

2010

ANNUAL REPORT

FINANCIAL REPORT 2010
QUEST FOR GROWTH

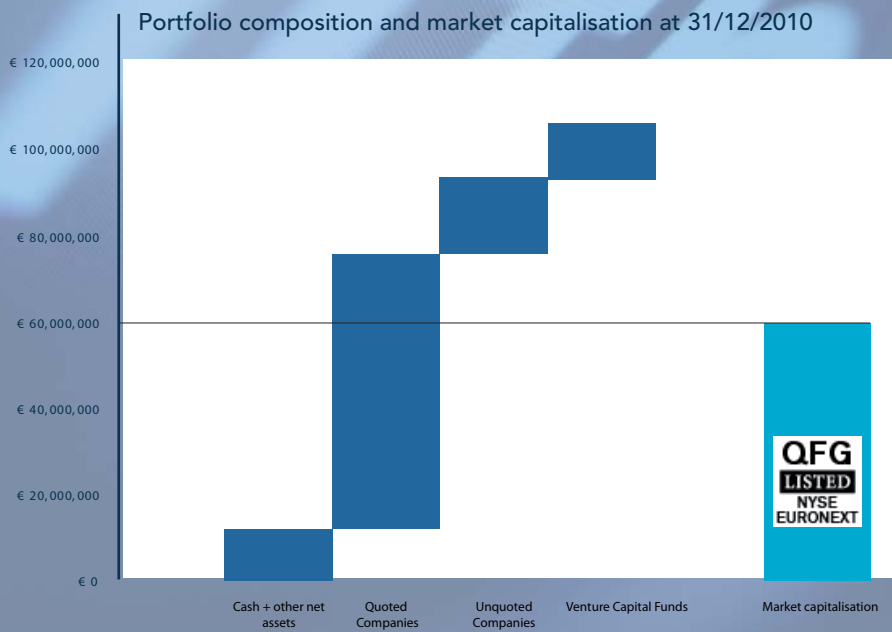
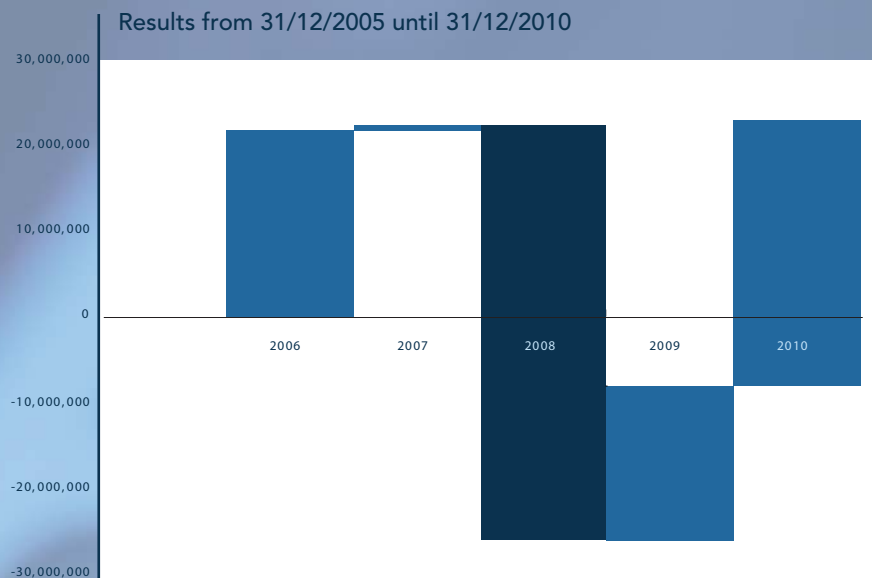


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KEY FIGURES



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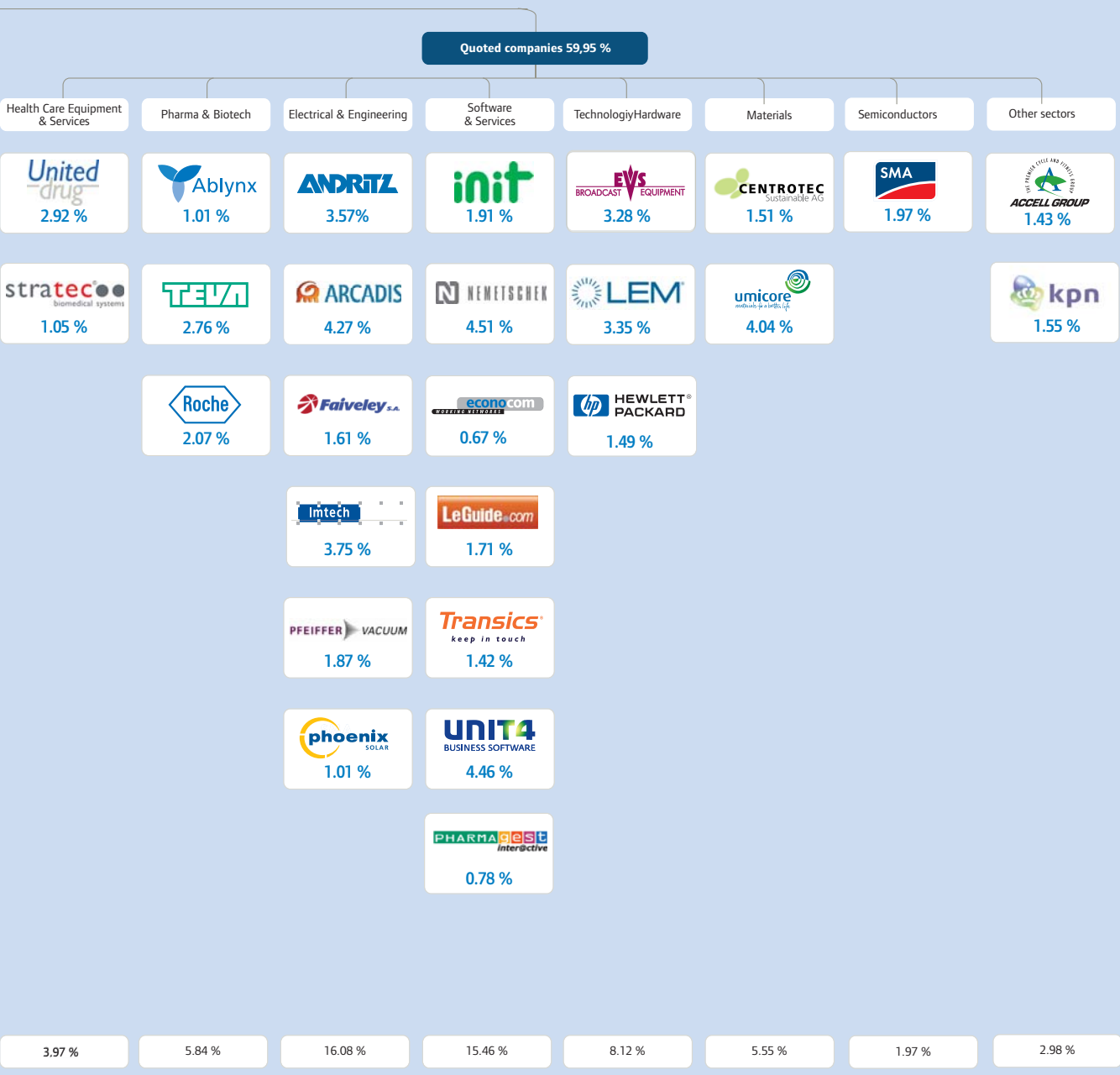
	1/01/2010 31/12/2010	1/01/2009 31/12/2009	1/01/2008 31/12/2008	1/01/2008 31/12/2007	1/01/2006 31/12/2006
Balance sheet and results (in €)					
Net profit/loss	20,568,083	18,076,265	(48,404,428)	620,575	21,535,923
Ordinary dividend	0	0	0	600,394	18,191,040
Total dividend	0	0	0	600,394	21,539,468
Net asset value (N.A.V.) after profit distribution	106,009,655	85,441,572	67,365,307	115,769,735	95,943,007
Financial Assets (shares and receivables)	99,778,377	79,850,099	61,137,896	108,892,469	105,699,790
Cash at bank and in hand and term deposits	3,724,105	4,047,803	5,165,409	5,464,683	10,496,328
Total Assets	106,076,435	85,563,899	67,673,819	116,499,094	117,565,641
Numbers per ordinary share (in €) *					
Profit/loss	1,74	1,53	(4,11)	0,05	2.28
Gross dividend per share	0,00	0,00	0,00	0,05	1.95
Net dividend per share	0,00	0,00	0,00	0,05	1.93
NAV per share before profit distribution	8,99	7,25	5,71	9,87	12.42
NAV per share after profit distribution	8,99	7,25	5,71	9,82	10.14
Stock information					
Share price at year end (€)	5,31	4,65	3,15	8,40	10.00
Total number of outstanding shares	11,789,255	11,789,255	11,789,255	11,789,255	9,459,073
Number of bought-in shares	259,305	259,305	259,305	202,715	118,745
Number of warrants	0	0	0	0	0
Stock market volume in shares	2,576,476	871,476	1,447,432	2,602,058	2,455,440
Stock market volume (x € 1000)	12,179	3,513	9,378	26,236	22,926
Return NAV **	24,07 %	26,83 %	(41,81 %)	1,8 %	22.4 %
Net return on equity (with regard to share price at year end)	0,0 %	0,0 %	0,0 %	0,6 %	19.3 %
Pay-out ratio	0,0 %	0,0 %	0,0 %	96,7 %	100.0 %
Discount share price at year end with regard to NAV	40,95 %	35,84 %	44,87 %	14,9 %	19.5 %

* calculated with total number of outstanding shares at year end, including bought-in shares.

