

25 January 2016

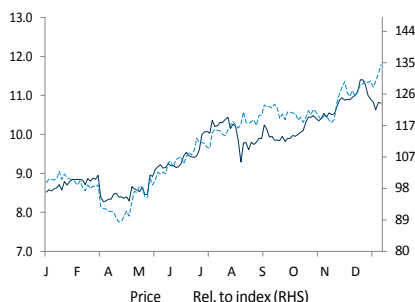
QUEST FOR GROWTH

Cap increase supports future investment ambitions

EQUITY INVESTMENT INSTRUMENTS
BELGIUM

CURRENT PRICE €11.25
TARGET PRICE €

SUSPENDED



Source: Thomson Reuters Datastream

Bloomberg	QFG BB
Reuters	QUFG.BR
www.questforgrowth.com	
Market Cap	€ 124.5m
Shares outst.	11.5m
Volume (daily)	€ 95,929
Free float	72.9%
Next corporate event	

General Assembly 15: 17 March 2016

(€ m)	2012	2013	2014
Net result	15.7	18.5	8.7
Adj. net result	0.0	18.5	8.7
Basic EPS (€)	1.36	1.60	0.76
ROE	17.2%	17.3%	7.9%
Adj. eq. value	9.26	10.87	10.28
Premium/disc.	38.4%	24.5%	26.0%
DPS (€)	0.00	1.18	0.72
Dividend yield	0.0%	14.4%	9.5%

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At its analyst meeting, Quest for Growth provided more details on the contemplated capital increase. As said earlier, the company intends to do a rights issue shortly after the dividend payment date (27 March 2016). Every 3 shares held will give the right to buy 1 new share. As such, a maximum number of 3,843,316 new shares can be issued.

Through the capital increase, Quest intends to further build its pipeline of unquoted investments and venture capital funds. The capital should provide the necessary liquidity in order to support and steer promising unquoted companies. Next to that, it should allow further growth of the quoted portfolio.

The cash of 3 dividends (3 x net €2.7) should be sufficient to subscribe to the capital increase, which hence comes at max. €8.1 p.s. As such, a maximum amount of €31.1m can be collected. The company points at an amount between €25m and €30m. The exact subscription price and hence discount to the theoretical ex-right price / NAV p.s. are to be announced closely before the launch date of the transaction (expected April 11 2016).

Subscription rights will trade separately on Euronext Brussels. Unexercised rights will not be sold through a scrip auction, but will be nullified after the subscription period.

Conclusion:

Given our involvement in the transaction, we temporarily suspend our coverage.

KBC Securities acts as joint lead manager and bookrunner.