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QUEST FOR GROWTH

Investment in French diagnostic company HaliuDx

EQUITY INVESTMENT INSTRUMENTS

BELGIUM

CURRENT PRICE €9.68

TARGET PRICE €9.10

HOLD

RATING UNCHANGED



Source: Thomson Reuters Datastream

Bloomberg	QFG BB
Reuters	QUFG.BR
www.questforgrowth.com	
Market Cap	€ 111.6m
Shares outst.	11.5m
Volume (daily)	€ 142,774
Free float	72.9%

Next corporate event

Results FY17: 25 January 2018

(€m)	2014	2015	2016
Net result	8.7	37.9	
Adj. net result	8.7	37.9	
Basic EPS (€)	0.76	3.29	
ROE	7.9%	34.5%	
Adj. eq. value	10.28	10.81	
Premium/disc.	26.0%	-5.5%	
DPS (€)	0.72	3.72	0.00
Dividend yield	9.5%	32.6%	

Cédric Duinslaeger

+32 2 429 00 55

cedric.duinslaeger@kbcsecurities.be

Quest for Growth took part in HaliuDx Series B round of €18.5m. We recall QfG already showed a “to be announced” investment of approximately €1m in the December NAV overview, which is now revealed as HaliuDx.

HaliuDx is a diagnostic company expert in the analysis of the tumor microenvironment and previously closed a Series A round of €8m in 2015. The funds will be used to accelerate the development of their Immunoscope cancer therapy and set up commercial activities in the US.

Our View and conclusion:

Given the size (€1m or 0.6% of NAV) of the investment, it does not materially change our NAV estimate.

We do however raise our TP from €8.7 p.s. to €9.1 p.s. based on QfG's current NAV, which we estimate at €166m or €10.95 p.s. This TP entails a discount of around 16.5%, in line with the 2Y historical average. We maintain our Hold recommendation.