** NAV return after profit distribution, taking into account capital increases (time weighted rate of return).

2010 – PRINCIPAL PARTICIPATIONS IN FINANCIAL ASSETS





ANNUAL ACCOUNTS

1. Balance sheet

	31 December 2010	31 December 2009	31 December 2008	31 December 2007	31 December 2006
ASSETS					
Fixed assets	99,778,377	79,850,099	61,137,896	108,892,469	105,699,790
Formation expenses	0	0	0	0	0
Financial assets	99,778,377	79,850,099	61,137,896	108,892,469	105,699,790
Shares	93,078,608	78,033,562	59,198,500	108,028,068	104,733,291
Claims	6,699,769	1,816,537	1,939,396	864,401	966,499
Current Assets	6,298,058	5,713,801	6,535,923	7,606,626	11,865,851
Amounts receivable within one year	885,932	0	0	0	0
Trade receivables	0	0	0	0	0
Other receivables	885,932	0	0	0	0
Short term investments	98,934	399,726	235,277	298,014	185,804
Trade receivables	0	237,256	177	0	0
Other receivables	98,934	162,470	235,100	298,014	185,804
Investments	1,376,910	3,455,768	816,811	6,870,357	11,043,412
Own shares	1,376,910	1,205,768	816,811	1,702,806	1,093,412
Term investments	0	2,250,000	0	5,167,551	9,950,000
Cash	3,724,105	1,797,803	5,165,410	297,132	546,328
Deferred charges and accrued income	212,177	60,504	318,425	141,123	90,307
TOTAL ASSETS	106,076,435	85,563,899	67,673,819	116,499,095	117,565,641
LIABILITIES					
Equity	106,009,655	85,441,572	67,365,307	115,769,735	95,943,007
Issued capital	109,748,742	109,748,742	109,748,742	109,748,742	89,942,195
Reserves	2,251,148	2,251,148	2,251,148	6,000,000	6,000,000
Restricted reserve	1,376,910	1,205,768	816,811	1,702,806	1,093,412
Available reserves	874,239	1,045,380	1,434,337	4,297,194	4,906,588
Profit carried forward	0	0	0	20,993	812
Loss carried forward	(5,990,236)	(26,558,319)	(44,634,583)	0	0
DEBTS	66,779	122,328	308,512	729,359	21,622,634
Amounts payable within one year	66,291	69,648	80,253	729,359	21,614,063
Financial debts	0	0	0	0	0
Trade debts	7,865	42	0	0	0
Taxes	70	72	178	420	324
Dividends to be paid for the fiscal year	0	0	0	600,394	21,539,468
Other amounts payable	58,356	69,534	80,075	128,546	74,272
Deferred charges and accrued income	488	52,679	228,259	0	8,570
TOTAL LIABILITIES	106,076,435	85,563,899	67,673,819	116,499,095	117,565,641

2. Profit and loss account

	Year 2010	Year 2009	Year 2008	Year 2007	Year 2006
Operating income and charges					
Gross operating income	21,373,611	19,136,134	(45,903,202)	3,096,848	22,750,915
Realised gains/losses on shares	14,229,612	(9,073,057)	(7,910,960)	3,489,436	22,887,740
Unrealised gains/losses on shares	7,108,393	28,305,578	(38,451,622)	(1,333,413)	401,662
Result from option transactions	254,920	54,090	68,553	(16,463)	(611,553)
Realised results from forward currency rate agreements	(457,777)	(326,057)	752,579	824,850	(45,926)
Unrealised results from forward currency rate agreements	238,462	175,579	(361,752)	132,438	118,991
Depreciation and other amounts written off	0	0	0	0	0
Other operating charges	(1,973,725)	(2,281,376)	(2,688,514)	(2,616,901)	(2,074,225)
Management fee	(1,610,959)	(1,950,000)	(2,276,684)	(2,156,217)	(1,645,231)
Custodian fee	(43,940)	(29,871)	(43,820)	(67,015)	(59,036)
Statutory Auditors fee	(9,183)	(12,047)	(9,680)	(20,933)	(20,364)
Printing and publication costs	(64,155)	(68,663)	(122,038)	(148,219)	(122,808)
Subscription fees	(67,763)	(53,892)	(92,616)	(76,754)	(67,163)
Directors fees	(72,398)	(68,719)	(53,350)	(53,140)	(60,538)
Advisory fees	(34,683)	(22,219)	(14,731)	(22,024)	(16,797)
Accountancy	(0)	(0)	(0)	(16,200)	(16,200)
Others	(70,602)	(75,966)	(75,595)	(56,399)	(66,088)
Operating Profit / Loss	19,399,928	16,854,758	(48,591,716)	479,947	20,676,690
Financial income	1,394,583	1,025,963	1,621,451	1,527,626	1,184,793
Financial charges	(226,358)	195,616	(1,434,317)	(1,386,901)	(325,236)
Amounts written off own shares*	171,141	388,957	(1,280,790)	(153,548)	0
Capital increase cost	(0)	(0)	(0)	(698,722)	0
Others	(397,350)	(193,341)	(153,527)	(534,631)	(325,236)
Profit / Loss on ordinary activities before taxes	20,568,153	18,076,337	(48,404,582)	620,672	21,536,246
Income taxes	(70)	(72)	154	(97)	(324)
Profit / Loss for the period after taxes	20,568,083	18,076,265	(48,404,428)	620,575	21,535,923

* withdrawals

3. Appropriation

	Year 2010	Year 2009	Year 2008	Year 2007	Year 2006
Profit to be appropriated				621,387	21,540,280
Loss to be appropriated	(5,990,236)	(26,558,319)	(48,383,435)		
Profit to be appropriated for the period	20,568,083	18,076,265		620,575	21,535,923
Loss to be appropriated for the period			(48,404,428)		
Profit/loss brought forward	(26,558,319)	(44,634,583)	20,993	812	4,357
Transfers from capital and reserves			3,748,852		
From reserves			3,748,852		
Transfers to capital and reserves					
To other reserves					
Profit/loss to be carried forward	(5,990,236)	(26,558,319)	44,634,584	(20,993)	(812)
Profit to be carried forward				(20,993)	(812)
Loss to be carried forward	(5,990,236)	(26,558,319)	44,634,584		
Distribution of profit				(600,394)	(21,539,468)
Dividends				600,394	21,539,468



4. Off balance sheet positions

4.1. Commitments	Commitment in Currency	Currency	Commitment in € 31/12/2010	Commitment in € 31/12/2009
Capricorn Cleantech Fund	1,125,000	€	1,125,000	1,375,000
Capricorn Health-tech Fund	11,250,000	€	11,250,000	0
Carlyle Europe Technology Partners I	373,086	€	373,086	377,927
Carlyle Europe Technology Partners II	2,535,665	€	2,535,665	3,364,114
Life Sciences Partners III	196,548	€	196,548	364,589
Life Sciences Partners IV	1,717,779	€	1,717,779	1,780,402
Schroder Ventures International Life Sciences Fund II	19,953	\$	14,933	49,947
Ventech Capital 2	305,571	€	305,571	300,000
Vertex III	428,183	\$	320,448	541,441
Total			17,839,030	8,364,744

4.2. Forward currency Rate Agreements			
Value date	Counterparty	Quest for Growth buys	Quest for Growth sells
31/01/2011	Dexia Bank	1,993,199.67 €	1,700,000 £
31/01/2011	KBC Bank	2,461,913.61 €	2,100,000 £
31/01/2011	Dexia Bank	2,894,796.98 €	3,800,000 \$
31/01/2011	KBC Bank	4,266,926.75 €	5,600,000 \$

