ANNUAL REPORT 2018
QUEST FOR GROWTH

CONTENTS

ANNUAL REPORT 2018

PROFILE

QUEST FOR GROWTH is a privak/pricaf, a public alternative investment fund (AIF) with fixed capital under Belgian law, managed by Capricorn Venture Partners NV.

The diversified portfolio of Quest for Growth chiefly comprises investments in growth undertakings listed at European stock exchanges, European unlisted companies and venture capital funds.

Quest for Growth focuses on innovative companies in areas such as information and communication technology (ICT), technologies for the healthcare sector (Health-tech) and clean technology (Cleantech).

Quest for Growth has been listed on Euronext Brussels since 23 September 1998.

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MESSAGE
TO THE SHAREHOLDERS

Dear Shareholders,

In 2018, Quest for Growth was able to look back on full 20 years of investment activity since its incorporation and stock market floatation. In that time, we have achieved both of our prime aims of providing finance to smaller start-up companies and offering investors the chance of participating in a diversified portfolio of both quoted and unquoted innovation enterprises. Those 20 years have seen periods both of plenty and of paucity, but there were frequent occasions when we were able to pay our stockholders handsome dividends.

2018 was, alas, not a year of plenty. Our investment policy does not rule out the eventuality of years in which performance tends to the weaker side. Return on equity fell to -18.35% in 2018. The nearly 27-million-euro loss is disappointing, but can be qualified by taking a somewhat longer-term view: 2017's profit was well above 27 million, and robust profit was also accumulated year on year in the period from 2012 to 2015.

Further to a net dividend distribution of 1.52 euros per share in April, for the first time in the company's history stockholders were offered the choice of taking their dividend up in cash or in the form of new shares. The mechanism gives our owners the chance to reinvest their dividends efficiently and offers Quest for Growth space to further grow its asset holdings. The operation went off successfully and we raised well over 11 million euros in additional capital.

The storms that ravaged the financial markets, especially in the second half of the year, did not pass the quoted share portfolio by. Stock indices across Europe booked year-on-year losses of well above 10%. Whereas 2017's profits lay far above the market averages, the quoted portfolio suffered losses to an extent far greater than most of the indices. On the quoted shares side, it's the first year since 2011 that we failed to rise above the European market, as measured by the STOXX Europe 600 index. A major factor in this disappointing performance was the portfolio's over-weighting of "small caps", companies with a smaller stock market capitalisation that are therefore subject to greater volatility in times of market turbulence.

Albeit significantly lower in absolute figures, the investments in unquoted companies and venture capital funds also showed more disappointments that positive outriders. That said, we would nonetheless point to a highly successful exit at Capricorn ICT Arkiv: the Finnish company Noona was sold to an interesting "multiple", Varian in the US. It was the second successful exit from Capricorn ICT Arkiv, following Cartagenia's sale to Agilent in 2015.

We have not slackened the pace of our endeavours to further expand the portfolio of unquoted shares. The Capricorn venture capital funds in which Quest for Growth invests saw four new investments, in addition to which we have made three initial direct investments in three companies. A major step taken at the end of the year was raising the investment commitment in the Capricorn Sustainable Chemistry Fund to 20 million euros. With new investors such as Toyobo, ASR Verzekeringen and Belfius Insurance participating alongside Quest for Growth, the fund now has 86.5 million euros of capital to invest in start-up and growth companies in the area of sustainable chemicals. Overall, these moves have greatly raised the portion of unquoted companies in the portfolio as a whole and they moreover lend additional compliance comfort in terms of statutory minimum investment requirements.

In line with rules of good corporate governance, the board of directors resolved to engage a new statutory auditor. For 20 years, KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises has acquitted itself professionally of these duties and, as chairman, I wish to express my thanks to all KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises staff with whom we had the pleasure to work over that period. PricewaterhouseCoopers Bedrijfsrevisoren/Reviseurs d'Entreprises will be proposed to the shareholders to take over their audit duties for the future.

Finally, on behalf of the entire team here at Quest for Growth, I would like to express my heartfelt thanks to our shareholders for the trust they placed in us over the past year. Given the robust long-term results that our stated investment strategy has garnered, we will remain faithful to it and look to the future with renewed confidence.

Thanking you sincerely,

Antoon De Proft
Chairman

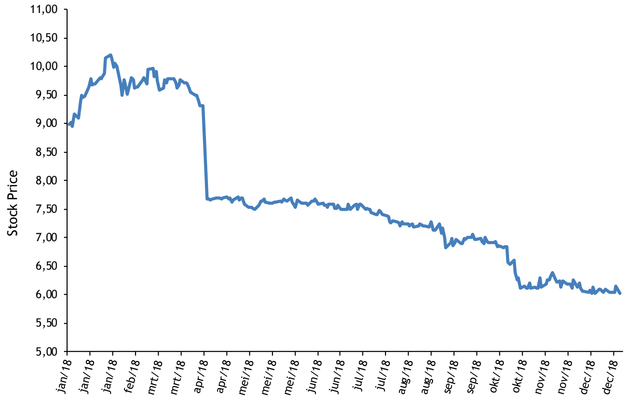
22 January 2019

	1/01/2018 31/12/2018	1/01/2017 31/12/2017	1/01/2016 31/12/2016 IFRS	1/01/2016 31/12/2016 BGAAP	1/01/2015 31/12/2015	1/01/2014 31/12/2014
Balance sheet and results (in €)						
Net profit/loss	-26,923,827	27,389,776	538,144	-425,236	37,899,036	8,712,147
Dividend preference shares	0	3,813,311	0	0	6,228,905	422,110
Dividend ordinary shares	0	23,351,393	0	0	31,506,537	8,278,674
Total dividend	0	27,164,704	0	0	37,735,442	8,700,784
Net asset value (NAV)	119,443,713	162,358,890	134,969,114	134,969,114	110,012,217 (1)	109,848,623 (1)
Financial Assets (shares and receivables)	106,085,071	141,803,841	121,029,377	121,029,377	127,605,558	110,414,970
Cash at bank and in hand and term deposits	7,197,869	11,672,511	13,363,928	13,363,928	13,284,643	6,670,317
Total Assets	119,485,663	162,401,757	135,015,080	135,015,080	147,884,544	118,650,383
Numbers per ordinary share (in €) (2)						
Profit/loss per share	-1.61	1.55	0.04	-0.03	3.29	0.76
Gross dividend per ordinary share	0.00	1.54	0,00	0.00	2.73	0.72
Net dividend per ordinary share	0.00	1.52	0,00	0.00	2.70	0.70
NAV per share	7.12	10.71	8.91	8.91 (1)	9.54 (1)	9.53 (1)
Stock information						
Share price at year end (€)	6.02	8.811	7.649	7.649	11.40	7.611
Total number of outstanding shares	16,774,226	15,155,969	15,155,969	15,155,969	11,529,950	11,529,950
Market capitalisation	100,980,841	133,539,243	115,920,358	115,920,358	131,430,030	87,746,838
Stock market volume in shares	2,939,387	3,783,165	5,108,884	5,108,884	2,527,587	1,720,362
Stock market volume (× € 1000)	24,355	30,230	42,920	42,920	23,245	13,628
Ratios						
Return NAV (3)	18.35%	22.29%	0.00%	-0.30%	34.50%	7.93%
Net return on equity (with regard to share price at year end)	0.00%	17.25%	0.00%	0.00%	23.68 %	9.20%
Pay-out ratio	0.00%	99.18%	0.00%	0.00%	99.57 %	99.86%
Discount share price at year end with regard to NAV	15.46%	17.75%	14.11%	14.11%	11.04 %	25.98 %

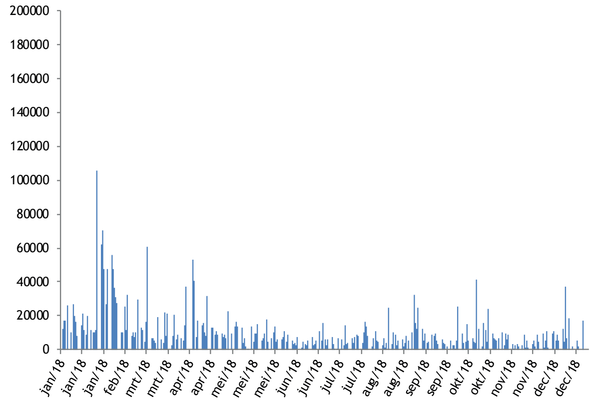
(1) after profit distribution
(2) calculated with total number of outstanding shares at year end, including bought-in shares
(3) NAV return after profit distribution, taking into account capital increases (time weighted rate of return)

SHAREHOLDER INFORMATION

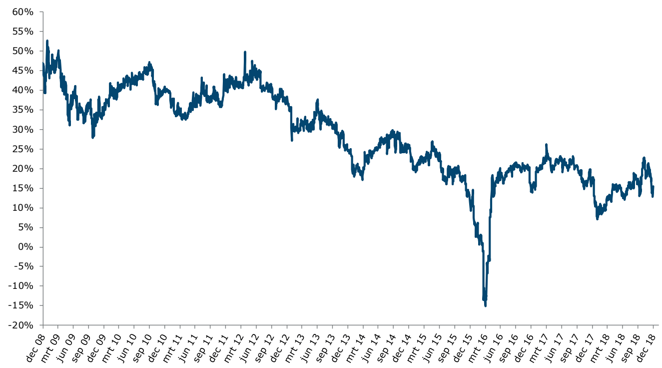
STOCK PRICE



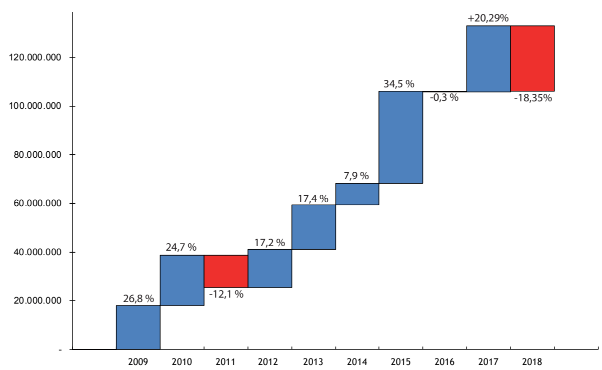
VOLUME



DISCOUNT OF THE STOCK VERSUS NAV



RESULTS*



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

59.02%
Quoted companies

Health Care Equipment & Services
- PHARMAGEST – 4.53%
- FRESENIUS – 3.09%
- nexus ag – 2.44%

Total: 10.06%

Electrical & Engineering
- CFE – 2.26%
- DATRON – 1.11%
- EXEL Industries – 1.22%
- JENSEN – 3.78%
- NORMA GROUP – 3.82%
- technotrans – 2.92%

Total: 15.11%

Software & Services
- AKKA Technologies – 2.24%
- cenit – 2.51%
- cewe – 4.63%
- SAP – 1.89%
- USU – 1.43%

Total: 12.70%

Technologie Hardware
- AURES – 2.84%
- EVS – 1.95%
- nedap – 1.08%
- TKH Group – 4.62%

Total: 10.50%

Materials
- Aliaxis – 2.10%
- STEICO – 1.31%
- Kingspan – 2.50%
- ForFarmers – farmers 1.18%
- umicore – 1.40%

Total: 8.50%

Semi-conductors
- Melexis – 2.16%

Total: 2.16%

11.02%
Unquoted Companies

- **ICT**
  - BlueBee 0.73%
  - miaa Guard 0.52%
  - NGDATA 0.57%
  - sensolus 0.42%
- **Health-tech**
  - halio dx 1.67%
  - miracor medical 1.67%
  - sequanamedical 1.33%
- **Cleantech**
  - c-LEcta 1.88%
  - EpiGaN 0.33%
  - FRX Polymers 1.89%

21.16%
Venture capital Funds

- **Capricorn funds 17.78%**
  - **Capricorn Cleantech Fund 1.29%**: avantium, EpiGaN, FRX Polymers
  - **Capricorn Health-tech Fund 6.30%**: confo therapeutics, diagenode, iSTAR Medical, Mainstay Medical, Nexstim, sequanamedical, TROD Medical
  - **Capricorn ICT-Arkiv 6.77%**: Arkite, BlueBee, FEOPS, icometrix, indigo, Lindacare, miaa Guard, NGDATA, sensolus
  - **Capricorn Sustainable Chemistry Fund 3.42%**: Black Bear Carbon Black, c-LEcta, DMC, ViroVet
- **Other funds 3.38%**
  - The Carlyle Group 0.53%
  - LSP Life Sciences Partners 2.55%
  - SV Life Sciences 0.04%
  - Vertex Venture Capital 0.27%

2.24%	4.68%	4.10%	1.29%	6.30%	6.77%	3.42%	3.38%

Quest for Growth is a public closed-end investment fund (privak/pricaf), whose goal is to invest in growth companies with the aim of realising capital gains that can be paid out to the shareholders, without withholding tax being due.

Asset allocation

Quest for Growth invests in both quoted and unquoted growth companies. Quest for Growth will invest at least 70% of its assets in quoted companies with a market capitalization of less than €1.5 billion or in unquoted companies. At least 25% of the assets will be invested in unquoted companies. Quest for Growth will target a combined exposure to unquoted equity (direct and indirect via venture capital funds) and uncalled commitments between 45% and 55% of its statutory capital. Investments are chiefly made by shares and convertible loans.

Resources that are temporarily not invested in the above categories may be held in financial instruments such as term deposits or short-term commercial paper. Quest for Growth is allowed to hold up to 30% of its assets in cash and cash equivalents.

In general, Quest for Growth limits its investments to the amount of its own funds. The use of borrowings (leverage) is limited to a maximum of 10%, but debt financing will only be used in special circumstances and for a limited period. The aggregated amount of uncalled committed capital of all venture capital funds and any debt taken on by Quest for Growth will never exceed 35% of the statutory capital of Quest for Growth.

The use of derivative products is possible within certain limits as an alternative to equities dealing or in order to hedge the quoted equities portfolio.

Geographically, Quest for Growth mainly focuses on European companies. In principle investments in foreign currencies will not be hedged. The asset manager can decide to deviate from the general rule in exceptional circumstances. For example, in case of an investment in an unquoted company in a country that is perceived as having a significant exchange rate risk or in case of an imminent exit in a not EUR denominated company. The decision to hedge will be exceptional and the reasoning will be documented and reported to the board of directors of Quest for Growth.

Sectors and investment areas

Given the desire to invest in growth companies, the focus lies on industries and themes that are expected to be capable of higher than average growth. Quest for Growth has three central areas of investment, being ICT (information and communication technology), Health-tech (technology for the healthcare sector) and Cleantech (clean technology).

ICT (information and communication technology) specifically involves investments in the “Software & Services”, “Technology Hardware” and “Semiconductors” sectors. ICT was the growth sector par excellence in the 1990s, when Quest for Growth was incorporated. At the present time, there is increasing focus on sub-areas within ICT that still have strong growth prospects. Examples include digital solutions for the healthcare sector (“Digital Healthcare”), the management of large quantities of data (“Big Data”), the internet of things, e-commerce, cloud computing, … Service providers with added value can also be included in the portfolio.

In Health-tech (technology for the healthcare sector) the focus lies on businesses oriented towards the prevention, diagnosis and treatment of illnesses. This encompasses biopharmaceutical and pharmaceutical medicines (the “Pharma & Biotech” sector) and medical equipment, devices and services (the “Health Care Equipment & Services” sector). Examples of firms we are on the look out for include products and technologies offering solutions for major clinical needs or that contribute to keeping a check on rising costs on the healthcare sector.

Cleantech (clean technology) covers innovative products or services for cleaner or more efficient use of the earth’s natural resources such as energy, water, air and raw materials. Cleantech can be regarded as a particularly attractive area of investment in the coming years and decades because it offers solutions that enable further economic growth on a planet with limited natural resources. This investment theme can include investments in companies involved in energy efficiency, renewable energy, advanced materials, sustainable chemistry, water and pollution control. Major Cleantech holdings in the portfolio are to be found in the “Electrical & Engineering” and “Materials” sectors.

Investments in quoted companies

Quest for Growth’s quoted portfolio is 100% actively managed and does not follow any reference index or benchmark. Stock selection is based on fundamental analysis. Important investment criteria are: financial strength, growth prospects, market position, management strength and valuation. The preference lies in long-term investments in growth companies with an attractive valuation.

Most of the shares within the portfolio are in companies with a small or mid sized market capitalisation (small & mid caps). Quest for Growth believes it is very important to maintain personal contact with the management of these companies. In addition to mid caps, Quest for Growth may also invest in large companies to a certain degree, thus improving the liquidity of part of the portfolio.

Balanced diversification among the various industries is a goal. The portfolio is diversified but selective, with investments in 20 to 30 different companies. The holding in any individual company is in principle no more than 5% of the net asset value.

Investments in unquoted companies

Quest for Growth is able, on a selective basis, to co-invest together with the venture capital funds of Capricorn Venture Partners, which can result in Quest for Growth increasing its exposure to companies in which investments have already been made. This will usually be done in a later phase of the company's development.

