on the equity as expressed on the balance sheet after deduction of the dividend paid during the financial year. Of the excess amount, **ten per cent (10%)** is distributed to the holders of **preference shares** as a preference dividend. The remaining **ninety per cent (90%)** is distributed equally to all shareholders. In the event of a capital increase / or capital decrease during the year, the newly contributed / distributed capital is taken into account on a pro rata temporis basis for calculation purposes."*

The ordinary shares are freely **transferable**; transfers of preference shares are subject to restrictions as set out in the articles of association. Since these shares are also not tradeable on a regulated market, these rights do not need to be specified in this report. Please refer to the articles of association and the company's Corporate Governance Charter, both published on the website (www.questforgrowth.com).

ii. Authorised capital

The articles of association expressly authorise the board of directors to increase the capital on one or more occasions by a maximum amount of €139,749,029.16.

This authorisation is granted for a period of five years from the publication of the deed to increase the company's capital of 14 April 2021 in the Appendix to the Belgian Official Gazette on 29 April 2021. It may be renewed one or more times, each time for a maximum period of five years.

The Annual General Meeting may increase or reduce the subscribed capital. If a capital increase would take place by issuing shares against cash contribution, the preferential right of the existing shareholders cannot be deviated from.

iii. Reference shareholder

A notification requirement exists when a shareholder exceeds the 5% voting rights threshold.

At 31 December 2023 one shareholder notified holding more than 5% of the voting rights:

Name and address	%	Number of shares	Last date threshold crossed
Federal Holding and Investment Company (SFPI-FPIM) via Belfius Insurance Belgium NV Karel Rogierplein 11 1210 Brussels Belgium	12.17%	2.278.994(*)	20/10/2011

(*) Situation at 31 December 2023

iv. Subscription rights

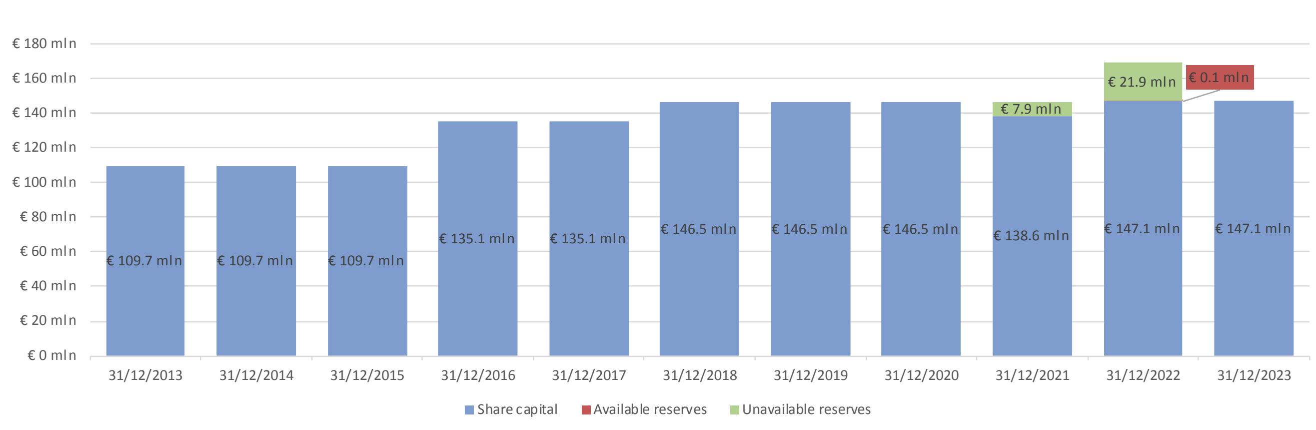
There are no outstanding subscripiton rights to shares of the company.

v. Purchase own shares

The articles of association contain no special provisions on authorities of the board of directors regarding the possibility of purchasing own shares.

vi. 10y evolution share capital and reserves

EVOLUTION SHARE CAPITAL AND RESERVES SHARE CAPITAL – AVAILABLE RESERVES – UNAVAILABLE RESERVES



c. Board of directors

i. General

The board of directors is the most important management body within Quest for Growth and is responsible for all activities that are needed to enable the company to achieve its objectives, with the exception of those responsibilities that are assigned to the general meeting by law and the responsibilities that are contracted out to the management company.

The board of directors has delegated the portfolio management, risk management, administration, human resources policy, marketing and day-to-day management of the company to Capricorn Partners, a management company of alternative institutions for collective investment that is licensed by the FSMA.

The board of directors establishes the general policy, supervises the management company and is accountable to the shareholders in general meeting.

The responsibilities of the board of directors include:

- setting the business objectives and investment strategy, and evaluating them at regular intervals,
- ensuring correct implementation of the Corporate Governance Charter and the Corporate Governance Code
- appointing, dismissing and supervising the management company and the executive officers, and determining their powers,
- supervising internal and external control and risk management,
- approving the (interim) annual report, and the quarterly statement to shareholders,
- approving the annual financial statements, including the Corporate Governance Statement,
- deciding to invest in funds organised by the management company, and where there is a potential conflict of interest,
- paying dividends, where applicable,
- preparation of special reports required by the Belgian companies code for certain transactions,
- setting up and putting together advisory boards and defining their powers.

ii. Composition

Since 30 March 2023 the board of directors has a maximum of eight members, appointed by the general meeting or a maximum term of four years, which may or may not be shareholders; at least two of them must represent holders of preference shares. At least three members must be independent.

With four women directors, there is parity and the gender quota of 30% is far exceeded. Diversity in executive management falls under the management company's human resources policy. Capricorn Partners' executive committee is also parity-based: since the summer of 2023, it has four members, of whom two are women and two are men. Among Capricorn Partners' 28 employees as of 31 December 2023, we count 32% women, four nationalities and a wide age curve .

2023 was a year in which all mandates except Ms de Vet-Veithen's expired. Two new directors were appointed, the remaining mandates were renewed. Below is an overview of the members of the board of directors and the start of their mandate:

		Start of first term of office	End of mandate: at the end of the general meeting determining the results for the financial year ending on 31 December	Proposed by holders of shares of class
Chairman	Brigitte de Vet-Veithen (1)	30 March 2022	27 March 2025	Ordinary
Director – executive officer	Philippe de Vicq de Cumptich	9 August 2011	26 March 2026	Ordinary
Director	Prof. Regine Slagmulder	9 August 2011	27 March 2025	Ordinary
Director	Jos B. Peeters	9 June 1998	26 March 2026	Preference
Director	Jos Clijsters (1)	25 March 2021	26 March 2026	Ordinary
Director	Paul Van Dun (1)	28 March 2019	25 March 2027	Ordinary
Director – executive officer	Sabine Vermassen	30 March 2023	25 March 2027	Preference
Director	Véronique Léonard (1)	30 March 2023	25 March 2027	Ordinary

(1) Independent director

Brigitte de Vet-Veithen
CHAIRMAN AND INDEPENDENT DIRECTOR

Brigitte de Vet-Veithen is CEO of Materialise. She has 30 years of experience in the technology sector, and especially in healthcare and life sciences. Before joining Materialise, she was CEO of the Acertys group. She started her career in consulting and held management positions at Johnson & Johnson, Cordis Neurovascular and Cordis in Germany. Ms de Vet-Veithen holds an MBA with a Major in Engineering from HEC Liege and an MBA from INSEAD.

Paul Van Dun
INDEPENDENT DIRECTOR AND CHAIRMAN OF THE RISK & AUDIT COMMITTEE

Paul is general manager of KU Leuven Research & Development (LRD). There, he coordinates activities around collaborations with companies, patents/licences, spin-off company creation and regional development. He is also managing director of the Gemma Frisius investment fund, director at the Fondation Fournier-Majoie pour l'Innovation, director at RZ Tienen, chairman of the Centre for Drug Design and Discovery, member of the supervisory board of Brightlands Chemelot Campus (Nl). He is also advisor to several investment companies, and director or chairman at several high-tech and life science companies.

Philippe de Vicq de Cumptich
DIRECTOR AND EXECUTIVE OFFICER

Philippe de Vicq holds a law degree, MBA (Vlerick Business School) and Bac. Philosophy. He was an investment manager at Investco for 10 years and then spent 15 years at Gevaert, where he was promoted to managing director. From 2005 to 2010, he was managing director at KBC Private Equity. He is currently an independent director at a number of industrial and financial companies, including Uitgeverij Lannoo, Boston Millennia Partners, Belgian Growth Fund, Pensioenfonds Metaal and Cibo.

Jos B. Peeters
DIRECTOR

Jos B. Peeters is founder and chairman of the board of directors of Capricorn Partners. Jos holds a PhD in solid state physics from KU Leuven. He worked at Bell Telephone Manufacturing Cy, PA Technology and BeneVent Management before founding Capricorn Partners. Jos was the first president of the Belgian Venture Capital and Private Equity Association and he served as chairman of EVCA (now Invest Europe) and their capital markets working group that led to the creation of Easdaq. As one of the veterans in the European venture capital and private equity industry, Jos has been involved in early stage investments in numerous technology companies for more than three decades

René Avonts
DIRECTOR (until 30 March 2023)

René Avonts graduated as a commercial engineer from KU Leuven and started his career at Paribas Belgium, where he became head of the international department. He was later appointed member of the executive committee and the board of directors. He then became a member of the executive committee of Artesia Bank and Bacob, and chairman of Artesia Securities.   He was also a director and CFO of Elex NV. René Avonts assumed the mandate of managing director at Quest Management NV, the former management company of Quest for Growth.

Michel Akkermans
DIRECTOR (until 30 March 2023)

Michel Akkermans is a Civil Electrical Engineer and also holds a special degree in Business Economics, both from KU Leuven. He is former CEO and Chairman of Clear2Pay NV, a software technology company specialising in payment solutions. Michel also holds various positions as an active investor and on boards of directors.

Antoon De Proft
CHAIRMAN AND INDEPENDENT DIRECTOR (until 30 March 2023)

Antoon De Proft graduated as a civil engineer from KU Leuven. He started his career in Silicon Valley as an applications engineer and has always been active internationally. He was CEO at ICOS Vision Systems, a world leader in semiconductor inspection equipment, until the company was sold. Mr De Proft is founder of ADP Vision bvba and CEO of Septentrio nv, a company that designs and sells high-accuracy GPS receivers. He is also chairman of the board of IMEC and chairman of the supervisory board of TKH Group nv.

Liesbet Peeters
DIRECTOR (until 30 March 2023)

Liesbet Peeters is founder and managing partner of Volta Capital, specialist in creating and structuring impact investment funds, financial vehicles and products that mobilise capital to meet the needs of underserved communities and generate improved financial and social returns. Before founding Volta Capital, she was investment officer at International Finance Corporation (IFC) in Washington DC and CFO/Investor Relations manager at Capricorn Partners in Belgium.

Regine Slagmulder
DIRECTOR

Regine Slagmulder is full professor accounting & control at Vlerick Business School and visiting professor at INSEAD. She graduated as a civil electrical engineer and as a business engineer from Ghent University, after which she obtained a PhD in Management from the Vlerick School. As part of her research activities, she was a Research Fellow at INSEAD, Boston University (USA) and the P. Drucker Graduate Management Center at Claremont University (USA). She is also an independent director and chairman of the audit committee at the listed companies MdxHealth and Ekopak NV.

Jos Clijsters
INDEPENDENT DIRECTOR

Jos Clijsters has had a long career in the financial sector and chaired the board of directors of Belfius Bank since 2014. He had already joined Belfius in 2011 as chairman of the management committee of Belfius Bank and as chairman of the board of directors of Belfius Insurance. Previously, Jos Clijsters was active for almost 30 years at Fortis, notably as a member of the executive committee

Véronique Leonard
INDEPENDENT DIRECTOR

Véronique Léonard is CEO of Van Breda Car Finance, CFO and director at Bank J. Van Breda & C°, where she is also Chief Credit Officer and Head of Data & Business Insights. She is also a member of the board of directors and audit committee of several companies. Before joining Bank of Breda, Ms Léonard worked at BNParibas Fortis and Accenture, among others. She holds a master's degree in applied economics from UCL and a master's degree in finance from Tilburg University (TIAS-Netherlands).

Sabine Vermassen
DIRECTOR AND EXECUTIVE OFFICER

A certified compliance officer, Sabine started her career in the M&A department of an international law firm. She has been working as an advisor to several venture capital funds and their portfolio companies since 1991. Sabine is the chairman of the Belgian Venture Capital Association and a member of the Professional Standards Committee of Invest Europe. Sabine holds both a master's degree in law and an MBA from Vlerick Business School.

iii. Functioning

1. Activities

24 January 2023 at 15h00

This special meeting deliberated in the absence of directors Jos Peeters, René Avonts and Michel Akkermans due to conflicts of interest as they held preference shares that would be the subject of the Operation decided by the extraordinary general meeting on 30 March 2023. This Operation consisted in particular of (i) the unification of the preference shares, (ii) the division of 50% of the preference shares into ordinary shares for which an exchange rate had to be determined and (iii) an amendment of the rights of the remaining preference shares and of the dividend rights of all shares. We refer to paragraph iv on conflicts of interest.

At this meeting, the non-conflicted directors decided to follow the proposed valuation of the independent valuation expert and apply a division ratio of 1,070.5 ordinary shares for 1 preference share. A request was made to the auditor to prepare a report and the Special Report in application of Section 7:155 of the Companies and Associations Code (modification of shareholders' rights) was approved. Finally, the management company was directed to convene an extraordinary general meeting for approval of the Operation and amendment of the Articles of Association.

24 January 2023 at 15h20

The three conflicted directors joined the board of directors to deliberate on the secretary's report on compliance with the Corporate Governance Code, hear the report of the nomination and remuneration committee, approve the valuations, financial statements and allocation of profit, as well as discuss the draft Annual Report. The agenda of the ordinary general meeting was discussed, and approval was given for the press release on the annual results and an investment in the Capricorn Health-tech Fund II.

16 February 2023 at 15h00

This additional meeting definitively approved the Annual Report for the 2022 financial year and the nomination and remuneration committee's proposal regarding the change of management and new remuneration of directors was adopted. The agenda for the general meeting was definitively established.

25 April 2023 at 15h00

Each meeting following the quarter traditionally approves the valuations, determines the quarterly figures and hears the report of the management company, as well as any comments from the effective leaders and from the chairman of the audit and risk committee on the activities carried out during the past quarter . During this first meeting with the new directors, the Trading Code for non-executive directors was presented for signature, the previous annual meeting and extraordinary general meeting were evaluated and the strategic agreements with Michel Akkermans and Belfius were terminated as both no longer hold preference shares. A closed session with only the non-executive directors assessed positively the interaction with the executive management in accordance with provision 3.11 of the Corporate Governance Code and the market-based management fee for the implementation of the Management Agreement with the management company.

21 July 2023 at 10h00

An additional meeting was scheduled to fully dedicate itself to the company's strategy, to the possibilities to increase the share of private investments and to increase the attractiveness of QfG in the market. In the afternoon, the internal functioning of the board of directors was evaluated.

25 July 2023 at 15h00

In addition to the traditional quarterly approvals, the semi-annual report and the abbreviated financial information for the first half of the year were established. The amended Corporate Governance Charter was approved and it was decided to make a small additional investment in the Capricorn Fusion China Fund now that one shareholder wished to offer his shares at a discount.

24 October 2023 at 15h00

The last board of directors considered third-quarter valuations and results, the financial calendar and press releases, and discussed a number of co-investments with venture and growth funds of Capricorn Partners. The management contract with the Management Company was slightly amended following the new co-investment provisions approved at the 21 July board meeting.

2. Attendance

	Present	Percentage
Antoon De Proft	3/3	100%
Brigitte de Vet-Veithen	7/7	100%
Philippe de Vicq de Cumptich	7/7	100%
René Avonts	2/2	100%
Jos B. Peeters	6/6	100%
Regine Slagmulder	7/7	100%
Michel Akkermans	2/2	100%
Paul Van Dun	7/7	100%
Jos Clijsters	5/7	71%
Liesbet Peeters	0/3	0%
Sabine Vermassen	4/4	100%
Véronique Léonard	4/4	100%

3. Evaluation

The chairman of the board of directors holds regular discussions with all the directors to evaluate the functioning of the board of directors. In doing so, he focuses on both the operational and strategic responsibilities of the board of directors.

In 2023 all the directors received an anonymous questionnaire as part of a thorough evaluation of the functioning of the board of directors, of the interaction between the board of directors and the Management Company, and of the interaction with the chairman, the audit and risk committee and the executive officers. This evaluation exercise was discussed during an additional board meeting in July 2023 and will take place the next time in 2025.

iv. Conflicts of interest

Article 7:96 ff. Belgian Companies and Associations Code – Article 11§1 of the Royal Decree of 10 July 2016

During the expired financial year, the procedure of conflicts of interest and related parties was followed in one meeting, specifically in the meeting held on 24 January 15h. The directors concerned did not take part in the vote. The relevant minutes are reproduced in full below:

MINUTES

Agenda

1.	*Prior notice of conflicts of interest*	*For information*
2.	*Valuation report 8Advisory*	*For information*
3.	*Taking note of the draft of the auditor's report in application of Article 7:155 of the CAC*	*For information*
4.	*Modification of the rights of the preference shares Special report pursuant to Article 7:155 of the CAC*	*For information*
5.	*Convening of extraordinary general meeting & agenda*	*For information*
6.	*Power of attorney for finalising the special report*	*For information*

Attendees

1. *Mr Antoon De Proft, Chairman*
2. *Mr Philippe de Vicq de Cumptich, director and effective leader*
3. *Mr René Avonts, director*
4. *Dr Jos B. Peeters, director*
5. *Ms Brigitte de Vet, director*
6. *Prof. Dr. Regine Slagmulder, director*
7. *Mr Michel Akkermans, director*
8. *Mr Paul Van Dun, director*

Excused

9. *Mr Jos Clijsters, director*
10. *Ms Liesbet Peeters, director*

Invited

Ms Sabine Vermassen, secretary and effective leader
The Chairman opens the meeting at 3 p.m.
The Chairman determines that the convening and quorum requirements have been met: the board can therefore validly meet and decide.

