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QUEST FOR GROWTH

Privak/pricaf, public alternative investment fund (AIF) with fixed capital under Belgian law

QUEST FOR GROWTH ANNUAL RESULTS

- Return on equity per share: -18.35 % since 31 December 2017
- Net asset value per share at 31 December 2018: € 7.12 (31 December 2017: € 10.71)
- Net loss for the fiscal year: - € 26,923,827 (€ 1.65 per ordinary share) against a profit of + € 27,389,776 (€ 1.55 per ordinary share) for the previous fiscal year
- Statutory capital increases from € 135,130,875 to 146,458,720 by issuing an optional dividend
- Share price at 31 December 2018: € 6.02 (31 December 2017: € 8.811)
- Discount of share price versus net asset value: 15.46 % at 31 December 2018 (17.75 % at 31 December 2017)
- The board of directors proposes to the general assembly to transfer the loss to the next fiscal year
- New direct investment in unquoted companies: Miracor
- New co-investments with the Capricorn funds: c-LEcta and miaa Guard
- Follow-up investments in HaliuDx and Bluebee



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Results

Due mainly to a very weak fourth quarter, Quest for Growth closed 2018 with a clearly negative result of almost 27 million euros (€ 1.65 per share). The net asset value per share stood at € 7.12 at 31 December 2018 as against € 10.71 at 31 December 2017. A dividend of € 1.54 per share was distributed on 3 April 2018. Taking into account this dividend and the capital increase as a result of the optional dividend, the return on equity was -18.5% compared to +20.3% in 2017.

At 31 December 2018 the share price reached € 6.02, compared to € 8.81 at the end of the previous year. Taking into account the dividend paid, the performance of the share was -18%. At the end of the year the share price had a discount of more than 15% compared to the net asset value, as against 18% on 31 December 2017.

Market environment

The financial markets had a particularly difficult 2018, and the malaise spared no asset class. All major regions suffered negative stock returns. The US market was the most resilient. European equities (STOXX Europe 600 Net Return Index) lost 10.8%. The STOXX Europe Small 200 Net Return Index performed weaker than the broad market with a loss of 12.9%. The only (slightly) positively oriented sectors in Europe were "Utilities", "Healthcare" and "Oil & Gas", thanks to the dividend yields offered. "Auto & Parts" was the weakest sector with a loss of more than a quarter of the value, followed by "Banks" and "Construction & Materials".

Investments in quoted companies

The trends and evolutions mentioned above were often opposed to those observed in 2017 and significantly thwarted the strategy used for quoted shares in 2018. The estimated gross performance of the quoted shares portfolio suffered a loss of more than 20% in 2018. Not only is this performance negative, it is also weaker than the stock market indices. This lower performance follows six consecutive years - from 2012 to 2017 - in which the portfolio of quoted shares outperformed the STOXX Europe 600 Net Return Index. Strongest declines in the portfolio, each more than 35%, were Technotrans, Exel Industries, USU Software and Melexis. Only Pharmagest, Kingspan, Corbion and Tomra made a positive contribution to the result.

Eight shares were removed from the portfolio in 2018, namely Axway, Gerresheimer, Accell Group, Avantium, Bertrandt, Corbion, Stratec Biomedical and Tomra. The engineering consultancy company Bertrandt was replaced in June by a Belgian/French player in the same sector, Akka Technologies, which is showing stronger growth. Declining markets in the fourth quarter made it possible to include three additional small caps in the portfolio: Steico, ForFarmers and Nedap. The German company Steico manufactures insulation materials based on wood fibers. ForFarmers from the Netherlands supplies complete feed solutions for livestock farming. And Nedap, also Dutch, is a technology company active in areas such as identification and tracking.

Investments in unquoted companies

In 2018 two new co-investments were added to the portfolio of unquoted companies. The first one was made, along with the Capricorn Sustainable

Chemistry Fund, in the company c-LEcta, for an amount of about € 2,250,000. In addition, a joint investment of approximately € 1,250,000 was made with Capricorn ICT Arkiv in miaa Guard, the Leuven based "Identity and Access Management Solutions" company.

Loans have been provided to Sequana Medical, FRX Polymers and Bluebee.

Quest for Growth invested € 2 million in Miracor in 2018. This is the second recent direct investment in the healthcare sector, following the investment made in the French diagnostic company HalioDx at the end of 2017. In December Quest for Growth made a follow-up investment of around € 1 million in HalioDx.

Investments in venture capital funds

The Capricorn Sustainable Chemistry Fund had a successful final closing at € 86.5 million. Quest for Growth raised its investment commitment by an additional € 5 million to a total amount of € 20 million. In 2018 the three new investments in the Capricorn Sustainable Chemistry Fund, namely DMC, c-LEcta and Black Bear, were also finalized.

In addition to Capricorn ICT Arkiv's new investment in miaa Guard, the Finnish company Noona Healthcare has been sold to Varian. As a leader in developing and delivering oncology care solutions, Varian is focused on creating a world without fear of cancer. Varian is headquartered in Palo Alto, California, and employs approximately 7,000 people around the world.