To promote investment in unquoted companies, the Board of Directors resolved in 2017 to make provision for direct investments that were not joint investments. They have to fall within the existing competences of the management company, Capricorn Venture Partners, but outside the active investment period or specialisms of existing Capricorn venture capital funds. The search is on for companies that at least have returning, paying clientele or a proof of concept (in Health-tech). For direct investments in unquoted companies, Quest for Growth will invest a maximum of 5% of the assets in a single company. The initial investment will amount to a maximum of 2.5% of the assets.

The aim with regard to unquoted equities is to create capital gains by means of takeovers by other market players or in the course of exit (i.e., disposing of the shares in the company) by means of an IPO on the stock market.

Investments in venture capital funds

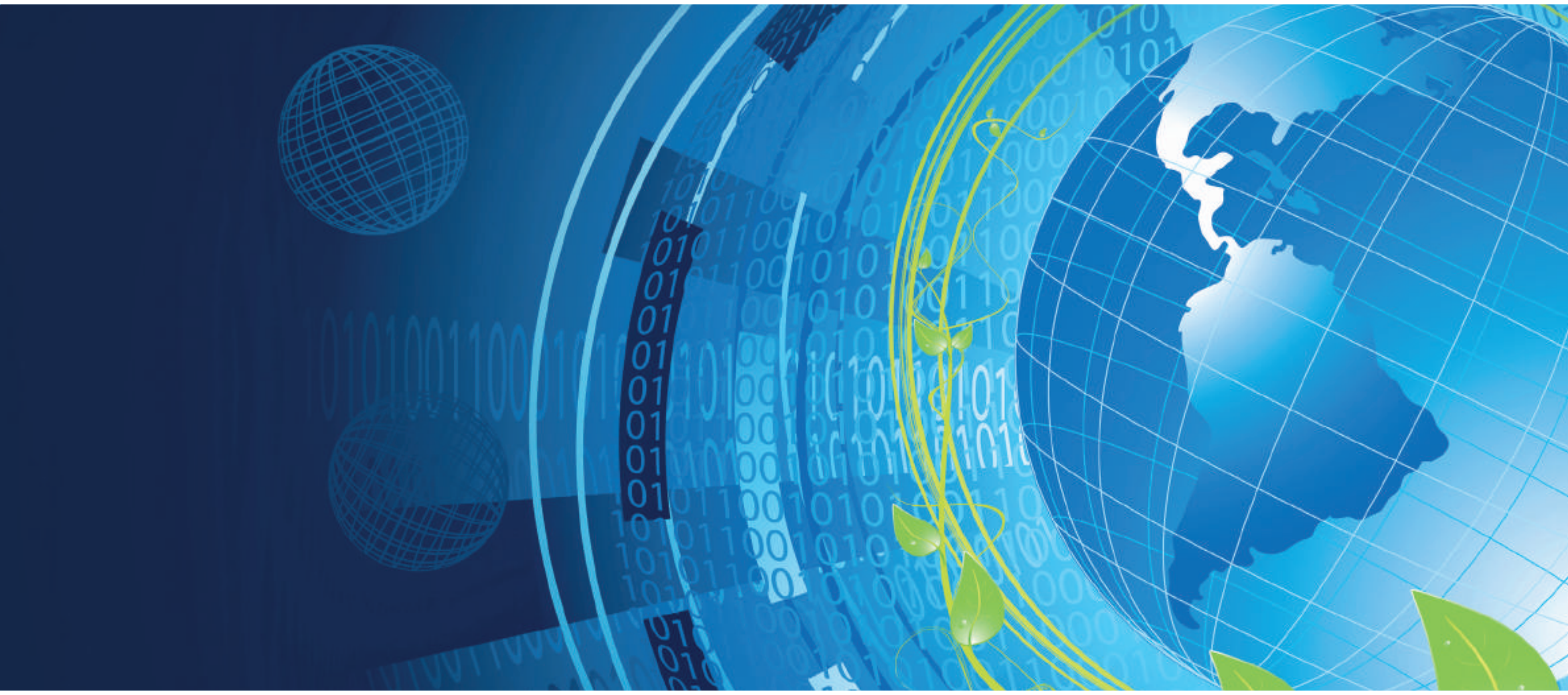
To a major extent, investments in unquoted equities will be made via venture capital funds of Capricorn Venture Partners, which is Quest for Growth's management company. Decisions on whether to undertake investments in these funds are taken by the board of directors of Quest for Growth. The aim is to acquire significant holdings in businesses via these funds, whereby the manager plays an active role on the board of directors and in supporting those businesses' management. This strategy is designed to ensure a higher influx of investment files and more thorough supervision of the investments in unquoted shares, with the ultimate aim of further improving Quest for Growth's future results.

As regards investments in third-party funds, past obligations will be honoured. There will be no new investments in third-party funds.

Quest for Growth has committed to investing € 2.5 million in Capricorn Cleantech Fund (plus an additional investment in 2017 by the takeover of the participation of another investor), € 15 million in Capricorn Health-tech Fund, € 11.5 million in Capricorn ICT Arkiv and € 20 million in Capricorn Sustainable Chemistry Fund. This gives Quest for Growth exposure to growth companies in the three selected investment areas of Cleantech/Sustainable Chemistry, Health-tech and ICT, each via a specialised venture capital fund of Capricorn Venture Partners.

Quest for Growth will not commit more than 20% of its statutory capital to a single fund organized by Capricorn Venture Partners. The aggregated investment in venture funds calculated based on cost of investment will in principle never exceed 35% of the statutory capital of Quest for Growth.

These Capricorn funds in which Quest for Growth invests also strive to create capital gains by eventually selling the companies in their portfolio or listing them at the stock exchange.



INVESTMENT REPORT

Shares quoted companies

Company	Sector / Market	Number of shares	Change since 31/12/2017	Currency	Share price	Valuation in €	in % of Net Asset Value
	Software & Services						
AKKA TECHNOLOGIES	Euronext Paris	60,500	60,500	€	44.2000	2,674,100	2.24%
CENIT	Deutsche Börse	225,480	101,043	€	13.3000	2,998,884	2.51%
CEWE STIFTUNG	Deutsche Börse	89,000	15,000	€	62.1000	5,526,900	4.63%
SAP	Deutsche Börse	26,000	0	€	86.9300	2,260,180	1.89%
USU SOFTWARE	Deutsche Börse	108,257	-14,549	€	15.7500	1,705,048	1.43%
	Technology Hardware						
AURES TECHNOLOGIES	Euronext Paris	114,912	0	€	29.5000	3,389,904	2.84%
EVS	Euronext Brussels	100,628	-51,372	€	23.2000	2,334,570	1.95%
NEDAP	Euronext Amsterdam	31,218	31,218	€	41.4000	1,292,425	1.08%
TKH GROUP	Euronext Amsterdam	135,601	500	€	40.7000	5,518,961	4.62%
	Semiconductors						
MELEXIS	Euronext Brussels	50,635	20,500	€	50.9000	2,577,322	2.16%
	Healthcare Equipment & Services						
FRESENIUS	Deutsche Börse	87,000	18,000	€	42.3800	3,687,060	3.09%
NEXUS	Deutsche Börse	119,197	-25,792	€	24.5000	2,920,327	2.44%
PHARMAGEST INTERACTIVE	Euronext Paris	105,833	-14,664	€	51.1000	5,408,066	4.53%
	Electrical & Engineering						
CFE	Euronext Brussels	31,302	-3,000	€	86.4000	2,704,493	2.26%
DATRON	Deutsche Börse	119,000	19,000	€	11.1000	1,320,900	1.11%
EXEL INDUSTRIES	Euronext Paris	21,500	1,500	€	68.0000	1,462,000	1.22%
JENSEN GROUP	Euronext Brussels	132,876	10,000	€	34.0000	4,517,784	3.78%
NORMA GROUP	Deutsche Börse	105,700	-12,000	€	43.1800	4,564,126	3.82%
TECHNOTRANS	Deutsche Börse	142,114	41,455	€	24.5000	3,481,793	2.92%
	Materials						
ALIAXIS	Euronext Expert Market Brussels	135,132	6,134	€	18.6000	2,513,455	2.10%
FORFARMERS	Euronext Amsterdam	175,000	175,000	€	8.0500	1,408,750	1.18%
KINGSPAN	Dublin	80,000	-40,000	€	37.3800	2,990,400	2.50%
STEICO	Deutsche Börse	79,742	79,742	€	19.6000	1,562,943	1.31%
UMICORE	Euronext Brussels	48,000	-22,000	€	34.8600	1,673,280	1.40%
						70,493,670	**59.02%**

Shares unquoted companies

Company	Sector / Market	Change since 31/12/2017	Currency	Valuation in €	in % of Net Asset Value
HALIODX	Pharma & Biotech	999,900	€	1,999,980	1.67%
MIRACOR	Healthcare Equipment & Services	2,000,000	€	2,000,000	1.67%
				3,999,980	**3.35%**

		Change since 31/12/2017	Currency	Valuation in €	in % of Net Asset Value
Co-investments Capricorn Venture Funds					
BLUEBEE	Software & Services		€	500,070	0.42%
C-LECTA	Materials	2,250,000	€	2,250,000	1.88%
EPIGAN	Semiconductors		€	394,518	0.33%
FRX POLYMERS	Materials		$	2,081,716	1.74%
MIAA GUARD	Software & Services	625,000	€	625,000	0.52%
NGDATA	Software & Services		€	675,102	0.57%
SENSOLUS	Software & Services		€	500,000	0.42%
SEQUANA MEDICAL	Healthcare Equipment & Services		CHF	1,511,343	1.27%
				8,537,749	**7.15%**

Investments in Venture Funds

	Change since 31/12/2017	Currency	Last Valuation Date	Valuation in €	in % of Net Asset Value
CAPRICORN VENTURE PARTNERS					
CAPRICORN CLEANTECH FUND	-	€	31/12/2018	1,535,514	1.29%
CAPRICORN HEALTH-TECH FUND	-	€	31/12/2018	7,529,175	6.30%
CAPRICORN ICT ARKIV	575,000	€	31/12/2018	8,091,074	6.77%
CAPRICORN SUSTAINABLE CHEMISTRY FUND	1,250,000	€	31/12/2018	4,082,401	3.42%
THIRD PARTY FUNDS					
CARLYLE EUROPE TECHNOLOGY PARTNERS II	-247,759	€	30/09/2018	627,500	0.53%
LIFE SCIENCES PARTNERS III	-59,131	€	30/09/2018	466,000	0.39%
LIFE SCIENCES PARTNERS IV	-	€	30/09/2018	2,575,000	2.16%
SCHRODER VENTURES LSF II	-	$	30/09/2018	47,948	0.04%
VERTEX III	-200,494	$	30/09/2018	324,727	0.27%
				25,279,337	**21.16%**
Total Financial Assets - Shares		€		**108,310,735**	**90.68%**
Change in valuation in unquoted companies		€		**-2,851,674**	**-2.39%**
Total Financial Assets – Shares after depreciation		€		**105,459,061**	**88.29%**

Amounts receivable Companies

Company	Face value in currency	Change since 31/12/2017	Currency	Last Valuation Date	Valuation in €	in % of Net Asset Value
Loan notes						
BLUEBEE	375,000	375,000	€		375,000	0.31%
FRX POLYMERS	195,962	195,962	$		171,146	0.14%
SEQUANA	90,000	90,000	CHF		79,865	0.07%
					626,011	**0.52%**
Commercial paper						
ETEXCO	1,500,000		€		1,499,914	1.26%
ETEXCO	1,200,000		€		1,199,938	1.00%
PURATOS	1,500,000		€		1,499,957	1.26%
PURATOS	1,000,000		€		999,972	0.84%
					5,199,781	**4.35%**
Total Financial Assets - Amounts receivable			€		**5,825,792**	**4,88%**
Total Financial Assets			€		**111,284,853**	**93.17%**
Cash			€		7,197,869	6.03%
Other Net Assets			€		960,991	0.80%
Quest for Growth - Ordinary shares			€		-	0.00%
Total Net Asset Value			€		**119,443,713**	**100.00%**

GENERAL

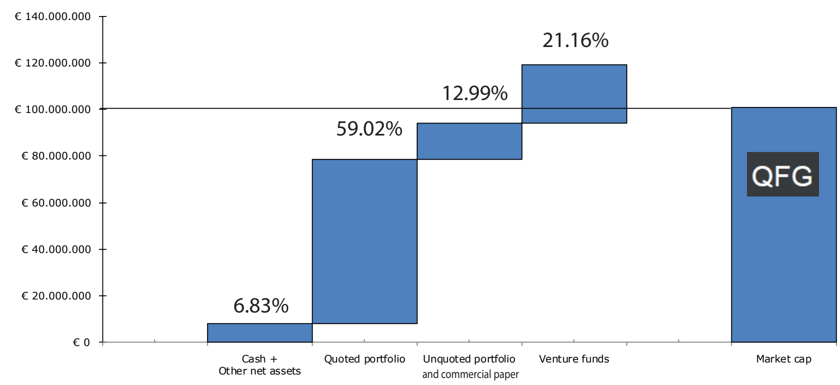
Portfolio diversification

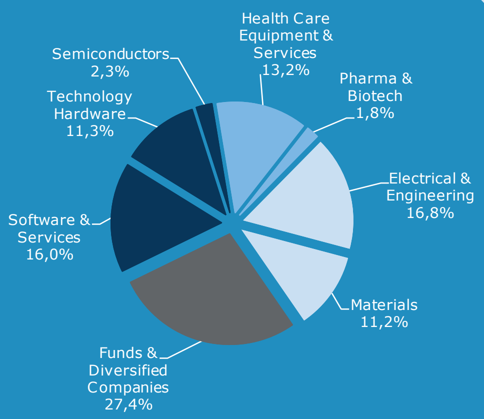
The net asset value per share on 31 December 2018 was 7.12 euros as against 10.71 euros on 31 December 2017. At the year-end, Quest for Growth's total assets stood at 119.4 million euros, against something over 162 million euros at the end of 2017. The fall in assets is the result of a dividend distribution in the sum of 27.2 million euros and a net loss over the financial year of 26.9 million euros, which was partly offset by a capital increase further to the option of taking dividend as stock, in a sum of 11.1 million euros.

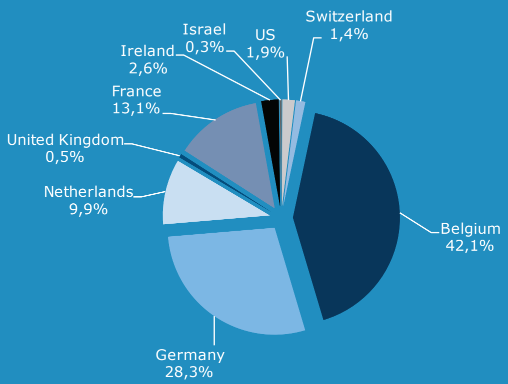
The greatest portion of the portfolio continues to be invested in shares, which comprise 59% of the total assets and represent an overall value of 70.5 million euros. This is down from the portion of around 67% of total net asset value that they represented on 31 December 2017. Approximately 12.5 million euros, or 15% of net asset value, consisted of securities issued by unquoted undertakings (compared to 11% a year previously). Value adjustments of unquoted companies fell further to 2.9 million euros, or 2% of net asset value, as against around 4 million euros a year previously. Well over 25 million euros, or 21% of net asset value, was invested in venture capital funds (17% on 31 December 2017). Total direct and indirect investments in unquoted companies amounted to about 34%, well over the statutory minimum of 25% (25.5% on 31 December 2017). The remaining 7% or so of the portfolio, corresponding to around 8 million euros, consisted of cash and other net assets (8% on 31 December 2017).

The share price at the end of 2018 stood at 6.02 euros compared to 8.81 euros at the end of the previous year. Taking account of the dividend paid, the share's performance was -18%. At the year-end, the share was quoted with a discount of well over 15% compared to net asset value, as against 18% on 31 December 2017. Quest for Growth's stock market capitalisation was approximately 101 million euros at year-end.

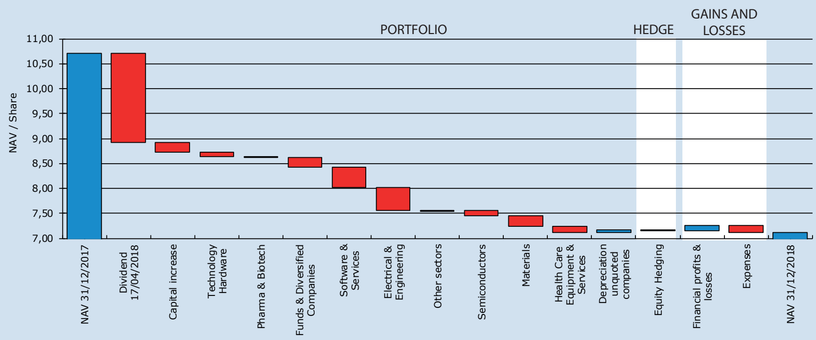
Portfolio composition and market capitalisation at 31/12/2018



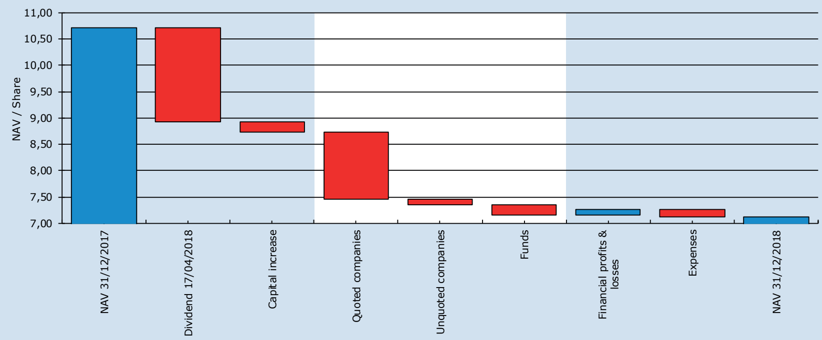




Added value per sector per share



Added value per segment per share



In terms of sectors, the portfolio continues to be well diversified among the three different investment areas that are focused on (ICT, Health-tech and Cleantech) and the seven sectors used in reporting on the portfolio (Software & Services, Technology Hardware, Semiconductors, Pharma & Biotech, Medical Services & Equipment, Electrical & Engineering and Materials). The geographical centre of gravity lies in western Europe.