1. Prior notice regarding conflicts of interest

Given that the subject of this board of directors concerns the prior adoption for submission to the shareholders of a proposal regarding (i) the standardization of the preference shares, (ii) the division of part of the preference shares into ordinary shares for which a terms of trade must be are determined and (iii) a change in the rights of the remaining preference shares (hereinafter jointly referred to as the "Operation"), and a number of directors, in particular Jos Peeters, (the partnership of) René Avonts and Michel Akkermans, are holders of preference shares, they have a pecuniary interest in the prior decision of the board of directors regarding the Operation that conflicts with the interest of the company, because the Operation means, among other things, that the preference shares owned by the aforementioned directors will be divided into a number of ordinary shares on the basis of a rate of exchange that must be determined by the board of directors in the interest of the company, while this rate of exchange has an influence on the personal assets of the conflicting directors involved. In addition, the dividend rights of all shares will be changed so that this will also affect the personal assets of the directors. The preferential dividend right will be abolished for 500 shares, including all shares owned by the (partnership of) Mr Avonts and Mr Akkermans and part of the shares owned by Mr Peeters. However, the board of directors believes that this Operation is to the advantage of the Company because all shareholders will be able to benefit from larger and more regular dividends and the preferred dividend will be reduced and reserved exclusively for those people who make an important contribution to the success of the Company. Simulations of these changes in property law are shown in the attached Report.

In light of this, Messrs. Jos Peeters, René Avonts and Michel Akkermans report prior to any presentation or discussion that they are *holders of preference A and/or B shares in their personal name and that they therefore, for the aforementioned reason, have a direct financial interest. upon the decision of the board of directors to submit the Operation to the shareholders under the conditions determined by the board of directors, which may be contrary to the interests of the company within the meaning of Article 7:96 of the Companies Code and Associations (WVV).*

The three aforementioned directors do not participate in the deliberations or decision-making in this board of directors. The other five directors declare that they do not own any preference shares nor ordinary shares in the company and therefore that they are not in conflict within the meaning of Article 7:96 CCA.

The minutes of the meeting will be communicated to the auditor. In his annual report for the 2023 financial year, the auditor will assess, in a separate section, the financial consequences for the company.

The board of directors points out that the Operation must ultimately be approved by the shareholders, after which the governing body can proceed with the implementation of the shareholders' decision.

2. *Valuation report 8Advisory*

The board of directors takes note of the valuation report of 8Advisory that is added to appendix 1 and unanimously decides to follow this advice. It will therefore be proposed to the general meeting to use a division ratio of 1,070.5 ordinary shares for 1 preference share with regard to the 500 preference shares that will be divided into ordinary shares in the Operation, thereby losing their preference rights.

3. *Taking note of the draft of the auditor's report in application of Article 7:155 of the CAC*

Since the Operation involves a change in the rights attached to the types of shares and uses financial and accounting data as at the end of 2022, the board of directors hereby asks the auditor to assess that the financial and accounting data contained in the attached Report are included, are faithful in all material respects and sufficient to inform the general meeting that is to vote on the proposal. To this end, the board of directors has already submitted its draft special report in accordance with article 7:155 CCA with regard to the operation to the auditor. The statutory auditor has indicated that he agrees with the information included in the Special Report and on this basis has already submitted a draft of his report to the board of directors in application of Article 7:155 of the CAC.

4. *Modification of the rights of the preference shares Special Report pursuant to Article 7:155 of the Companies and Associations Code*

The board of directors unanimously approves the Report attached as Annex 1 in accordance with Article 7:155 of the Companies and Associations Code. [All directors sign this Report] The board of directors instructs the Management Company to notify the FSMA and seek their approval of the Operation. Should the FSMA have any comments that would require a substantive substantial amendment to the attached Report, a further board meeting will be held by conference call to approve these amendments. If the amendments are not substantial, power of attorney will be granted (see agenda item 6 above).

5. *Convening of extraordinary general meeting & agenda*

Subject to approval by the FSMA, the board of directors decides to submit the proposal for the Operation to the shareholders. The Operation implies a change in the rights attached to types of shares and in the articles of association. The invitation to this extraordinary meeting is approved and is attached as Annex 2. Capricorn Partners and each effective leader are given power of attorney to complete all formalities for the convening of the extraordinary general meeting and to make amendments to the attached invitation following any comments made by the FSMA.

6. *Power of attorney to finalise the special report*

The board of directors grants power of attorney to Capricorn Partners and to each effective leader to finalise the Special Report pursuant to comments made by the FSMA and, in general, to fulfil all formalities necessary or desirable to give effect to the decisions taken by this board of directors.

The chairman closed the meeting at 15h20.

Once approved, these minutes are signed by the chairman and the secretary. Directors who wish to do so may also sign.

Annexes : 1. The Report of the board of directors in accordance with Article 7:155 of the CRC

2. Invitation to the Extraordinary General Meeting.

Both annexes can be found on the company's website.

Apart from this transaction, there are no other disclosures to make regarding conflicts of interest or related party transactions made during the expired financial year.

v. Code of conduct

Each director arranges his or her own personal and business affairs in such way that no direct or indirect conflict of interest arises with the company. Transactions between the company and its directors require to be conducted at arm's length.

The members of the board of directors subscribe to the Corporate Governance Charter, one section of which is dedicated to the ethical rules, and have each individually signed a Dealing Code in accordance with the rules prescribed in the Market Abuse Regulation (MAR), which has been applicable since 3 July 2016. The MAR creates a common regulatory framework with respect to insider dealing, the unlawful disclosure of inside information and market manipulation.

Members of the executive management are also subject to the Management Company's Code of Conduct, which is included as an annex to Quest for Growth's Corporate Governance Charter.

d. Nomination and remuneration committee

i. General

At the board meeting of 27 April 2021, Quest for Growth decided to set up a nomination and remuneration committee ("NRC") in preparation of a major change of directors in 2023.

ii. Composition

The nomination and remuneration committee consists since April 2023 of three independent directors: Mr Jos Clijsters (also chairman), Ms Brigitte de Vet-Veithen and Mr Paul Van Dun. Mr Jos B. Peeters may be invited as a representative of the management committee to provide information. The members of the committee have experience and expertise in the specific areas of a nomination and remuneration committee.

iii. Functioning

1. Activities

The NRC ensures the objective and professional conduct of the appointment process. To this end, the nomination committee regularly evaluates the size, composition and succession planning of the board of directors, adjusts the procedure for the appointment of directors where necessary and nominates or recommends candidates for appointment or reappointment, taking into account the nomination rights allocated to the various types of shares in the articles of association. The NRC leads the (re)appointment process of the directors.

The NRC also ensures that sufficient and regular attention is paid to the succession of executive management members. The NRC makes recommendations to the board of directors for this purpose. Decisions on the appointment of the effective leaders and delegation of executive management are taken by the board of directors, taking into account the committee's recommendations.

The NRC then makes proposals to the board on the remuneration policy and the individual remuneration of the members of the board of directors. The NRC informs the board about the annual evaluation of executive management performance and the achievement of the corporate strategy based on agreed performance measures and targets. The committee also prepares the three-yearly evaluation of the board's functioning.

The chairman of the committee reports to the board on the recommendations for the board.

2. Meetings & attendance

The committee held formal and informal meetings to guide the change of directors. For this purpose, two formal meetings took place in January and February 2023. A third meeting was held in December 2023 where the variable remuneration of the executive management and a new board change were discussed.

e. Audit and risk committee

i. General

Within the board of directors, an audit and risk committee has been set up. The set-up and functioning of the committee are described in the articles of association and Corporate Governance Charter of Quest for Growth. The majority of the members of the audit and risk committee, including the chairman, fulfil the criteria in terms of accounting and audit expertise. The audit committee members have no executive or functional responsibilities within the company.

The committee assists the board of directors in performing its duties by overseeing:

- the quality and integrity of the audit, bookkeeping and financial reporting processes;
- the financial reports and other financial information provided by the company to its shareholders, prudential regulators and the general public;
- the internal control systems relative to bookkeeping, financial transactions and compliance with statutory requirements and the ethical rules imposed by the company.

The audit and risk committee's principal activity is to steer and supervise the financial reporting, bookkeeping and administration. The financial reporting is discussed quarterly, with special attention being paid to valuation decisions relative to venture and growth capital and to venture and growth funds in the portfolio.

The audit and risk committee oversees the efficiency of the internal control and risk management systems. Moreover, the committee has yearly access to the report of the management company. The audit committee seeks to create open communication between the commissioner, the management company and the board of directors.

For the performance of its duties the committee has unlimited and direct access to all information and all employees of the management company and the committee can use the means necessary to achieve this. The audit and risk committee is supposed to communicate freely and frankly with the auditor (including individual talks at least once a year).

After each meeting the chairman of the committee reports to the board of directors, which includes issuing recommendations.

ii. Composition (since April 2023)

Paul Van Dun, Chairman
Regine Slagmulder
Véronique Léonard

Since April 2023, the audit and risk committee consists of Mr Paul Van Dun, Ms Regine Slagmulder and Ms Véronique Léonard. Ms Slagmulder, due to having been a director for more than 12 years, is no longer considered independent but Mr Van Dun and Ms Léonard are. All members of the committee have expertise and experience in audit and risk committee powers.

iii. Functioning

1. Activities

During the past financial year, the audit and risk committee met five times. Four meetings were convened following the quarterly update and the fund's quarterly results. There was also an additional joint meeting with the audit committee of the management company in the presence of the management company's internal auditor to discuss the internal control processes at the management company and at QfG and to listen to the internal auditor's annual report. In accordance with principle 4.14 of the Corporate Governance Code, the audit and risk committee has considered that there is no need to set up a separate internal audit function for QfG as all management processes of QfG are included in the terms of reference of the internal audit function of the management company.

2. Attendance

	Present	Percentage
Regine Slagmulder	4/5	80%
René Avonts	1/1	100%
Paul Van Dun	5/5	100%
Véronique Léonard	4/4	100%

f. Executive officers

i. General

The board of directors has appointed two executive officers, who are responsible for day-to-day management and for supervising the execution of the management agreement between the company and the management company. Their duties include ensuring that the management company has sufficient personnel, processes and controls to appropriately carry out its responsibilities under the management agreement.

In order to enable the executive officers to fulfil their duties appropriately and efficiently, the management company timely provides them with the necessary relevant reports as set down in the management agreement. In addition, the executive officers have unrestricted access to the employees and the information held by the management company.

The executive officers report verbally on their findings to the board of directors at least once every quarter. As part of their responsibilities, the executive officers each day receive a calculation of the net asset value, the risk analysis and the compliance analysis of QfG.

ii. Composition

The executive officers are Mr Philippe de Vicq de Cumptich (also director of Quest for Growth) and Ms Sabine Vermassen (member of the executive committee of Capricorn Partners and director of QfG).

Mr Philippe de Vicq de Cumptich is responsible for the following tasks:

- Supervising the calculation of the published net asset value
- Controlling the execution of the management agreement with Capricorn Partners
- Controlling the adherence to the investment policy of Quest for Growth

Ms Sabine Vermassen is responsible for the following tasks:

- Secretary of the board of directors
- Compliance, risk management and corporate housekeeping, monitoring compliance with the Corporate Governance Code
- Other tasks of daily management not covered by those delegated to Capricorn Partners

iii. Functioning

1. Activities

During the past financial year, various formal and informal meetings took place between the executive officers and the management company to discuss the evolution of Quest for Growth, and more specifically the valuation of the unquoted portfolio and to prepare the general and extraordinary general meetings, the meetings of the audit committee and the board of directors.

Other matters discussed by the executive officers in 2023 include the preparation of press releases and interim reports and the possible new investments in unquoted companies.

Within the executive officers' mandate of oversight and monitoring of Quest for Growth's processes and activities, they have read the Corporate Governance Charter and the other policies and procedures of the management company and the executive officers are of the opinion that the processes and controls listed therein are sufficient to carry out the duties of the management company in connection with its activities for Quest for Growth in accordance with the management agreement.

2. Meetings & attendance

At least two meetings take place every quarter: the effective leaders attend the general valuation meetings at which the unlisted shares are determined by the Management Company and they also meet formally at all times to prepare the boards of directors. In addition, Mr de Vicq has also been appointed as a director in all of Capricorn Partners' venture capital funds in which QfG has taken a participation.

g. Management Company

i. General

Capricorn Partners is the management company of Quest for Growth and carries out the statutory management tasks including portfolio management, risk management and administration.

Capricorn Partners is an independent manager of private and public venture and growth funds, practising portfolio management of variable capital investment funds in delegation. Capricorn Partners specialises in investments in technologically innovative growth companies. Its investment teams consist of experienced investment managers with deep technology backgrounds and extensive business experience. Capricorn Partners distinguishes itself from other venture capital providers by its thorough, multidisciplinary dossier knowledge and far-reaching hands-on approach to investment files. In addition, it can rely on an extensive, global network of advisers, investors and experts who, each in their own field, are crucial to the Capricorn team's successful investment decisions.

Capricorn Partners is licensed as a management company of alternative institutions for collective investments by the Financial Services and Markets Authority (FSMA) and has a compliance, governance and internal control structure that meets all statutory and regulatory requirements.

The content and scope of the tasks of the management company as well as the reporting obligations to the board of directors of Quest for Growth are described in the management agreement concluded between the two parties on 1 April 2017 and updated in 2021. You can find the latest version of this Management Agreement on the website as an appendix to the Corporate Governance Charter.

The board of directors of Quest for Growth remains authorised to determine the investment policy and the allocation of assets. The board of directors also decides autonomously on investments in venture and growth funds set up by Capricorn Partners and has to give the nihil obstat on co-investments in venture and growth capital that are made jointly with Capricorn Partners' venture and growth funds and may result in a conflict of interest.

De board of directors is responsible for supervising the management company in the fulfilment of the tasks assigned to it in the Management Agreement.

ii. Composition Executive Committee

Katrin Geyskens – Digital & Health
Katrin brings twenty years of investment experience to the Capricorn Digital team. Before falling in love with venture capital, she had a short career in banking and management consulting followed by a try at a start-up. The first female president of the BVA, she served on their board of directors for ten years. Next to working for Capricorn, Katrin is a council member of VARIO (the Flemish Council for Innovation and Entrepreneurship) and a member of the supervisory board of EIT Digital. In 2020, she was named one of Belgium's 'Inspiring Fifty', an award celebrating inspiring female leaders in technology. Katrin joined the executive committee in 2022.

Rob van der Meij – Cleantech
Rob is a chemical engineer who has held business management positions with Akzo Nobel and Shell Chemicals. Rob was one of the founders and the CEO of KiOR in the United States, and he has worked as the CEO for several other start-ups in chemicals and water technology. He likes to invest in start-ups, both privately and as a partner at Capricorn Partners, and he currently serves on the board of several start-ups in the EU and the US. In 2022 he joined the executive committee of Capricorn Partners.

Yves Vaneerdewegh – Quoted Equities, Finance & Administration
Before joining Capricorn Partners in 2005, Yves worked for Hamburg Mannheimer NV (part of Munich Re Group) as a financial analyst, and for Puilaetco as a portfolio manager. Yves has been a member of the executive committee of Capricorn Partners since 2022.

Sabine Vermassen – Legal, Risk & Compliance
A certified compliance officer, Sabine started her career in the M&A department of an international law firm. She has been working as an advisor to several venture capital funds and their portfolio companies since 1991. Sabine is the chairman of the Belgian Venture Capital Association and a member of the Professional Standards Committee of Invest Europe. Sabine has been a member of the executive committee since 2017.

iii. Funds under management

Capricorn Partners, in addition to being the manager of Quest for Growth, is also the management company and managing director of the Capricorn Cleantech Fund, the Capricorn Health-tech Fund, the Capricorn ICT ARKIV, the Capricorn Sustainable Chemistry Fund, the Capricorn Digital Growth Fund, the Capricorn Fusion China Fund, the Capricorn Industrial Biotech Fund (based in The Netherlands), the FC Investment Partners and of three feeder funds linked to the venture and growth funds. Capricorn Partners is also investment and marketing manager of the Quest Cleantech Fund and Quest+, two compartments (sub-funds) of Quest Management Sicav and manages the Funds for Good-Cleantech II portfolio. These variable capital funds invest only in quoted equities and are based in Luxembourg.

Capricorn Partners' total assets under management on 31/12/2023 amounted to €511,8 million.

h. Depository bank & statutory auditor

i. General

Statutory auditor of Quest for Growth is PwC Bedrijfsrevisoren BV, represented by Mr Gregory Joos, Culliganlaan 5, 1831 Machelen.

The depository bank is BELFIUS BANK BELGIË, Karel Rogierplein 11, 1000 Brussels.

The depository bank is responsible for a number of material tasks. Its main task is to ensure the safekeeping of the assets of the funds under management and to carry out the physical trading of these assets on behalf of the management company (e.g.: deliver the securities sold, pay for the securities purchased). In addition, the custodian is responsible for the day-to-day administration of Quest for Growth's assets (e.g.: collecting dividends and interest from the assets and exercising the subscription and allotment rights attached to them).

ii. Functioning

The depository bank prepares quarterly reports for the audit committee. The four reports prepared for this purpose in 2023 were without comments.

i. Internal control & risk management

i. General

Internal control is a system developed by the governing body that contributes to controlling the company’s activities, its effective functioning and the efficient use of its resources, all in accordance with the objectives, scope and complexity of its business activities.

Risk management is the process of identifying, evaluating and controlling risks and communication in this respect.

The Management Company's internal control procedures must ensure that the financial reporting is a faithful reflection of the transactions completed, that the operational business processes are effective and efficient, and that all activities comply with legislation, regulations and the company's own internal policies.