5. Notes to the financial statements

1. Financial Assets breakdown

1.1. Shares quoted companies

Company	Sector / Market	Number of shares	Changes since 30/12/2009	Currency	Share price	Valuation €	In % of Net Asset Value
Software & Services							
ECONOCOM	Euronext Brussels	71,170	71,170	€	10.0000	711,700	0.67%
INIT INNOVATION	Deutsche Börse	135,000	45,000	€	14.9950	2,024,325	1.91%
LEGUIDE.COM	Euronext Paris	62,500	62,500	€	28.9700	1,810,625	1.71%
NEMETSCHEK	Deutsche Börse	150,000	7,500	€	31.8700	4,780,500	4.51%
PHARMAGEST INTERACTIVE	Euronext Paris	17,250	17,250	€	47.7000	822,825	0.78%
TRANSICS	Euronext Brussels	250,000	0	€	6.0100	1,502,500	1.42%
UNIT 4	Euronext Amsterdam	195,330	-4,670	€	24.2250	4,731,869	4.46%
Technology Hardware							
EVS BROADCAST EQUIPM.	Euronext Brussels	72,500	4,000	€	47.9000	3,472,750	3.28%
HEWLETT PACKARD	NYSE	50,000	50,000	\$	42.1000	1,575,363	1.49%
LEM Holding	SWX Swiss Exchange	7,756	-2,244	CHF	573.0000	3,554,213	3.35%
Pharma & Biotech							
ABLYNX	Euronext Brussels	135,000	72,500	€	7.9600	1,074,600	1.01%
ROCHE HOLDINGS	SWX Swiss Exchange	20,000	2,500	CHF	137.0000	2,191,299	2.07%
TEVA PHARMACEUTICAL	Nasdaq	75,000	75,000	\$	52.1300	2,926,022	2.76%
Healthcare Equipment							
STRATEC BIOMEDICAL	Deutsche Börse	35,000	35,000	€	31.9100	1,116,850	1.05%
UNITED DRUG	Dublin	1,476,286	476,286	€	2.1000	3,100,201	2.92%
Electrical & Engineering							
ANDRITZ AG	Vienna	55,000	-25,000	€	68.7900	3,783,450	3.57%
ARCADIS	Euronext Amsterdam	260,000	30,000	€	17.4150	4,527,900	4.27%
FAIVELEY	Euronext Paris	27,500	12,500	€	61.8700	1,701,425	1.61%
IMTECH	Euronext Amsterdam	140,055	65,055	€	28.3900	3,976,161	3.75%
PFEIFFER VACUUM TECHN.	Deutsche Börse	22,500	-17,500	€	88.0000	1,980,000	1.87%
PHOENIX SOLAR	Deutsche Börse	45,000	45,000	€	23.7000	1,066,500	1.01%
Semi-conductors							
SMA SOLAR	Deutsche Börse	30,000	16,000	€	69.5000	2,085,000	1.97%
Materials							
CENTROTEC	Deutsche Börse	100,000	20,000	€	16.0000	1,600,000	1.51%
UMICORE	Euronext Brussels	110,000	10,000	€	38.9200	4,281,200	4.04%
Other sectors							
ACCELL GROUP	Euronext Amsterdam	40,000	40,000	€	37.8000	1,512,000	1.43%
KPN	Euronext Amsterdam	150,000	150,000	€	10.9200	1,638,000	1.55%
						63,547,278	59.95 %

1.2. Shares unquoted companies

Company	Sector / Market	Currency	Valuation in €	In % of Net Asset Value
ACTIVE CIRCLE	Software & Diensten	€	400,000	0.38%
ANTERYON	Technology Hardware	€	1,499,027	1.41%
CLEAR2PAY	Software & Diensten	\$	5,570,337	5.25%
IDEA AG	Farma & Biotech	€	164,417	0.16%
KIADIS PHARMA	Farma & Biotech	€	2,299,952	2.17%
MAGWEL	Software & Diensten	€	430,000	0.41%
NANTOFEN	Farma & Biotech	\$	409	0.00%
OXAGEN Ltd.	Farma & Biotech	£	4,855	0.00%
PROSONIX	Farma & Biotech	£	1,258,592	1.19%
SPHERE MEDICAL	Medische diensten & uitrusting	£	845,804	0.80%
SYNTAXIN	Farma & Biotech	£	2,337,700	2.21%
TCLAND EXPRESSION	Farma & Biotech	€	1,499,995	1.42%
			16,311,088	15.39 %

1.3. Investments in Venture Funds

Company	Currency	Last valuation	Valuation in €	In % of Net Asset Value
CAPRICORN CLEANTECH FUND	€	30/09/2010	1,070,789	1.01%
CAPRICORN HEALTH-TECH FUND	€	22/12/2010	3,750,000	3.54%
CARLYLE EUROPE TECHNOLOGY PARTNERS I	€	30/09/2010	1,808,135	1.71%
CARLYLE EUROPE TECHNOLOGY PARTNERS II	€	30/09/2010	1,153,162	1.09%
CETP LP CO-INVESTMENTS	€	30/09/2010	1,566,881	1.48%
KIWI I VENTURA SERVICOS	€	30/09/2010	150,636	0.14%
LIFE SCIENCES PARTNERS III	€	30/09/2010	1,360,863	1.28%
LIFE SCIENCES PARTNERS IV	€	30/09/2010	285,149	0.27%
SCHRODER VENTURES LSF II	\$	30/06/2010	207,651	0.20%
VENTECH CAPITAL 2	€	30/09/2010	803,497	0.76%
VERTEX III	\$	30/09/2010	1,063,479	1.00%
			13,220,242	12.47 %
Total financial assets - shares	€		93,078,608	87.80 %

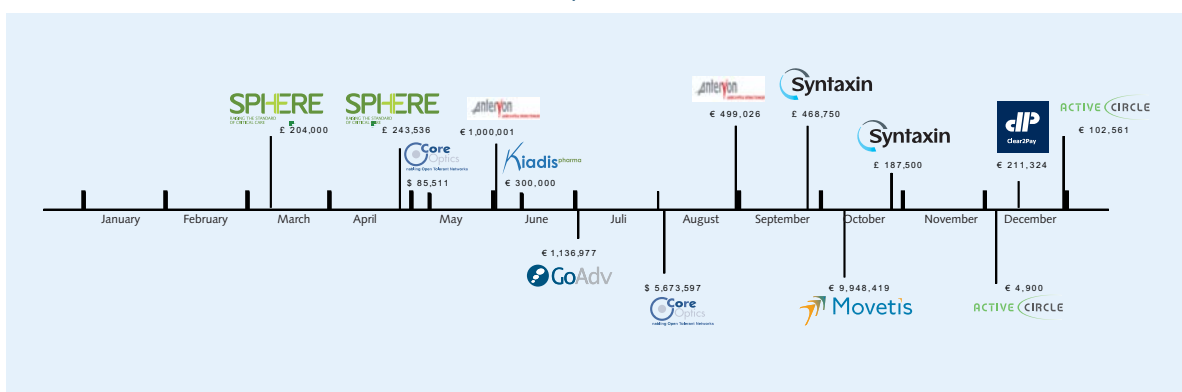
1.4. Amounts receivable companies

Loan notes unquoted companies	Face value in €				
LOANS					
KIADIS PHARMA Convertible loan note	Pharma & Biotech	74,327	€	74,327	0.07%
MAPPER Convertible loan note	Semiconductors	605,000	€	100,000	0.09%
NANTOFEN loan note	Pharma & Biotech	398,770	\$	298,436	0.28%
PROSONIX loan note	Pharma & Biotech	200,000	£	232,356	0.22%
TC LAND loan note	Pharma & Biotech	500,000	€	500,000	0.47%
				1,205,118	1.14 %
Loan notes unquoted companies	Face value in €				
COMMERCIAL PAPER					
DEME		4,000,000	€	3,995,126	3.77%
CODRALUX (Jan De Nul)		1,500,000	€	1,499,525	1.41%
				5,494,650	5.18 %
Total Financial Assets – Amounts receivable			€	6,699,769	6.32%
Total Financial Assets			€	99,778,376	94.13%

2. Unrealised and realised results of Fixed Assets

	Quoted companies	Unquoted companies	Venture Funds	Total
Unrealised gains/losses on shares	(627,980)	5,292,194	2,444,179	7,108,393
Realised gains/losses on shares	12,853,961	1,439,302	(63,651)	14,229,612
Total gains/losses	12,225,981	6,731,496	2,380,528	21,338,005

3. New or additional investments in unquoted companies during the fiscal year



3.1. Active Circle

On July 18th, 2008 Quest for Growth invested € 1,6 million in Active Circle. It suffered greatly under the general economic downturn. The company was oriented in the past year with success in the market for video archiving. Quest for Growth invested an additional € 97, 660 in 2010. Because of the high financing needs, Quest for Growth has decreased the value of this investment by 75%.