Results per segment and per sector

Quest for Growth ended 2018 with a loss of approximately 27 million euros (1.65 euros per share). Net asset value per share was 7.12 euros on 31 December 2018, as against 10.71 euros on 31 December 2017. A gross dividend of 1.54 euros per share was paid out to the holders of ordinary shares on 17 April 2018. Taking account of this dividend and the capital increase further to exercise of the option to take dividend in the form of stock, the return on equity stood at -18.35%, compared to +20.3% in 2017.

The largest negative contributor to the result in absolute terms was the portfolio of quoted shares. The segment's venture capital funds and unquoted shares were also contributors to the loss. Financial income and charges gave a positive result, mainly thanks to dividends received on quoted shares.

Investments in quoted companies

Market environment

2018 was an especially difficult year for the financial markets, notably given the fact that not a single class of assets was spared the effects of the downturn. All the major regions booked negative stock returns, though the US market eventually suffered the least. European shares (STOXX Europe 600 Net Return Index) fell 10.8%. The STOXX Europe Small 200 Net Return Index performed more weakly than the wider market, with a loss of 12.9%.

Movements in each sector

The only (slightly) positively oriented sectors in Europe were “Utilities”, “Healthcare” and “Oil & Gas”, thanks to the dividend returns in those sectors. “Auto & Parts” was the weakest sector, with a loss in value of well over a quarter, followed by “Banks” and “Construction & Materials”.

Those sectors in which Quest for Growth’s quoted share portfolio is invested constitute three themes, or segments: ICT (mainly Software & Services, Technology Hardware and Semi-conductors), Health-tech (mainly Pharma & Biotech and Medical Services & Equipment) and Cleantech (mainly Electrical & Engineering and Materials).

ICT: in 2018, the ICT sector was characterised by continual focused attention on the mainly US tech giants such as Apple, Amazon, Facebook, Alphabet/Google and Netflix, also referred to as FAANGs, to which their “older” cousin Microsoft might be added. On 2 August, Apple became the first US corporation in history to exceed a market capitalisation of 1 billion dollars. With these corporations in the vanguard, the Nasdaq Composite index performed strongly up till the end of August with a rise of 18% in dollar terms. Thereafter, even this index took a steep downfall, ending the year with a loss in value of 4%, barely better than the S&P500 index. In Europe, the STOXX 600 Technology index is dominated by SAP (-6% in 2018, including its dividend) and ASML (-5%), which make up around 40% of the index. Despite the relatively good performance put in by those shares, the STOXX 600 fell -9%, a hair’s breadth less than the European market, a result of the fact that smaller IT companies suffered much more under the stock market’s malaise.

Health-tech: the healthcare sector, which can generally be regarded as defensive in nature, performed fairly well, though this has to be put into perspective in view of how it lagged badly behind the rest of the market in 2016 and 2017. The result achieved by the European STOXX Health Care index in 2018 was as good as flat, putting it among the best of all stock indices. Both larger and smaller stocks in that index performed robustly and it was also among the top performers in the US, with good results from drug companies such as Merck & Co and Pfizer, which were the two biggest risers in the Dow Jones Industrial Average in 2018.

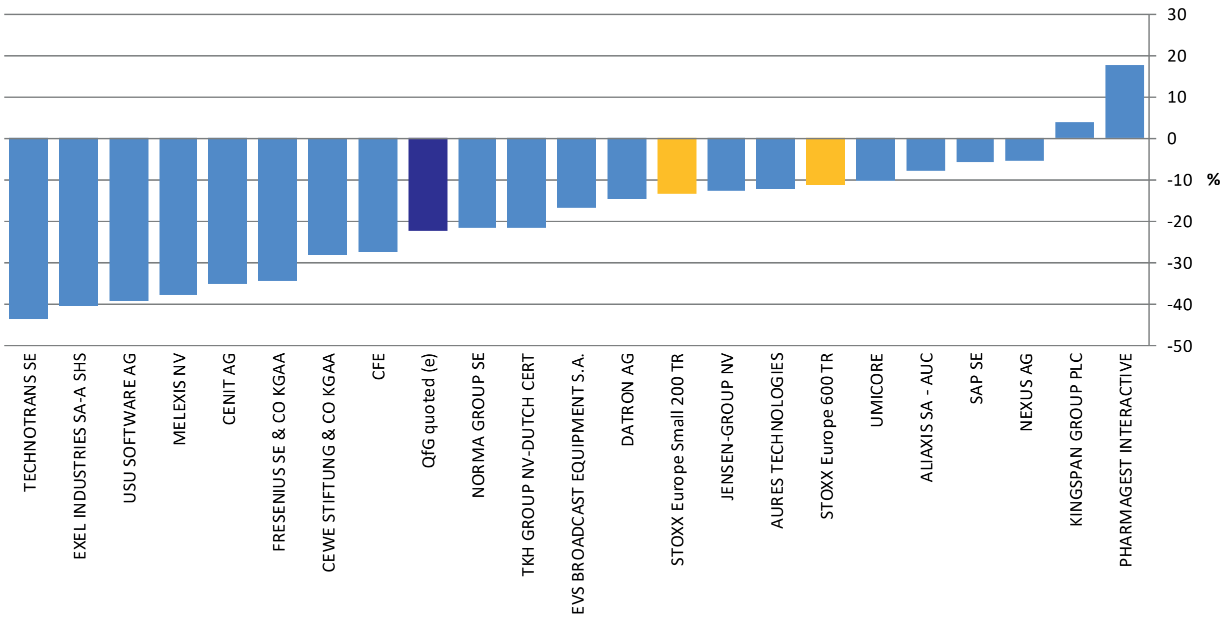
Cleantech: shares within the “clean technology” sector (or “cleantech”) frequently fall within industrial sectors that are somewhat more cyclical in nature. Good yardsticks for the global cleantech sector such as the Cleantech Index (total return 7.5% in euros) and the FTSE ET50 Index (total return 11.8% in euros) performed weaker than the rest of the market. Here, too, it might be pointed out that European stocks came off worse than US shares, and a good many small caps put in a below-par performance. Solar energy remained the misfit within the sector, with SMA Solar (54%) and Meyer Burger (64%) as wooden spoon-holders in the Cleantech Index.

Portfolio

The trends and movements alluded to above often ran contrary to what had been experienced in 2017 and in 2018 strove constantly to thwart the strategy decided on for quoted shares. The quoted portfolio’s estimated gross performance comes out with a loss of over 20% in 2018. Not only is that performance negative but it falls short of that put in by the stock market indices. This less-impressive performance comes hard on the heels of six successive years, from 2012 to 2017, in which the quoted share portfolio outperformed the STOXX Europe 600 Net Return Index.

The biggest fallers in the portfolio, each by over 35%, were Technotrans, Exel Industries, USU Software and Melexis. Only Pharmagest, Kingspan, Corbion and Tomra delivered positive contributions to the result.

Portfolio company returns in local currency in 2018

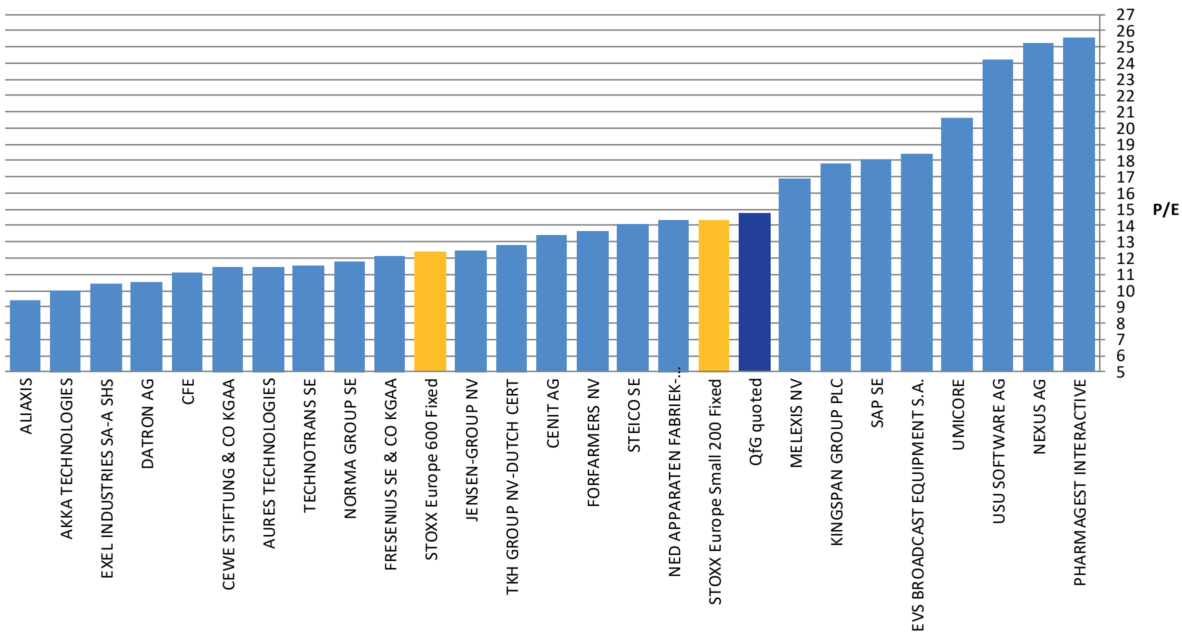


	Country	Sector/activity	Portfolio entry	% NAV
CEWE	Germany	photo and online printing services	2017	4,6%
TKH Group	Netherlands	telecom, building and industrial solutions	2014	4,6%
Pharmagest	France	software for pharmacies	2010	4,5%
Norma Group	Germany	connection technology and water mgmt.	2016	3,8%
Jensen-Group	Germany	heavy-duty laundry equipment	2016	3,8%
Fresenius SE	Germany	healthcare products and services	2012	3,1%
Technotrans	Germany	liquid technology	2015	2,9%
Aures	France	point-of-sale terminals	2017	2,8%
Cenit	Germany	PLM software & services	2017	2,5%
Kingspan	Ireland	insulation materials and products	2016	2,5%

	In	Out
JANUARY		Axway
FEBRUARY		Gerresheimer
MARCH		Accel Group
APRIL		
MAY		Avantium DAX put Jun-18
JUNE	Akka Technologies	Bertrandt

	In	Out
JULY		
AUGUST		
SEPTEMBER		Corbion
OCTOBER	ForFarmers Steico	Stratec Biomedical
NOVEMBER		
DECEMBER	Nedap	Tomra

Performance per share in portfolio in 2018



The largest positions at year-end 2018 were CEWE (4.6% of the net asset value on 31 December 2018), TKH Group (4.6%) and Pharmagest Interactive (4.5%).

The German company CEWE is a European market leader in the field of photograph albums with its CEWE Photo Book. The path should be clear for the company to further grow its turnover and profit thanks to its increasing market share and up-selling. In 2018, it acquired the French mobile photo application Cheerz. CEWE has been part of the Quest for Growth portfolio since 2017.

The Dutch technology company TKH Group has made serious investments in innovation in the past few years, thanks to which it has been able to book further growth in areas such as machinery for the production of car tyres, fibre optic networks, vision technology, under-sea cables and such like. In March 2018, TKH raised the financial targets for its operational margins to 12-13% (from 11-12%) and for ROCE to 21-23% (from 20-22%). A new acquisition of stock in TKH was made in 2014 (it had already previously been included in the portfolio from 2005 to 2010).

Pharmagest Interactive is a French developer of software for dispensing chemists and rest homes. The company also develops solutions for e-Health and Fintech. In 2018, it engaged in a programme of geographical expansion by taking over Macrosoft in Italy. Pharmagest has already been part of the Quest for Growth portfolio since 2010.

Profiles and key figures for all the companies invested in as at 31 December 2018 can be found elsewhere in the annual report under the "Company profiles" section.

Eight shares were removed from the portfolio in 2018: Axway, Gerresheimer, Accell Group, Avantium, Bertrandt, Corbion, Stratec Biomedical and Tomra. Four were added: Akka Technologies, ForFarmers, Steico and Nedap.

Axway and Accell Group were sold in the first quarter at losses owing to the extremely poor trend in both companies' corporate results. Gerresheimer, which had been in the portfolio since 2011 and, in that time, had chalked up performance of nearly 150%, was sold due to the slow-down in the pace of its growth. The sale of these three positions was also in part driven by the scheduled Quest for Growth dividend distribution in April.

The engineering consultancy firm Bertrandt was replaced in June by its Belgian-French sector mate Akka Technologies, which managed to put in stronger growth. Avantium was also sold in the second quarter. The share formed part of the unquoted stock portfolio until its floatation in 2017, and the lock-up ended in March 2018. In September, Corbion was sold in full. With a price/earnings ratio of 32 throughout 2018, it was an expensive share whose future growth is heavily dependent on somewhat risk-laden activities. The over-valuation argument also played heavily with Stratec Biomedical, the position in which was reduced in August and, following a profits warning in October, removed entirely from the portfolio.

Falling markets in Q4 offered the chance of bringing three additional small caps into the portfolio: Steico, ForFarmers and Nedap. Steico, from Germany, makes insulation materials based on wood fibre. ForFarmers in the Netherlands delivers complete feedstuff solutions for livestock farmers. Nedap, also a Dutch firm, is a technology company operating in areas such as identification and monitoring.

Tomra was one of the few shares that was for the most part spared the effects of the stock market correction thanks to the greatly sharpened interest in the recycling of plastic packaging. The combination of a major rise in the level of its valuation and a preference within Quest for Growth for smaller market caps led to sale of the share in December. The result achieved on the sale, of around 250% since the first purchase in 2012, can well be qualified as spectacular.

Outlook

The current economic indicators in Europe have taken a downturn in the past few months. On the flip side, share valuations have fallen significantly, which would imply that the less impressive performance in corporate results has been factored in. These lower valuations also simplify the quest for long-term interesting investment opportunities in quoted stocks. In the short term, however, movements on the stock markets will remain greatly dependent on developments at macroeconomic and geopolitical levels.

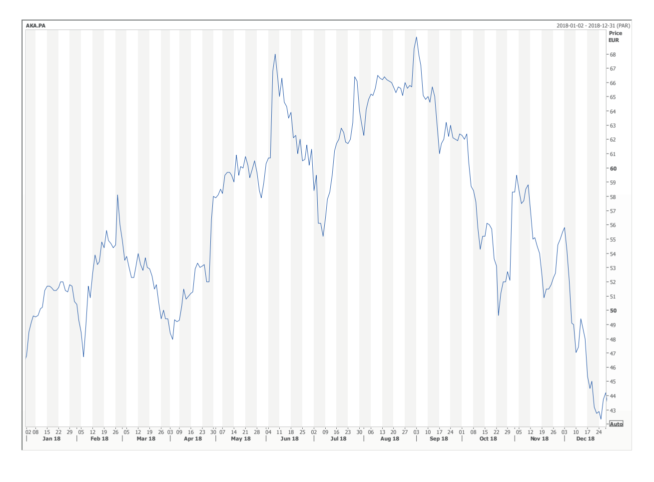
2018's weak results are disappointing but do not detract from the long-term track-record established by Quest for Growth's quoted share portfolio. The strategy that delivered strong results in the past is being consistently pursued. It's a strategy that consist of selecting attractively valued shares in strongly positioned, financially sound growth enterprises, with a focus on smaller market capitalisations ("small caps").

Business profiles of quoted companies

Akka Technologies offers engineering and technology consulting services, mainly in the field of automotive and aerospace projects but also within the rail sector, energy sector and in life sciences. The company was founded in 1984.