The management company has a risk department consisting of four people, and operates in accordance with the COSO model. This COSO framework is generally accepted as the standard for internal control, and is structured around five components: the control environment, the risk management process, the control activities, information and communication, and finally supervision and monitoring. A risk analysis of all processes is carried out annually, with a review as to whether the control procedures meet the requirements in terms of effectiveness and efficiency. The control procedures themselves are then tested to check whether they effectively deliver on what they promise.

ii. Responsible

Internal control and risk management are part of the delegated tasks to the management company. The board of directors supervises this important function, as do the management company's internal auditor and the external auditor of both Quest for Growth and the management company.

For QfG, the management of internal control and risks focuses primarily, and on a daily basis, on the risks associated with the investments in the portfolio and their impact on the company's general risk profile and liquidity. With regard to financial reporting, the stock market transactions of the investment managers are checked and settled on a daily basis against the information that the fund administrator/risk officer receives from broker companies. The fund administrator, who is physically separated from the investment managers, compiles a daily overview, using internal and external software packages, of the following risk points:

- compliance with investment restrictions
- compliance with the privak legislation
- supervision of hedging of the exchange risk
- supervision of fluctuations in the daily net asset value

iii. Activities

All discrepancies are highlighted. These sheets are sent daily to the executive officers and the members of the management company's executive committee. One member of the executive committee is responsible for risk and compliance.

Each month the fund administrator compares the shareholder positions of all public investments with the report from the depositary bank. Any discrepancies are investigated and reconciled. The transactions and cash positions are processed daily in the accounting department's master spreadsheets. QfG's intrinsic value is determined each month on the basis of these master spreadsheets. The financial statements are prepared every quarter, and discussed with QfG's executive officers and audit committee before being submitted to the board of directors for approval. The half-yearly figures are also reviewed by the external auditor, and the annual figures are fully audited.

iv. Internal and external auditor

Given that Quest for Growth largely outsources its day-to-day management to Capricorn Partners, there is no need for an internal audit function within the company.

Capricorn Partners has an internal auditor, BDO Advisory BV, represented by Mr Steven Cauwenberghs, who reviews all processes and procedures, including those relevant to Quest for Growth, on a rotational basis. The internal auditor informs the executive officers and the audit committee of Quest for Growth as well as the audit committee of the management company about all audit findings of the annual internal control audit. Capricorn Partners' external auditor, KPMG, analyses and evaluates the adequacy of the management company's internal control.

There is also an annual meeting between the Management Company's internal auditor, the representatives of the management company, and the audit and risk committees of QfG and Capricorn Partners to discuss in detail the internal auditor's findings and the internal audit plan for the subsequent year.

The financial risks (portfolio risk, liquidity risk, interest rate risk and exchange risk) are explained in the notes to the annual accounts as from page 95 (Notes to the annual accounts – item 6).

v. Financial reporting

The above processes allow Quest for Growth to report financial information that meets all the objectives and legal and accounting obligations that the fund must comply with. In addition, through internal separation of powers and the four-eye principle, the Management Company has a number of overarching controls in place that contribute to accurate reporting.

j. Communication with shareholders

Quest for Growth considers it highly important to provide its shareholders with accurate and timely information. To achieve this, QfG uses various communication channels, such as the website, the annual report, press releases and presentations to investors.

Quest for Growth distributes a monthly press release that includes the net asset value as per the end of the month, and also sends this to shareholders who request it. You can find the publication dates for these press releases for the current financial year in the financial calendar on page 130 of this report.

Furthermore, all shareholders who request it will receive a notification via email and a press release containing the necessary information whenever there is important news.

In 2021, the Belgian Association of Financial Analysts ABAF/BVFA awarded Quest for Growth the prize for Best Financial Communication among holdings and investment companies.

Below is an overview of the press releases issued in relation to the past year:

NAV per 31/12/2022	5 January 2023
Annual results 2022 and announcement of amendment of articles of association	26 January 2023
NAV per 31/01/2023	2 February 2023
New board of directors with as many women as men	24 February 2023
NAV per 28/02/2023	2 March 2023
NAV per 31/03/2023	6 April 2023
Business update 31 March 2023	27 April 2023
NAV per 30/04/2023	4 May 2023
Transparency legislation	26 April 2023
NAV per 31/05/2023	8 June 2023
NAV per 30/06/2023	6 July 2023
Semi-annual report 30 June 2023	23 July 2023
NAV per 31/07/2023	3 August 2023
NAV per 31/08/2023	7 September 022
NAV per 30/09/2023	5 October 2023
Business update 30 September 2023	25 October 2023
NAV per 31/10/2023	9 November 2023
NAV per 30/11/2023	7 December 2023

8. REMUNERATION REPORT

a. Remuneration policy

The remuneration policy is based on the fundamental principle that the company must be able to attract and retain qualified directors with the required knowledge and experience in the company's various policy areas, taking into account (i) the company's size and specific governance structure, (ii) the strategic objectives and risk appetite of the company, while (iii) always promoting sustainable value creation. The board of directors, supported in this by the nomination and remuneration committee, ensures that the remuneration policy is consistent with the company's general remuneration framework as set out in the Corporate Governance Charter and in accordance with the Corporate Governance Code.

The remuneration report for financial year 2022 and a new remuneration policy were submitted to the general meeting on 30 March 2023. Both were approved unanimously. The changes to the Remuneration Policy mainly concern the remuneration of non-executive directors and the reduction of the maximum number of directors from ten to eight members, with a maximum of two members nominated by preferred shareholders. Following a benchmark conducted among similar small listed companies, it was decided to move away from the system of attendance fees and to make the fixed remuneration market-comform.

The new Remuneration policy

1. The executive management

The executive management is delegated exclusively to Capricorn Partners and is remunerated on the basis of a fixed percentage, i.e. 1% of the capital of the company. The determination of a management fee based on a percentage of the capital rather than on the basis of the assets under management has the advantage of clarity, simplicity and exclusion of any, possibly not objective and difficult to determine, valuation of the underlying assets that are not listed. A fixed remuneration based on capital prevents too much attention being given to risky behaviour that could jeopardise long-term value creation. QfG has entered into an agreement with the management company a management agreement regarding the tasks, conditions and modalities of the management assignment and the remuneration that Capricorn Partners will receive for carrying out this assignment. In the event of termination of the management agreement, the Management Company is entitled to payment of the fixed fee pro rata to the date of termination of the agreement and no additional severance payment will be paid.

The variable remuneration of the executive management is obtained through the subordinated preference dividend paid to the preference shareholders after all shareholders have received a compensation of 6% cumulative and recoverable for the previous years in which no or insufficient dividend payments have taken place (and this starting from 1 January 2023). This preference dividend right amounts to 10% of the total excess dividend and is distributed pro rata among the 500 preference shares. These preference shares are granted to people who help bring about the success of QfG. The management company decides on their allocation and can also redistribute the options on the preference shares among the beneficiaries. This preferred dividend right ensures alignment of the interests of all shareholders and is also approved for distribution by the general meeting

The members of the executive management do not receive contributions for pensions or similar allowances from the management company. They are responsible for this themselves.

2. The non-executive directors

The non-executive directors receive a fixed annual remuneration of €15,000. The chairman receives €30,000 and the director who fulfils the role of executive officer receives a fixed remuneration of €35,000. The fixed remuneration paid to the chairman and the director-executive officer reflects the additional time their responsibilities require them to dedicate. For example, the executive officers regularly meets with representatives of the management company to ensure optimal execution of the role in supervising the management company's fulfilment of its mandate. The chairman is responsible for the agenda, organisation and evaluation of the board of directors.

The chairman of the audit and risk committee and of the nomination and remuneration committee receive an additional fee of €7,500 per year and a member of the advising committee receives additionally €5,000. The directors who hold positions with the management company are paid by the management company and receive no additional remuneration for performing their duties at QfG.

The normal and justified expenses incurred by the directors in the performance of their duties are reimbursed and recognised under general costs. However, in 2023 this amount was nil.

Neither the management company, nor the executive officers, nor the directors receive a performance-related short-term remuneration directly related to the results of the company. There are also no long-term incentive programs, variable remuneration or benefits in kind that are directly related to the results of the company.

There is no provision for (partial) remuneration in the form of shares for the non-executive directors because (i) QfG does not hold its own shares, (ii) this could undermine the independence of the non-executive directors and (iii) few listed companies do so (cf. the Report on Corporate Governance).

There are no contributions for pensions or similar compensation for directors, and no director or executive officer in that capacity is entitled to the payment of any severance pay at the expense of the company when their term of office comes to an end, for whatever reason.

b. Remuneration paid to directors and executive officers in 2023

Mr Antoon De Proft (chairman Q1 2023):	€6,750
Ms Brigitte de Vet-Veithen (chairman as of Q2 2023)	€29,125
Mr Philippe de Vicq de Cumptich:	€33,000
Prof. Regine Slagmulder:	€19,000
Mr René Avonts (Q1 2023):	€4,000
Mr Michel Akkermans (Q1 2023):	€2,875
Mr Paul Van Dun:	€24,625
Ms Liesbet Peeters (Q1 2023):	€1,875
Mr Jos Clijsters:	€19,750
Ms Véronique Léonard (as of Q2 2023)	€15,000

Total renumeration paid to the directors in the past financial year including VAT amounted to €177,551 (in 2022: €161,281)

The director Jos Peeters and the director/executive officer Sabine Vermassen are only remunerated by the management company Capricorn Partners.

For the financial year 2023, no expenses were reimbursed to the directors and managing directors, nor any form of benefits in kind or variable remuneration, except the attendance fees linked to the effective presence of the directors on the boards of directors during the first quarter of 2023. In accordance with the remuneration policy, no amounts were paid for pension accrual, insurances or pension plans.

c. Remuneration depositary bank and external auditor

The remuneration paid to Belfius Bank for its services as depository bank amounted to €37,140 in the past financial year.

The remuneration paid to PWC Bedrijfsrevisoren for the audit of the annual financial statements and for the limited review of the half-year figures was €40,810 (excl. VAT). An additional fee of €11,800 (excluding VAT) was paid in 2023 for the preparation of the report under section 7:155 and ESEF requirements (XHTML format).

d. Remuneration management company (and its directors and employees)

The remuneration paid to the management company is fixed at 1% of the company's statutory capital (see point 19 of the Explanation to the Financial Information). This calculation basis has been applicable since 2017. For the 2023 financial year, €1,482,989 was thus paid to the management company.

The five members of the executive committee of Capricorn Partners (and as of September the four members plus Jos Peeters as chairman of the board of directors of Capricorn Partners and director at QfG) jointly received a payment of €309,442 for their services to the company during the past financial year. This calculation is based on the proportion of income the management company receives from each fund. The share of that remuneration for the chairman of the executive committee (Jos Peeters until August 2023) is €43,211, for the four other members of the executive committee together €266,230.

No benefits in kind, pension contributions or other insurance were granted, acquired or paid out at the expense of Quest for Growth during the past financial year. The relative share of the fixed remuneration is therefore 100%, and no right of recovery had to be exercised for variable remuneration.

No dividend payment was made to the preference shareholders.

With regard to severance payments, the management company can say goodbye to any member of the executive management provided a three-month notice period is observed without owing any severance payment.

During the past financial year, the management company paid a total amount of €5,897,405 to all its employees including variable remuneration of €259,345 (which, however, are not linked to Quest for Growth performance). The number of beneficiaries is twenty-eight.

The aggregate amount of remuneration paid to employees whose actions significantly affected QfG's risk profile was €384,170. The ratio between the highest paid employee and the lowest paid is, excluding dividends but including variable remuneration that is part of the employment contract: 4.5x.

e. Changes to the remuneration policy

In 2023 the remuneration policy was adjusted. We refer to the first paragraph of this chapter for this.

The company does not anticipate substantial changes to its remuneration policy over the next two years.

f. Evolution of the remuneration and performance of the company

The remunerations of the executive management were neither increased nor decreased in the past financial year.

Fees paid to non-executive directors and members of advisory committees were increased to bring them in line with the market. Thus, the fixed remuneration of a director was increased from €7,500 to €15,000 but, on the other hand, the sitting fees (amounting to €500 per session) were abolished. We also refer here to the first paragraph of the Remuneration Report.

This evolution is in line with the company's remuneration policy, which gives preference to fixed remuneration and only variable remuneration that is linked to the dividend yield of all shareholders, thus trying to align the interests of shareholders and executive management as much as possible.

The company has opted to track the evolution of remuneration over the past five years starting from the 2020 financial year. The evolution will therefore be included for the first time in the annual report for financial year 2024.

STATUTORY DISCLOSURES REQUIRED BY ARTICLE 3:6 OF THE CODE OF COMPANIES AND ASSOCIATIONS

Disclosures as referred to in §1 of Article 3:6 of the Companies Code

1° True and fair view of the development and the results as well as a description of the main risks and uncertainties of the company

See point 6 of the Notes to the Financial Information regarding the description of the main risks and uncertainties of the company; the true and fair view of the developments and results is included throughout the annual report.

2° Information concerning important events after the end of the financial year

The board of directors has no knowledge of any other important events occurring after the balance sheet date that have influenced the company's equity, economic or financial position and/or result.

3° Information on circumstances that may significantly affect the development of the company, to the extent that this information is not of such a nature that it would cause serious disadvantage to the company.

There are no circumstances that could significantly affect the development of the company other than the risks referred to below under 'Financial Information' and under 'Notes'.

4° Information on research and development work

Quest for Growth is an investment fund and does not itself develop any technology, service or product. It does, of course, explore ways to increase the assets it manages. In doing so, it contributes to long-term success and value creation among shareholders.

5° Information on the existence of branches of the company

The company has no branches.

6° Loss carried or loss carried forward for two financial years

If a loss carried forward is shown in the company's balance sheet or income statement for two consecutive financial years (which is the case here), the board of directors should account for the application of the valuation rules on a going concern basis. The board of directors has considered the future and believes that the financial statements can be prepared under the application of the valuation rules on a going concern basis. We refer to the board of directors' report accompanying the financial statements.

7° All information to be included therein pursuant to other provisions of the WVV, as listed in 7° of article 3:6 WVV and applicable to public limited companies

The conflict of interest procedure provided for in Article 7:96 of the CC was initiated and followed during the 2023 financial year at the first board of directors meeting (dd. 24 January 2023 at 15h).

Three directors were conflicted and did not participate in the deliberations or decision-making of this board of directors. The remaining five directors were not conflicted and approved the transaction. Article 7:96, §1, second paragraph of the Companies Code provides that the part of the minutes in which the board of directors accounts for the transaction and its proprietary consequences for the company shall be included in its entirety in the annual report or in a document filed together with the annual accounts. We refer to the relevant section in this annual report.

8° Use of financial instruments in so far as they influence the assessment of the assets, liabilities, financial position and result of the company

Quest for Growth NV does not use financial instruments that affect the assessment of the assets, liabilities and financial position of the result of the company.

9° Accounting for the independence and expertise of an audit committee member

We refer to the description of the directors who are members of the audit committee included in the Corporate Governance Statement. Disclosures as referred to in §2 and §3 of Article 3:6 of the Companies Code

1° Corporate Governance Statement which forms a specific part of the annual report and contains at least the information specified in §2, 1° to 8° of Article 3:6 of the Companies Code

We refer to the chapter on Corporate Governance, which integrates the statements imposed by Article 3:6 §2, 1° to 8° of the Code.

2° The Remuneration report which forms a specific part of the Statement on Corporate Governance and which provides a comprehensive and complete overview of remuneration and contains all information as required by §3 of Article 3:6 of the CRD

We refer to the chapter on Corporate Governance and specifically to the Remuneration Report, in which the disclosures required by Article 3:6 §3 of the CRD were included in full.

9. FINANCIAL INFORMATION 2023

FREE TRANSLATION FROM THE DUTCH ORIGINAL REPORT

STATUTORY AUDITOR'S REPORT TO THE GENERAL SHAREHOLDERS' MEETING OF QUEST FOR GROWTH NV ON THE ANNUAL ACCOUNTS FOR THE YEAR ENDED 31 DECEMBER 2023

We present to you our statutory auditor's report in the context of our statutory audit of the annual accounts of Quest for Growth NV (the "Company"). This report includes our report on the annual accounts, as well as the other legal and regulatory requirements. This forms part of an integrated whole and is indivisible.

We have been appointed as statutory auditor by the general meeting d.d. 31 March 2022, following the proposal formulated by the board of directors and following the recommendation by the audit committee. Our mandate will expire on the date of the general meeting which will deliberate on the annual accounts for the year ended 31 December 2024. We have performed the statutory audit of the Company's annual accounts for 5 consecutive years.

Report on the annual accounts

Unqualified opinion

We have performed the statutory audit of the Company's annual accounts, which comprise the balance sheet as at 31 December 2023, the income statement, the statement of changes in equity and the statement of cash flows for the year then ended, and the notes to the annual accounts, including a summary of significant accounting policies and other explanatory information, and which is characterised by a balance sheet total of EUR 140,784,807 and an income statement showing a loss for the year of EUR 3,524,260.

In our opinion, the annual accounts give a true and fair view of the Company's net equity and financial position as at 31 December 2023, and of its financial performance and its cash flows for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Belgium. Furthermore, we have applied the International Standards on Auditing as approved by the IAASB which are applicable to the year-end and which are not yet approved at the national level. Our responsibilities under those standards are further described in the "Statutory Auditor's responsibilities for the audit of the annual accounts" section of our report. We have fulfilled our ethical responsibilities in accordance with the ethical requirements that are relevant to our audit of the annual accounts in Belgium, including the requirements related to independence.

We have obtained from the board of directors and Company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Fair value measurement of financial assets

Description of the key audit matter

The Company measures its financial assets, consisting of investments that are, or are not, traded in active markets at fair value through profit or loss.

The fair value of investments that are traded in active markets is determined, based on their quoted market price on the respective stock markets on 31 December 2023 (Level 1 measurements in the fair value hierarchy). As disclosed in note 7.d., the total of the Level 1 financial assets recognised at fair value in the balance sheet amounts to EUR 84,295,827 at 31 December 2023.

The fair value of investments that are not traded in active markets is determined on the basis of valuation methods applied by the Company using, among other things, estimates that are based on non-observable market data (Level 3 measurements in the fair value hierarchy). The estimates rely on assumptions made by the board of directors that are included in the valuation method of each individual investment.