3.2. Clear2Pay

On December 23rd, 2009 Clear2Pay completed a financing round of € 50 million. This financing round was led by the U.S. Aquiline Capital Partners. Quest for Growth invested € 500,000 in this round. The first installment was paid on December 23rd, 2009. The second tranche of € 211,324 was paid on December 10th, 2010.

3.3. Kiadis

On March 12th, 2009 Quest for Growth invested in a convertible bond amounting to € 300,000. This bond was converted into shares on June 15th, 2010. On May 21st, 2010 Quest for Growth again invested in a convertible bond amounting to € 74,327. In the beginning of 2011 the company announced having closed a license for his main product with Hospira Inc., a worldwide operating pharmaceutical company.

3.4. Sphere Medical

In October 2008, Quest for Growth invested £ 1 million in Sphere Medical Holdings. On January 8th, 2010 and March 12th, 2010 Quest for Growth invested £ 454,000 extra in Sphere Medical. Sphere Medical develops medical devices, clinical chemistry parameters and therapeutic drug concentrations measured in real time.

3.5. Syntaxin

Quest for Growth invested in October 2007 £ 1.5 million (€ 2.1 million) in Syntaxin Ltd., a British company focused on developing medicines. On September 28th and October 26th, 2010 another £ 656,250 was invested. This new financing round is a small loss on the total investment made.

3.6. Prosonix loan note

On December 22nd, 2010 Quest for Growth invested £ 200,000 in Prosonix Ltd. Quest for Growth invested earlier, in November 2007, £ 1,083,322 (€ 1,500,000) in Prosonix Ltd, a UK leading supplier of ultrasonic particle techniques and chemical process solutions for the pharmaceutical and related industries.

3.7. Anteryon

This resulted in Quest for Growth to make a new investment in an unquoted company for the first time in years. On June 1st and August 30th, 2010 Quest for Growth invested respectively € 1 million and € 500,000 in Anteryon, a Dutch company that is world leader in Wafer Optics technology for producing camera modules that include mobile phones.

Quest for Growth invested € 2,500,220 in Movetis earlier. Before completion of the offering Quest for Growth owned 523,601 shares. At the start of the year (taking into account the share price and the discount applied because of the non-sales) Movetis was in the books for a value of € 5,401,258 or 6.32% of the portfolio.

4. Exits

4.1. Concept Group

On April 18th, 2005 Quest for Growth invested £ 500,000 in Concept Group Holdings, an unlisted company in Coventry, UK, active in design and development services for the automotive industry. The investment is made through a convertible bond, secured by a mortgage loan.

In August 2010 Shire plc made a public bid on Movetis at a price of € 19 per share. Quest for Growth accepted the offer and received the corresponding price in cash. Quest for Growth realized herewith a gain of € 7,448,200 on the capital outlay and a gain of € 4,547,161 on the carrying amount at the start of the year.

On April 30th, 2009 Concept Group sought protection from creditors. Given the high degree of uncertainty, the claim in 2009 was fully depreciated. Quest for Growth collected £ 50,253 in 2010. The amount invested, including interest, is finally fully recovered.

4.2. Goadv

In July 2008 Quest for Growth subscribed to a convertible bond in GoAdv. This bond had a maturity of 5 years and was listed. On July 1st, 2010, this bond was early repaid with an IRR of 12%.

4.3. CoreOptics

On July 5th, 2006, on April 25th and September 4th, 2008 and in 2009 Quest for Growth invested respectively \$ 1.5 million, \$ 1,050,500, \$ 647,500 and \$ 703,720 in CoreOptics. The technology of CoreOptics allows the capacity of existing fiber networks to increase. Telecommunications companies can thus decrease their capital and network operating costs. On May 20th, 2010 Quest for Growth Inc. sold its stake in CoreOptics Inc. to Cisco Systems Inc. (www.cisco.com), listed on Nasdaq. Cisco is the worldwide leader in network infrastructure for the Internet. When selling, Quest for Growth realizes a gain of \$ 1,492,803 (€ 1,205,382). The added value based on the value at the beginning of the year eventually amounted to € 2.5 million.

4.4. Movetis

Movetis achieved € 85 million in 2009 with the first significant IPO in European Life Sciences industry since early 2008. The share was introduced at a price of € 12.25 and recorded since December 4th, 2009 on Euronext Brussels.

5. Changes in the valuation of shares unquoted companies

5.1. Active Circle

See 3.1.

5.2. Sphere Medical

On the investment in Sphere Medical, a depreciation of 50% was booked as the company had an urgent need for additional financing.

5.3. Syntaxin

See 3.5.

5.4. Idea AG

The company is in liquidation and paid € 352,867 after the capital reduction. The valuation of the investment was reduced with the same amount.

6. Changes in the valuation of loan notes unquoted companies

6.1. Mapper Lithography Convertible loan note

The convertible bond was extended for a period of one year. The company remains highly dependent on new financing. Quest for Growth has achieved an additional impairment of € 300,000 because of the degree of uncertainty of new funding sources.

7. Changes in the valuation of investments in venture funds

The valuation of investments in venture funds are based on the latest available reports of the Board of Directors of the funds. For nine of the eleven funds the valuation is based on the reporting of the situation on September 30th, 2010. For one fund (Capricorn-tech Health Fund), the measurement is

based on the contribution at formation (December 22nd, 2010) and for another fund (Schroder Ventures Life Sciences Fund II), the measurement is based on the reporting of the situation on June 30th, 2010 .

7.1 Carlyle Europe Technology Partners I

	in EUR
Valuation on 31/12/2009:	1,598,710
Cash withdrawals:	55,968
Repayments and dividends:	-789,206
Depreciation:	942,663
Valuation on 31/12/2010:	1,808,135

From the portfolio of Carlyle Europe Technology Partners I, and its linked co-investment fund, the participation in FRS Global is sold for more than three times the cost of investment to Wolters Kluwer Financial Services.

7.2. Carlyle Europe Technology Partners II

	in EUR
Valuation on 31/12/2009:	481,356
Cash withdrawals:	536,543
Repayments and dividends:	-
Depreciation:	135,263
Valuation on 31/12/2010:	1,153,162

7.3. CETP LP co-investment

	in EUR
Valuation on 31/12/2009:	1,305,993
Cash withdrawals:	-
Repayments and dividends:	-605,434
Depreciation:	866,231
Valuation on 31/12/2010:	1,566,881

7.4. Capricorn Cleantech Fund (*)

	in EUR
Valuation on 31/12/2009:	933,608
Cash withdrawals:	250,000
Repayments and dividends:	-
Depreciation:	-112,819
Valuation on 31/12/2010:	1,070,789

7.5. Capricorn Health-tech Fund (*)

	in EUR
Valuation on 31/12/2009:	-
Cash withdrawals:	3,750,000
Repayments and dividends:	-
Depreciation:	-
Valuation on 31/12/2010:	3,750,000

7.6. Life Sciences Partners III

	in EUR
Valuation on 31/12/2009:	1,606,313
Cash withdrawals:	168,041
Repayments and dividends:	-935,931
Depreciation:	522,440
Valuation on 31/12/2010:	1,360,863

From the portfolio of the Life Sciences Partners III Fund, the participation in Movetis, was also sold at a profit after the public offer by Shire plc.

7.7. Life Sciences Partners IV

	in EUR
Valuation on 31/12/2009:	156,667
Cash withdrawals:	202,901
Repayments and dividends:	-1,137
Depreciation:	-73,282
Valuation on 31/12/2010:	285,149

7.8. Kiwi I Ventura Serviços

	in EUR
Valuation on 31/12/2009:	153,895
Cash withdrawals:	-
Repayments and dividends:	-54,000
Depreciation:	-50,741
Valuation on 31/12/2010:	150,636

The portfolio of Kiwi I Ventura Serviços includes only three investments, of which one company recently finalized a successful IPO. They are actively working on an exit strategy.

(*) Dr. Jos B. Peeters is Managing Director of Capricorn Venture Partners, (Director of Capricorn Cleantech Fund and Capricorn Health-tech Fund) as well as Chairman of the Board of Directors of Quest for Growth.