Stock market data		
Stock price at 31 December 2018	44.20	EUR
Market capitalisation at 31 December 2018	897	m EUR
Performance in 2018	-3.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	9.21%	21.77%
Estimated earnings per share growth	26.32%	37.45%
Operational margin	7.81%	7.83%
Return on equity	23.91%	26.83%
Estimated price earnings at 31 December 2018	13.8 x	10.0 x

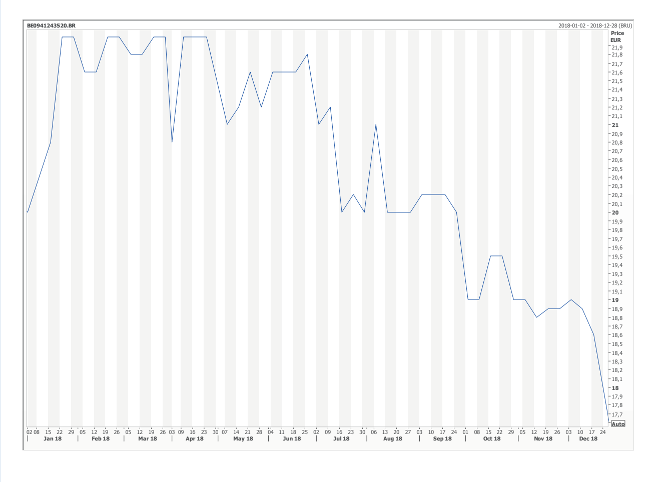
* Consensus estimates FACTSET at 31 December 2018



The Aliaxis Group is a global manufacturer and distributor of fluid handling systems (primarily plastic pipes and fittings) used in residential and commercial construction, as well as in industrial and public infrastructure applications. Its offering consists of: drainage solutions for buildings, electrical ducts and water treatment solutions, sanitary solutions such as water supply and water drainage for kitchen and bathroom applications; infrastructure solutions for gas and water distribution, sewage and stormwater management systems and industrial solutions including industrial piping systems as well as some engineered products, such as tailor-made pumps and industrial ceramics. The origins of the Aliaxis Group lie with Etex Group, from which it separated in 2003.

Stock market data		
Stock price at 31 December 2018	18.60	EUR
Market capitalisation at 31 December 2018	1,695	m EUR
Performance in 2018	-7.7%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth		
Estimated earnings per share growth		
Operational margin		
Return on equity		
Estimated price earnings at 31 December 2018		

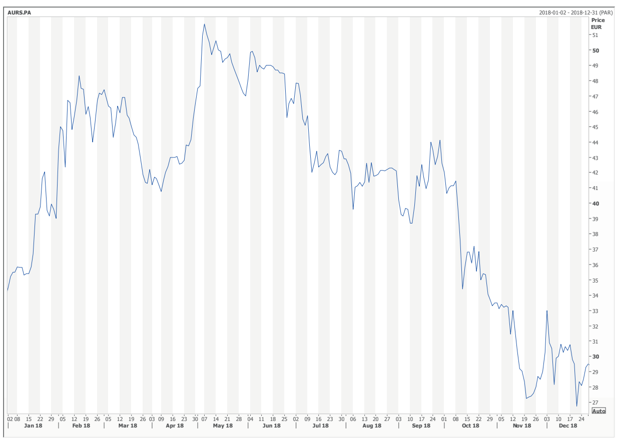
* Consensus estimates FACTSET at 31 December 2018



AURES Technologies engages in the design and marketing of point-of-sale (POS) computer terminals and specific systems intended primarily for businesses, supermarkets, hotels and restaurants. The company was founded in 1989 and is headquartered in Lisses, France.

Stock market data		
Stock price at 31 December 2018	29.50	EUR
Market capitalisation at 31 December 2018	118	m EUR
Performance in 2018	-12.2%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	17.64%	32.87%
Estimated earnings per share growth	25.42%	15.77%
Operational margin	13.41%	11.14%
Return on equity	26.94%	25.00%
Estimated price earnings at 31 December 2018	13.3 x	11.5 x

* Consensus estimates FACTSET at 31 December 2018



Cenit AG is a German-based company engaged in the information technology (IT) services and consulting industry for business processes in manufacturing and for financial service providers. The Company groups its business into two segments: Product Lifecycle Management (PLM) and Enterprise Information Management (EIM). The PLM segment concentrates on industrial customers and the corresponding technologies. Its focus is on the automotive, aerospace, mechanical engineering and shipbuilding industries. The EIM segment concentrates on the customer segment trade, banks, insurance and providers. The company was founded in 1988. It is headquartered in Stuttgart, Germany.

Stock market data		
Stock price at 31 December 2018	13.30	EUR
Market capitalisation at 31 December 2018	111	m EUR
Performance in 2018	-34.9%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	14.70%	4.60%
Estimated earnings per share growth	-25.71%	26.92%
Operational margin	5.46%	6.58%
Return on equity	17.45%	20.33%
Estimated price earnings at 31 December 2018	17.1 x	13.4 x

* Consensus estimates FACTSET at 31 December 2018

CEWE Stiftung & Co. KGaA ("CEWE") engages in the provision of innovative photo and online printing services, with CEWE PHOTO BOOK as the leading European photo book product and brand. Additionally, Cewe operates through the following segments: Commercial Online Printing and Retail. In the Commercial Online Printing segment, printed material for businesses is marketed through the sales platforms CEWE-PRINT.de, Saxoprint and viaprinto. The Retail segment offers photo-related hardware and photofinishing products in Poland, the Czech Republic, Slovakia, Norway, Sweden and Oldenburg, Germany. Founded in 1961 by Heinz Neumüller, CEWE was taken to the stock exchange in 1993 and is today listed on the SDAX selection index. The company is headquartered in Oldenburg, Germany.

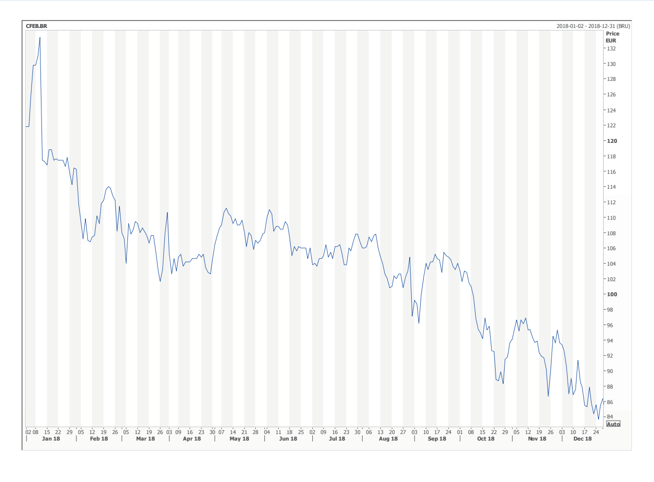
Stock market data		
Stock price at 31 December 2018	62.10	EUR
Market capitalisation at 31 December 2018	460	m EUR
Performance in 2018	-27.9%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	9.19%	3.74%
Estimated earnings per share growth	4.89%	10.04%
Operational margin	7.95%	8.39%
Return on equity	14.15%	14.21%
Estimated price earnings at 31 December 2018	12.6 x	11.4 x

* Consensus estimates FACTSET at 31 December 2018

Cie d'Entreprises CFE provides civil engineering and construction services. It operates its business through three segments: "Dredging, Environment, Offshore & Infra", "Contracting" and "Real estate development". The most important subsidiary is DEME ("Dredging, Environmental & Marine Engineering"), which engages in dredging and land reclamation, services to oil & gas companies, the installation of offshore wind farms and environmental activities. Contracting consists of activities in construction, multitechnics and rail infra. CFE was founded in 1880 and is headquartered in Oudergem, Belgium. DEME was created in 1991 as a result of the merger of Dredging International and Baggerwerken Decloedt, CFE increased its ownership in DEME to 100% in 2013.

Stock market data		
Stock price at 31 December 2018	86.40	EUR
Market capitalisation at 31 December 2018	2,187	m EUR
Performance in 2018	-27.4%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	20.61%	2.47%
Estimated earnings per share growth	-6.08%	13.14%
Operational margin	6.25%	7.17%
Return on equity	9.69%	10.10%
Estimated price earnings at 31 December 2018	12.9 x	11.4 x

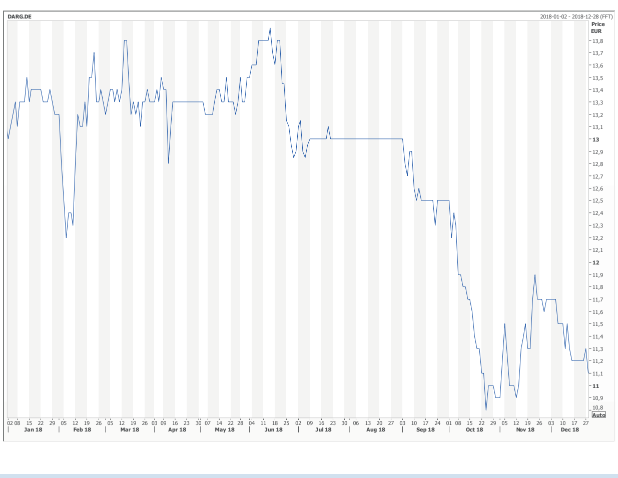
* Consensus estimates FACTSET at 31 December 2018



Datron AG develops and manufactures CNC and CAD/CAM equipment and a wide range of specialised tools in the field of high-speed milling of materials like aluminium, plastics and compounds. The company also offers neighbouring technology such as dispensing machines. Their products cover a wide range of industrial production processes as well as applications in the field of dental technology. The company was founded in 1969 and went IPO in 2011. Datron is headquartered in Mühltal, Germany.

Stock market data		
Stock price at 31 December 2018	11.10	EUR
Market capitalisation at 31 December 2018	44	m EUR
Performance in 2018	-14.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth		
Estimated earnings per share growth		
Operational margin		
Return on equity		
Estimated price earnings at 31 December 2018		

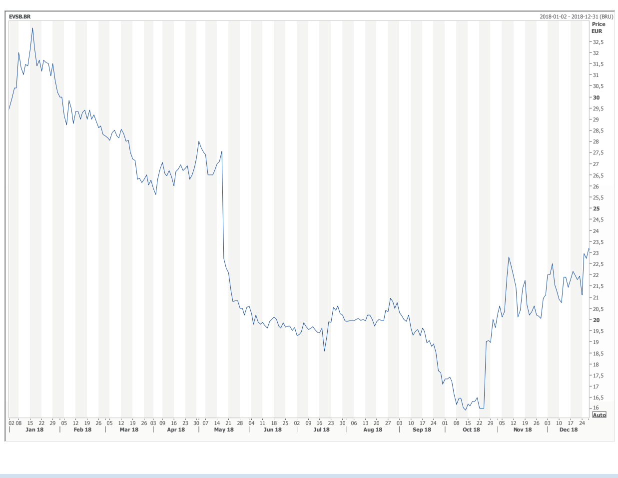
* Consensus estimates FACTSET at 31 December 2018



EVS Broadcast Equipment designs digital video production systems, used for the broadcasting of sports, news and TV entertainment. EVS' flagship hardware product is the XT server, while main software applications include "IP Director". Segments are "Outside broadcast vans" (live mobile production of sports and other events), as well as "Studio & others". EVS was founded in 1994 and was listed on the Brussels Stock Exchange in October 1998. It is headquartered in Seraing, Belgium.

Stock market data		
Stock price at 31 December 2018	23.20	EUR
Market capitalisation at 31 December 2018	316	m EUR
Performance in 2018	-16.8%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	-0.35%	-3.33%
Estimated earnings per share growth	38.98%	-48.86%
Operational margin	22.79%	20.48%
Return on equity	26.14%	12.40%
Estimated price earnings at 31 December 2018	9.4 x	18.4 x

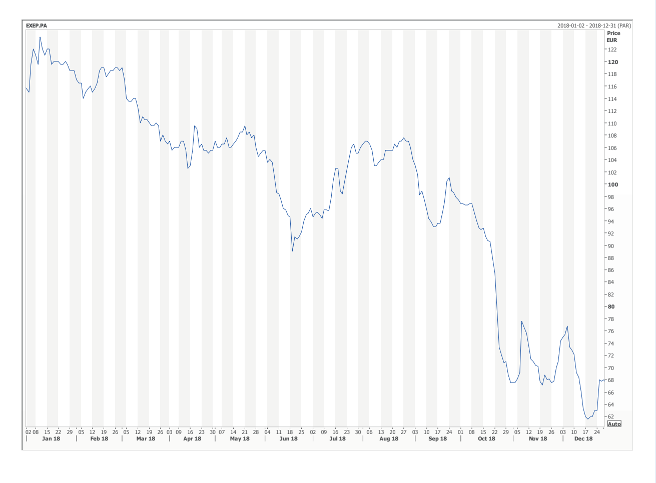
* Consensus estimates FACTSET at 31 December 2018



Exel Industries SA is a French company engaged in the design, manufacture and sale of precision spraying equipment for three markets: agriculture, industry and gardening. To the agricultural market, the company offers a range of spraying equipment for large-scale crops, cereal crops, vineyards, fruit trees and tropical crops, sold under brands such as Hardi, Evrard, Berthoud, Tecnoma and others. Exel also supplies sugar beet harvesters under the Holmer brandname. It also offers plant-care substances, including herbicides and insecticides, among others. The company supplies the industrial market with spraying equipment for applying liquid paints, glues and other substances, sold mainly under the brands Sames Kremlin and Tricoflex (hoses). The company offers a range of watering equipment, plant sprayers and accessories to individual customers, sold under the brandnames Hozelock, Berthoud, Tecnoma, Laser Et Cooper Pegler. Exel is based in Épernay.

Stock market data		
Stock price at 31 December 2018	68.00	EUR
Market capitalisation at 31 December 2018	462	m EUR
Performance in 2018	-40.6%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	-4.02%	2.48%
Estimated earnings per share growth	-13.60%	9.01%
Operational margin	7.36%	7.61%
Return on equity	10.75%	10.73%
Estimated price earnings at 31 December 2018	11.8 x	10.8 x

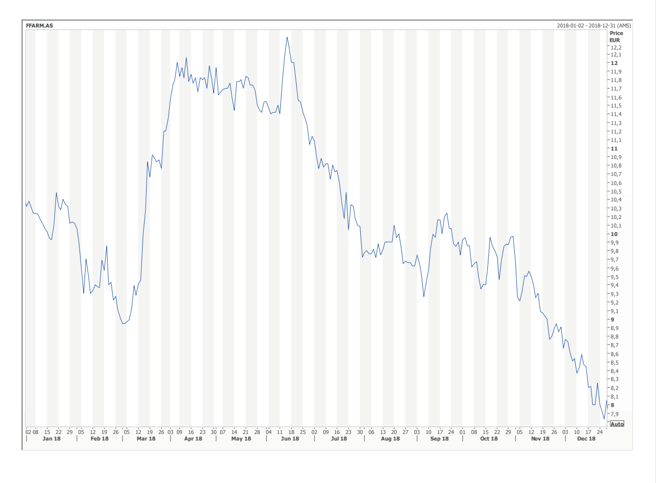
* Consensus estimates FACTSET at 31 December 2018



ForFarmers NV is an agricultural feed company based in the Netherlands that offers feed solutions for conventional and organic livestock farming. Its product portfolio comprises, among others, products for crop farming and pasture farming, as well as feed for the ruminant, swine, poultry and equine sectors, including compound feed and blends, feed for young animals and specialties, raw materials and co-products to seed and fertilizers. Its core activities are feed production, logistics and the provision of total feed solutions. The Company operates through the segments The Netherlands, Germany/Belgium and the United Kingdom, and operates approximately 40 production facilities in these countries.

Stock market data		
Stock price at 31 December 2018	8.05	EUR
Market capitalisation at 31 December 2018	855	m EUR
Performance in 2018	-20.9%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	6.33%	5.11%
Estimated earnings per share growth	-3.57%	9.26%
Operational margin	3.26%	3.42%
Return on equity	12.44%	12.50%
Estimated price earnings at 31 December 2018	14.9 x	13.6 x

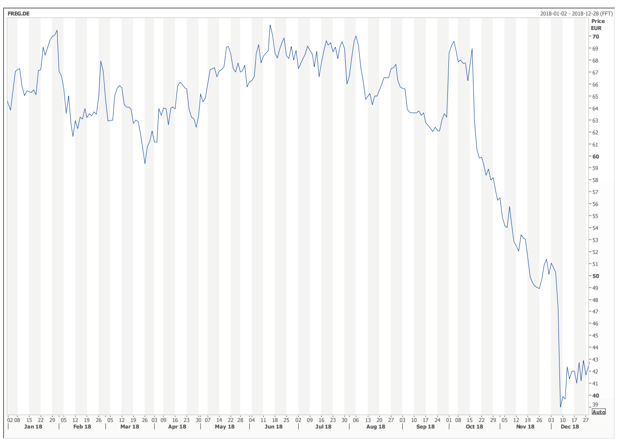
* Consensus estimates FACTSET at 31 December 2018



Fresenius SE & Co KGaA is the German holding company of the Fresenius Group, operating in the healthcare sector, offering products and services for dialysis, hospitals and outpatient medical care. The group operates within four business segments: Fresenius Medical Care, Kabi, Helios and Vamed. The Fresenius Medical Care segment provides dialysis care and dialysis products for patients with chronic kidney failure. Fresenius Kabi is engaged in the provision of generic intravenous drugs (IV drugs), infusion therapies, clinical nutrition and related medical devices. Fresenius Helios is a leading European hospital operator. It is the largest private operator in Germany and in Spain under the name Quirónsalud . Fresenius Vamed is engaged in international projects and services for hospitals and other healthcare facilities. Fresenius SE is a member of the DAX selection index.