The most important assumptions for the investments valued based on the method based on multiples concern the composition of the peer group and the applied discounts. The most important assumptions for the investments valued based on a scenario analysis are the assessment of Key Performance Indicators per investment and the probability-weighting of the different possible future scenarios. The total of the Level 3 financial assets recognised at fair value in the balance sheet at 31 December 2023 amounts to EUR 48,821,446 (note 7.d.).

The use of other underlying assumptions can alter the fair value. Considering the importance of financial assets in the balance sheet and the impact of the fair value measurement on the balance sheet and the income statement, we consider this as a key audit matter.

Our audit approach to the key audit matter

Our verification of the 31 December 2023 fair values as applied by the Company with regard to investments that are traded in active markets was based on the closing price on the said date.

To assess the reasonability of 31 December 2023 fair value used in the measurements of investments that are not traded in active markets, we performed, amongst others, the following auditing procedures:

- analysis of the peer group of comparable enterprises and of the discounts applied by the Company when using a valuation method based on the multiples approach;
- inquiries with the investment managers with respect to the assumptions applied concerning the assessment of Key Performance Indicators of the enterprises in which the Company holds an investment and with respect to the probability-weighting of the different possible future scenarios, when using scenario analysis as valuation method;
- assessment of the reasonableness of the assumptions used to determine the valuation by verifying them against underlying elements;
- review of the information disclosed in note 7 'Fair value of financial instruments' to the financial statements as required under IFRS.

In performing our audit procedures, we relied on the assistance of our internal valuation experts.

Our auditing procedures have led us to conclude that the values, estimates and underlying assumptions used by the board of directors fall within an acceptable range of reasonable estimates and assumptions, and that the information disclosed in note 7 to the financial statements meets IFRS requirements.

Responsibilities of the board of directors for the preparation of the annual accounts

The board of directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium, and for such internal control as the board of directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

In performing our audit, we comply with the legal, regulatory and normative framework applicable to the audit of the annual accounts in Belgium. A statutory audit does not provide any assurance as to the Company's future viability nor as to the efficiency or effectiveness of the board of directors' current or future business management. Our responsibilities in respect of the use of the going concern basis of accounting by the board of directors' are described below.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we

conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the annual accounts and the other information included in the annual report, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Companies' and Associations' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our engagement and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, the directors' report on the annual accounts and the other information included in the annual report, as well as compliance with the articles of association and of certain requirements of the Companies' and Associations' Code, and to report on these matters.

Aspects related to the directors' report and to the other information included in the annual report

In our opinion, after having performed specific procedures in relation to the directors' report, the directors' report is consistent with the annual accounts for the year under audit, and it is prepared in accordance with the articles 3:5 and 3:6 of the Companies' and Associations' Code.

In the context of our audit of the annual accounts, we are also responsible for considering, in particular based on the knowledge acquired resulting from the audit, whether the directors' report and the other information included in the annual report, is materially misstated or contains information which is inadequately disclosed or otherwise misleading. In light of the procedures we have performed, there are no material misstatements we have to report to you.

Statement related to independence

- Our registered audit firm and our network did not provide services which are incompatible with the statutory audit of the annual accounts and our registered audit firm remained independent of the Company in the course of our mandate.
- The fees for additional services which are compatible with the statutory audit of the annual accounts referred to in article 3:65 of the Companies' and Associations' Code are correctly disclosed and itemised in the notes to the annual accounts.

European Uniform Electronic Format (ESEF)

We have also verified, in accordance with the draft standard on the verification of the compliance of the financial statements with the European Uniform Electronic Format (hereinafter "ESEF"), the compliance of the ESEF format with the regulatory technical standards established by the European Delegate Regulation No. 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with ESEF requirements, of the financial statements in the form of an electronic file in ESEF format (hereinafter "digital financial statements") included in the annual financial report.

Our responsibility is to obtain sufficient appropriate evidence to conclude that the format of the digital financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work we have performed, we believe that the format of the official version of the digital financial statements included in the annual financial report of Quest for Growth NV per 31 December 2023 comply in all material respects with the ESEF requirements under the Delegated Regulation.

Other statements

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.
- There are no transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' and Associations' Code that we have to report to you.
- We have evaluated the property effects resulting from the decision of the board of directors dated 24 January 2023 as described in section '7c. iv. Conflicts of interest' of the annual report, concerning the change in rights of preferred shares, and we have no remarks to make in this respect.
- This report is consistent with the additional report to the audit committee referred to in article 11 of the Regulation (EU) N° 537/2014.

Diegem, 26 February 2024

The statutory auditor
PwC Reviseurs d'Entreprises SRL / PwC Bedrijfsrevisoren BV
represented by

Gregory Joos*
Réviseur d'Entreprises / Bedrijfsrevisor

*Acting on behalf of Gregory Joos BVBrussel, 26 februari 2024

MANAGEMENT RESPONSIBILITY STATEMENT

The financial statements for the period ended 31 December 2023 have been prepared in accordance with IFRS as approved by the International Accounting Standards Board and accepted by the European Union. Where necessary, additional explanations are provided in this financial information.

The board of directors approved the financial statements on 13 February 2024.

The undersigned state that to the best of their knowledge:

a. The financial statements give a true and fair view of the financial position, equity, profit or loss, changes in equity and cash flows of Quest for Growth NV, taken as a whole as at and for the twelve month period ended 31 December 2023; and

b. The financial statements include a fair review of important events that have occurred during the twelve month period ended 31 December 2023, and their impact on the financial statements for such period, a description of the principal risks and uncertainties they face and the future prospects.

Leuven, 13 February 2024

Paul Van Dun
Director – Chairman of the audit committee

Philippe de Vicq de Cumptich
Director – Executive officer

Sabine Vermassen
Director - Executive officer

BALANCE SHEET

In EUR Assets	Situation at Notes	31 December 2023	31 December 2022	31 December 2021
Cash and cash equivalents	7.g	6,800,567	6,177,462	9,313,614
Trade and other receivables	15	474,757	1,050,834	910,459
Dividends receivable	7.f	385,020	563,083	450,277
Financial assets				
Financial assets at FVTPL - equity securities	14	132,804,660	136,042,102	168,509,906
Financial assets at FVTPL – debt securities	14	312,613	468,595	549,016
Other current assets		7,191	7,210	7,210
Total assets		**140,784,807**	**144,309,287**	**179,740,483**
Equity and liabilities				
Share capital	17	147,072,900	147,072,900	138,629,636
Reserves	18	0	21,918,727	7,929,733
Accumulated result		-2,803,948	106,290	
Net result for the year		-3,524,260	-24,828,966	33,140,999
Total equity attributable to shareholders		**140,744,692**	**144,268,952**	**179,700,367**
Current tax payable	12	0	219	3
Other liabilities		40,115	40,115	40,112
Total liabilities		**40,115**	**40,335**	**40,115**
Total equity and liabilities		**140,784,807**	**144,309,287**	**179,740,483**

INCOME STATEMENT

In EUR	For the financial year ended Note	31 December 2023	31 December 2022	31 December 2021
Net realised gains / (losses) on financial assets	8/10	-6,191,828	6,764,147	18,841,630
Net unrealised gains / (losses) on financial assets	8/10	2,484,133	-31,245,241	15,198,088
Dividends income		1,824,290	1,984,901	1,549,620
Interest income	11	78,021	-7,018	-14,121
Net realised foreign exchange gain / (loss)		-2,536	8,637	-128,103
Net unrealised foreign exchange gain / (loss)		5,603	4,114	-11,340
Total revenues		**-1,802,318**	**-22,490,460**	**35,435,774**
Other operating income / (loss)		860,320	101,156	29,066
Total operating revenues		**-941,997**	**-22,389,304**	**35,464,840**
Fee management company	19	-1,482,989	-1,456,988	-1,416,608
Custodian fees		-37,140	-45,688	-49,599
Director's fees		-177,551	-161,281	-170,330
Levy on investment funds	21.5	-133,449	-166,557	-141,774
Other operating expenses		-405,978	-272,972	-286,996
Total operating expenses		**-2,237,107**	**-2,103,791**	**-2,065,307**
Profit / (Loss) from operating activities		**-3,179,105**	**-24,492,791**	**33,399,533**
Net finance expense		-1,501	-2,651	-5,658
Profit / (Loss) before income taxes		**-3,180,605**	**-24,495,442**	**33,393,875**
Withholding tax expenses	12	-316,085	-333,304	-252,870
Other incomes taxes	12	-27,570	-219	-5
Profit / (Loss) for the period		**-3,524,260**	**-24,828,966**	**33,140,999**
Profit / (Loss) per share				
Basic & diluted average number of shares outstanding	9	18,603,570	17,765,860	16,774,226
Basic & diluted profit/loss per share for ordinary shares	9	-0.19	-1.40	1.98
Basic & diluted profit/loss per share for preference shares	9	-0.19	/	/
Basic & diluted profit/loss per share for A and B shares	9	/	-1.40	1.98

The holders of the different share classes have different rights in the event of a dividend payment and in the event of liquidation of the company (see point 18 below)

STATEMENT OF CHANGES IN EQUITY

In EUR	Note	Share capital	Reserves	Retained earnings/loss	Total equity
Balance at 1 January 2023	**17**	**147,072,900**	**21,918,727**	**-24,722,675**	**144,268,952**
Retained earnings	18		-21,918,727	21,918,727	0
Proft/(loss) for the year				-3,524,260	-3,524,260
Issue of ordinary shares, net of costs of capital increase		0			0
Dividends	18			0	0
Balance at 31 December 2023	**17**	**147,072,900**	**0**	**-6,328,208**	**140,744,692**
Balance at 1 January 2022	**17**	**138,629,636**	**7,929,733**	**33,140,999**	**179,700,368**
Retained earnings	18		13,988,994	-13,988,994	0
Profit / (loss) for the year				-24,828,966	-24,828,966
Issue of ordinary shares, net of costs of capital increase	17	8,443,264			8,443,264
Dividends	18			-19,045,714	-19,045,714
Balance at 31 December 2022	**17**	**147,072,900**	**21,918,727**	**-24,722,675**	**144,268,952**

STATEMENT OF CASH FLOWS

In EUR	For the financial year ended Note	31 December 2023	31 December 2022	31 December 2021
Cash flows from operating activities				
Proceeds from sale of Financial Assets - equity securities		19,245,292	30,215,236	72,551,900
Proceeds from sale of Financial Assets – debt securities		0	0	2,699,977
Acquisition of Financial Assets - equity securities		-19,228,959	-21,234,761	-65,327,190
Acquisition of Financial Assets - debt securities		-330,248	-888,571	-446,507
Net receipts / (payments) from derivative activities		0	0	-258,725
Monies received from claims further to divestments		1,437,755	29,768	95,744
Dividends received		1,696,689	1,515,962	1,178,857
Interest received	11	76,852	110	221
Interest paid	11	-190	-32,576	-14,342
Operating expenses paid		-2,238,588	-2,103,487	-2,070,367
Income taxes paid		-27,790	-3,01	-11
Cash flow from operating activities		**630,813**	**7,501,677**	**8,409,287**
Proceeds from capital increase		0	8,443,264	0
Capital reduction		0	0	-6,709,687
Dividends paid to holders of preference shares	18	0	-1,936,239	0
Dividends paid to holders of ordinary shares	18	0	-16,774,228	-1,710
Paid withholding tax on dividends to shareholders	18	0	-335,247	0
Cash flow from financing activities		**0**	**-10,602,450**	**-6,711,397**
Net increase / (decrease) in cash and cash equivalents		**630,813**	**-3,100,772**	**1,697,890**
Cash and cash equivalents at the beginning of the year		6,177,462	-9,313,614	7,581,757
Effect of exchange rate on cash and cash equivalents		-7,709	-35,079	33,967
Cash and cash equivalents at the end of the period		6,800,567	6,177,462	9,313,614

1. Reporting entity

Quest for Growth NV PRIVAK (the "Company") is a public alternative investment company with fixed capital under Belgian law, with registered office at Lei 19, PO Box 3, 3000 Leuven and with company number 0463.541.422

The AIFM Directive, the AIFM Law and the Royal Decree mainly determine the legal status of the public privak.

The company is a closed end investment company primarily involved in investing in a highly diversified portfolio of equity securities issued by companies listed on European stock exchanges, unquoted companies and unquoted investment companies, with the objective of realising capital gains that are distributed to the shareholders in the form of dividends.

The company is managed by Capricorn Partners (the "management company").

Quest for Growth is listed on Euronext Brussels under code BE0003730448.

2. Basis for reporting

The financial statements were authorised for publication by the Company's board of directors on 13 February 2024.

The financial statements for the period ended on 31 December 2023 were prepared in accordance with IFRS as published by the International Accounting Standards Board (IASB) and accepted by the European Union.

The annual accounts have been drawn up on the basis of going concern.

3. Functional currency and presentation of currencies

The financial statements are presented in euros, which is the company's functional currency.

Following exchange rates were used for translation into euros:

	31 December 2023	31 December 2022
CAD	1.4642	1.444
CHF	0.9260	0.9847
GBP	0.86905	0.88693
USD	1.1050	1.0666

4. Use of judgements and estimates

In preparing these financial statements, management has made judgement and estimates that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The actual results may differ from these estimates.

a. Judgements

Qualification as an investment entity

IFRS 10 lays down a compulsory exemption for companies that meet the definition of an investment entity from having to measure both its subsidiaries and its interests in associates and joint ventures at fair value with accounting of changes in value through profit or loss.

An investment entity is defined as an entity that:

(1) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;

(2) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and

(3) measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether it fulfils this definition, an entity must also look into whether it possesses the following typical features for an investment entity:

(1) it has more than one investment;

(2) it has more than one investor;

(3) it has investors that are not related parties of the entity; and

(4) it has ownership interests in the form of shares or similar interests.

In accordance with the transitional provisions of IFRS 1, this analysis was done on the transition date, when it was determined that Quest for Growth possesses both the essential and the typical features and therefore meets the definition of an investment entity. Quest for Growth is a public investment company with close-ended capital for investment in unquoted companies and growth companies (called a "PRIVAK" (Dutch) or "PRICAF" (French)), regulated by the AIFM Directive, the AIFM Act and the public PRIVAKs/PRICAFs legislation (Royal Decree of 10 July 2016). The Company's diversified portfolio comprises for the most part investments in quoted equities, venture and growth capital and venture and growth funds. Quest for Growth is listed on Euronext Brussels and has a diversified range of shareholders. Quest for Growth's objects are collective investment in permitted financial instruments issued by unquoted companies and growth companies in order to thereby realise capital gains that are paid in the form of dividends to its shareholders. Quest for Growth measures all holdings at fair value with changes in value accounted through the income statement.

b. Assumptions and estimates

The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The assumptions and estimates that have a significant risk of causing a material adjustment are outlined below. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognized prospectively.

<u>Fair value of derivative financial instruments</u>

The Company may, from time to time, hold financial derivative instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques. Valuation techniques (for example, models) used to determine fair values, are validated and periodically reviewed.

<u>Fair value of private equity portfolio</u>

The private equity portfolio includes direct investments through equity, investment related investment loans and investments in other funds managed by the Management Company or in third party funds. These investments are stated at fair value on a case-by-case basis.

Fair value is estimated in compliance with the International Private Equity and Venture Capital Association (IPEV) Guidelines. These guidelines include valuation methods and techniques generally recognised as standard within the industry. The Company primarily uses earnings multiples and scenario analysis to estimate the fair value of an investment.

Although management uses its best judgement in estimation the fair value of investments, there are inherent limitations to every valuation methodology. Changes in assumptions could affect the reported fair value of financial instruments.

Valuation models use observable data, to the extent practicable. The determination of what constitutes "observable" requires significant judgement by the Company. The Company considers observable data to be market data that are readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

We also refer to note 7 to the financial statements for more information.

5. Important amendments to the principles for financial reporting

There are no significant changes impacting the financial reporting.

6. Financial risk management

This note presents information about the Company's exposure to each of the financial risks.

Quest for Growth is exposed to a number of financial risks. The company's major risk factors are defined below. However these risks are not the only risks the company may run. Any other risk Quest for Growth may run, can also have a negative impact on the activities of the Company.

- A. Market risk
  1. Price risk
  2. Interest rate risk
  3. Currency risk
- B. Liquidity risk
- C. Credit risk

<u>Financial risk management framework</u>

The Company's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Company's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions. The maximum loss of capital on forward currency contracts is limited to the notional contract values of those positions.

The management of these risks is carried out by the Management Company under policies approved by the board of directors, as explained in the annual report (Strategy page 8 and further).

The Management Company reports daily in this regard to the executive officers of the Company. Within the Management Company, risk management falls within the responsibility of a senior member of the finance department who is not a member of the executive committee but does report directly to it.

The risk manager uses Excel spreadsheets to collate and process all information relevant for risk management. The Excel worksheets generate various reports by which the risks within Quest for Growth can be monitored:

- compliance with investment restriction
- compliance with the legislation on closed-end private equity companies;
- supervision of hedging of the exchange risk;
- supervision of fluctuations in the daily net asset value (NAV).

All abnormalities are immediately notified to the executive officers.

The risk manager reports to the executive officers. He/she reports to the audit committee at least once a year on his/her activities and can make process-improvement suggestions at any time.

Risk management within the Company focuses especially on the risks associated with the investments in the portfolio and their impact on the company's general risk profile and liquidity. Focus is also laid on identifying and managing operational risks such as legal, outsourcing and compliance.

A. Market risk

1. Price risk (see also sensitivity, same page)

The value of the quoted companies in the portfolio directly depends on the stock prices and the evolution thereof.

In addition, the valuation of the unquoted companies of the portfolio and the valuation of the venture capital funds depend upon a number of market related elements such as the value of companies in the peer group, used for valuation purposes.

This means that the fair value of quest for Growth's unquoted portfolio is highly dependent on the evolution of the stock markets.