All Capricorn venture capital funds also continued to support their existing participations.

Statutory auditor

After a survey of several approved auditing companies, the board of directors of Quest for Growth decided, subject to the approval of the FSMA, to propose to the general assembly of 28 March 2019 to appoint PwC Bedrijfsrevisoren as statutory auditor for the financial years 2019, 2020 and 2021. PwC Bedrijfsrevisoren specified that they appointed Mr Gregory Joos as their representative.

Outlook

Leading economic indicators in Europe have deteriorated in recent months. On the other hand, equity valuations have declined significantly, implying that a weaker evolution of business results is partly priced in. The lower valuations also facilitate the search for interesting long-term investment opportunities in listed shares. In the short term, however, the evolution of the stock markets will remain largely dependent on macroeconomic and geopolitical developments.

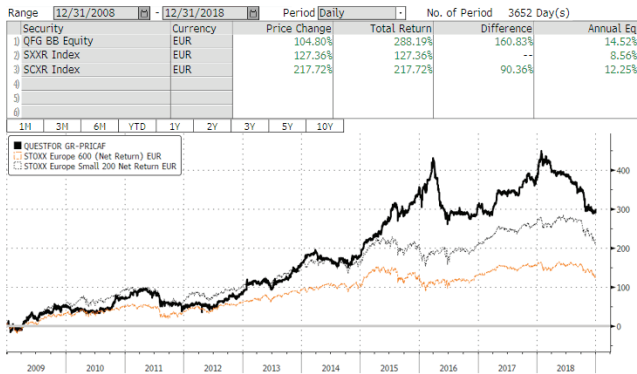
With regard to the investments in unquoted companies and venture capital funds, the portfolio will be expanded further. The Capricorn Sustainable Chemistry Fund will focus in 2019 on further developing a portfolio of promising, innovative companies. The other Capricorn venture capital funds will also actively support their existing participations.

The Annual General Assembly will be held on 28 March 2019 at 11 AM in Leuven.

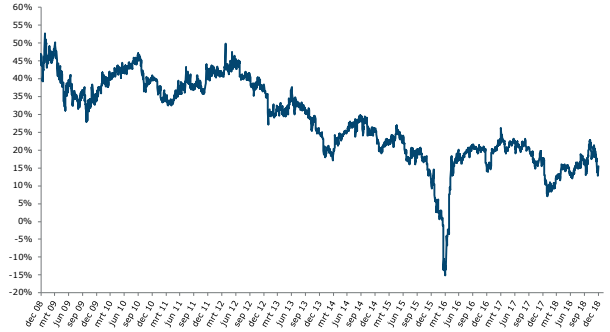


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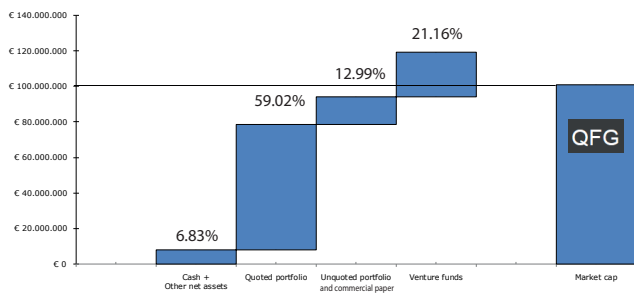
TOTAL SHAREHOLDERS RETURN (31/12/2008 – 31/12/2018)



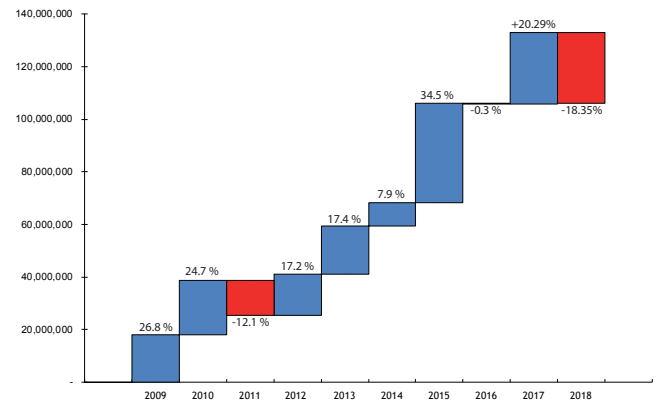
DISCOUNT OF THE SHARE PRICE VERSUS THE NET ASSET VALUE (31/12/2008-31/12/2018)



PORTFOLIO COMPOSITION AND MARKET CAPITALISATION AT 31/12/2018



RESULTS FROM 31/12/2008 UNTIL 31/12/2018(*)



(*) result compared to equity at the start of the financial year taking into account the dividend paid and the impact of the capital increase.