Stock market data		
Stock price at 31 December 2018	42.38	EUR
Market capitalisation at 31 December 2018	23,573	m EUR
Performance in 2018	-34.2%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	-1.60%	4.74%
Estimated earnings per share growth	0.76%	3.39%
Operational margin	14.95%	13.66%
Return on equity	12.44%	11.81%
Estimated price earnings at 31 December 2018	12.6 x	12.1 x

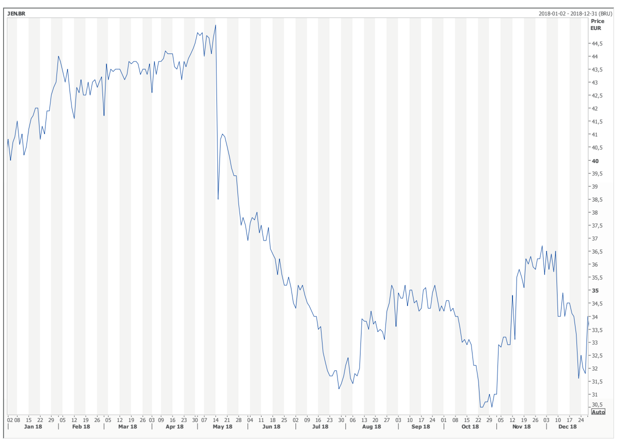
* Consensus estimates FACTSET at 31 December 2018



Jensen-Group NV is supplier to the heavy-duty laundry industry. The company markets products and services that include transportation and handling systems, tunnel washers, separators, feeders, ironers, and folders; and complete project management for fully-equipped and managed industrial laundries. The group supplies sustainable single machines, systems and integrated solutions and is developing environmental friendly and innovative products to reduce consumption of energy and water (CleanTech brand). It was founded by Jørn Munch Jensen and is headquartered in Ghent, Belgium.

Stock market data		
Stock price at 31 December 2018	34.00	EUR
Market capitalisation at 31 December 2018	266	m EUR
Performance in 2018	-12.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	-1.18%	5.00%
Estimated earnings per share growth	-8.52%	10.53%
Operational margin	8.11%	8.41%
Return on equity		
Estimated price earnings at 31 December 2018	13.8 x	12.5 x

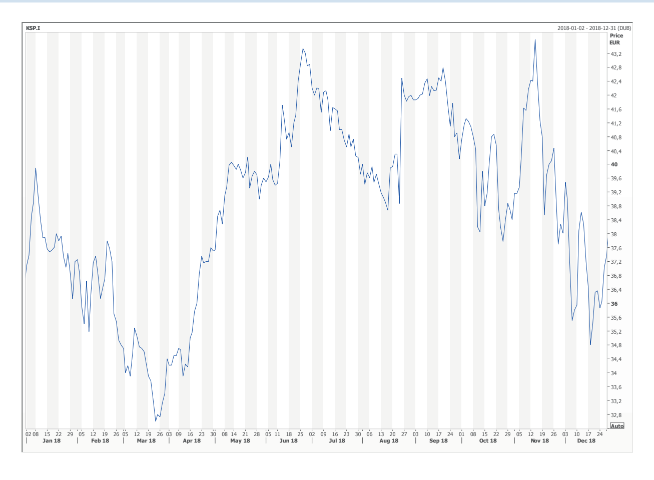
* Consensus estimates FACTSET at 31 December 2018



Kingspan Group plc is an Ireland-based provider of low energy building solutions. It operates in five product groups: Insulated Panels, Insulation, Light + Air, Water & Energy and Access Floors. The Insulated Panels segment is engaged in manufacture of insulated panels, structural framing and metal facades. The Insulation segment is supplying rigid insulation boards, pipe insulation and engineered timber systems. Its Light + Air segment is providing daylighting and energy efficient lighting, as well as natural ventilation and smoke management solutions. The Water & Energy segment is providing water management solutions and energy technologies. Its Access Floors segment is a supplier of raised access floors and data center interior infrastructure solutions.

Stock market data		
Stock price at 31 December 2018	37.38	EUR
Market capitalisation at 31 December 2018	6,743	m EUR
Performance in 2018	3.8%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	18.54%	8.73%
Estimated earnings per share growth	12.18%	12.90%
Operational margin	9.91%	10.19%
Return on equity	18.71%	18.18%
Estimated price earnings at 31 December 2018	20.1 x	17.8 x

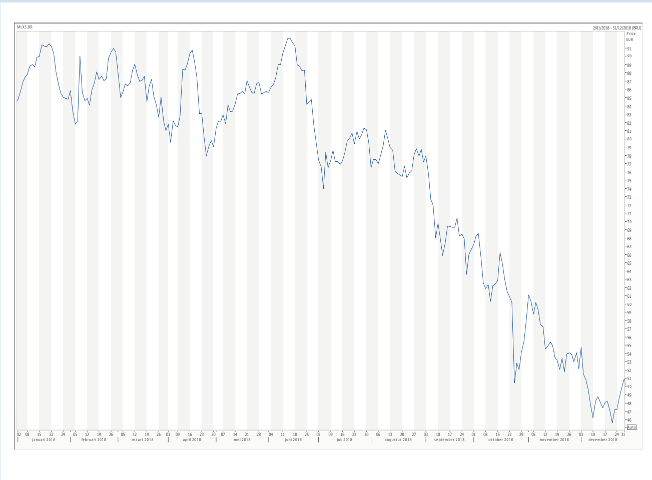
* Consensus estimates FACTSET at 31 December 2018



Melexis Microelectronic Integrated Systems NV is a mixed signal semiconductor manufacturer. Its products include hall effect or magnetic sensors (Triaxis brand), pressure & acceleration sensors (based on MEMS), wireless communication ICs (RF and RFID), actuators (for engine control and LIN bus systems) and optical sensors. Melexis' products are primarily used in automotive electronics systems, where they help to improve fuel efficiency, safety and comfort. Melexis also uses it core competence to supply ICs and sensors to consumer, medical and industrial markets. Melexis adopts a fabless model. It is headquartered in Ieper, Belgium and has other important facilities in Tessenderlo (Belgium), Sofia (Bulgaria) and Erfurt (Germany). In October 1997 Melexis had its IPO on the EASDAQ Stock exchange.

Stock market data		
Stock price at 31 December 2018	50.90	EUR
Market capitalisation at 31 December 2018	2,056	m EUR
Performance in 2018	-37.8%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	11.01%	7.66%
Estimated earnings per share growth	2.94%	6.53%
Operational margin	24.65%	24.38%
Return on equity	35.56%	35.11%
Estimated price earnings at 31 December 2018	18.0 x	16.9 x

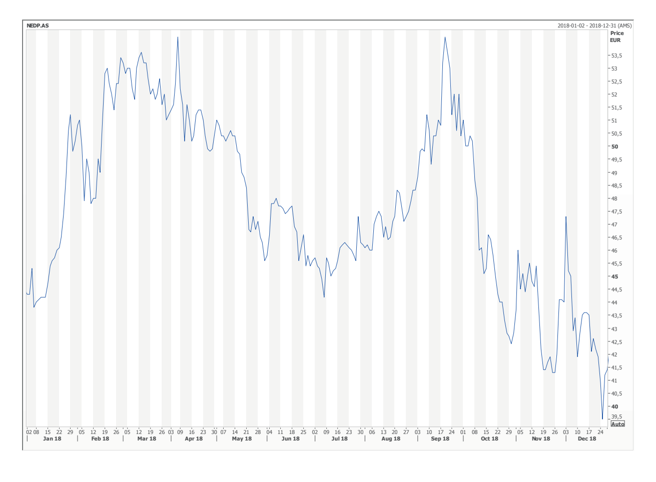
* Consensus estimates FACTSET at 31 December 2018



Nedap is a Dutch supplier of electronic equipment in the areas of identification solutions, technical management and monitoring. The widespread portfolio comprises (amongst others) Identification Systems, Mobility Solutions, Light Controls, Livestock Management, Retail, Healthcare and Security Management. Nedap was established in 1929 and is stock listed since 1947.

Stock market data		
Stock price at 31 December 2018	41.40	EUR
Market capitalisation at 31 December 2018	277	m EUR
Performance in 2018	-2.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	6.74%	6.21%
Estimated earnings per share growth	28.93%	11.30%
Operational margin	10.01%	10.46%
Return on equity	26.32%	27.56%
Estimated price earnings at 31 December 2018	16.0 x	14.4 x

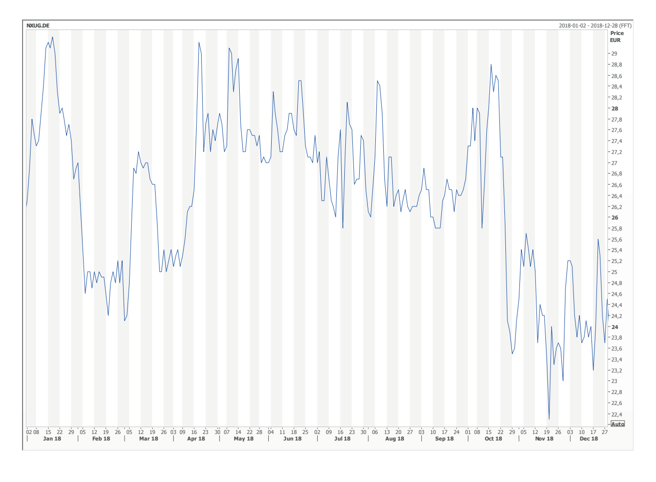
* Consensus estimates FACTSET at 31 December 2018



Nexus AG is a provider of information technology for the healthcare sector. The group has two business fields: Healthcare Software which includes modular software solutions, from planning to equipment integration and documentation, for areas such as diagnostics (DIS Product Suite), complete information systems for hospitals (HIS) and nursing homes. The Healthcare Services unit provides outsourcing and SAP integration services for the healthcare sector. The company is headquartered in Villingen-Schwenningen, Germany.

Stock market data		
Stock price at 31 December 2018	24.50	EUR
Market capitalisation at 31 December 2018	386	m EUR
Performance in 2018	-5.2%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	10.92%	11.61%
Estimated earnings per share growth	2.67%	25.97%
Operational margin	12.11%	13.69%
Return on equity	10.94%	12.28%
Estimated price earnings at 31 December 2018	31.8 x	25.3 x

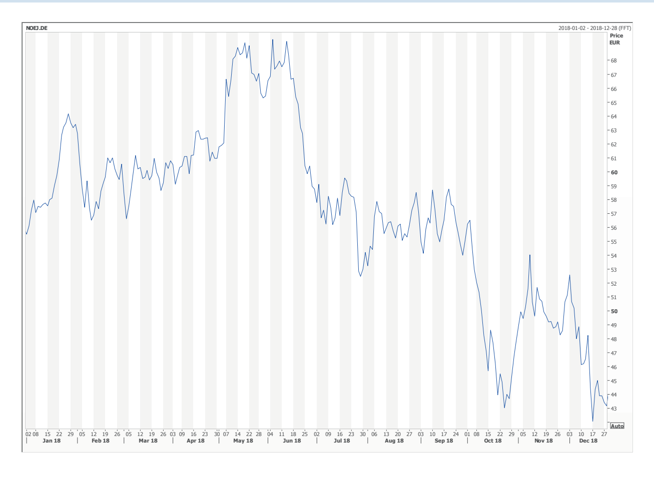
* Consensus estimates FACTSET at 31 December 2018



Norma Group is active in the field of engineered joining technology. Their products cover a wide range of applications, including emission control, cooling systems, air intake & induction, ancillary systems and infrastructure. Its technologies help the environment by reducing emissions, pollution and weight. Norma has two distribution channels: Engineered Joining Technology (EJT) and Distribution Services (DS). The area of EJT focuses on customised solutions for automotive OEMs and industrial suppliers. In DS, it markets standardised products via distributors and products for water management. Norma Group arose from a merger of German Rasmussen GmbH and Swedish ABA Group in 2006. Its IPO was in April 2011. The stock is a member of the MDAX selection index. The company is located in Maintal, Germany.

Stock market data		
Stock price at 31 December 2018	43.18	EUR
Market capitalisation at 31 December 2018	1,376	m EUR
Performance in 2018	-21.7%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	6.48%	5.09%
Estimated earnings per share growth	4.92%	5.79%
Operational margin	13.27%	14.16%
Return on equity	18.45%	17.45%
Estimated price earnings at 31 December 2018	12.5 x	11.8 x

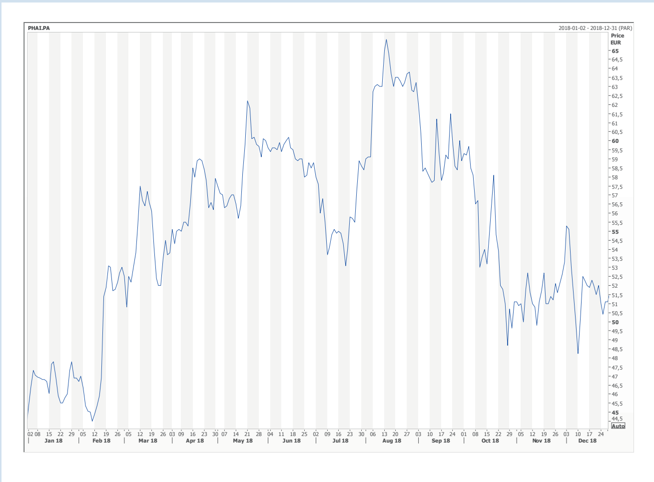
* Consensus estimates FACTSET at 31 December 2018



Pharmagest Interactive develops management software packages for pharmacies and the pharmaceutical industry. In France, the LGPI ("Logiciel de Gestion à Portail Integré") solution is considered as a standard in pharmacies, enabling stock management, optimisation of orders, data exchange, pricing policy optimisation, management of loyalty cards, etc. The activities for pharmacies in Belgium and Luxembourg include the Sabco Optimum-Ultimate products. To the pharmaceutical industry ("e-Labos") the group offers communication and online advertising services. The subsidiary Malta Informatique offers IT for nursing homes ("EHPADs"), such as the Titan software platform. The company was founded in 1996 and is headquartered in Villers-les-Nancy, France.

Stock market data		
Stock price at 31 December 2018	51.10	EUR
Market capitalisation at 31 December 2018	775	m EUR
Performance in 2018	17.8%	(en EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	1.43%	8.22%
Estimated earnings per share growth	11.27%	15.82%
Operational margin	26.95%	27.62%
Return on equity	20.23%	20.53%
29.6 x	29.6 x	25.6 x

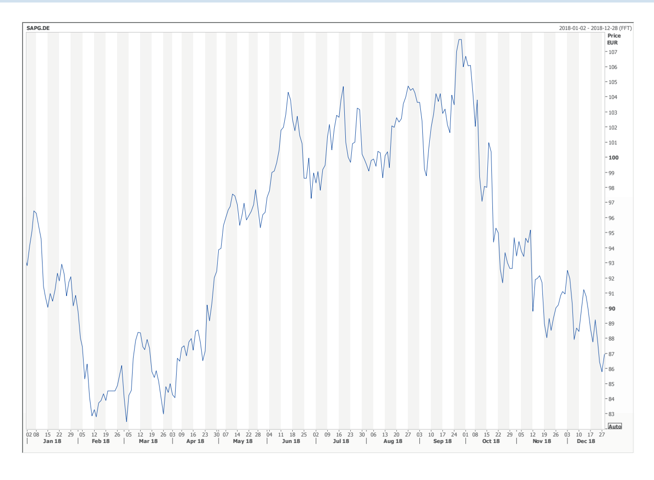
* Consensus estimates FACTSET at 31 December 2018



SAP SE is engaged in enterprise applications in terms of software and software-related service revenue. The Company's core business is selling licenses for software solutions and related services to deliver a range of choices fitting the varying functional needs of its customers, combined with a fast-growing cloud offering. Its solutions cover business applications and technologies, as well as specific industry applications. In-memory technology across its data management offerings enables customers to access the data which they need, where they need it, when they need it. The company was founded in 1972 by five former IBM employees. It went IPO in 1988. SAP is a member of the DAX selection index.

Stock market data		
Stock price at 31 December 2018	86.93	EUR
Market capitalisation at 31 December 2018	106,794	m EUR
Performance in 2018	-5.6%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	4.52%	8.48%
Estimated earnings per share growth	-1.58%	9.85%
Operational margin	29.21%	29.71%
Return on equity	18.63%	18.98%
Estimated price earnings at 31 December 2018	19.9 x	18.1 x

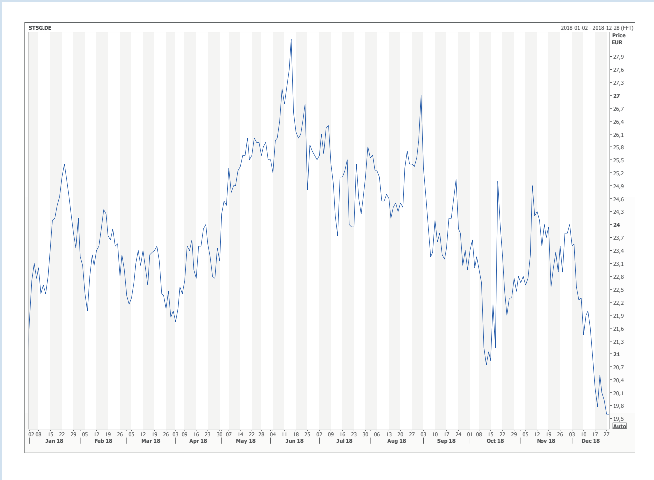
* Consensus estimates FACTSET at 31 December 2018



Steico produces and markets a broad product range of wood-fibre based insulation and construction materials. The offering comprises flexible internal and external thermal insulation, insulation boards, floor insulation, construction elements, laminated veneer lumber and adjacent building products and materials. The company's history goes back to the year 1986 when Steinmann & Co. was founded. Steico is headquartered near Munich, Germany.