Each investment in the quoted portfolio is smaller than 5% of the net asset value. Each direct investment in unquoted companies is also smaller than 5% of the net asset value.

Investments in venture capital funds may be higher than 5% of the net asset value but are themselves diversified.

2. Interest rate risk

Quest for Growth invested 2.1% of its NAV in time deposits at the end of 2023. These have a maturity of one month, making interest rate risk negligible.

31 December 2023	In foreign currency	in euro
Quoted equities		
CAD	9,723	6,640
CHF	7,401,450	7,992,927
Venture & growth capital		
USD	2,626,554	2,376,972

31 December 2022	in foreign currency	in euro
Quoted equities		
CAD	127,954	88,611
CHF	9,202,674	9,345,663
Venture & growth capital		
USD	3,719,999	3,487,717

3. Currency risk

Quest for Growth invests in companies whose securities are not denominated in euro. It is the responsibility of the board of directors to determine to what extent this currency risk should be hedged. As of September 2016 currency risk is no longer hedged. The board however, can at any time decide on a case-by-case basis to hedge a position in the in the portfolio

On 31 December 2023 Quest for Growth held a currency risk of €10,376,539. The exposure per currency is illustrated in the tabel below:

Sensitivity analysis

The table below sets out the effect on the result of the period of a reasonably possible decrease of the euro against the USD, CAD and CHF by 10% at 31 December 2023 and 31 December 2022. The analysis assumes that all other variables, in particular interest rates, remain constant. Given that there were no debts or liabilities in foreign currencies at the end of the financial year, the effect on equity is the same as the effect on profit or loss.

in euro	31 December 2023	31 December 2022
CAD	738	9,846
CHF	888,103	1,038,407
USD	264,108	387,524

B. Liquidity risk

'Liquidity risk' is the risk that the company will encounter difficulties in meeting the obligations associated with its financial liabilities and commitments that are settled by delivering cash or another financial asset.

Quest for Growth is an investment company with fixed capital and – as opposed to investment funds with variable capital – does not have to buy back shares. No liquidity problems can arise in the short term.

Quest for Growth does nonetheless invest in quoted growth shares with a certain liquidity risk and has outstanding commitments towards a number of venture and growth funds and venture and growth capital.

These investment commitments need to be fully paid up in accordance with the investments the companies makes over the investment period and further on. Quest for Growth has no control or decision power in this respect.

The table below gives an overview of the outstanding commitments at 31 December 2023 and 31 December 2022.

	Currency	Commitment in € 31/12/2023	Commitment in € 31/12/2022
Capricorn Health-tech Fund	EUR	1,050,000	1,050,000
Capricorn ICT ARKIV	EUR	1,127,000	1,472,000
Capricorn Sustainable Chemistry Fund	EUR	3,400,000	5,000,000
Capricorn Digital Growth Fund	EUR	12,000,000	12,000,000
Capricorn Fusion China Fund	EUR	5,519,587	5,898,750
Carlyle Europe Technology Partners II	EUR	653,148	653,148
Total		**23,749,735**	**26,073,898**

The following are the contractual maturities of financial liabilities at the reporting date.

	In euro	Contractual cash flows			
31 December 2023	**Book value**	**Total**	**Less than 15 days**	**15 days to 1 year**	**More than 1 year**
Non-derivative liabilities	**0**	**0**	**0**	0	0
Balances due to brokers	0	0	0	0	0
Dividends payable	0	0	0	0	0
Commitments	**23,749,735**	**23,749,735**	**0**	**23,749,735**	**0**
Total	**23,749,735**	**23,749,735**	**0**	**23,749,735**	**0**

	In euro	Contractual cash flows			
31 December 2022	**Book value**	**Total**	**Less than 15 days**	**15 days to 1 year**	**More than 1 year**
Non-derivative liabilities	**0**	**0**	**0**	**0**	**0**
Balances due to brokers	0	0	0	0	0
Dividends payable	0	0	0	0	0
Commitments	**26,073,898**	**26,073,898**	**0**	**26,073,898**	**0**
Total	**26,073,898**	**26,073,898**	**0**	**26,073,898**	**0**

The table above shows the undiscounted cash flows of the Fund's financial liabilities on the basis of their earliest possible contractual maturity.

The ratio of net assets with an expected liquidation period within seven days (liquid assets) to total net assets is set out below.

	31 December 2023	31 December 2022
Total liquid assets	43,053,857	45,330,877
Liquid assets as % of total net assets	31%	31%

Liquidity in the case of quoted shares is assessed on the basis of the average number of shares traded at the exchange during the previous 90 days. The table below shows the anticipated liquidation period for financial assets as at 31 December 2023:

Term:	Immediate-ly available	Maximum 7 days	Max. 1 month	Max. 1 year	More than 1 year
	13,61%	16,98%	24,37%	9,78%	35,26%

C. *Credit risk*

- Concentration of credit risk

Quest for Growth holds an important cash position.

The credit risk on the cash position is managed by a fair distribution of the cash amongst different financial institutions with solid ratings or guaranteed by the Belgian Government. However this diversification of cash or similar instruments cannot protect the Company against negative evolutions within the counterparties that may have an important impact on the Company's cash position.

There were no significant concentrations in debt securities to any individual issuer or group of issuers at 31 December 2023 or at 31 December 2022. No individual investment exceeded 5% of the net assets either at 31 December 2023 or at 31 December 2022.

Participations in venture capital funds - which can be more than 5% of net assets - can be found on page 81 above.

The Management Company reviews the credit concentration of debt securities based on counterparties.

The table below shows the most significant positions of cash and short term debt securities in fuction of the equity of the company on 31 December 2023. Short-term debt securities are term deposits with a term of one month.

Counterparty	Cash	Short term debt securities
BELFIUS BANK	2.65%	0.00%
KBC BANK	0.05%	2.13%

7. Fair value of instruments

a. *Valuation models*

Fair value is the price that would be received to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at a measurement date.

Financial assets and liabilities measured at fair value

The fair value of financial assets and liabilities traded in active markets (such as listed securities and publicly traded derivatives) are based on quoted market prices at the close of trading at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Company uses the close price for both financial assets and financial liabilities. If a significant movement in fair value occurs subsequent to the close of trading at the end of the reporting date, valuation techniques will be applied to determine the fair value.

The fair value of financial assets and liabilities that are not traded in active markets are determined by using valuation techniques. The Company may use internally developed models, which are based on valuation methods and techniques generally recognised as standard within the industry (IPEV). Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Valuation techniques used include the use of comparable recent market-based transactions. They determine how much an informed independent third party would be willing to pay to purchase the investment being valued. They refer to other instruments that are substantially the same, premium pricing models and other valuation techniques commonly used by market participants who use market inputs as much as possible and rely as little as possible on inputs specific to the entity.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

Other financial assets and liabilities

The carrying value less impairment provision of other financial assets and liabilities are assumed to approximate their fair values.

b. Fair value hierarchy

The company recognises transfers between levels of the fair value hierarchy as at the beginning of the reporting period.

The fair value hierarchy has the following levels:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs that are unobservable. This category includes all instruments for which the valuation techniques includes inputs not based on observable data and whose unobservable inputs have significant effect on the instruments' valuation.

If the inputs used to determine the fair value of an asset or liability fall within different levels of the fair value hierarchy, the determined fair value in its entirety is classified in the same level of the fair value hierarchy as the lowest level input that is significant to the entire fair value measurement. For this purpose, the significance of an input is assessed with respect to the fair value measurement as a whole. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement belongs to level 3. Assessing the extent to which a particular input is material to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the company. The company considers observable data to be that market data that is readily available regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and exchange traded derivatives. The company does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include listed equities on non active markets and over-the-counter derivatives. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include private equity and corporate debt securities. As observable prices are not available for these securities, the company has used valuation techniques to derive the fair value.

c. Valuation framework

The company has established a control framework for the measurement of fair values. The management company that is responsible for developing the company's valuation processes and procedures oversees the valuation process. The management company reports to board of directors of the company.

The valuations and calculations are carried out by the management company at a frequency, which is appropriate to the specific character of the company. In practise, the management company reassesses the valuations of the non-quoted investments of the company at least once every quarter. The valuation could be reassessed in between valuation dates in case material events occur in the underlying investment.

The valuation is the responsibility of the valuation expert and the executive committee of the management company. The valuation role is functionally independent from the portfolio management activities and the valuation expert, though present in the team meetings is not a member of the investment committees. Other measures ensure that conflicts of interest are mitigated and that undue influence upon the employees is prevented. The valuation shall be performed with all due skill, care and diligence. The valuation expert has an experience in auditing or determining the valuation of financial instruments.

For the valuation of the unquoted investments, the valuation expert receives input of the dedicated investment managers on the fundamentals and the prospects of the non-quoted investments. He/she attends the meetings of the investment teams. Valuation proposals can be discussed in the respective investment team meetings of the funds. The main responsibility of the valuation expert is to make sure that all valuations are done in accordance with the valuation rules of the company and that the assumptions at the basis of the valuation are sufficiently documented. He/she will also make sure that all factors that could be relevant in determining the value of the unquoted investments are taken into account in the assessment.

The valuation proposals are discussed at a quarterly valuation meeting that takes place close to the end of each quarter. Are present in this quarterly valuation meeting: the valuation expert, the members of the executive committee of Capricorn Partners and all Capricorn investment managers overseeing active non-quoted investments of the company. In the valuation meeting the proposed valuations of an investment manager are discussed with all members present and the valuations may be amended to obtain a final valuation proposal.

The final valuation proposals are submitted for approval to the executive committee of Capricorn Partners. The ultimate responsibility for the approval of the valuations resides legally and contractually with the board of Quest for Growth. Changes in valuation rules will be submitted to and need approval of the board of directors.

d. Fair value hierarchy – Financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date by the level in fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

In 2023 no financial instruments were transferred from level 2 to level 1.

31 December 2023	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
Quoted equities	84,295,827	0	6,640	84,302,467
Debt securities	0	0	312,613	312,613
Venture & growth capital	0	0	12,976,146	12,976,146
Venture & growth funds	0	0	35,526,047	35,526,047
Total	**84,295,827**	**0**	**48,821,446**	**133,117,272**

31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss				
Quoted equities	82,771,077	88,611	0	82,859,689
Debt securities	0	0	468,595	468,595
Venture & growth capital	0	0	13,701,867	13,701,867
Venture & growth funds	0	0	39,480,547	39,480,547
Total	**82,771,077**	**88,611**	**53,651,008**	**136,510,697**

The following table shows a reconciliation from the opening balances to the closing balances for the fair value measurement in level 3 of the fair value hierarchy.

	Private equity investments	Venture capital funds	Total
Balance at 1 January 2023	**14,170,462**	**39,480,547**	**53,651,008**
Purchases	991,532	2,421,665	3,413,197
Sales	-3,616,759	-701,699	-4,318,458
Transfers into level 3	6,640		6,640
Transfers out of level 3			
Total profit (or loss) recognised in the income statement	1,743,524	-5,674,466	-3,930,942
Balance at 31 December 2023	**13,295,399**	**35,526,047**	**48,821,446**
Balance at 1 January 2022	**19,971,590**	**32,627,429**	**52,599,019**
Purchases	5,586,072	7,107,500	12,693,572
Sales	-5,617,417	-351,984	-5,969,401
Transfers into level 3			
Transfers out of level 3			
Total profit (or loss) recognised in the income statement	**-5,769,783**	**97,601**	**-5,672,182**
Balance at 31 December 2022	**14,170,462**	**39,480,547**	**53,651,008**

Measurement techniques used to determine fair value must encompass as many relevant observable inputs and as few non-observable inputs as possible. Level 3 inputs are non-observable as regards the assets. They are used to determine fair value to the extent that no relevant observable inputs are available. They reflect the assumptions on which market players should proceed when measuring the assets, including assumptions as to risks.

Risk assumptions include the risk inherent in a certain measurement technique that is used to determine fair value (such as a valuation model) and the risk inherent in the inputs for the measurement technique.

The table below shows the degree to which certain measurement techniques are used to value level 3 financial instruments on 31 December 2023:

31/12/2023	Multiples	Scenario analysis	Stock quotations	Cash	Other
Valuations venture & growth capital as % of the NAV					
DMC		1.11%			
EclecticIQ		1.88%			
Finquest		0.58%			
Fruitcore Robotics	1.42%				
NGData	0.81%				
Qpinch		1.35%			
Rein4ced		0.57%			
Sensolus	1.72%				
Total	**3.95%**	**5.49%**			
Distribution of valuation methods					
Venture & growth capital and debt securities	41.87%	58.13%	0.00%	0.00%	0.00%
Venture & growth capital funds (underlying instruments)	11.63%	76.17%	0.00%	7.55%	4.64%

e. *Sensitivity analysis of financial instruments at fair value through profit or loss*

The valuation of investments in venture and growth capital and in venture and growth funds depends on a number of market related factors. The following market-related factors may be applied to the measurement methods.

Multiples: the multiples used are preferably equity/earnings (company value/turnover) for companies with a sustainable turnover flow and equity/EBITDA (company value/profit for financial burdens, taxes and depreciation/amortisation) for companies with a sustainable EBITDA flow. The valuation is done on the basis of the most recent available information over 12 months, for instance the figures for the last four quarters or the figures for the last financial year.

The multiple is determined based on the median for comparable companies ("peer group"). Since 30 June 2023, Bloomberg has been used as the source for this financial data, previously Factset. The impact at 30 June 2023 of this change is +€336,773. The peer group is composed on the basis of criteria such as: similar activities or industry, size, geographical spread. The peer group preferably encompasses a minimum of three and a maximum of ten companies.

The market-based multiple of the group of comparable quoted companies (peer group) is corrected with differences between the peer group and the company to be valued. A first correction (illiquidity discount) is applied because of the difference in liquidity of the valued shares compared to that of quoted shares. Other grounds for correcting multiples (discount or premium) might be: size, growth, diversity, nature of activities, differences between markets, competitive positioning, services performed by the company, recent transactions selling or financing comparable transactions, exceptional or non-recurring expected decline in results, etc.

Scenario analysis: In applying the probability-weighted model, account is taken of industry-specific information and available studies.

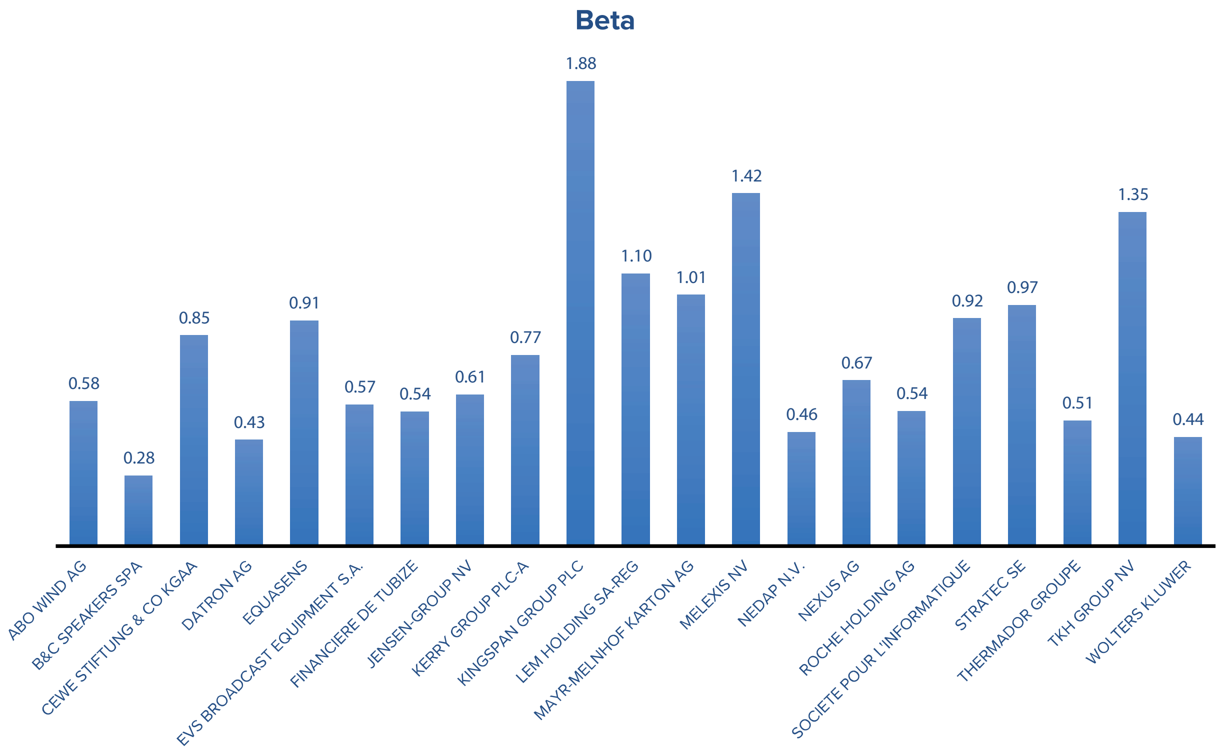
In valuing investments in venture and growth capital in the venture and growth funds managed by Capricorn, as at 31 December 2023 30 participations were valued on the basis of scenario analysis and 5 participations were valued using the multiple method. Additionally, in valuing the direct investments made by Quest for Growth in unquoted companies, 6 participations were valued on the basis of scenario analysis and 3 participations were valued using the multiple method.

If the valuations in a scenario analysis are subject to a 10% change, this means an increase (or decrease) in the value of the venture and growth funds by an amount of €2,706,172. For Quest for Growth's direct investments in venture and growth capital, valued under scenario analysis this would mean an increase (or decrease) of €772,534.

If the peer group multiple were to increase (or decrease) by 1 for the individual participations in the venture and growth funds valued on the basis of multiples, this would result in an overall increase (or decrease) of €1,419,785/€1,539,416. For Quest for Growth's direct investments in venture and growth capitals valued on the basis of multiples, increasing (or decreasing) the multiple by 1 for the individual participations would mean an overall increase/decrease of €549,586/€632,494.