7.9. Schroder Ventures Life Sciences Fund II

	in USD	in EUR
Valuation on 31/12/2009:	347,987	241,557
Cash withdrawals:	-	-
Repayments and dividends:	-132,944	-101,121
Depreciation:	62,420	67,215
Valuation on 31/12/2010:	277,463	207,651

7.10. Ventech Capital 2

	in EUR
Valuation on 31/12/2009:	826,123
Cash withdrawals:	3,194
Repayments and dividends:	-66,615
Depreciation:	40,795
Valuation on 31/12/2010:	803,497

7.11. Vertex III

	in USD	in EUR
Valuation on 31/12/2009:	1,286,444	892,992
Cash withdrawals:	300,000	229,205
Repayments and dividends:	-	-
Depreciation:	-165,424	-58,718
Valuation on 31/12/2010:	1,421,021	1,063,479

7.12. Total venture capital funds

	in EUR
Valuation on 31/12/2009:	8,197,214
Cash withdrawals:	5,195,852
Repayments and dividends:	-2,553,353
Depreciation:	2,380,529
Valuation on 31/12/2010:	13,220,242

8. Angiosonics, Easdaq, PlasticLogic, Phytera en Trigen are part of the portfolio, but don't have a residual value.

9. Securities denominated in foreign currencies are converted into euros in the annual accounts on the basis of the following exchange rates (31/12/2010) :

€ 1,00	\$	1.3362
	£	0.86075
	CHF	1.2504
	DKK	7.4535
	NOK	7.8000
	SEK	8.9655

10. For certain transactions (deposits, forward exchange transactions, securities transactions) Quest for Growth counted on Dexia Bank. Dexia Bank is through Dexia Insurance (indirectly) the largest shareholder of the company. As mentioned in the report of the audit committee, all transactions are made at market conditions.

11. Quest Management NV has been appointed by the Board as executive directors. The Board of Directors approved on March 15th, 2010 a compensation for the CEO of € 1.5 million per year for the period 1 April 2010 - 31 March 2012. The total management fee for 2010 was € 1,610,959.

12. The compensation for the CEO may be limited based on a general cost ratio of 3.5% of the net asset value. These costs include management fee, all other operational expenses, such as compensation of the custodian, cost accounting, director's fees, costs of periodic reporting, audit, etc.

If the threshold is reached, measures will be considered in agreement between Quest and the independent directors allowing the company to reduce the cost ratio below the 3.5% maximum limit. The overall cost ratio for the year 2010 was 2.24% of equity at end of previous year for appropriation. On the basis of equity at the end of the current year, the overall cost ratio is only 1.80%.

13. Dexia Bank acts as depositary bank for Quest for Growth. The fee is as follows:

Nature of the assets	Commission	Handling fee per transaction
Listed securities	0.07 % per year	€ 37.1840
Unlisted securities	0.01 % per year	Not applicable
Cash and investments	0.01 % per year	Not applicable

The above commissions are payable quarterly at the end of each period. The handling fees are settled for each transaction. Apart from the commissions and fees, no other fee is due for the activities of the depositary bank.

Quest for Growth paid a fee of € 43.940 for the year ended December 31st, 2010 to Dexia Bank for its services as depositary bank.

14. Compensation paid to the auditor

KPMG Auditors CVBA	€ 9,83	Performance mandate
KPMG Tax Advisors	€ 7,865	Withholding tax advice about recovery of the Dutch government

The fees to the auditor are approved by the Audit Committee.

15. On December 31 Quest for Growth owned 259,305 treasury shares. These shares are not entitled to a dividend and have been valued at the Lower of Cost or Market (LOCOM). On December 10th, 2010, the depreciation on own shares was lowered by € 171,141. The total amount written off in relation to the decrease in value of own shares amounts to € 874,239.

16. Accruals

Transfer accounts	€ 488
Accrued expenses	€ 212,177

17. Financial costs

Other financial costs mainly include exchange differences on the current assets and costs of financial services (dividend payment).

18. Notices of shareholders owning more than 5% of the subscribed capital

Name and address	%	Date of threshold crossing
Dexia Insurance Belgium SA Livingstonelaan 6, 1000 Brussel België	11.82 %	21/06/2010
Laxey Partners Limited 4th Floor, Derby House, 64 Athol Street, Douglas Isle of Man IM1 1JD Verenigd Koninkrijk	9.86 %	17/09/2010

7. Valuation rules

In regard to the Annual Accounts, investments are valued in accordance with the Royal Decree of January 30th, 2001. In addition they are completed by a set of rules set out in the Royal Decree of December 10th, 2006, in regard to the accounting principles and Annual Accounts for undertakings for collective investments with variable participation rights, in accordance with the Royal Decree of April 18th 1997, covering investments in non-quoted partnerships and growth companies.

1. Investments in financial instruments of companies that are not quoted on a regulated market:

- a) The investments are valued at cost.
- b) The investment is re-valued if there are sufficient objective indications at hand, such as (but not limited to):
 - a significant third party transaction at a new value;
 - net assets that have clearly changed;
 - profit trends indicating a change in value.
- c) The value shall be reduced when (but not limited to):
 - significantly less favourable results than foreseen indicating a permanent decrease in value;
 - there is a need for additional financing to avoid winding up, out-of-court settlement or failure;
 - a significant third party transaction at a new value has been concluded.

2. For financial instruments that are quoted on a regulated market:

- a) Instruments traded on a regulated and liquid market: the published closing price.
 - b) If for a given financial instrument a regulated or private market exists but that market is not active and the rates which are formed are not representative for the fair value, the board of directors determines the real value under Article 12 of the Royal Decree of 10 November 2006 on the accounting, financial statements and periodic reports of certain public undertakings for collective investment with a variable number of units.
 - c) Investments in other currencies are converted into euros at the euro foreign exchange reference rates, published on a daily basis by the European Central Bank.
 - d) Equity option agreements are treated as financial fixed assets.
 - Equity option agreements traded on a regulated and liquid market are accounted for in the balance sheet at the published closing price.
 - If these options are not traded on a regulated or liquid market, and/or the Board of Directors considers the closing price not to be a fair reflection of the market, the value is defined in accordance with objective criteria (e.g. Black & Scholes), as set out by the Board of Directors.
 - e) Commitments and rights resulting from Forward Currency Rate Agreements are reflected in the off-balance sheet and they are valued at market value, Intermediary differences are included in the result of the reported period.
 - f) Contrary to Article 7 §2 of the Royal Decree of March 18th 1994, stocks and other financial instruments are booked at acquisition price plus costs, Disposals of stocks and other financial instruments are booked at selling price less costs.
3. Formation costs and capital increase costs are attributed entirely to the current fiscal year.
 4. The costs of financial instruments are determined by the weighted average prices of acquisition.
 5. Financial instruments of listed companies that are subject of a lock-up agreement are valued at a discount of 1.5 % to the stock price per running month until the end of the lock-up agreement, a maximum discount of 25 % is applied.

REPORT

OF THE BOARD OF DIRECTORS

Dear Ladies and Gentlemen,

In accordance with the prevailing legislation and the company's Memorandum and Articles of Association, we are pleased to report to you the activities of Quest for Growth NV and submit the financial statements for the year ending December 31st, 2010 for your approval.

Activities

Quest for Growth NV was incorporated in June 1998 with the objective of providing individual and institutional investors access to a range of investment opportunities relating to European growth companies in the technology and biotechnology sectors. The company invests in carefully selected listed companies, participates in private placements of unlisted companies likely to obtain a listing in the not too distant future or those that are likely to be acquired by a financial or industrial investor, as well as in certain funds offered by experienced venture capital investors.

Quest Management NV is responsible for the day-to-day management of Quest for Growth NV. Quest Management NV is a company that specialises in managing portfolios of growth companies in the new technology and life science segments.

As shareholders of Quest for Growth NV, the Privak structure provides you with a fully tax transparent treatment of your investment and guarantees standards of the highest quality in terms of transparency and corporate governance.

The Board of Directors has delegated authority to Quest Management NV for investments in listed companies. Quest Management NV submits participating interests in unlisted companies for approval by an Investment Committee, consisting of a number of Board Members of Quest for Growth NV. For follow-on investments and co-investments a limited authority is delegated to Quest Management NV. Quest Management NV provides the Board of Directors with a detailed quarterly report on all of its activities and investment performance. The quarterly and annual reports are either available to shareholders via the website or alternatively by request. Furthermore, the details of Quest for Growth's portfolio are confirmed on the website and the portfolio is updated at the end of the month, when the net asset value is published.