Stock market data		
Stock price at 31 December 2018	19.60	EUR
Market capitalisation at 31 December 2018	276	m EUR
Performance in 2018	-4.1%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	8.35%	12.60%
Estimated earnings per share growth	13.52%	19.82%
Operational margin	9.94%	10.44%
Return on equity	9.87%	10.73%
Estimated price earnings at 31 December 2018	16.0 x	13.3 x

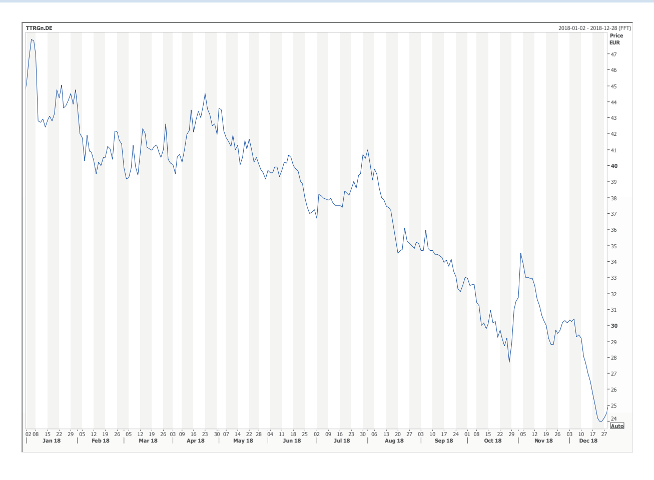
* Consensus estimates FACTSET at 31 December 2018



Technotrans is a system supplier in the field of liquid technology. The company's solutions include cooling, temperature control, filtration, pumping and spraying as well as measuring and mixing technology. It supplies to its traditional end-market which is the printing industry and to new industries such as laser, forming and tooling industries, energy storage and medical and scanner applications. The group is subdivided into two segments: within the business unit "Technology" it develops and sells equipment and systems. The "Services" segment includes parts supply, repair and installation services. Technical documentation (subsidiary gds) is also included in this segment. The company was founded in 1970 and went IPO in 1998. It is headquartered in Sassenburg, Germany.

Stock market data		
Stock price at 31 December 2018	24.50	EUR
Market capitalisation at 31 December 2018	169	m EUR
Performance in 2018	-43.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	7.44%	6.65%
Estimated earnings per share growth	7.67%	11.61%
Operational margin	8.49%	8.93%
Return on equity	17.13%	17.28%
Estimated price earnings at 31 December 2018	12.9 x	11.6 x

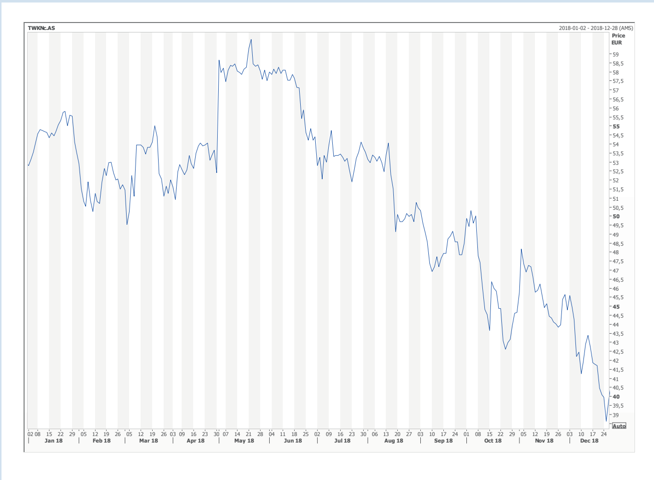
* Consensus estimates FACTSET at 31 December 2018



TKH Group focuses on three market segments: Telecom Solutions, Building Solutions and Industrial Solutions. TKH's core technologies are vision & security, communications, connectivity and production systems. Telecom Solutions subdivides into Indoor telecom systems (home networking systems, broadband connectivity, IPTV software) and Fibre network systems (optical fibre cables). Building Solutions includes Vision & Security Systems (systems for CCTV, video/audio analysis, intercom, central control room and retail security) and Connectivity Systems (cables and connectivity systems for transport, infrastructure and energy). Industrial Solutions consists of Connectivity Systems (cables and modules for medical, automotive and machinery) and Manufacturing Systems (tyre building, control systems and product handling systems). The company's roots go back to the year 1930.

Stock market data		
Stock price at 31 December 2018	40.70	EUR
Market capitalisation at 31 December 2018	1,743	m EUR
Performance in 2018	-21.5%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	9.24%	7.14%
Estimated earnings per share growth	18.61%	17.55%
Operational margin	9.04%	10.09%
Return on equity	17.60%	18.62%
Estimated price earnings at 31 December 2018	15.1 x	12.8 x

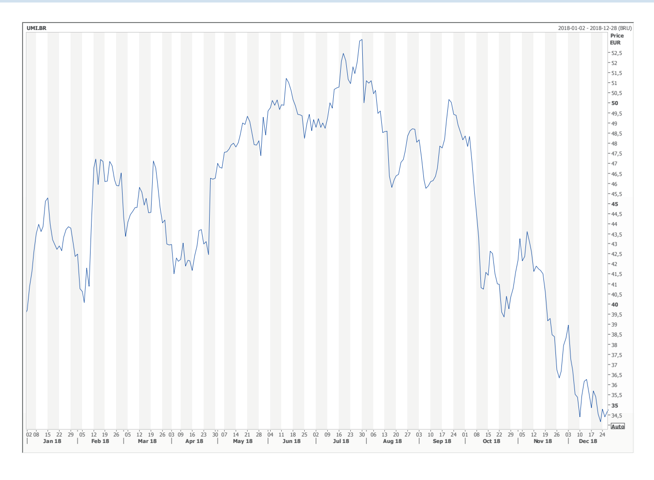
* Consensus estimates FACTSET at 31 December 2018



Umicore is a materials technology group with three business areas: The Catalysis group is one of the world's largest manufacturers of automotive emission control catalysts. This segment also includes precious metals chemistry. Energy & Surface Technologies produces rechargeable battery materials, electro-optic materials, thin film products, electroplating and cobalt and specialty materials. The Recycling segment is the world's largest recycler and refiner of complex materials containing precious metals. Precious metals management (trading, leasing, hedging,...), battery recycling and jewellery & industrial metals as well as technical materials are included in this segment. Umicore's roots go back to the year 1805. The company is headquartered in Brussels.

Stock market data		
Stock price at 31 December 2018	34.86	EUR
Market capitalisation at 31 December 2018	8,590	m EUR
Performance in 2018	-10.3%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	17.12%	13.89%
Estimated earnings per share growth	13.11%	21.74%
Operational margin	15.03%	15.43%
Return on equity	12.02%	13.56%
Estimated price earnings at 31 December 2018	25.3 x	20.8 x

* Consensus estimates FACTSET at 31 December 2018



The USU Group consists of the parent company USU Software AG and 6 German and foreign subsidiaries, including Aspera GmbH, LeuTek GmbH, Omega Software GmbH, USU GmbH, USU SAS as well as USU s.r.o. (Czech Republic). The Product Business segment includes products and services for areas such as license management, IT management and knowledge management & social media. The Service Business segment is involved in IT consulting services. The company was founded in 1977 as 'Udo Strehl Unternehmensberatung' (USU) and is headquartered in Möglingen, Germany. After the IPO on the Frankfurt "Neuer Markt" in 2000, the company merged with Openshop Holding AG in 2002.

Stock market data		
Stock price at 31 December 2018	15.75	EUR
Market capitalisation at 31 December 2018	166	m EUR
Performance in 2018	-38.9%	(in EUR)
Financial data*	**2018**	**2019**
Estimated sales growth	6.28%	13,89%
Estimated earnings per share growth	28.13%	21,74%
Operational margin	3.01%	15,43%
Return on equity		13,56%
Estimated price earnings at 31 December 2018	38.4 x	20,8 x

* Consensus estimates FACTSET at 31 December 2018

Explanatory notes to Stock market data and financial data:

Stock price on December 31st 2018: Closing price of the stock in local currency on the last trading day of 2018.

Market capitalisation on December 31st 2018: Stock market capitalisation of the company, in euros, on the last trading day of 2018, Market capitalisation is calculated as the total number of shares outstanding multiplied by the stock price.

Performance in 2018[1]: Total share performance of the stock in local currency, being the increase of the stock price plus the dividend yield (reinvested).

Estimated sales growth: Percentage rise of the estimated sales (turnover) of the year compared to the previous year.

Estimated earnings per share growth: Percentage rise of the estimated earnings per share of the year compared to the previous year, Earnings per share is generally calculated by analysts as net profit, possibly corrected for non recurring elements, divided by the average number of outstanding shares of the year.

Operating margin: Estimated operating profit (or profit before financial income and costs and before taxes), possibly corrected for non recurring items, divided by the estimated sales (turnover) of the year.

Return on equity: Estimated earnings per share of the year, divided by the average estimated equity per share of the year, This ratio is an indicator for the profitability of the company.

Estimated earnings per share ratio: Stock price at December 31st 2018 divided by the estimated earnings per share of the year.

All financial data are based on the database of Factset, which calculates consensus figures based on collected estimates from analysts, The estimates are not necessarily in accordance with possible estimates from the company involved, All figures are as estimated on December 31st 2018.

[1] Performance in 2018 as calculated by Bloomberg.

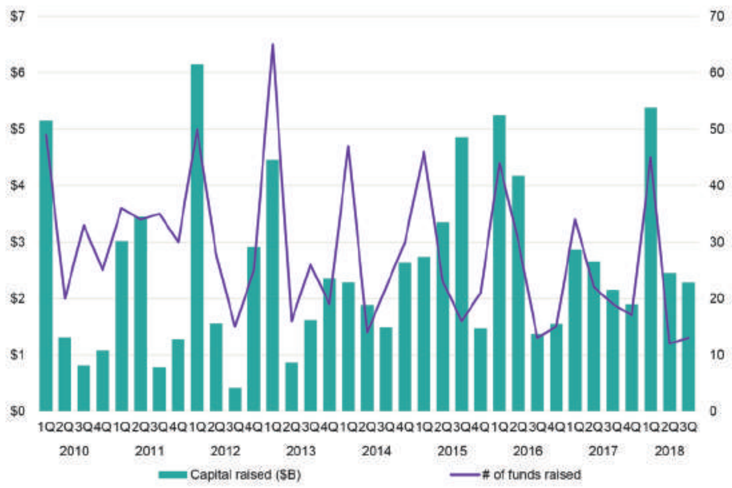
Investments in unquoted companies

MARKET ENVIRONMENT

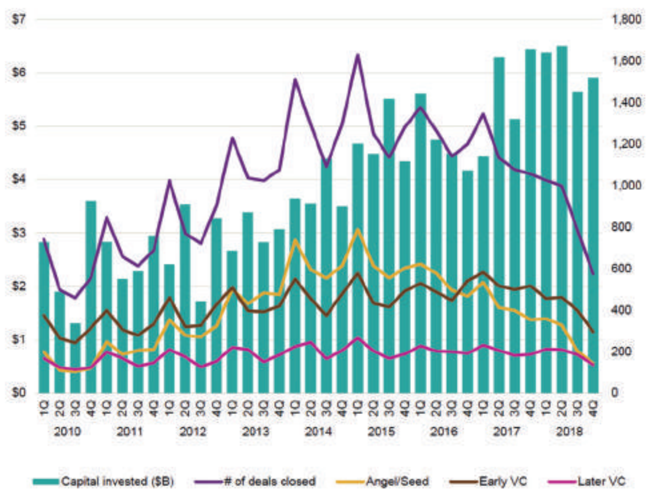
From a macroeconomic perspective, providers of venture capital follow the general economic sentiment and movements on the stock markets. The trends, most especially in the field of venture capital, where valuations are done less regularly and with less accurate predictions, do tend to be more susceptible to shocks and generally lag behind developments on the stock market itself.

This year, the number of close-end European venture capital funds dropped to the lowest level in the past ten years, with only some 62 risk capital funds raising funds during the course of 2018. This is a fall of 23.5% compared to the fund total in 2017. By contrast, the total amount of risk capital that has been raised rose 0.2% year on year and 42.9% compared to the level of 2014. Quest for Growth increased its commitment to Capricorn Sustainable Chemistry Fund in 2018 from 15 million to 20 million euros; the fund closed the year with a total asset availability of 86.5 million euros.

The amount of invested capital was approximately 5.1 billion euros over 586 deals in the fourth quarter of 2018, bringing the annual total in Europe in 2018 to 20.5 billion euros of invested capital spread over 3,384 deals. Of these, investments of between 10 and 25 million euros represent around 25% of the total deal value, a rise of 5.4% compared to the prior year. In 2018, Quest for Growth invested in Miracor, the second recent direct investment in the health sector following the investment in HalioDx, a French diagnostic company, at the end of 2017. 2018 also saw a subsequent investment by Quest for Growth in HalioDx.



Source: Venture Pulse, Q3'18, Global Analysis of Venture Funding, KPMG Enterprise. Data provided by PitchBook, October 10, 2018.



Source: Venture Pulse, Q4'18, Global Analysis of Venture Funding, KPMG Enterprise. Data provided by PitchBook, January 15, 2019.

The total exit value in Europe reached a ten-year height of 47.4 billion euros in 2018, chiefly due to two market floatations by Spotify and Ayden, which, together, generated an exit value of 30.3 billion euros (63.9% of the overall European exit value). Quest for Growth also made two exits in its unquoted portfolio: Anteryon, a direct investment of Quest for Growth's, was sold to China Wafer Level Optronics Co. and the Capricorn ICT Arkiv portfolio company Noona was successfully sold to Varian. QfG is an investor in that venture capital fund.

Europe has gained in attraction as an investment destination in the past five years with a tendency by the majority of worldwide investors to place their assets there. Europe scores well because of its highly qualified workforce, transport infrastructure and regulatory climate.* It is expected that this positive trend is set to continue over the next few years.

PORTFOLIO

2018 was a divided year for the unquoted investments in the Quest for Growth portfolio. Among the unquoted investments, mainly the valuations of Green Biologics and FRX Polymers were adjusted to take account of their lesser performance, on top of which three new investments were added to it including one direct investment plus two co-investments along with Capricorn ICT Arkiv fund and Capricorn Sustainable Chemistry Fund.

In December, Anteryon was sold to China Wafer Level Optronics Co. The deal finally closed in January 2019 after receiving approval from the Chinese authorities. Avantium's floatation in March 2017 imposed a lock-up on its shares, which expired in March 2018, after which the position was sold.
In addition, loans were granted to Sequana Medical, FRX and Bluebee.

Quest for Growth also made a subsequent investment in HalioDx.

Besides these operations, the unquoted share portfolio was further enlarged in 2018. To promote investments in unquoted companies, Quest for Growth's Board of Directors resolved to enable direct investments other than in the form of co-investments. They have to fall within the existing powers of the management company, Capricorn Venture Partners, but outside the investment period or specialisms of existing Capricorn venture capital funds. Candidate companies are those that at least have returning, paying clientele or a proof of concept (in Health-tech).

In July 2018, an investment of 2 million euros was completed in Miracor Medical. The company has operations in Awans, in Belgium, and offers innovative solutions for the treatment of serious heart conditions, which are aimed at improving short- and long-term clinical results and reducing ancillary costs. Miracor Medical develops the PiCSO-Impuls System, the first and only coronary sinus intervention designed to mitigate the extent of a heart attack, improve heart function and even reduce the probability of a heart attack as a result of an acute myocardial infarction.

In line with the unquoted portfolio strategy of making direct investments in a number of the firms contained in the Capricorn venture capital funds in addition to investments in the funds themselves, it was decided to make two co-investments in c-LEcta and in miaa Guard.

In September, Quest for Growth announced a new co-investment with Capricorn Sustainable Chemistry Fund in c-LEcta in a sum of 2.25 million euros.

c-LEcta is a fully integrated biotechnology company headquartered in Leipzig, in Germany, focusing on enzyme technology and applications in regulated markets such as the foodstuffs sector and pharmaceuticals. c-LEcta currently employs a workforce of 60. It is a well-diversified company and covers a large band of the value chain, from discovery and development to commercial production of enzymes and the production of other high-value biotechnological products, whether as in-house developments or in close collaboration with industry.

In December 2018, Quest for Growth participated to the extent of 625,000 euros in a round of finance for miaa Guard, a Leuven company supplying identity and access management solutions. miaa Guard provides a unique cloud-based platform for managing access to digital services. The funds will be used to accelerate the company's rate of growth and take the form of a co-investment with Capricorn ICT Arkiv.

In 2019, it is anticipated further enlarging the portfolio of investments in unquoted companies and venture capital funds.

*Source: 'Global Investment Decision Makers Survey 2018 – Invest Europe'.

Business profiles of unquoted companies

Direct investments

HalioDx (Marseille, France) is an immuno-oncology diagnostic company providing oncologists with first-in-class Immune-based diagnostic products and services to guide cancer care and contribute to precision medicine in the era of immuno-oncology and combination therapies. HalioDx has an experienced team of more than 130 employees, a CLIA laboratory and compliant facilities to develop, manufacture, register and market in vitro diagnostic (IVD) products.

