

Takeover bid on Nexus AG, a stock from QfG's portfolio

On November 5, 2024, it was announced that the private equity firm TA Associates would launch a public takeover bid on Nexus AG, priced at € 70 per share in cash. This bid represents a 44.2% premium over Nexus AG's closing share price on the preceding trading day.

Nexus AG, a German provider of software solutions for the healthcare industry, specializes in information systems for hospitals. As of the end of October 2024, Quest for Growth held 82,057 Nexus shares, accounting for nearly 3% of its assets at that time. If the takeover bid succeeds, it will generate a positive impact of approximately € 1.8 million on the net asset value as of October 31, 2024, equating to approximately 1.3% of the net asset value.

Quest for Growth invested for the first time in Nexus in December 2011, when the stock traded below € 7 per share. Including dividends, the share price performance over this 13 year period amounts to more than 1,000%, translating to an annualized return of roughly 20%.

The anticipated delisting of this resilient growth company is unfortunate, as finding comparable investment opportunities with such a strong profile will be challenging. On the other hand, the offer values the company at a 2024 price-to-earnings ratio of approximately 37, based on Bloomberg consensus estimates, representing an attractive valuation.

Considering these factors, Quest for Growth has decided to tender all its Nexus shares. The proceeds from the offer, estimated at € 5,743,990, will be reinvested over the coming months into new or existing portfolio companies, at least in part being small-cap stocks or private venture and growth companies.

About Quest for Growth

Quest for Growth is a privak/pricaf, a public alternative investment fund (AIF) with fixed capital under Belgian law, managed by Capricorn Partners NV. The diversified portfolio of Quest for Growth is mostly invested in growth companies listed on European stock exchanges, in venture & growth capital and in venture & growth funds. Quest for Growth focuses on innovative companies in areas such as digital, health and clean technologies. We have been listed on Euronext Brussels since 23 September 1998.

For more information

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