Quoted companies are judged on their long-term growth potential, the quality of the management and the sustainability of their competitive position. Investments in these companies are either increased or reduced on the basis of Quest for Growth's assessment of their market value. Both the market-

sector and geographical diversification is taken into account when deciding on investments in shares, to ensure that the portfolio remains sufficiently diversified.

Investments in unlisted companies are based on the same criteria as investments in listed companies, however, there is the additional condition that there should be reasonable options to divest within three years of the date of Quest for Growth's investment. In practice, some companies may be listed or provide an opportunity for divestment sooner than this timeframe, whereas others will require more time than expected.

Investments are recorded under Financial Fixed Assets, split between shares and receivables. Receivables include loan notes to unlisted and listed companies. Details of investments undertaken are provided in the explanation. More information can be found in the general section of this Annual Report.

Annual accounts

For the financial year ending December 31st 2010, the company recorded a net profit of € 20,568,083 (against a profit of € 18,076,265 for the financial year ending December 31st 2009) or € 1.74 per share (against € 1.53 per share for the previous financial year). On December 31st, 2010, the total assets amounted to € 106,076,435 (against € 85,563,899 at the end of 2009). The net asset value per share at the end of 2010 amounted to € 8.99 (against € 7.25 on December 31st, 2009). The rate per share on December 31st, 2010 was € 5.31 against € 4.65 at the end of the previous financial year.

Despite the fact the company still has a loss carried forward at the end of the fiscal year ended December 31st, 2010, the financial statements is the assumption of continued operations of the company.

Events during the fiscal year

Quest for Growth extended the existing agreement with Quest Management NV at the start of the year for the performance of the mandate of managing director. The fee from April 1st, 2010 to March 31st, 2012 was set at € 1,5 million (€ 0.13 per share) compared to € 1,95 million (€ 0.16 per share) in 2009 and € 2,276,684 (€ 0.19 per share) in 2008.

On March 18th, 2010, the General Meeting of Shareholders approved the financial statements and the allocation of profit for the year 2009.

The venture capital market in which Quest for Growth is running, improved significantly. More promising companies came to market at attractive valuations and capital increases and the exit market gradually improved both by an upturn in acquisitions and through a reopening of the IPO window. At the same time the improvement of the economy showed most existing portfolio companies to be better than during the last recession and to get their business plan.

This resulted in Quest for Growth to make a new investment in an unquoted company for the first time in years. On June 1st and August 30th, 2010 Quest for Growth invested respectively € 1 million and € 500,000 in Anteryon, a Dutch company that is world leader in Wafer Optics technology for producing camera modules that include mobile phones.

Concept Group Holdings, an unlisted company in Coventry, UK in which Quest for Growth invested £ 500,000 in 2005 - through a convertible bond, subsequently secured by a mortgage loan - sought protection from creditors. Given the high degree of uncertainty the outstanding balance of the debt was written off completely in 2009. Quest for Growth collected in 2010 another £ 50,253. The amount invested is finally fully recovered.

GoAdv, a French company active in online product and shopping guides, in which Quest for Growth invested € 1 million in July 2008, through a convertible bond, repaid its loan on July 1st, 2010. Quest for Growth realized herewith an IRR of 12%.

CoreOptics, a company that develops technology to increase the capacity of existing fiber networks, in which Quest for Growth invested approximately \$ 4 million since 2006, was acquired by Cisco Systems, Inc. on 20th, of May. When selling, Quest for Growth realizes a gain of \$ 1,492,803 (€ 1,205,382). The added value based on the value at the beginning of the year amounted to € 2,5 million. No additional financial details are released.

Movetis achieved € 85 million in 2009 with the first significant IPO in European life sciences industry since early 2008. The share was introduced at a price of € 12.25 and recorded since December 4th, 2009 on Euronext Brussels.

Quest for Growth invested € 2,500,220 in Movetis earlier. Quest for Growth owned 523,601 shares for completion of the offering. At the start of the year, (taking into account the share price and the discount applied because of the non-sales), Movetis was in the books for a value of € 5,401,258 or 6.32%

of the portfolio. In August 2010 Shire plc made a bid for public for Movetis at a price of € 19 per share. Quest for Growth accepted the offer and received the corresponding price in cash. Quest for Growth realized herewith a gain of € 7,448,200 on the capital outlay and a gain of € 4,547,161 on the carrying amount at the start of the year.

For a number of companies additional capital of the unquoted portfolio is provided, either through a capital increase or through a bond issue:

Quest for Growth invested an additional of € 97,660 in Active Circle in 2010. It suffered greatly under the general economic downturn. The company was oriented in the past year with success in the market of video archiving. Because of the high financing needs, Quest for Growth has booked a depreciation of 75% on this investment.

Clear2Pay completed a financing round of € 50 million on December 23rd, 2009. This financing round was led by the American Aquiline Capital Partners. Quest for Growth invested € 500,000 in this round. The first payment was made on December 23rd, 2009. The second payment of € 211,324 was done on December 10th, 2010.

The convertible bond loan of € 300,000 to Kiadis on June 15th, 2010 was converted into shares. On May 21st, 2010 Quest for Growth invested another € 74,327 in a convertible bond. Early 2011 the company announced that its flagship product for a license agreement with Hospira Inc., a global pharmaceutical company, was closed.

On January 8th, 2010 and March 12th, 2010 Quest for Growth invested £ 454,000 extra in Sphere Medical. Sphere Medical develops medical devices, that measures clinical chemistry parameters and therapeutic drug concentrations measured in real time.

Syntaxin Ltd is a British company that focuses on developing medicines. On September 28th and October 26th, 2010 an additional £ 656,250 was invested. Because of this new financing round a small loss on the total investment expense was made.

Also in the portfolios of venture funds a number of exits have been realized. From the portfolio of Carlyle Europe Technology Partners I, and its linked co-investment fund, Fund's interest in FRS Global is for more than three times the cost of investment sold to Wolters Kluwer Financial Services. From the portfolio of the Life Sciences Partners III fund, the participation in Movetis disappeared with profit after the

public offer by Shire plc.

Quest for Growth committed in an investment of € 15 million in the Capricorn-tech Health Fund late December.

A first payment of € 3,75 million (25% of the capital) has already been done.

Through the investment in the Capricorn-tech Health Fund, Quest for Growth raises the deal flow in this sector and manages its investments in unlisted companies assisted by a stronger investment team.

The Board of Directors will ensure that no double management fee (Quest Management and Capricorn Venture Partners) will be charged.

Thanks to the high weighting of German shares and the total absence of Greek, Portuguese, Spanish or Italian stocks in the portfolio, most trends in the markets were favourable in the portfolio of listed shares of Quest for Growth. Furthermore, the continuing good stock market performance of smaller caps (small & mid caps) were a very positive factor for the portfolio.

At sector level, the banking sector - a sector in which Quest for Growth typically not invests- is absolutely to be avoided. Cyclical stocks performed best, but also the technology sector did well. The pharmaceutical sector performed less well than the market average. This also applies to "cleantech" (clean technology), mainly because of very negative developments in renewable energy. Quest for Growth made losses in 2010 in wind and solar energy investments, but this was fairly compensated by strong performance in other segments within the cleantech theme, namely energy efficiency, water and environmental management and new materials.

Finally the portfolio of listed shares of Quest for Growth achieved a performance of over 25% in 2010 (excluding the contribution of Movetis).

Profiles and key figures of all companies in which investments are made on December 31st, 2010 are also reflected in the annual report under the heading "Company Profiles".

The mandate for repurchase of own shares that was granted by the Extraordinary General Meeting of March 15th, 2007 for a period of 18 months to the Board of Directors, expired on October 31st, 2008. There shareholders are asked for an authorization to destroy the own shares. On December 31st a total of 259,302 or 2.20% of own shares are in the possession of the company.

Quest for Growth continues to focus on quality information and transparency. In 2010 more Quest Investor Clubs were organized and Quest for Growth took part in various events to

continue to inform the shareholders.

The Managing Directors Agreement between Quest for Growth and Quest Management NV was accompanied by the introduction of a general cost ratio of 3.5% of the net asset value. These costs include management fee, but also other operational expenses, such as compensation of the custodian, cost accounting, director's fees, costs of periodic reporting, audit, etc. If the upper limit are exceeded, negotiations between Quest Management and the independent directors should be taken that allow the company to take measures to bring the cost ratio below the 3.5% maximum limit. The overall cost ratio for the year 2010 was 2.24% of equity for distribution of profits at the start of the year (1.80% on equity on December 31st, 2010).