Sector:	Medical Services and Equipment
Initiële investering:	22/12/2017
www.HalioDx.com	

Miracor Medical, located in Awans, Belgium, provides innovative solutions for the treatment of severe cardiac diseases, aiming to improve short- and long-term clinical outcomes and reduce associated costs. Miracor Medical develops the PiCSO Impulse System, the first and only coronary sinus intervention designed to reduce infarct size, improve cardiac function and potentially reduce the onset of heart failure following acute myocardial infarction.

Sector:	Medical Services and Equipment
Initial investment	23/07/2018
www.miracormedical.com	

Co-investments Capricorn funds

Bluebee, headquartered in Rijswijk, The Netherlands and spin-off of TU Deft runs an integrated genomics platform. Clinical labs, research centres and sequencing based diagnostics companies worldwide securely run, manage and grow their high-volume genome analytics pipelines on the Bluebee platform.

Sector:	Software & services
Initial investment	06/12/2017
www.bluebee.com	

c-LEcta is a fully integrated biotechnology company based in Leipzig, Germany, with focus on enzyme engineering and application in regulated markets like food and pharma. The company is well diversified and covers a large part of the value chain from discovery to engineering to the commercial production of enzymes as well as the manufacturing of other high-quality biotechnology products, either as in-house developments or in close cooperation with industry. With a focus on regulated markets such as food, c-LEcta has conducted more than 30 enzyme engineering projects with a success rate of >90% during the last 5 years.

Sector:	Materials
Initial investment	06/08/2018
www.c-lecta.com	

EpiGaN is a spin-off company of imec, founded in 2010. EpiGaN develops, produces and commercialises epitaxial materials for power electronics, more specifically GaN-on-silicon wafers. GaN-on-silicon technology plays a key role in the production of clean energy and more efficient energy conversion, which is needed for power sources, solar energy invertors, wind energy, hybrid and electric cars, and smart grids.

Sector:	Semi-conductors
Initial investment	30/06/2011
www.epigan.com	

Co-investments Capricorn funds

FRX Polymers produces and commercializes a novel family of non-halogen containing, transparent, high melt flowing and fire resistant plastics. Available flame-retardant products have till now been manufactured on a bromine basis, which itself is seriously detrimental to human health and the environment. FRX offers an alternative by using phosphor. FRX Polymers is headquartered in Chelmsford MA (USA), where it operates both polymer and monomer pilot facilities. FRX has an industrial plant in Antwerp, Belgium.

Sector:	Materials
Initiële investering:	17/12/2013
www.frxpolymers.com	

Leuven based miaa Guard was founded in 2009 by Carlo Schüpp and Ward Duchamps. The company offers a unique cloud-based platform to manage access to digital services. While the miaa platform responds to modern needs of privacy, it offers solutions in a sharing economy. miaa Guard already implemented its platform throughout the world from India to Poland and from France to the U.S for renowned clients such as Coca-Cola, Mars, Johnson & Johnson, Merck and the NBA. Closer to home, miaa Guard has been involved with smart ticketing at bus company De Lijn and the manufacturer of internet-of-things Hager.

Sector:	Software & services
Initial investment	14/12/2018
www.miaaguard.com	

NGDATA, headquartered in Ghent, Belgium, is a Customer Intelligence Management Solutions Company that enables enterprises to radically improve the effectiveness of their marketing campaigns, increase up-sell and reduce churn. The company delivers the solution under the name of Lily Enterprise. Lily breaks down data silos to create a single customer view that consists of 1000s of built-in industry specific metrics to build a detailed record of each individual customer's behaviour. With this Customer DNA view, one can generate a complete understanding of the customer for more effective results e.g. by highly personalized targeted product offers and content.

Sector:	Software & services
Initial investment	04/12/2017
www.ngdata.com	

Sensolus is an Industrial Internet-of-Things company, based in Ghent, Belgium. Sensolus brings value to the supply chain & asset monitoring processes of their clients by offering end-to-end IoT solutions. By combining smart sensors, low-power communication networks and cloud analytics Sensolus reduces operational costs and increases asset up- and usage time. Sensolus solutions are internationally recognized as being extremely energy-efficient, easy to install, operational scalable and very reliable in industrial environments.

Sector:	Software & services
Initial investment	28/09/2017
www.sensolus.com	

Sequana Medical – headquartered in Zürich, Switzerland – is a medical device company developing innovative implantable pump systems to manage fluid balance within the human body. The Company's core technology is a fully implantable pump system designed to move excess fluid to the bladder, where it is passed naturally from the body through normal urination. The Company's first product, the alfapump system, is an innovative solution for the management of ascites. Ascites is a fluid that collects in the abdominal cavity in people with advanced liver disease, certain cancers, or congestive heart failure. The alfapump system was launched to the European market in 2011 as the first and only system for the automatic and continual removal of ascites. Other applications of this novel pump technology are in development.

Sector:	Medische diensten & uitrusting
Initial investment	2/10/2015
www.sequanamedical.com	

Investments in venture capital funds

CAPRICORN CLEANTECH FUND

On 8 February 2008, Quest for Growth entered into a commitment to eventually invest 2.5 million euros in Capricorn Cleantech Fund. By 31 December 2015, the full commitment had been called up. In 2017, Quest for Growth took over another investor's holding in Capricorn Cleantech Fund. Quest for Growth's somewhat limited holding in the fund, of around 2%, was thus raised to more than 10%.

This fund's investment period has been over for a while and now the main focus is on subsequent investments in existing portfolio companies and effecting exits.

In 2017, Avantium did a floatation on Euronext in Amsterdam and Brussels, in which it raised capital of 103 million euros. In January, Avantium announced that Synvina, its joint venture with BASF, would be extending its pilot phase, putting back commissioning of its manufacturing plant by between 24 and 36 months. In December, it became known that BASF was finally withdrawing from the joint venture with Avantium, an announcement that triggered a sharp fall in the price of Avantium's shares.

Furthermore, weak performance by Green Biologics and FRX Polymers led to adjustments in their valuations.

CAPRICORN HEALTH-TECH FUND

On 22 December 2010 Quest for Growth entered into a commitment to eventually invest 15 million euros in Capricorn Health-tech Fund, of which 12 million euros had been called up by 31 December 2018. On 18 December 2015, the fund's investment period concluded, meaning that no new investments could thereafter be added to the fund's portfolio. The available funds can now only be used for subsequent investments in existing portfolio companies.

Further to the successful exit from Ogeda in 2017, which had formed part of the Capricorn Health-tech Fund portfolio since 2015, the first escrow was received in December 2018.

The valuation of Capricorn Health-tech Fund fell year on year, partly due to the sharp drop in the share prices of Nexstim and Mainstay Medical.

In addition, subsequent investments were made in Sequana Medical, Nexstim, Mainstay Medical, iSTAR Medical and Confo Therapeutics.

CAPRICORN ICT ARKIV

Op 18 December 2012 Quest for Growth entered into a commitment to eventually invest 11.5 million euros in Capricorn ICT Arkiv. By 31 December 2018, no less than 8,165,152 euros of that had been called up.

Capricorn ICT Arkiv focuses mainly on investments in start-ups in the field of digital healthcare and big data. Big data refers to the huge quantities of data that are nowadays available to improve quality in the provision of services (such as in healthcare), which must therefore all be processed as efficiently as possible. The fund's investments chiefly concentrate in Flanders but there is sufficient scope to also operate internationally.

In 2018, miaa Guard became one of the companies within the fund's portfolio. The end of December 2018 saw the conclusion of the fund's investment period.

miaa Guard is a Leuven company supplying identity and access management solutions. It provides a unique cloud-based platform for managing access to digital services. Although the miaa platform complies with today's data protection requirements, it provides solutions in a sharing economy, which is where consumers and practitioners use mobile apps to share access to sensitive files and the internet of things. Though traditional security models do not work on a large scale, the miaa platform is being expanded to several tens of millions of users with self-service, self-repairing, intuitive workflows for the management of access.

Capricorn ICT Arkiv made subsequent investments in Bluebee and Indigo. In addition, LindaCare raised 7 million euros of finance to improve remote monitoring of patients for the management of chronic illnesses. Two new shareholders were added in this series B investment: Philips and PMV. The existing shareholders also took part in that finance round.

Finally, 2018 saw the successful exit from Noona Healthcare, which had been part of the Capricorn ICT Arkiv portfolio since 2016. The Finnish Noona Healthcare was sold to Varian, a leader in developing and supplying solutions for cancer care whose focus is to create a world with no fear of cancer. Varian's head office is in Palo Alto, in California, and it employs approximately 7,000 people worldwide.

CAPRICORN SUSTAINABLE CHEMISTRY FUND

On 16 December 2016, Quest for Growth entered into a commitment to eventually invest 15 million euros in Capricorn Sustainable Chemistry Fund. On 14 December 2018, the fund was successfully concluded with 86.5 million euros. A number of new investors were added to the shareholdership. Quest for Growth has increased its investment commitment to Capricorn Sustainable Chemistry Fund by a further 5 million euros to a total of 20 million euros. By 31 December 2018, some 5 million euros (25%) of that had been called up.

Capricorn Sustainable Chemistry Fund is oriented towards growth potential created by an urgent need for new raw materials, innovative and sustainable processes, smarter functional materials, food and feedstuff production, fibres and aircraft fuel. The fund's aim is to combine financial returns with a material contribution to the development of sustainable, new raw materials and chemical and advanced materials, processes and products.

The fund will be oriented towards investment potential in Europe and North America and will also take on board opportunistic investments in other world regions. It will invest in companies with a sustainable product, process of business model.

In 2018, three companies were added to the portfolio.

DMC makes bio-based products using enhanced microbial fermentation. Modification of the programming language for microbes to enhance productivity has historically been complicated, slow, and costly. DMC has developed technology to reduce biological complexity and enhance the speed of development, creating a low cost, fermentation-based manufacturing platform that has the capability to produce a broad diversity of products. Increased deployment of bio-based products can improve the nutrition of the foods, provide distributed manufacturing of existing products, enable new-to-the world materials that are only accessible using the precision of biology, and reduce dependence on fossil fuels. DMC is building a capital-efficient, multi-product company using patent-pending technology that overcomes key barriers that have historically impeded efforts in this sector.

c-LEcta is a fully integrated biotechnology company based in Leipzig, Germany, with focus on enzyme engineering and application in regulated markets like food and pharma. c-LEcta currently employs around 60 people. The company is well diversified and covers a large part of the value chain from discovery to engineering to the commercial production of enzymes as well as the manufacturing of other high-quality biotechnology products, either as in-house developments or in close cooperation with industry.

Netherlands-based Black Bear Carbon BV, founded in 2010, has developed a unique, energy positive process for producing the world's first Cradle-to-Cradle certified™ Carbon Black from tires. The company's long-term goal is to upcycle all waste tires into valuable products. Each year, 1.5 billion tires end up in landfill or are incinerated, destroying vast quantities of valuable resources. Black Bear's industrial-scale prototype plant is operated by Dutch Green Carbon, a joint venture between Black Bear and Kargro, a tire recycling company. The sustainable Carbon Black is used by clients worldwide for the production of tires, technical rubber, coatings, plastics and inks. The company plans to roll out more than 1000 plants all over the world, in cooperation with local partners. This would have a huge environmental impact, resulting in CO_2 emission reductions equivalent to the planting of more than 1 billion trees, and potentially reducing the world's annual oil consumption by more than 215 million barrels.)

In 2019, the fund's main focus will lie in further expansion of a high-quality, balanced portfolio.

Business profiles of venture capital funds

Capricorn funds

CAPRICORN CLEANTECH FUND

Capricorn Cleantech Fund is a venture capital fund with initially € 112 million of capitalisation that invests in companies operating in fields such as renewable energy, energy efficiency, sustainable transportation and renewable raw and other materials. The fund is managed by Capricorn Venture Partners.

Quest for Growth has invested initially € 2,500,000 (about 2.2%). In 2017, Quest for Growth acquired a further 8.9% in the fund via a trade & sale transaction.

Capricorn Cleantech Fund is fully invested.

Avantium is a leading technology company in the area of advanced high-throughput R&D operating in the energy, chemicals and cleantech industries. The company develops products and processes to produce biofuels and bio-based chemicals by applying its proprietary, high-throughput R&D technology. Based on this expertise, Avantium developed a novel process for the creation of commercial PEF, a novel 100% biobased polyester. Avantium contributed this development to the creation of a joint venture with BASF for the industrialization of the PEF production process in Antwerp, Belgium. The company's headquarters and laboratories are located in Amsterdam, in the Netherlands.

EpiGaN is a spin-off company of imec, founded in 2010. EpiGaN develops, produces and commercialises epitaxial materials for power electronics, more specifically GaN-on-silicon wafers. GaN-on-silicon technology plays a key role in the production of clean energy and more efficient energy conversion, which is needed for power sources, solar energy invertors, wind energy, hybrid and electric cars, and smart grids.

FRX Polymers produces and commercializes a novel family of non-halogen containing, transparent, high melt flowing and fire resistant plastics. Available flame-retardant products have till now been manufactured on a bromine basis, which itself is seriously detrimental to human health and the environment. FRX offers an alternative by using phosphor. FRX Polymers is headquartered in Chelmsford MA (USA), where it operates both polymer and monomer pilot facilities. FRX has an industrial plant in Antwerp, Belgium.

CAPRICORN HEALTH-TECH FUND

Capricorn Health-tech Fund is a venture capital fund investing in companies operating in fields such as biopharmaceuticals, medical technology and diagnostics. The fund has € 42 million available for investment and is managed by Capricorn Venture Partners.

Quest for Growth has already invested € 12,000,000 as part of a total investment of € 15,000,000.

Confo Therapeutics has been founded as a VIB-VUB spin out by VIB and Capricorn Health-tech Fund (CHF). The technology developed by Prof Steyaert has the potential to become the standard in GPCR (G-protein coupled receptor) drug discovery. It allows to screen on active confirmations of drug targets, which is a substantial advantage to existing platforms. GPCRs are largely viewed as one of the most attractive drug target class. A significant number of GPCRs targets are yet to be commercially exploited.

Diagenode is a leading global provider of complete solutions for epigenetics research, biological sample preparation, and diagnostics assays based in Liège, Belgium and Denville, NJ, USA. The company has developed both shearing solutions for a number of applications as well as a comprehensive approach to gain new insights into epigenetic studies. From Diagenode's founding in 2003 in Liège as a local biotechnology start-up, the company has expanded rapidly. Diagenode has opened its US branch in 2006 and developed a global distribution and partnering network including relationships in Japan and other Asia-Pacific countries. Diagenode has been profitable since its inception. The company has planned to extensively develop its range of innovative products in both epigenetics and infectious diseases markets.

iSTAR Medical develops a pipeline of ophthalmology devices. Its lead product is STARflo™ Glaucoma Implant, a non-degradable, precision-pore implant made from STAR® Biomaterial. STARflo™ is designed to operate as a bleb-free, micro-porous drainage system to reduce intraocular pressure (IOP) in patients suffering from open angle glaucoma by augmenting the eye's natural uveoscleral outflow. Next generations implants are being developed and are expected to enter clinic in 2017.

Mainstay Medical International is developing a ground breaking treatment for Chronic Axial Low Back Pain through neuro-rehabilitation using an implantable pulse generator for the stimulation of the multifidus muscle. This unique therapeutic device received CE mark in 2016 and is currently evaluated in a clinical efficacy trial to obtain marketing approval in the US. The company went public on April 29, 2014 on Euronext Paris and the Enterprise Securities Market in Dublin (ticker "MSTY").

Nexstim, based in Helsinki, Finland, is a medical device company developing Navigated Brain Stimulation (NBS) – a non-invasive, image-guided transcranial magnetic stimulation (TMS) – for brain diagnostics and therapy. The NBS System is aiming to become the new standard for Pre-Surgical functional brain Mapping (PSM) prior to neurosurgery for tumour resection. The company has been listed on OMX Nasdaq (NXTMH In Helsinki, NXTMS in Stockholm) since November 2014. The Company is also pursuing the development of its system for therapeutic indications, most notably in post-stroke rehabilitation.

Sequana Medical – headquartered in Zürich, Switzerland – is a medical device company developing innovative implantable pump systems to manage fluid balance within the human body. The Company's core technology is a fully implantable pump system designed to move excess fluid to the bladder, where it is passed naturally from the body through normal urination. The Company's first product, the alfapump system, is an innovative solution for the management of ascites. Ascites is a fluid that collects in the abdominal cavity in people with advanced liver disease, certain cancers, or congestive heart failure. The alfapump system was launched to the European market in 2011 as the first and only system for the automatic and continual removal of ascites. Other applications of this novel pump technology are in development.

TROD Medical is developing a new approach to the treatment of prostate cancer. Prostate operations are often tricky interventions, which can result in unpleasant side effects such as impotence and incontinence. TROD Medical has developed a new instrument allowing closely targeted treatment of the areas affected by cancer, thus minimising the chances of side effects. The technique is currently undergoing clinical validation.