The quoted equities portfolio is to a significant extent sensitive to fluctuations on the stock markets. The portfolio's beta, which measure the portfolio's sensitivity relative to the market, is 0.81 over 2 years. The betas have been calculated with Bloomberg for the quoted share portfolio excluding cash against the STOXX Europe 600 index as at 31 December 2023. Taking account of these betas, calculated on the basis of historical data for the portfolio, a rise or fall of 8.1% can be expected upon a rise or fall of 10% in the STOXX Europe 600 index. Changes in the portfolio's composition and changes in the volatility of shares in the portfolio or of the market can give rise to fluctuations beyond the above range.

The chart below provides an overview of the betas of the listed shares in the portfolio over 3 years:



f) Financial instruments not measured at fair value

The financial instruments not measured at fair value through profit or loss are short term financial assets and liabilities whose book value approaches fair value. They are not measured at fair value because the book value is a good approach of the fair value, because of their short term nature and for the financial assets for the high credit quality of counterparties. Consequently, no depreciation due to expected credit losses was recognised for these receivables.

During the year, the position in short-term debt securites was further reduced.

31 December 2023	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Short-term debt securities	0	0	0	0	0
Trade and other receivables	474,757	0	474,757	0	474,757
Dividend receivables	385,020	0	385,020	0	385,020
Financial liabilities					
Trade payables	0	0	0	0	0

31 December 2022	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Short-term debt securities	0	0	0	0	0
Trade and other receivables	1,050,834	0	1,050,834	0	1,050,834
Dividend receivables	563,083	0	563,083	0	563,083
Financial liabilities					
Trade payables	0	0	0	0	0

g) Cash and cash equivalents

Cash and cash equivalents are assets placed with financial institutions and can be accessed immediately. For more info, see previous chapter 6 "Financial risk management", section B "Liquidity risk", under "Credit risk".

8. Operating segments

The Company has three reportable segments: Investments in quoted equities, investments in venture and growth capital and investments in venture and growth funds. Segment information is prepared on the same basis as that is used for the preparation of the Fund's financial statements.

Investments in quoted equities

Quest for Growth's quoted portfolio is 100% actively managed and does not follow any reference index or benchmark. Stock selection is based on fundamental analysis. Important investment criteria are: financial strength, growth prospects, market position, management strength and valuation. The preference lies in long-term investments in growth companies with an attractive valuation.

Most of the shares within the portfolio are in companies with a small or mid sized market capitalisation (small & mid caps). Quest for Growth believes it is very important to maintain personal contact with the management of these companies. In addition to mid caps, Quest for Growth may also invest in large companies to a certain degree, thus improving the liquidity of part of the portfolio.

Balanced diversification among the various industries is a goal. The portfolio is diversified but selective, with investments in 20 to 30 different companies. The holding in any individual company is in principle no more than 5% of the net asset value.

Investments in venture and growth capital

Quest for Growth is able, on a selective basis, to co-invest together with the venture capital funds of Capricorn Partners, which can result in Quest for Growth increasing its exposure to companies in which investments have already been made. This will usually be done in a later phase of the company's development. These kinds of investments are initially decided on by the board of directors of Quest for Growth.

To encourage investments in unquoted companies, since 2017 Quest for Growth has also been able to invest directly, without these investments constituting a co-investment. We refer to the Strategy chapter of this report on page 8.

For direct investments in unquoted companies, Quest for Growth will invest a maximum of 5% of the assets in a single company.

The aim with regard to unlisted equities is to create capital gains by means of takeovers by other market players or in the course of exit (i.e., disposing of the shares in the company) by means of an IPO on the stock market

Investments in venture and growth funds

Investments in unquoted equities will increasingly be made via venture and growth funds of Capricorn Partners, which is Quest for Growth's Management Company. Decisions on whether to undertake investments in these funds are taken by the board of directors of Quest for Growth. The aim is to acquire significant holdings in businesses via these funds, whereby the Management Company plays an active role on the board of directors and in supporting those businesses' management. This strategy is designed to ensure a higher influx of investment files and more thorough supervision of the investments in unlisted shares, with the ultimate aim of further improving Quest for Growth's future results.

As regards investments in third-party funds, a similar strategy has been pursued as for direct holdings in unquoted companies, but there will be no investments in new funds. Past obligations will be honoured.

The table below gives an overview of the assets per segment:

	Note	31 December 2023	31 December 2022
Investments in quoted equities	14	84,302,467	82,859,689
Investments in venture and growth capital	14	13,288,759	14,170,462
Investments in venture and growth funds	14	35,526,047	39,480,546
TOTAL		**133,117,272**	**136,510,697**

STATEMENT OF PROFIT AND LOSS PER SEGMENT

In EUR	For the period ended Notes	31 December 2023	31 December 2022
Net realised gains / (losses) on financial assets	7/10	-2,884,842	573,633
Net unrealised gains / (losses) on financial assets	7/10	6,436,104	-25,573,059
Dividends income		1,824,290	1,984,901
Segment revenue from investments in quoted equities		**5,375,552**	**-23,014,525**
Net realised gains /(losses) on financial assets	7/10	-3,561,928	5,899,538
Net unrealised gains / (losses) on financial assets	7/10	1,743,524	-5,769,784
Dividends income		0	0
Segment revenue from investments in venture and growth capital		**-1,818,405**	**129,754**
Net realised gains / (losses) on financial assets	7/10	254,943	290,977
Net unrealised gains / (losses) on financial assets	7/10	-5,695,495	97,601
Dividends income		0	0
Segment revenue from investments in venture and growth funds		**-5,440,552**	**388,577**
Net interest income / (charges)	11	78,021	-7,018
Net realised foreign exchange gain / (loss)		-2,536	8,637
Net unrealised foreign exchange gain / (loss)		5,603	4,114
Total income from investments		**-1,802,318**	**-22,490,460**
Other operating income / (loss)		860,320	101,156
Total operating income		**-941,997**	**-22,389,304**
Total operating costs		-2,237,107	-2,103,487
Profit from operating activities		**-3,179,105**	**-24,492,791**
Net finance expense		-1,501	-2,651
Profit / (Loss) before income taxes		**-3,180,605**	**-24,495,442**
Withholding tax expenses	12	-316,085	-333,304
Other incomes taxes	12	-27,570	-219
Profit / (Loss) for the period		**-3,524,260**	**-24,828,966**

9. Earnings per share

	31 December 2023		31 December 2022		
	Ordinary shares	Preference shares	Ordinary shares	class A shares	class B shares
Average number of shares outstanding - basic and diluted	18,602,948	378*	17,765,860	750	250
Profit / (Loss)	-3,524,189	-72	-24,827,569	-1,048	-349
Profit / (Loss) per share - basic and diluted	-0.19	-0.19	-1.40	-1.40	-1.40

** The number of preference shares on 31/12/2023 is 500, issued on 30/03/2023 which means the average number of shares for the whole of 2023 is 378 (0*89/365 + 500*276/365). Using the same calculation, the average number of Class A and Class B shares for 2023 are 183 and 61, respectively, which also gives a (theoretical) loss of €0.19 per share.*

The holders of the different share classes have different rights to dividend payments and on liquidation of the company (see point 18 below)

10. Net gain from financial instruments at fair value through profit or loss

Net gain (loss) from financial instruments designated as at fair value through profit or loss	31 December 2023	31 December 2022
Shares (including venture & growth funds)	-3,232,067	-24,058,609
Debt securities	-475,628	-422,486
Derivative financial instruments	0	0

Net gain (loss) from financial instruments designated as at fair value through profit or loss	31 December 2023	31 December 2022
Realised	-6,191,828	6,764,147
Unrealised	2,484,133	-31,245,241

The realised gain from financial instruments at fair value through profit or loss represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current period, and its sale or settlement price.

The unrealised gain represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period.

11. Interest income (charges)

Interest income / (charges) on financial instruments not measured at fair value	31 December 2023	31 December 2022
Short term debt securities	0	0
Cash and cash equivalents	78,021	-7,018

12. Income taxes

Other income taxes

Quest for Growth is structured as a private equity company and therefor enjoys considerable tax benefits. These benefits only apply if the investment rules are adhered to and:

- All the portfolio companies are subject to a normal taxation scheme;
- At least 80% of realised profits from the financial year are distributed as dividends (Quest for Growth's articles of association specify that it will distribute at least 90% of the realised profits) to the extent that the provisions of the CAC and of Article 35 of the Royal Decree of 10 July 2016 are met;
- Provided there are sums available for distribution.

Provided the private equity company adheres to these investment rules, the tax base is limited to disallowed expenses and 'abnormal or gratuitous benefits'.

Amendments of the corporate tax laws may have an important impact on the Company's results.

Withholding taxes

Dividend income from foreign companies received by the Company is subject to withholding tax imposed in country of origin. Based on double-taxation treaties between Belgium and the country of origin, sometimes part of the retained withholding taxes can be claimed back.

Dividend income from Belgian companies is subject to a withholding tax of 30%. The withholding tax paid cannot be claimed back. During the reporting period till 31 December 2023 €195,593 (2022: €146,255) was withheld on dividends from Belgian companies.

For the period to 31 December 2023, a sum of €234,444 of non-deductible withholding tax was retained at source on dividends from foreign corporations. In the period to 31 December 2022, retentions of this kind amounted to €192,028.

13. Classification of financial assets and financial liabilities

The table below sets out the classifications of the carrying amounts of the company's financial a ssets and financial liabilities into categories of financial instruments.

31 December 2023	Designed at fair value	Financial assets and liabilities at amortised cost	Total
Cash and cash equivalents		6,800,567	6,800,567
Short term debt securities		0	0
Trade receivables		474,757	474,757
Dividends receivable		385,020	385,020
Financial assets		0	0
Financial assets at FVTPL – equity securities	132,804,660		132,804,660
Financial assets at FVTPL – debt securities	312,613		312,613
Other current assets		7,191	7,191
Trade and other payables		0	0
Other liabilities		-40,115	-40,115
Total	**133,117,272**	**7,627,420**	**140,744,692**

31 December 2022	Designed at fair value	Financial assets and liabilities at amortised cost	Total
Cash and cash equivalents		6,177,462	6,177,462
Short term debt securities			
Trade receivables		1,050,834	1,050,834
Dividends receivable		563,083	563,083
Financial assets			
Financial assets at FVTPL – equity securities	136,042,102		136,042,102
Financial assets at FVTPL – debt securities	468,595		468,595
Other current assets		7,210	7,210
Trade and other payables		-219	-219
Other liabilities		-40,115	-40,115
Total	**136,510,697**	**7,758,255**	**144,268,952**

14. Financial assets and financial liabilities at fair value through profit or loss

Financial assets at fair value through profit or loss	31 December 2023	31 December 2022
Quoted equities	84,302,467	82,859,689
Venture and growth capital	12,976,146	13,701,862
Venture and growth funds	35,526,047	39,480,547
Debt securities	312,613	468,595
Total financial assets through profit or loss	**133,117,272**	**136,510,697**

Classification

The company classifies its investments in debt and equity securities, venture funds and derivatives as financial assets and liabilities at fair value through profit and loss, given that they are managed, and their performance is evaluated on the basis of fair value pursuant to a documented risk management or investment strategy, and information concerning the group is circulated internally on this basis to managers of the entity who hold key positions. Investments in equity instruments (including shares) are measured at fair value through profit or loss, since they are held for trading. Derivative financial instruments are measured at fair value through profit or loss pursuant to IFRS 9.

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition, they are part of a portfolio of identified financial instruments that the fund manages together and has a recent actual pattern of short-term profit taking. All derivatives and short positions are included in this category. No hedge accounting is done for hedging transactions.

15. Trade and other receivables

Trade and other receivables included:

	31 December 2023	31 December 2022
Claims pursuant to divestments (escrow-accounts)	473,399	1,050,834
Other	1,359	0
Total	**474,757**	**1,050,834**

16. Fees to the statutory auditor

The fee paid to PWC Bedrijfsrevisoren for performing the audit of the financial statements and for a limited review of the half-yearly figures amounted to €40,810 (excluding VAT). An additional fee of of €11,800 (excluding VAT) was paid for the preparation of the report under Article 7:155 and ESEF requirements (XHTML format) applicable to the digital financial statements as of December 31, 2022.

17. Equity

Authorised, issued and fully paid	31 December 2023	31 December 2022
Ordinary shares	18,733,461	18,198,212
Preference shares	500	0
Class A shares	0	750
Class B shares	0	250
Subscribed capital	**€148,298,945**	**€148,298,945**
Cost of capital increase	€1,226,045	€1,226,045
Share capital after deduction cost of capital increase (IFRS)	**€147,072,900**	**€147,072,900**

Capital increase / optional dividend:

Quest for Growth paid a dividend of €19,045,714.27 on 21 April 2022. This represented a gross dividend for the ordinary shares of €1.02 per share (net: €1.00 per share).

Shareholders were offered a choice between either:

(i) the contribution of their dividend rights to capital in exchange for new shares of the class "ordinary shares",
(ii) the payment of the dividend rights in cash, or
(iii) a combination of the two preceding options.

The issue price for the holders of ordinary shares was €6.00 per new ordinary share. The issue price for the holders of preference shares (A shares and B shares) was €7.32 per new ordinary share, as they did not enjoy a discount. The number of dividend rights that had to be contributed to subscribe to one new ordinary share (the "exchange ratio") was 6, i.e. 1 new ordinary share for 6 existing dividend rights.

For 45% of the dividend rights, shareholders opted to contribute their dividend rights to the capital in exchange for new shares of the ordinary share class. As a result, 1,424,986 new ordinary shares were issued, for a total amount of €8,549,916.

The delivery of the new ordinary shares and their admission to trading on Euronext Brussels also took place on 21 April 2022.

No capital increase, capital reduction or optional dividend was executed in 2023.

The capital of Quest for Growth now amounts (after deducting the costs of the capital increase) to €147,072,900 and is represented by 18,733,461 ordinary shares and 500 preference shares.

Each of these shares confers one voting right at the general meeting of the company.

18. Dividend

Quest for Growth has the structure of a privak, a public alternative investment company with fixed capital, and must comply with specific rules. Although Article 35 of the Royal Decree of 10 July 2016 stipulates that the privak must distribute at least 80% of the net income of the financial year, less the amounts corresponding to the net reduction of the investment institution's debts in the financial year, Quest for Growth's Articles of Association contain a provision according to which the company is obliged to distribute at least ninety per cent (90%) of its income, after deduction of salaries, commissions and expenses.

The General Meeting decides, on the proposal of the board of directors, on the allocation of the balance.

RESULT DISTRIBUTION UP TO AND INCLUDING FINANCIAL YEAR 2022

Dividend attributable to holders of different classes of shares

The holders of class A and class B shares of the Issuer receive a preference dividend. That preferred dividend is paid out of the part of the net profit that exceeds the amount necessary to pay out to all the shareholders a dividend equal to six per cent (6%) nominal calculated on basis of the capital and reserves as they are expressed on the balance sheet after appropriation of the net profit at the beginning of the accounting year to which the dividend relates. Of that surplus amount twenty per cent (20%) is paid out to holders of class A and class B shares of the Issuer as preference dividends. The remaining eighty per cent (80%) is distributed equally amongst all shareholders. Capital increases effectuated during the year are included in the calculation on a pro rata temporis base

Dividend distribution 2022 for the financial year 2021

In accordance with the aforementioned provisions on profit appropriation, as defined in the Royal Decree of 10 July 2016 on alternative undertakings for collective investment in unquoted companies and growth businesses ("Privak RD"), an additional amount of €13,988,994 must be included in an unavailable reserve in respect of the 2021 financial year to bring it to a total amount of €21,918,727 being the positive balance of fluctuations in the fair value of the assets.

On 31 March 2022, the Annual General Meeting of Shareholders approved the proposal of the board of directors to distribute the remaining distributable profit €19,045,714.27 as a dividend. This amounted to a gross dividend for the ordinary shares of €1.02 per share (net: €1.00 per share).

The dividend was paid with ex-coupon date 5 April 2022. Shareholders were given the choice of taking the dividend in shares or in cash:

	Gross	Net	Total
Ordinary shares	€1.02	€1.00	€17,074,782.14
Shares class A/B	€1,970.93	€1,936.24	€1,970,932.12
			€19,045,714.27

For the 2022 financial year, no dividend was paid to shareholders in 2023.

DISTRIBUTION OF RESULTS AS FROM FINANICAL YEAR 2023

Following the decisions of the extraordinary general meeting held on 30 March 2023:

- 500 of the 1,000 existing preference shares have been converted into 535,249 new ordinary shares with no change in capital.
- The holders of preference shares enjoy a preference dividend. This preference dividend is paid on the part of the dividend that exceeds the amount necessary to globally distribute to the shareholders a remuneration equal to a compensation of nominal 6% on an annual basis, cumulatively recoverable for previous years in which (and to the extent of) there have been no dividend distributions for a corresponding percentage, calculated on the equity as expressed on the balance sheet after deduction of the dividend paid in the course of the financial year and this to be calculated as from 1 January 2023.
- The excess preferred dividend right is reduced from 20% to 10% so that the fraction of the excess dividend in favour of all shareholders is increased from 80% to 90%.

For financial year 2023, the amount needed to distribute to the shareholders a remuneration that is 6% cumulative and recoverable for previous years in nominal terms is €8,656,137.

For financial year 2024, (based on equity as at 31/12/2023) the amount needed to distribute to shareholders 6% cumulative and recoverable for previous years will be €17,100,819 (€8,656,137 + €8,444,682).

Unavailable reserve

Pursuant to Article 35 §2 2nd paragraph of the Royal Decree of 10 July 2016 relating to alternative undertakings for collective investment in unlisted companies and growth companies, the positive balance of fluctuations in the fair value of assets must be included in an unavailable reserve.

At 31 December 2022, the balance of fluctuations in the fair value of assets was - €9,236,514. Consequently, the company has fully reversed the then existing unavailable reserve.

No unavailable reserve is created under Article 35 & 2 2nd paragraph after the distribution of results for financial year 2023 as the balance of fluctuations in the fair value of assets on 31 December 2023 was - €6,667,174.