On December 23rd, 2010, Capricorn Venture Partners NV and Quest Management NV, as well as the managing director of Quest for Growth informed their Board of Directors respectively of the merge of the two companies. Capricorn Venture Partners NV will apply to obtain a license as company for asset management and investment at the Commission for Banking, Finance and Insurance. After obtaining the license, followed by the approval of the shareholders of the two companies who proposed to merge by takeover, Capricorn Venture Partners NV will take over all activities and staff and all other assets and liabilities of Quest Management.

The unified company will insure the continued advice to the Executive Board and the various investment companies.

Risk management

The Board of Directors follows the principal risks to which the Company is exposed to a close.

Risk management is an important factor for Quest for Growth. The main risks are market risks (fluctuations in the stock market and liquidity risk) and in respect of unlisted companies, the non-performance risk and consequently a risk rating. Other managed risks relate mainly to foreign exchange exposures and operational risks.

Quest Management monthly reports to the Board of Directors on the entire portfolio, the cash positions and debt positions. This way of reporting enables the Board of Directors to check the portfolio and monitor the cash positions. The positions are quarterly by the Board of Directors discussed and adjusted if necessary.

The use of financial instruments

During the financial year, the company has made use of financial instruments to limit the market and foreign exchange risks related to the company activities.

- The foreign exchange risks on portfolio positions quoted in GBP are partially hedged by forward currency rate agreements.
- The foreign exchange risks on portfolio positions denominated in USD are fully hedged by forward currency rate agreements.
- During the financial year, stock option agreements on stock indices were closed to reduce market risks in the portfolio.

On December 31st, 2010 no stock option agreements were closed.

Internal control

The daily management of Quest for Growth has been entrusted to Quest Management NV.

The board of directors of Quest for Growth and in particular the audit committee oversee:

- The quality and integrity of internal control, accounting and financial reporting processes of the company;
- The financial reports and other financial information that is provided by the company to shareholders;
- The organization of internal controls regarding accounting, financial transactions and compliance with the laws to which the company is subject.

Quest Management NV as managing director established a number of procedures that guarantee the quality and integrity of financial reporting. These procedures are included in the proceedings book of Quest for Growth and Quest Management and are updated if necessary.

The main features and/or objectives from Quest Management's internal control system are:

- The availability of accurate financial and management information;
- The protection of the assets of the company
- Monitoring compliance with the legislation to which the Company is subject;

- The prevention of fraud;
- Improving the quality of reporting;
- Identification and correction of incorrect data. The development of measures adopted to avoid mistakes in the future;
- Ensuring the continuity of reporting by making clear agreements, defining responsibilities and documentation of processes;
- Increase efficiency of operation;
- Internal and external transparency.

Quest for Growth does not have activities in the research and development area.

The directors have no knowledge of other facts after the end of the year that could have a significant influence on the development of the company.

Appropriation of the result

The Board of Directors proposes to the Annual General Meeting of Shareholders to transfer the profit of € 20,568,083 (€ 1.74 per share) of the year to be appropriated to the loss carried forward from the previous year. The loss carried forward after deduction of the profit carried forward of the fiscal year amounts to € 5,990,236 on December 31st, 2010.

Conflicts of interest - application of article 523 of the company code

1. Investment of € 15,000,000 in Capricorn Health-Tech Fund

Board of Directors of December 2nd, 2010

Euro Invest Management NV, represented by Mr. Philippe Haspeslagh, Mr. Jos Peeters and Mr. René Avonts, announce before the meeting that they have a direct or indirect financial interest that conflicts with the decision to be taken or transaction under Article 523 of the Companies and hence with the discussion of and decision on the investment can participate. The Chairman of the Audit Committee and the Commissioner have been informed accordingly. Mr. Avonts is managing director and shareholder of Quest Management NV.

Messrs Haspeslagh and Peeters are director and shareholder of Quest Management NV and Capricorn Venture Partners NV.

Mr. Peeters reflects the investment proposal and answers several questions from other members of the board of directors.

The proposal to invest € 15 million in the Capricorn Health-Fund was discussed by the other members of the board who have no direct or indirect financial interest in the proposed transaction. All members of the board individually give their opinion on the proposal.

The proposed transaction is approved unanimously by the members of the board of directors of Quest for Growth NV.

Conflicts of interest - application of article 524 of the company code

2. Management proposal between Quest Management NV – Quest for Growth NV of April 1st, 2010 until March 31st, 2012

Board of Directors of January 25th, 2010

On February 9th, 2009, the remuneration for the mandate of Quest Management NV as managing director of the company was renegotiated. The compensation of January 1st, 2009 to December 31st, 2009 was set at € 1.95 million per year. was re-negotiated. Before the end of 2009, the mandate fee of Quest Management NV as managing director had to be re-negotiated again. The new agreement had to be ratified by the Board of Directors.

The directors of Quest Management NV, who have a financial interest, that was contrary to the decision to be taken - Euro Invest Management NV, represented by Prof. Philippe Haspeslagh, Dr. Jos B. Peeters, Chairman of the Board of Directors and René Avonts, managing director of Quest Management NV - reported this before the meeting of the Board of Directors of January 25th, 2010 to the Chairman of the Audit Committee and the Commissioner.

The Board has put together a committee of three independent directors in accordance with Article 524 § 2 of the Commercial Code to assess the proposal of management fee of Quest Management.

The three independent directors thereafter suggested an independent expert. The latter was commissioned to conduct a market study paid by fees comparable with Quest for Growth's funds.

During the Board of Directors meeting of January 25th, 2010, the Board of Directors have taken note of the report of independent directors and of the advice of the independent expert. The committee of the independent directors agrees with the recommendations of the expert and gives the Board of Directors their written motivated advice for following recommendations :

- Reduction of the management fee to 1.85% of net equity of the company.
- The previously introduced total cost ratio of 3.5% per annum is maintained.
- A pro rata increase of compensation in case of a capital increase.
- A high water mark on the basis of equity on December 31st, 2009.
- Maintaining the current hurdle rate for the preference shares.

The members of the Board of Directors – excluding the Quest Management directors who have a financial interest that conflicts with the decision to be taken - dislike the advice of the committee of independent directors and establish a delegation that should delegate a short term solution. The procedure under Article 524 of Companies is terminated.

Board of Directors of March 15th, 2010

The members of the Board of Directors– excluding the Quest Management NV directors who have a financial interest that conflicts with the decision to be taken – conclude a new agreement between Quest for Growth NV and Quest Management NV different from the earlier advice given by the committee of independent directors and the opinion of the independent expert appointed under Article 524 of the Companies.

The agreement with Quest Management NV on the reimbursement of the mandate of the managing director will be closed for a period from 1 April 2010-31 March 2012. Before the end of that period a new agreement should be closed, otherwise the existing agreement continues.

- From April 1st, 2010 until March 31st, 2012 Quest Management NV receives a fixed fee of € 1,500,000 on a yearly basis.
- The current total expense ratio of 3.5% per annum is maintained.
- The minimum management fee, defined as the annual fee paid by the company to Quest Management NV and expressed as a percentage of net equity is fixed at 1.5%

annually. The minimum management fee, defined as the annual fee by the company to Quest Management NV paid and expressed as a percentage of net equity is fixed at 1.5% annually. The Minimum Fee Management is verified on the 30th of June and on 31st of December of each year based on the audited figures. If the Minimum Management Fee falls below 1.5%, measures are taken in consultation with the independent directors to meet the minimum requirements.

The Commissioner was informed of the above procedure and in the context of the work formulates his findings in his report:

In the context of the assignment our following works are:

- whether the financial information as stated in the advice of the Committee of Independent Directors are in line with the underlying accounting documents;
- whether the financial information as stated in the minutes of the Board of Directors are in line with the underlying supporting documents;
- whether the data in the opinion of the committee of independent directors comply with the requirements of Article 524 of the Companies Act.

Based on this work we report following findings :

The Board of Directors has analysed the report of the committee of independent directors and decided on January 25th, 2010 to advise to do a different proposal than the one from the independent directors Quest Management NV. The delegates of Quest Management NV found the proposal, being an a fee of 1.85% of net asset value (net asset value), unacceptable and opted to change the process. The procedure under Article 524 was considered terminated. Both parties have appointed a negotiating team, which was asked to find an agreement and a new proposal at short notice to help the Board of Directors.

The negotiating team reached a consensus, which was then approved by Quest Management NV. On March 15th, 2010, the proposal was approved by all members of the Executive Board members including the members, who, directly or indirectly, have a financial interest that conflicts with a decision or a transaction within the authority of the Board of Directors. This proposal consists of a continuation of the management contract for a period of two years at a fixed fee of € 1.5 million per year starting April 1st, 2010 and ending by March 31st, 2012.