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Balance sheet

| en EUR | Situation at | 31 December 2018 | 31 December 2017 | 31 December 2016 |
|--|--------------|---------------------|---------------------|---------------------|
| ASSETS | | | | |
| Cash and cash equivalents | | 7,197,869 | 11,672,050 | 13,363,928 |
| Short term debt securities | | 5,199,781 | 7,699,511 | 0 |
| Trade and other receivables | | 301,728 | 1,016,498 | 489,917 |
| Dividends receivable | | 259,004 | 202,634 | 124,635 |
| Financial assets | | | | |
| Financial assets at FVTPL – equity securities | | 105,459,060 | 141,186,916 | 120,158,826 |
| Financial assets at FVTPL – debt securities | | 626,011 | 616,925 | 870,551 |
| Other current assets | | 442,210 | 7,223 | 7,223 |
| Total assets | | 119,485,663 | 162,401,757 | 135,015,080 |
| LIABILITIES AND EQUITY | | | | |
| Share capital | | 145,339,326 | 134,167,495 | 134,167,495 |
| Accumulated result | | 1,028,214 | 801,619 | 263,475 |
| Net result for the year | | -26,923,827 | 27,389,776 | 538,144 |
| Total equity attributable to shareholders | | 119,443,713 | 162,358,890 | 134,969,114 |
| Balances due to brokers and other payables | | 0 | 0 | 1,513 |
| Current tax payable | | 131 | 139 | 313 |
| Other liabilities | | 41,819 | 42,728 | 44,141 |
| Total liabilities | | 41,950 | 42,866 | 45,966 |
| Total equity and liabilities | | 119,485,663 | 162,401,757 | 135,015,080 |

Income statement

| In EUR | For the fiscal year ended | 31 December 2018 | 31 December 2017 | 31 December 2016 |
|---|---------------------------|---------------------|---------------------|---------------------|
| Net realised gains / (losses) on financial assets | | -4,306,042 | 34,487,669 | -579,196 |
| Net unrealised gains / (losses) on financial assets | | -22,053,068 | -6,708,309 | 1,117,350 |
| Dividends income | | 2,015,201 | 1,952,142 | 1,391,220 |
| Interest income | | -1,251 | 7,695 | 9,373 |
| Net realised foreign exchange gain / (loss) | | -26,390 | -25,536 | 811,069 |
| Net unrealised foreign exchange gain / (loss) | | 0 | -36,464 | -366,335 |
| Total revenues | | -24,371,551 | 29,677,196 | 2,383,482 |
| Other operation income | | 0 | 26,581 | 505,869 |
| Other operating loss | | -177,326 | 0 | -20,000 |
| Total operating revenues | | -24,548,877 | 29,703,777 | 2,869,351 |
| Fee Management Company | | -1,431,288 | -1,350,333 | -1,494,212 |
| Custodian fees | | -48,597 | -37,785 | -46,370 |
| Director's fees | | -137,310 | -154,518 | -194,815 |
| Levy on investment funds | | -150,182 | -124,846 | -101,761 |
| Other operating expenses | | -252,438 | -298,308 | -206,893 |
| Total operating expenses | | -2,019,815 | -1,965,790 | -2,044,051 |
| Profit from operating activities | | -26,568,692 | 27,737,987 | 825,300 |
| Net finance expense | | -8,319 | -7,519 | -10,843 |
| Profit / (Loss) before income taxes | | -26,577,011 | 27,730,467 | 814,457 |
| Withholding tax expenses | | -346,583 | -340,553 | -275,999 |
| Other incomes taxes | | -233 | -139 | -312 |
| Profit / (Loss) for the period | | -26,923,827 | 27,389,776 | 538,145 |



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Statement of changes in equity

| In EUR | Share capital | Retained earnings | Total equity |
|--|---------------|-------------------|--------------|
| Balance at 1 January 2018 | 134,167,495 | 28,191,395 | 162,358,890 |
| Loss for the year | | -26,923,827 | -26,923,827 |
| Issue of ordinary shares, after deduction costs capital increase | 11,171,831 | | 11,171,831 |
| Dividends | | -27,163,181 | -27,163,181 |
| Balance at 31 December 2018 | 145,339,326 | -25,895,613 | 119,443,713 |
| Balance at 1 January 2017 | 134,167,495 | 801,619 | 134,969,114 |
| Profit for the year | | 27,389,776 | 27,389,776 |
| Issue of ordinary shares, after deduction costs capital increase | | | |
| Dividends | | | |
| Balance at 31 December 2017 | 134,167,495 | 28,191,395 | 162,358,890 |
| Balance at 1 January 2016 | 109,748,742 | 37,998,917 | 147,747,659 |
| Profit for the year | | 538,144 | 538,144 |
| Issue of ordinary shares, after deduction costs capital increase | 24,418,753 | | 24,433,753 |
| Dividends | | -37,735,442 | -37,735,442 |
| Balance at 31 December 2016 | 134,167,495 | 801,619 | 134,969,114 |

Report of the statutory auditor

The statutory auditor, KPMG Bedrijfsrevisoren - Réviseurs d'Entreprises, represented by Filip De Bock, has confirmed that the audit procedures, which have been substantially completed, have not revealed any material misstatement in the accounting information included in this announcement.

Antwerp, 22nd January 2019

KPMG Bedrijfsrevisoren / Réviseurs d'Entreprises
Represented by

Filip De Bock
Certified Public Auditor



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