19. Related parties and key contacts

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

(a) Management fee

The Company is managed by Capricorn Partners, an alternative investment fund manager incorporated in Belgium.

Under the terms of the management agreement dated 1 April 2017, whereby the Company appointed Capricorn Partners as Management Company of Quest for Growth, the Management Company's fee is set at 1% of the Company's share capital.

In 2022 Capricorn Partners received €1,456,988
In 2023 Capricorn Partners received €1,482,989

20. Subsequent events

The board of directors has no knowledge of events occurring after the balance sheet date that might have an effect on the result for the year.

21. Significant valuation rules

The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union.

The following valuation rules policies have been consistently applied to all periods presented in these financial statements.

21.1 Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate valid on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted at the closing rate on the balance sheet date. Profits and losses resulting from foreign currency transactions and the conversion of monetary assets and liabilities are recorded in the income statement.

21.2 Non-derivative financial instruments

The fund categorises non-derivative financial assets as follows: financial assets valued at fair value with changes in value being incorporated into profit or loss, and financial assets at amortised cost.

Realised profits or losses on investments are calculated as the difference between the sale price and the investment's carrying value at the time of the sale. All purchases and sales of financial assets according to standard market conventions are recognised on the transaction date.

Purchases and sales of financial assets according to standard market conventions are purchases and sales of an asset on the basis of a contract whose terms require delivery of the asset within the deadlines that are generally laid down or agreed on the relevant market.

First recognition of loans, receivables and issued debt instruments occurs on the date on which they are executed.

Financial assets measured at fair value with changes in value reflected in profit or loss

A financial asset is classified as measured at fair value through profit or loss, if it does not fall within the other categories (measured at amortised cost). Directly attributable transaction costs are accounted through profit or loss at the time they are incurred

Financial assets measured at fair value through profit or loss are measured at fair value; any changes including any interest or dividend proceeds are incorporated into profit or loss.

The shareholdings are classified as financial fixed assets measured at fair value through result. These holdings are equity instruments belonging to the fund's investment portfolio, including associated holdings.

The International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines) are applied as explained below. In December 2018, a new version of these guidelines was published.

Determination of the fair value for investments in equity components

1. Investments in quoted companies

For investments that are actively traded on organised financial markets, fair value is determined on the basis of the closing price at the time the relevant market closed on the balance sheet date.

Discounts are not normally applied to stock market prices. However, in cases where the liquidity of a share is restricted or if the market price is not representative, account is taken thereof in determining the value.

The following discounts are applied where appropriate. They can be modified if circumstances clearly dictate they should be.

- Contractual limitations or other legally enforceable restrictions on sale such as a lock-up agreement: for investments in quoted companies subject to contractual arrangements prohibiting sale of those shares before the expiry of a given period ("lock-up agreement"), a discount of 1.5% is applied for each lock-up month still to run under the lock-up agreement, capped at 25%. No distinction is drawn between so called hard and soft lock-ups.

- Limited liquidity owing to limited trading in the share: if the share is not regularly traded (e.g. not daily), a liquidity discount may be applied. If a share's negotiability is limited (it is not traded in daily) and where there are particular movements in the price prior to the reporting date, the option can also be taken to apply an average price over a recent period as a measurement yardstick.

- If more than one of the above discounts applies, application is made of the highest applicable at that time.

2. Investments in unquoted companies

In accordance with IFRS 13, the fair value is determined as the amount for which an asset can be traded between well informed, independent parties prepared to enter into a transaction. In the absence of an active market for a financial instrument, use is made of valuation models. Valuation methods are applied consistently from one period to another unless change would result in a better estimation of fair value.

Valuation methods

a. Multiples Method

This method is used for investments in an established company with a significant, identifiable or regular stream of turnover or profits that can be regarded as sustainable. When assessing the sustainability of the turnover or profits, the company's results for at least one audited financial year must be available for examination together with the forecasted results outlook of the company.

In order to determine the fair value of an investment, a reasonable and comparable multiple (bearing in mind the company's risk profile and profit-growth prospects) is applied to the sustainable turnover or profits of the company to be valued.

The following multiples are preferred:

- EV/turnover (enterprise value/turnover) for companies with a sustainable turnover flow

- EV/EBITDA (enterprise value/earnings before interest, taxes, depreciation and amortisation) for companies with a sustainable EBITDA flow

The valuation is done on the basis of the most recent available figures over 12 months, either of the last four quarters or of the last financial year.

The multiple is determined based on the median for comparable quoted companies (the 'peer group'). The peer group is composed on the basis of criteria such as: comparable activities or sector, size, geographical spread. The peer group will preferably encompass a minimum of three and a maximum of around ten companies. The market source used for determining the multiples is Bloomberg.

The market-based multiple of the peer group of quoted companies is then adjusted for points of differences between the peer group and the company to be valued ('discount' or 'premium'). In this regard, account is taken of the difference in liquidity of the valued shares to be valued compared to that of quoted equities. Other grounds for correcting multiples might be: scope; growth; diversity; nature of activities; differences between markets; competitive positioning; performance of the company; recent transactions in which comparable companies have been sold or financed; exceptional or one-off items and anticipated drops in results.

b. Scenario analysis

The scenario analysis method is used when the company has no or no recurring, constant sales or profits yet, which is often the case for seed, start-up and early-stage companies. The scenario analysis can also be used in exceptional circumstances for companies that meet the criteria for applying the multiples method, but where applying such multiples method would result in a valuation that does not reflect the fair market value of the investment.

It consists of a forward-looking method that takes into account a number of possible future scenarios, being the probability-weighted expected return method (PWERM - probability-weighted expected return method). Valuations are determined by applying a correction factor to the most recent transaction price based on key performance indicators (KPI). This correction factor is calculated by assigning probability percentages to a number of different possible future scenarios: (a) a successful exit, (b) an upward revaluation, (c) an unchanged valuation (equal to the recent transaction price), (d) a downward revaluation and (e) a total depreciation (lost investment).

c. *Specific considerations*

Irrespective of the multiples or scenario analysis-based method used for the valuation, specific consideration should always be given to the following factors which may have an impact on the valuation of the portfolio company:

- Any surplus assets or excess liabilities and other contingencies of the company.
- Bridge financing, such as granting loans to an investee company pending on a new round of equity financing) should be taken into account as follows: In case of an initial investment, where the AIF holds no other investment in the portfolio company, the bridge loan should be valued in isolation. If it is expected that the financing will occur in due course and that the bridge loan is merely ensuring that funds are made available early, cost may be the best indicator of fair value, unless market or company specific conditions exist, which could indicate that fair value differ from cost. If the bridge financing is provided to an existing investee company in anticipation of a follow-on investment, the bridge finance should be included, together with the original investment, as a part of the overall package of investment being valued to the extent a market participant would be expected to combine the overall investment.
- Other debt investments such as (convertible) loans etc. are valued at the price at which the debt investment was made or the loan was issued. At subsequent valuation dates, any indications of changes in credit risk that may affect fair value should be taken into account.
- Other rights such as conversion rights and ratchets may affect the fair value, and a separate assessment is done in order to establish the probability of them being exercised and the impact that this could have on the fair value of the investment.
- Differences in the allocation of earnings or exit proceeds, such as liquidation preferences must be assessed and taken into account in order to determine their impact on the valuation of the investment:
    - Multiples method: the calculated equity of the company must be integrated into the waterfall to obtain the fair value of the investment
    - Scenario analysis: liquidation preferences must be taken into account in specifically defined situations
- Any instrument that may have a dilutive effect on the fund's investment must be considered so as to split the net equity value appropriately among the different securities and financial instruments.
- Non-binding indicative offers, or term sheets are not accepted as such on a stand-alone basis for valuation but need to be assessed with a probability score of realization.
- If a transaction upon which the valuation is based (e.g. SPA or "signed purchase agreement") has been executed but has not yet been closed, a closing discount can be applied to the valuation to factor in the risk that closing might not be achieved.
- Positions in options and warrants must be valued separately from the underlying investments considering the exercise period and the strike price of the option or warrant versus the actual fair value of the underlying asset.
- For receivables placed in an escrow account (in general a deferred payment of part of a sales price linked to representations & warranties), a standard discount of 10% is applied.
- Any internal matters such as fraud, commercial disputes, litigation, changes in management or strategy may obviously affect the fair value as well.
- At the measurement date, all available information is considered to determine the fair value of the investment. Post balance sheet events that occur between the end of the reporting period and the date that the financial statements are authorized for issue, will be analyzed and depending on the nature of the event, the fair value of the investment can be adjusted.

d. *Investments in funds not managed by Capricorn Partners*

For funds that are not managed by Capricorn Partners, the fund's fair value is in principle derived from the reported fund's net asset value. However, it may be necessary to adjust that value based on the best available information at the measurement date.

Factors that might give rise to an adjustment include: a timing difference against the reporting date, major valuation differences in the underlying shareholdings and any other factor likely to affect the value of the fund. Hence, a better estimation of the fair value of the fund may be obtained by determining the individual valuations of the underlying shareholdings.

e. *Receivables of sold investments linked to milestones*

Receivables stemming from the sale of investments that are linked to uncertain future results (milestone payments based on sales or EBITDA figures or on other key performance indicators) are separately valued but attract a discount that is dependent on the probability of these results-bound payments/claims being realised. To this end, probabilities of success that are generally accepted in the sector are used for a separate valuation.

Financial assets measured at amortised cost

Financial assets measured at amortised cost are classified in the business model that is based on the acquisition or holding of financial instruments to collect the contractual cash flows and pass the SPPI (solely payment of principal and interest) test. At initial recognition, these assets are measured at fair value plus any directly attributable transaction costs. These financial assets are subsequently measured at amortised cost, minus any impairments calculated on the basis of forecast credit losses pursuant to IFRS 9.

Non-derivative financial obligations

On first recognition, non-derivative financial obligations are measured at fair value plus any directly attributable transaction costs. After first recognition, these obligations are measured at amortised cost using the effective-interest method.

Criteria for writing off financial assets and debts

Financial assets and debts are written off when the contractual rights attaching to them are no longer controlled. This arises when financial assets and debts are sold or the cash flows attributable to the assets and debts are assigned to an independent third party.

21.3 Derivative financial instruments

Derivative financial instruments are measured at fair value on first recognition; any directly attributable transaction costs are accounted through profit or loss at the time they are incurred. After first recognition, derivative financial instruments are measured at fair value. Changes in fair value are recognised in the income statement. No hedge accounting is done for hedging transactions.

21.4 Income tax

As a matter of principle, Quest for Growth is subject to Belgian corporation tax at the standard rate of 25%. However, its tax base is determined on a notional basis in the sense that it comprises only the total abnormal and gratuitous benefits it receives and disallowed expenses incurred other than impairment and capital losses on shares.

Application of this favourable tax regime is dependent on Quest for Growth's qualifying as a public PRIVAK/PRICAF. This means that, should the company forfeit that status (e.g. as the result of breaches of regulatory provisions imposed as a consequence of the status, such as permitted investments and the investment policy that is pursued), said favourable corporation tax regime will no longer apply to it.

Received income is in principle exempt from Belgian withholding tax except for Belgian-source dividends and compounded interest on loans and zero-coupon bonds. Belgian-source dividends remain subject to Belgian withholding tax at 30% unless Quest for Growth has held a holding representing at least 10% of the capital of the relevant Belgian company for one year or more. Any Belgian withholding tax retained at source on dividends received by Quest for Growth cannot be offset against its corporation tax liability and any excess is not refundable.

Moreover, it must be noted that certain foreign income received by Quest for Growth may be subject to local (foreign) withholding taxes. The company receives the relevant income after deduction or retention of the relevant local withholding tax and, in principle, cannot offset it against its Belgian corporation tax charge or otherwise recover it in Belgium in any other manner.

21.5 Other levies

Quest for Growth is a collective investment undertaking and therefore subject to the annual tax on those bodies. The rate of this tax is 0.0925% and is the tax charged on the total net assets on 31 December of the preceding year.

21.6 Provisions

Provisions are constituted where the company has engaged commitments (enforceable in law or de facto) as a result of previous events, where it is probable that fulfilment of those obligations will require an outflow of resources and where a reliable estimate can be made of the scope of those obligations. Provisions are determined by placing a net present value on anticipated future cash flows on the basis of a discount rate before tax that is a reflection of the current market assessments of the time value of money and of the specific risks relative to the obligation. The grossing-up of provisions is accounted as a finance charge. If the company expects to be remunerated for a provision, the repayment is not booked as an asset until such time as repayment is virtually certain.

21.7 Recognition of earnings

Interest earnings are booked as earnings according to the effective-interest method as set out in IFRS 9.

Earnings and expenditure are presented on a net basis for profits and losses on financial instruments and for exchange rate profits and losses.

Declared didividends are recorded as earnings:

(1) for listed shares: at the time the share is listed ex-coupon
(2) for unlisted shares: at the time that the shareholders in general meeting approve the dividend

21.8 Share capital

Costs directly attributable to an issuance of ordinary stock after deduction of any tax effects are deducted from equity.

Dividends proposed by the board of directors after year-end are not booked as a debt in the financial statements until approved by the shareholders in annual general meeting.

21.9 Profit per share

Quest for Growth calculates both the ordinary and the diluted profit per share in accordance with IAS 33. The ordinary profit per share is calculated on the basis of the weighted average number of outstanding ordinary shares during the period. The diluted profit per share is calculated according to the average number of outstanding shares during the period, taking into account the dilutive effect of subscription rights to shares in circulation. There are currently no subscription rights to shares in circulation.

22. Newly applied standards

There are no IFRS standards, amendments or interpretations that first became effective for the financial year beginning 1 January 2023 that had a material impact on Quest for Growth's 2023 accounts.

Regarding the amended IFRS standards applicable for the first time since 1 January 2023, we report that they are not applicable to Quest for Growth, specifically:

- IFRS 7 and IFRS 17: QfG has no insurance contracts with the exception of D&O insurance for its directors and this is not captured by IFRS7 or IFRS 17.
- IAS 8 and IAS 1: QfG has not changed its accounting policies and already discloses the accounting policies used.
- IAS 12: QfG has no leases or decommissioning liabilities and has neither deferred tax liabilities nor deferred tax assets.
- IFRS 16: QfG has no lease and sale-back operations.

Royal decree of 10 July 2016

Compulsory disclosures under the Royal Decree of 10 July 2016 on alternative funds for collective investment in unquoted companies and growth undertakings

The statutory debt ratio of the privak may not exceed 10% of the statutory assets.

Quest for Growth's statutory debt ratio is 0.03%.

The total debt burden of the privak's statutory debt ratio multiplied by the total uncalled amounts upon acquisition by the privak of financial instruments that are not fully paid up may not exceed 35% of the privak's statutory assets.

The total debt burden of Quest for Growth multiplied by the total uncalled amount upon acquisition by the privak's financial instruments that are not fully paid up amounts to 16.90%.

A detailed list of the transactions in quoted companies that have been carried out over the past financial year may be inspected free of charge at the company's registered office.

The Royal Decree of 10 July 2016 requires that more detailed information on transactions closed during the reporting period be published for investments in unquoted companies. Sometimes however it is not possible to release detailed information about these transactions because releasing them could jeopardise the finanical position of portfolio companies. See the section concerning compulsory disclosures (above).

Portfolio composition, distribution per sector, per country and per currency and sector performance are detailed on the pages 14, 15 and 16 of the annual report preceding these financial statements.

According to Article 35 §2 2nd paragraph of the Royal Decree of 10 July 2016 on alternative undertakings for collective investment in unlisted companies and growth companies, the positive balance of fluctuations in the fair value of assets should be included in an unavailable reserve.

As at 31 December 2022, the balance of fluctuations in the fair value of assets was - €9,236,514. Consequently, the company has completely withdrawn the unavailable reserves.

No unavailable reserve is created under Article 35 & 2 2nd paragraph after the result distribution for financial year 2023, as the balance of fluctuations in the fair value of assets on 31 December 2023 was - €6,667,174.

Compulsory disclosures required by the Royal Decree of 10 July 2016 on public privaks

The Royal Decree of 10 July 2016 on public privaks sets down additional obligations regarding the provision of information in the company's annual report. Article 11§1 of that Royal Decree has already been discussed above in the 'Corporate Governance Statement'.

Fees, commissions and costs (articles 10§2 and 10§3 of the Royal Decree)

We refer to the Remuneration Report with regard to the obligations of article 10§2.

During the financial year, there were no transactions relating to the instruments and rights listed below and therefore the company did not pay any related commissions, duties or costs:

- financial instruments issued (a) by the Management Company or the custodian, or (b) by a company with which the privak, the Management Company, the custodian or directors, executive officers or persons charged with the daily management of the privak, or the Management Company is related;
- participatory rights in any other institution for collective investment that is managed directly or indirectly by the Management Company or other persons falling within the immediately foregoing clause.

Limitations exceeded (articles 23, 24 and 30 of the Royal Decree)

On 31 December 2023 the company was in compliance with article 18§3 of the Royal Decree and the corresponding provisions of its articles of assocation.

During the financial year articles 23, 24 and 30 of the Royal Decree did not apply to the company.

Investments (annex B to the Royal Decree of 10 July 2016)

This report contains further information about the transactions that were carried out during the past financial year by the privak, including inter alia a list of investment transactions that were carried out during the relevant financial year with mention, for each transaction, of the acquisition value, the valuation value and the category of investments in which they were allocated.

The tables below provide an overview of the acquisition value, the valuation of the investments and the category of investments to which they belong and a list of the investment transactions for venture & growth capital and venture & growth funds.