If the annual management fee as a percentage of the net asset value falls below 1.5%, Quest for Growth NV, with its independent directors, decide on measures to be taken to meet the minimum requirement.

It seems that from this consensus the agreed management fee is lower than the one proposed by the committee of three independent directors. We may therefore conclude that the failure to follow the advice of the committee of three independent directors and the termination of the procedure under Article 524 of the Companies Law is not detrimental for the company Quest for Growth NV and therefore not detrimental to its shareholders.

Overview of the activities of the audit committee

The audit committee exists of 4 members of the Board of Directors, of which the majority is an independent director. The audit committee appoints a chairman within his members. The chairman should be an independent director.

The Board of Directors note that a majority of the members of the audit committee meet the requirements of independence and expertise in the field of accounting and auditing, as required by the Companies Act.

The audit committee reports at regular times, but at least once a year, on its activities to the Board of Directors.

The main task of the audit committee is to assist the Board of Directors in its oversight responsibilities by checking :

- the quality en the integrity of the audit, accounting and the financial reporting processes of the Company;
- the financial reports and other financial information offered by the Company to the shareholders;
- the organization of internal controls regarding accounting, financial transactions and compliance with the legislation to which the Company is subject.

The activities of the audit committee also include the oversight commission which was entrusted to at least two independent directors in accordance with Article 23, second paragraph of the bylaws.

The audit committee met twice during the last fiscal year. The meetings took place for the meetings of the Board of Directors to approve the annual report of the previous year and the interim report.

The following subjects were discussed:

- the Audit Committee charter;
- the corporate governance charter;
- financial report and annual report for the year that ended on December 31st, 2009;
- half-year account 2010;
- application of International Accounting Standards (IFRS) and the implementation of this in the Privak decision;
- compliance with the investment rules set out in Article 41 of the Royal Decree of 18 April 1997;
- supervision of salaries paid to business professionals in cooperation with the auditor;
- monitoring compliance with the management agreement between Quest for Growth and Quest Management and control of the global cost ratio;
- monitoring the transaction costs for securities transactions;
- research of internal control procedures;
- risk management

Leuven, January 24, 2011

Discharge

Please discharge the Directors and the Auditor by separate vote, upon completion of their tasks for the past year.

January 24th, 2011

The Board of Directors



REPORT

OF THE STATUTORY AUDITOR

Statutory auditor's report to the general meeting of shareholders of Quest for Growth NV PRIVAK on the financial statements for the year ended 31st December, 2010

In accordance with legal and statutory requirements, we report to you on the performance of our audit mandate. This report includes our opinion on the financial statements together with the required additional comments and information.

Unqualified audit opinion on the financial statements, with explanatory paragraph

We have audited the financial statements of Quest for Growth NV PRIVAK for the year ended 31st December, 2010, prepared in accordance with the financial reporting framework applicable in Belgium, which show a balance sheet total of € 106,076,434 and a profit for the year of € 20,568,083.21.

The Board of Directors of the company is responsible for the preparation of the financial statements. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with legal requirements and auditing standards applicable in Belgium, as issued by the "Institut des Réviseurs d'Entreprises/Instituut der Bedrijfsrevisoren". Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

In accordance with these standards, we have performed procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we have considered internal control relevant to the company's preparation and fair presentation of the financial statements 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. We have also evaluated the appropriateness of the accounting policies used, the reasonableness of accounting estimates made by the company and the presentation of the financial statements, taken as a whole. Finally, we have obtained from management and responsible officers of the company the explanations and information necessary for our audit. We believe that the audit evidence we have obtained provides a reasonable basis for our opinion.

In our opinion, the financial statements as of 31st December, 2010 give a true and fair view of the company's net worth, financial position and results in accordance with the financial reporting framework applicable in Belgium.

In spite of the losses carried forward for the year ended 31st December 2010, which have affected adversely the financial position of the company, the financial statements have been prepared under going concern principles. Without calling into question our unqualified opinion we would like to draw your attention to the directors' report in which the Board of Directors has, in accordance with Belgian laws, justified the application of the going concern principle. No adjustments have been made to the valuation and classification of certain captions of the balance sheet which would be necessary if the company was not able to pursue its activities.

Additional comments and information

The preparation of the management report and its content, as well as the Company's compliance with the Company Code and their bylaws are the responsibility of the board of directors.

Our responsibility is to supplement our report with the following additional statements and information, which do not modify our audit opinion on the financial statements:

- The Management report includes the information required by law and is consistent with the financial statements. We are, however, unable to comment on the description of the principal risks and uncertainties which the company is facing, and on its financial situation, its foreseeable evolution or the significant influence of certain facts on its future development. We can nevertheless confirm that the matters disclosed do not present any obvious inconsistencies with the information that we became aware of during the performance of our mandate.
- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- There are no transactions undertaken or decisions taken in violation of the company's bylaws or the Company Code that we have to report to you. The appropriation of results proposed to the general meeting complies with the legal and statutory provisions.
- In application of Article 523 of the Company Code, we have to report the following transactions which occurred since the last annual shareholder's meeting:

- o Decision of the Board of Directors of November 2nd, 2010 to realize a merge between the management companies Quest Management NV/SA and Capricorn Venture Partners NV/SA.
- o Decisions of the Board of Directors of December 1st, 2010 concerning the proposal of a direct investment of € 15 million in Capricorn Health-Tech Fund NV/SA and the proposal of commitment to invest up to € 5 million for investments in new portfolio companies of Capricorn Cleantech Fund NV/SA. Both companies are managed by Capricorn Venture Partners NV
- In application of Article 524ter of the Company Code, we have given an opinion about the reliability of the data which were included in the advice given by the Committee of independent directors and in the minutes of the Board of Directors with respect to revision of the management fee applicable between the company and Quest Management NV as of April 1st, 2010.

Kontich, January 24th, 2011
KPMG Auditors

Statutory Auditor
represented by

Pierre P. Berger
Auditor

DECLARATION RELATIVE TO THE FAITHFUL IMAGE OF THE ANNUAL ACCOUNTS AND THE FAITHFUL OVERVIEW

Auxilium Keerbergen BVBA, represented by Mr. Frans Theeuwes, director – chairman of the Audit Committee and Quest Management NV, represented by Mr. René Avonts, Managing Director, declare in name and for account of the Board of Directors of Quest for Growth NV, that to their knowledge,

- a) the annual financial overviews, drafted according to the Belgian applicable standards for annual accounts, show a faithful image of the assets, the financial situation and the results of the issuer as required by Article 13 § 4 of the Royal Decree of November 14th, 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market;
- b) the annual report shows a faithful image of the information required by Article 13 §§ 5 and 6 of the Royal Decree of November 14th, 2007 concerning the obligations of issuers of financial instruments admitted to trading on a regulated market.

Leuven, January 24th, 2011

Auxilium Keerbergen BVBA,
Represented by Mr. Frans Theeuwes

Quest Management NV
Represented by Mr. René Avonts

FINANCIAL CALENDAR

Shareholders' meetings	Annual General Meeting	March 17 th 2011
	Annual General Meeting	March 15 th 2012

Public announcements	Results Q1	April 28 th , 2011
	Results H1	July 28 th , 2011
	Results Q3	October 27 th 2011
	Results FY	January 26 th 2012

Analyst meetings & Press conferences	April 29 th , 2011	11.00 am
	July 29 th , 2011	11.00 am
	October 28 th 2011	11.00 am
	January 27 th 2012	11.00 am

Publication of Net Asset Value

2011												
I.W.	31 Jan	28 Feb	31 Mar	30 apr	31 Mei	30 Jun	31Jul	31 Aug	30 Sep	31 Okt	30 Nov	31 Dec
QfG Website	4 Feb	4 Mar	6 Apr	4 Mei	3 Jun	1 Jul	3 Aug	2 Sep	5 Okt	4 Nov	2 Dec	4 Jan
Cash	10 Feb	10 Mar	7 Apr	5 Mei	9 Jun	7 Jul	4 Aug	8 Sep	6 Okt	10 Nov	8 Dec	5 Jan
De Tijd	5 Feb	5 Mar	9 Apr	7 Mei	4 Jun	2Jul	6 Aug	3 Sep	8 Okt	5 Nov	3 Dec	7 Jan
L'Echo	5 Feb	5 Mar	9 Apr	7 Mei	4 Jun	2 Jul	6 Aug	3 Sep	8 okt	5 nov	3 Dec	7 Jan

Publication NAV on QfG website after 5.40PM



QUEST FOR GROWTH NV

Privak, fixed capital investment company established under Belgian Law

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