QUOTED EQUITIES	ACQUISITION VALUE	VALUATION
ABO WIND	1,022,976	1,656,577
B&C SPEAKERS	2,141,445	3,027,823
CEWE STIFTUNG	5,277,496	5,597,271
DATRON	1,552,300	1,213,800
EQUASENS	6,017,193	5,152,563
EVS BROADCAST EQUIPMENT	4,188,745	5,635,184
FRX INNOVATION	2,056,495	6,640
JENSEN-GROUP NV	5,259,448	4,511,083
KERRY GROUP	5,245,848	4,188,645
KINGSPAN	2,319,556	2,744,000
LEM Holding	1,873,451	3,240,227
MAYR-MELNHOF Karton	3,597,689	2,848,500
MELEXIS	5,494,628	5,729,496
NEDAP	3,535,645	5,001,472
NEXUS AG	3,174,249	3,661,886
ROCHE HOLDING	6,355,884	4,752,700
SII	3,569,114	4,938,071
STRATEC	3,530,886	1,867,687
THERMADOR GROUPE	4,484,841	4,093,518
TKH GROUP	6,219,470	5,276,015
TUBIZE	5,219,005	5,491,360
WOLTERS KLUWER	2,959,815	3,667,950

VENTURE & GROWTH CAPITAL	ACQUISITION VALUE	VALUATION
DMC	1,513,685	1,556,560
ECLECTICIQ	2,500,000	2,649,133
FINQUEST	1,906,033	548,919
FRUITCORE ROBOTICS	2,000,327	2,000,327
NGDATA	1,721,580	1,101,847
QPINCH	1,899,998	1,899,998
REIN4CED	2,942,442	799,238
SENSOLUS	755,828	2,420,125
LOAN NOTES		
FINQUEST LOAN	278,526	271,493
NGDATA LOAN	41,119	41,119

VENTURE & GROWTH FUNDS	ACQUISITION VALUE	VALUATION
CAPRICORN CLEANTECH FUND	2,063,178	19,781
CAPRICORN DIGITAL GROWTH FUND	8,000,000	6,349,051
CAPRICORN FUSION CHINA FUND	3,652,915	2,707,705
CAPRICORN HEALTH-TECH FUND	2,605,073	9,861,433
CAPRICORN ICT ARKIV	1,633,000	5,159,556
CAPRICORN SUSTAINABLE CHEMISTRY FUND	14,600,000	10,823,813
CARLYLE EUROPE TECHNOLOGY P ARTNERS II	6,548	7,707
LIFE SCIENCES PARTNERS III	11,467	144,000
LIFE SCIENCES PARTNERS IV	16,940	453,000

For the investments in quoted equities, the detailed list of transactions carried out during the previous financial year can be consulted free of charge at the company's registered office.

List of transactions for venture & growth capital and venture & growth funds:

VENTURE & GROWTH CAPITAL	TRANSACTIONS
DMC	0
ECLECTICIQ	0
FINQUEST	0
FRUITCORE ROBOTICS	0
NGDATA	0
QPINCH	0
REIN4CED	520,057
SENSOLUS	0
LOAN NOTES	
FINQUEST LOAN	278,526
NGDATA LOAN	41,119

VENTURE & GROWTH FUNDS	TRANSACTIONS
CAPRICORN CLEANTECH FUND	-837,500
CAPRICORN DIGITAL GROWTH FUND	0
CAPRICORN FUSION CHINA FUND	476,665
CAPRICORN HEALTH-TECH FUND	0
CAPRICORN ICT ARKIV	345,000
CAPRICORN SUSTAINABLE CHEMISTRY FUND	1,600,000
CARLYLE EUROPE TECHNOLOGY PARTNERS II	-98,113
LIFE SCIENCES PARTNERS III	0
LIFE SCIENCES PARTNERS IV	0

Investments and securities representing more than 5% of the assets and other obligations (annex B to the Royal Decree of 10 July)

During the financial year the company did not have investments representing more than 5% of the assets, with the exception of the investments related to the venture capital funds controlled by the Management Company explained below:

	% NAV	Called capital	Uncalled capital	% uncalled capital	Final closing date	End of investment period	remaining term (in years)	Number of portfolio companies
CAPRICORN HEALTH-TECH FUND	7.01%	13,950,000.00	1,050,000.00	7%	22/10/2010	18/12/2015	1	4
CAPRICORN SUSTAINABLE CHEMISTRY FUND	7.69%	16,600,000.00	3,400,000.00	17%	14/12/2018	14/12/2023	4	9

(*) see page 38 and further “investments in venture and growth funds”

The company has no outstanding guarantees or securities

Notes to the overall policy guidelines in companies where the privak/pricaf or its representatives are represented in the governing bodies (Annex B to the Royal Decree of 10 July 2016)

Quest for Growth is represented directly in the governing bodies of the venture capital funds that are managed by the management company, and indirectly via the representative of the management company in the governing bodies of almost all unquoted companies that constitute a co-investment with a venture capital fund of Capricorn Partners and of one direct investment of Quest for Growth.

Representatives who exercise a governing mandate are required to follow the lines of conduct set out in the Code of Conduct for Quest for Growth directors and, if applicable, in the Code of Conduct of the management company. All parties concerned are required to abide strictly by the conditions and provisions of the Management agreement.

During the financial year under review, the privak/pricaf and its representatives did not apply Articles 7:96 and 7:97 of the Code of Companies and Associations in companies where the privak or its representatives are represented in the governing bodies.

Other compulsory disclosures

Other compulsory disclosures are spread throughout this report, where necessary with a reference to the relevant provision of said Royal Decree of 10 July 2016.

10. GENERAL INFORMATION

Registered office	Lei 19 box 3, 3000 Leuven, Belgium
Company registration number	0463.541.422
Website	www.questforgrowth.com
Board of directors	**Ms Brigitte de Vet-Veithen**, chairman and independent director, member of the nomination and remuneration committee, replaced by Ms Lieve Creten on 23/01/2024
	Mr Jos Clijsters, independent director, chairman of the nomination and remuneration committee
	Mr Paul Van Dun, independent director, chairman of the audit and risk committee and member of the nomination and remuneration committee
	Ms Véronique Léonard, independent director, member of the audit and risk committee
	Mr Philippe de Vicq de Cumptich, director
	Prof. Regine Slagmulder, director, member of the audit and risk committee
	Dr. Jos B. Peeters, director
	Ms Sabine Vermassen, director
Executive officers	**Mr Philippe de Vicq de Cumptich**
	Ms Sabine Vermassen
Management company	Capricorn Partners NV, Lei 19 box 1, 3000 Leuven
Statutory auditor	PwC Bedrijfsrevisoren LTD, represented by Mr Gregory Joos, Culliganlaan 5, 1831 Diegem
Depository bank	Belfius Bank België, Karel Rogierplein 11, 1000 Brussels
Supervisor	Financial Services and Market Authority (FSMA), Congresstraat 12-14, 1000 Brussels
Legislation	Closed-end private equity fund, submitted to the Royal Decree of 10 July 2016 on alternative institutions for collective investment in unquoted and growth companies
Incorporation	9 June 1998
Official listing	23 September 1998 on Euronext Brussel
Financial year	from 1 January to 31 December
Security number	ISIN: BE0003730448
Stock price	Bloomberg : QFG BB Equity
	Reuters : QUFG.BR
	Telekurs : 950524
Company reports	quarterly
Estimated net asset value	published every first Thursday of the month
General meeting	last Thursday of the month of March at 11am

Tax regime of the public privak

As a public privak, Quest for Growth NV is subject to the special corporate tax regime provided for in Article 185bis of the Income Tax Code 1992 (WIB92). This means that the taxable basis of the public privak is limited to (i) the abnormal and gratuitous benefits received, (ii) the disallowed expenses (with the exception of depreciations and losses on shares and the financing cost surplus not classified as a professional expense as referred to in Article 198 /1 WIB92). In addition, if necessary, the special contribution referred to in Article 219 WIB92 may be due.

Taxability of Belgian private individuals

Dividend distributions

No withholding tax is due on the part of the dividend that comes from capital gains on shares realized by Quest for Growth NV. The remaining part of the dividend is subject to withholding tax (in principle at a rate of 30%) and is withheld at source. The (exemption from) withholding tax has a liberating effect, which means that Belgian private individuals do not have to report this in their personal tax return.

Capital gains on shares

Private investors are generally not taxed on the capital gain they realize when selling their shares. There are two exceptions to this rule. Firstly, if the investment falls outside the investor's 'normal management of private assets', the capital gain is taxed as miscellaneous income at a rate of 33% plus municipal surcharges. Secondly, if the capital gain is considered as professional income, it is taxed at progressive rates plus municipal surcharges. It is important to note that both the first and second exceptions depend on the specific situation of each individual investor, although the second situation (professional income) is rather rare.

Distributions resulting from a liquidation or purchase of own shares

Since the public privak qualifies as an investment company and it benefits from a tax regime that deviates from common law (according to Article 185bis WIB92, cf. supra), the income has been realized as a result of the purchase of its own shares by the public privak and as a result of the entire or partial distribution of the equity of the public privak should not be regarded as movable income (Article 21, 2° WIB92) and are therefore not subject to withholding tax.

An exception to this is the application of Article 19bis WIB92. Under this provision, a purchase of own shares or a liquidation of a public privak (or a transfer for valuable consideration of the shares of the public privak), for the benefit of private investors, can lead to taxability based on the interest component of the privak. Article 19bis WIB92 only applies under strict conditions and furthermore does not apply if the shares of the institution for collective investment qualify as so-called distribution shares within the meaning of Article 19bis, §1, paragraphs 2 and 3 WIB92. The Service for Advance Rulings in Tax Matters has confirmed that Article 19bis WIB92 does not apply to Quest for Growth NV, which has committed itself in the advance ruling to:

1) To distribute annually an amount that is at least equal to the Belgian TIS (Taxable Income per Share), insofar as this is permitted by the applicable regulations;

2) To always adequately check that, as long as permitted by the regulations applicable to it, the amount of dividend paid on which withholding tax is withheld is greater than the amount of the Belgian TIS per share;

3) To explicitly include the aforementioned commitments in the (semi-annual and annual) reports of Quest for Growth NV.

Returns of capital

Repayments of capital are in principle tax-free, to the extent that the capital reduction arises from 'tax-paid capital' of Quest for Growth NV. There are certain rules whereby a capital reduction is partly requalified as a tax dividend, to the extent that reserves are present in the financial year preceding the financial year of the capital reduction. In this case, all distributions will in principle arise from capital gains on shares realized by the public privak, so that a capital reduction can never lead to tax in Belgium (even if the distribution were partly qualified as a dividend, cf. 'dividends' above) .

Taxability of Belgian investors subject to legal entity tax

Dividend payments

The same applies as for Belgian private individuals (in principle an exemption applies, cf. above).

Capital gains on shares realized by Belgian legal entities subject to legal entity tax

Legal entities subject to legal entity tax are only taxed on income that is expressly included in the law. In the absence of specific mention in tax legislation, they are not taxed on capital gains arising from the sale of shares.

Liquidation and purchase bonuses

The income is not considered movable income (as mentioned earlier), and therefore no withholding tax is due. The exception that applies to private individuals according to Article 19bis WIB92 does not apply to legal entities.

Returns of capital

The same applies as for private individuals (in principle an exemption applies, cf. supra).

Taxability of Belgian investors subject to corporate tax

Dividend payments

Withholding tax: No withholding tax is due on the part of the dividend that comes from capital gains on shares realized by the public privak. The remaining part of the dividend is subject to withholding tax (rate of 30%) and is withheld at source. The withholding tax withheld is deductible (and refundable) against the corporate tax on the part of the investor company, so that the withholding tax does not constitute a final cost.

Corporate tax: The dividends received are eligible for deduction as Definitive Taxed Income (DBI), regardless of the participation threshold and the holding period of the participation in Quest for Growth NV. Moreover, the participation in the privak does not necessarily have to be booked as Financial Fixed Assets to qualify for DBI deduction. The dividends are only eligible for DDI deduction to the extent that they originate from dividends or capital gains on shares that are not excluded from DDI deduction on the basis of the “valuation condition” provided for in Article 203 WIB92.

Dividend income that does not entitle you to a dividend deduction is subject to corporate tax at the general rate of 25% (or the reduced rate of 20% if applicable).

Capital gains on shares

Capital gains realized following the disposal of shares of the public privak are exempt from corporate tax by the Belgian investor-company to the same extent as the dividends received from the public privak (cf. above).

Returns of capital

The same applies as for private individuals (in principle an exemption applies, cf. supra).

FINANCIAL CALENDAR

Shareholders' meetings	Annual General Meeting	Thursday 28 March 2024 at 11h00
	Annual General Meeting	Thursday 27 March 2025 at 11h00
Public announcements	Results FY 2023	Thursday 25 January 2024 at 17h40
	Results Q1	Thursday 25 April 2024 at 17h40
	Results H1	Thursday 25 July 2024 at 17h40
	Results Q3	Thursday 24 October 2024 at 17h40
	Results FY 2024	Thursday 30 January 2025 at 17h40
Analyst meetings & Press conferences	Results FY 2023	Friday 26 January 2024 at 11h00
	Results H1	Friday 26 July 2024 at 11h00
	Results FY 2024	Friday 31 January 2025 at 11h00

Publication of the Net Asset Value at 17h40

	2024											
NAV	31 Jan	29 Feb	31 Mar	30 Apr	31 May	30 Jun	31 Jul	31 Aug	30 Sep	31 Oct	30 Nov	31 Dec
QfG Website	Thu 8 Feb	Thu 7 Mar	Thu 4 Apr	Wed* 8 May	Thu 6 June	Thu 4 July	Thu 8 Aug	Thu 5 Sep	Thu 3 Oct	Thu 7 Nov	Thu 5 Dec	Thu 9 Jan

*exceptionally on Wednesday because Thursday 9 May is a public holiday

Under the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market, Quest for Growth is required to make its annual management report public. The annual financial report comprises the audited financial statements, the annual report, the management responsibility statement and the statutory auditor's signed report.

In accordance with Articles 3:10 and 3:12 of the Code of Companies and Associations, the full version of the annual financial statements has been filed with the National Bank of Belgium together with the management report by the board of directors and the statutory auditor's report.

The statutory auditor has issued an unqualified opinion on the annual financial statements.

You can find the annual report, the full version of the annual financial statements and the statutory auditor's report on those financial statements on the website at www.questforgrowth.com and you can obtain copies free of charge on request at the following address:

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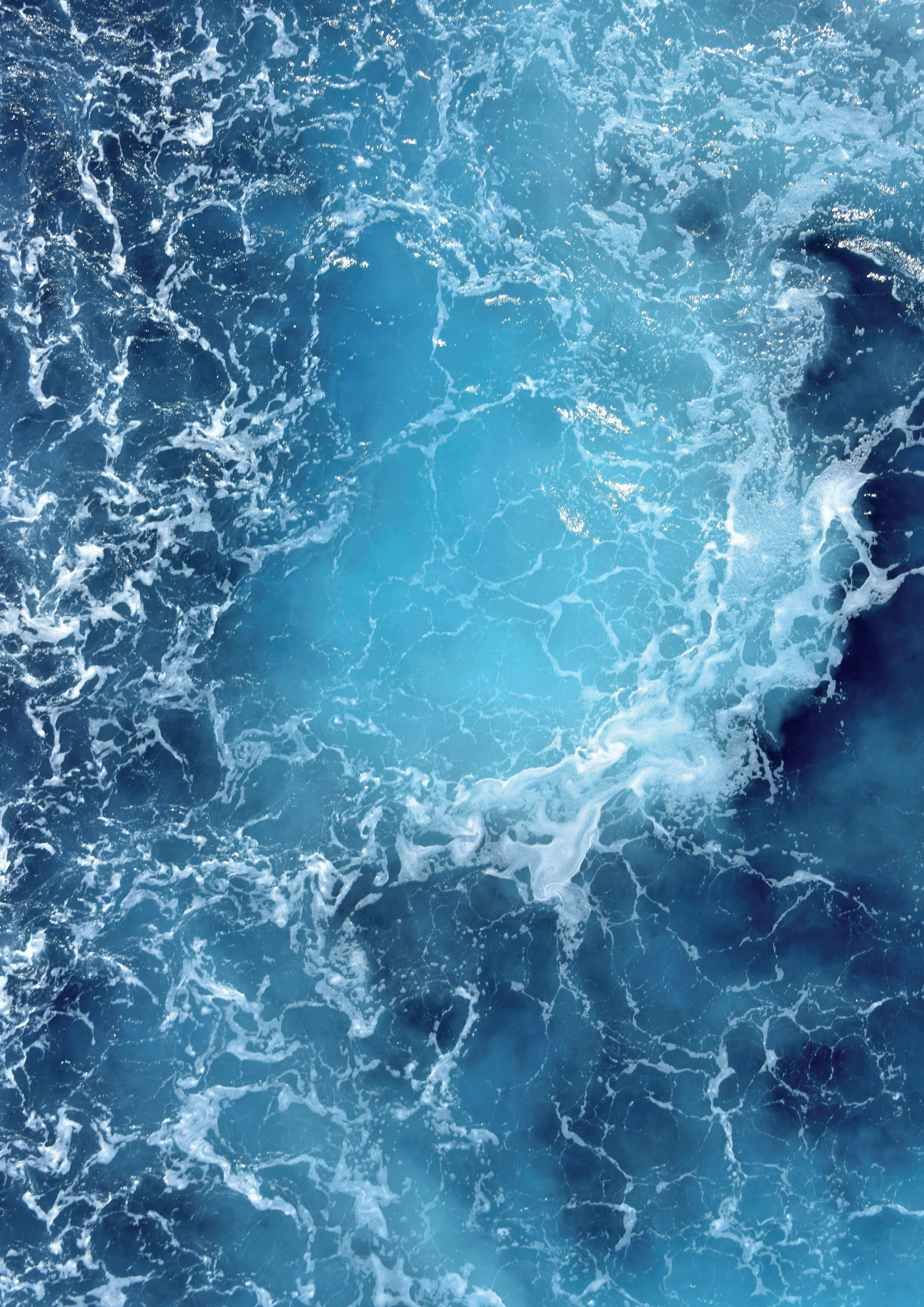
Telephone: +32 (0)16 28 41 28
Fax: +32 (0)16 28 41 29
E-mail: quest@questforgrowth.com



QUEST FOR GROWTH SA
Privak/pricaf, pubic alternative investment fund (AIF) with fixed capital under Belgian law

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