CAPRICORN ICT ARKIV

Capricorn ICT Arkiv was set up on 18 December 2012. The fund has € 33 million available for investment and is managed by Capricorn Venture Partners. Capricorn ICT Arkiv's main focus lies in Digital Healthcare & Big Data, thus capitalising on increasingly vociferous calls to fund promising, innovative ICT projects in the Flemish health-care, pharma and biotech industry.

Quest for Growth has already invested € 8,165,152 as part of a total investment of € 11,500,000.

Arkite develops and markets the Human Interface Mate (HIM), an augmented reality technology to assist production operators. HIM uses a 3D sensor and a projector to inform, teach and guide the operator in his working area during the operational process. Human Interface Mate (HIM) is the ultimate "Virtual Guardian Angel". HIM is looking over the shoulder of the manufacturing operator warning as soon as a wrong operation is in progress and navigating towards standardized work. HIM reduces the Cost of Poor Quality, increases work efficiency by reducing control operations and creates the possibility for a two way information with the rest of the plant. HIM works contactless based on 3D sensor technology with smart software.

Bluebee, headquartered in Rijswijk, The Netherlands and spin-off of TU Deft runs an integrated genomics platform. Clinical labs, research centres and sequencing based diagnostics companies worldwide securely run, manage and grow their high-volume genome analytics pipelines on the Bluebee platform.

FEops, a Ghent University spin-off founded in 2009, has developed novel simulation technology that provides unique insights to cardiovascular device manufacturers and physicians. The most advanced application is a cloud based CE-marked pre-operative planning service for Transcatheter Aortic Valve Implantation (TAVI). The simulation platform is designed to assist clinicians in preoperatively assessing the effect of device-and-host interaction, with the ultimate goal of predicting and preventing complications of transcatheter-based structural heart interventions.

icometrix was founded in 2011 by Dirk Loeckx and Wim Van Hecke as a spin-off company of the leading Belgian universities and university hospitals of Leuven and Antwerp. Today, icometrix is internationally active, with offices in Leuven (Belgium) and Boston (US). In 2015, icometrix' clinical product received market approval in Europe, Canada, South America and Australia. Moreover in September 2016, icometrix obtained 510(k) clearance from the US Food and Drug Administration (FDA) for their image quantification software. In addition, icometrix' technology is increasingly used as an endpoint in clinical trials and large international research studies. icometrix is ISO9001 and ISO13485 (Medical Devices), ISO27001 (Information Security) certified and HIPAA compliant regarding Security and Privacy Rules.

Indigo Diabetes, a spin-off from Ghent University and imec raised a € 7 million series-A financing round in December 2016. Indigo develops next-generation needle-free glucose sensors for diabetics. The first product addresses the need for accurate, low-cost glucose monitoring systems with an optimal user experience.

LindaCare, a Belgian based start-up company, is specialised in the development of integrated telemonitoring software solutions for chronic disease management. The initial focus of LindaCare are patients with chronic heart failure (CHF) and cardiac arrhythmia, equipped with Cardiac Implanted Electronic Devices (CIED) for Cardiac Rhythm Management (CRM). The solution will subsequently be extended to other chronic disease domains integrating a wide range of tele-monitored medical devices.

Leuven based miaa Guard was founded in 2009 by Carlo Schüpp and Ward Duchamps. The company offers a unique cloud-based platform to manage access to digital services. While the miaa platform responds to modern needs of privacy, it offers solutions in a sharing economy. miaa Guard already implemented its platform throughout the world from India to Poland and from France to the U.S for renowned clients such as Coca-Cola, Mars, Johnson & Johnson, Merck and the NBA. Closer to home, miaa Guard has been involved with smart ticketing at bus company De Lijn and the manufacturer of internet-of-things Hager.

NGDATA, headquartered in Ghent, Belgium, is a Customer Intelligence Management Solutions Company that enables enterprises to radically improve the effectiveness of their marketing campaigns, increase up-sell and reduce churn. The company delivers the solution under the name of Lily Enterprise. Lily breaks down data silos to create a single customer view that consists of 1000s of built-in industry specific metrics to build a detailed record of each individual customer's behaviour. With this Customer DNA view, one can generate a complete understanding of the customer for more effective results e.g. by highly personalized targeted product offers and content.

Sensolus is an Industrial Internet-of-Things company, based in Ghent, Belgium. Sensolus brings value to the supply chain & asset monitoring processes of their clients by offering end-to-end IoT solutions. By combining smart sensors, low-power communication networks and cloud analytics Sensolus reduces operational costs and increases asset up- and usage time. Sensolus solutions are internationally recognized as being extremely energy-efficient, easy to install, operational scalable and very reliable in industrial environments.

CAPRICORN SUSTAINABLE CHEMISTRY FUND

On 16 December 2016 the Capricorn Sustainable Chemistry Fund was set up. After the second closing on 14 December 2018 the fund has € 86.5 million available for investments. Capricorn Sustainable Chemistry Fund focuses mainly on growth potential created by an urgent need for new raw materials, innovative sustainable processes, smarter functional materials, foodstuffs and animal feed production, fibres and aircraft fuels.

Quest for Growth has already invested € 5,000,000 as part of a total investment of € 20,000,000.

The Dutch company Black Bear Carbon, founded in 2010, has developed a unique, energy positive process for producing the world's first Cradle to Cradle certifiedTM carbon black from tires. The company's long-term goal is to upcycle all waste tires into valuable products.

c-LEcta is a fully integrated biotechnology company based in Leipzig, Germany, with focus on enzyme engineering and application in regulated markets like food and pharma. The company is well diversified and covers a large part of the value chain from discovery to engineering to the commercial production of enzymes as well as the manufacturing of other high-quality biotechnology products, either as in-house developments or in close cooperation with industry. With a focus on regulated markets such as food, c-LEcta has conducted more than 30 enzyme engineering projects with a success rate of >90% during the last 5 years.

DMC [USA] is leading the low cost sustainable transformation of multiple product markets. Its novel, patent-pending technology for rapid engineering of robust microbial hosts enables the production of a broad diversity of specialty chemicals, flavours, fragrances, nutraceuticals, natural products, pharmaceuticals, and APIs.

ViroVet is a biopharmaceutical company with a clear objective to develop innovative technologies to improve the health and value of livestock. The company is headquartered in Heverlee near Leuven, Belgium and continues to build on the livestock assets and know-how that it has accumulated since 2008 while adding new products, including vaccines, to the pipeline.

Business profiles of venture capital funds

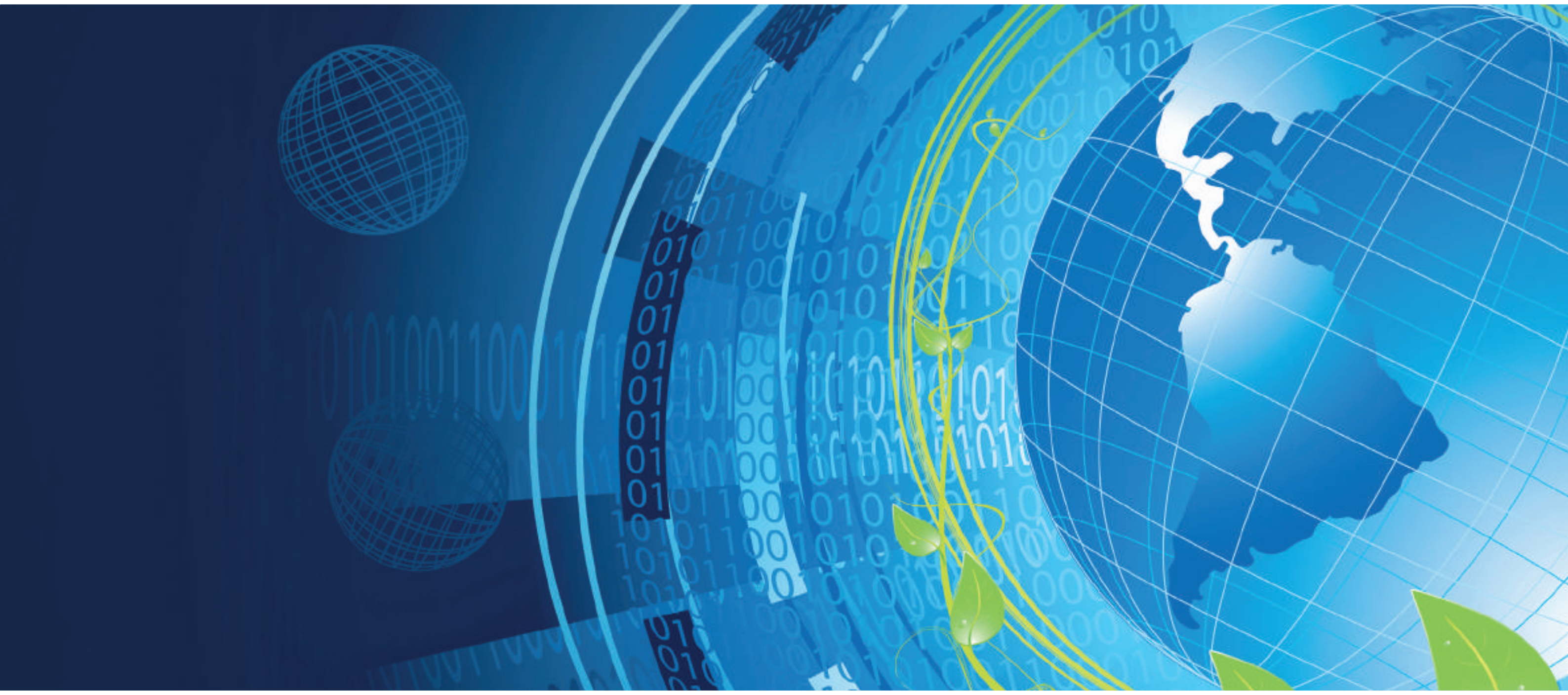
Other funds

CARLYLE EUROPE TECHNOLOGY PARTNERS (CETP II)
CETP (Carlyle Europe Technology Partners) is managed by subsidiaries of the Carlyle Group, which is one of the largest and most experienced global private equity companies. CETP concentrates on investing in European companies, particularly in the technology, media and telecommunications sectors. The fund also focuses on buyouts in which potential portfolio companies can bear debt capitalisation, and on investing equity capital in companies with existing income flows, whether or not these are profitable ("later stage venture"). Quest for Growth has co-invested in a large number of CETP's portfolio businesses via Carlyle Europe Technology Partners Co-investment, LP.

LSP III & LSP IV
Life Sciences Partners (LSP) is one of the largest specialist European investors in the healthcare and biotechnology sector. Since the end of the 1980s, LSP's management has invested in a large number of very innovative companies, many of which have grown into leading firms in the global life sciences sector. LSP has offices in Amsterdam (the Netherlands), Munich (Germany) and Boston (USA).

SCHRODER VENTURES INTERNATIONAL LIFE SCIENCES FUND II (ILSF II)
SV Life Sciences finances companies in all stages of their development and across the entire "human life sciences" sector. This sector stretches from biotechnology and pharmaceutical products through medical appliances and equipment to IT and services for healthcare institutions. SV Life Sciences currently advises or manages five funds with capital commitments of around 1,4 billion dollars, mainly investing sums of between 1 million and 20 million dollars in North America and Europe.

Vertex III was set up by the Vertex Group and is the third venture capital fund for investments in Israel and investments in technology companies linked to Israel. The fund's aim is to realise significant capital gains for its investors over the long term, which it does by investing in growth companies with unique technology whose strong management teams are able to capitalise on fast-growing markets. Vertex Israël Venture Capital was set up in 1997 to take advantage of new technologies in Israel and has its headquarters in Tel Aviv, with representatives in Europe, the US, Singapore and Japan. Vertex invests in early stage technology companies in Israel or linked to Israel that are active in the field of information networking, communication and subsystems, components, image processing, enterprise software and other emerging growth technologies.



ANNUAL REPORT

Corporate governance statement

(Companies Code section 96§2)

Quest for Growth has adopted the Belgian Corporate Governance Code for quoted companies (version 2009) (www.corporategovernancecommittee.be) as reference code.

In its Corporate Governance Charter, Quest for Growth explains the chief aspects of its corporate governance policy. The charter is available on the company's website (www.questforgrowth.com). The latest version was amended and approved by the board of directors on 21 January 2013 and needs to be updated (e.g. in the context of the appointment of Capricorn Venture Partners NV as management company in 2017). The board of directors has decided to postpone the intended update of the Corporate Governance Charter (which was scheduled for 2018) until there is clarity about the proposed new company law and the associated new Corporate Governance Code.

During the year under review, the company applied the Belgian Corporate Governance Code to the full.

Board of directors

Composition

The board of directors has a maximum of 10 members, who are appointed by the shareholders in general meeting. They need not be shareholders themselves; at least two of them must represent holders of A shares and at least two members must represent holders of B shares. Quest for Growth aims to have a board of directors that is sufficiently operational to ensure effective decision making, and large enough to enable its members to apply their experience and expertise from a range of fields and allow changes within the board to be effected without operational disruption. For these reasons, diversity and complementarity of skills, experience and knowledge are decisive factors in the composition of the board of directors.

The chairman of the board of directors is chosen from among the members. In the chairman's absence, the eldest director chairs meetings. The chairman heads up the board of directors and acts as a link between the shareholders, the board of directors and the management company of Quest for Growth. His task is to ensure that the board of directors works effectively and efficiently.

The board of directors has the right and obligation to apply effective, necessary and proportionate resources in order to accomplish its duties in a proper manner.

The Act of 28 July 2011 on representation of women on boards of directors requires companies to include at least 1/3 of representatives of the other sex when composing their board of directors. Today Quest for Growth meets this requirement.

Procedure for proposing (or extending) appointments and recalls (or non-extension)

Quest for Growth has a transparent procedure for the efficient appointment and reappointment of directors. A director's appointment or reappointment is prepared by the board of directors. The final decision on directors' appointments is taken by the shareholders in general meeting on a simple majority ballot. The members of the board of directors are all natural persons and they are appointed at general meetings for a maximum term of four years and are eligible for re-election. All independent directors have to comply with section 526 of the Companies Code. Directorships can be withdrawn by the shareholders in general meeting at any time.

The office of retiring directors ends immediately after the general meeting resolving on their replacement. A director whose term in office expires remains in office until such time as the shareholders in general meeting appoint a new director or decide not to replace that director.

In the event of an early vacancy on the board of directors, the remaining directors are entitled temporarily to appoint a new director until the shareholders in general meeting appoint a new director. Each director so appointed at a general meeting completes the term of office of the director he/she replaces. The chairman of the board of directors ensures that newly appointed directors receive adequate induction so that they can immediately contribute to the work of the board of directors. Directors who become executive officers or members of the audit committee are also inducted into the relevant specific duties and tasks in that regard and are given all other information relative to that specific position.

Mr Bart Fransis sits on the board of directors as the representative of Belfius Insurance. As a reference shareholder, Belfius Insurance has a contractual right to appoint one director. The board of directors does not therefore have any direct say in the selection criteria underlying the choice of directors proposed by Belfius Insurance. However, Belfius Insurance does make sure that proposed directors complement the other directors and align with the needs of Quest for Growth.

Members

MR ANTOON DE PROFT – CHAIRMAN AND INDEPENDENT DIRECTOR

Antoon De Proft holds a civil engineering degree from the University of Leuven (KUL). He started his career in Silicon Valley as an applications engineer and has always remained active in the international arena.
For most of his working life, he was at ICOS Vision Systems, a world leader in inspection equipment for semi-conductors, first as VP Marketing and Sales and later as CEO, until the company was sold to KLA-Tencor. Mr De Proft is the founder of ADP Vision BVBA and CEO of Septentrio NV, a company which develops and sells high-accuracy GPS receivers. He is also chairman of the board of directors of IMEC, the largest independent research centre for nanotechnology and chairman of the supervisory board of TKH Group NV, an internationally active group of companies specialising in the creation and delivery of innovative Telecom, Building and Industrial Solutions.

MR MICHEL AKKERMANS - DIRECTOR

Michel Akkermans is a civil electrotechnical engineer and also holds a special degree in business economics, both from the University of Leuven (KUL). He is the former CEO and chairman of Clear2Pay NV, a software technology company specialising in payment solutions. Michel also holds a number of positions as an active investor and as a board member. More information on www.pamica.be.

MR RENÉ AVONTS – DIRECTOR

René Avonts graduated in 1970 as a commercial engineer from the University of Leuven (KUL) and started his career in the IT department of Paribas Belgium. In 1972, he switched to the international department, which he was later to head up. In 1995 he was appointed as a member of the executive committee and board of directors with responsibility for capital markets and corporate banking. In 1998, he was made a member of the executive committee of Artesia Bank and Bacob, responsible for financial markets and investment banking, and chairman of Artesia Securities, the group's stockbroking company, which was rechristened Dexia Securities after the takeover of Artesia by Dexia in 2001. Mr Avonts left the bank in March 2002 at the time of the legal merger between Dexia and Artesia. He was subsequently appointed director and CFO of Elex NV, the reference shareholder of a number of companies including Melexis. René Avonts became managing director of Quest Management NV, the then manager of Quest for Growth, in September 2003. He has been a director of Quest for Growth since the IPO in 1998.

MR PHILIPPE DE VICQ DE CUMPTICH - DIRECTOR AND EXECUTIVE OFFICER

Philippe de Vicq has licentiates in law (from the University of Leuven (KUL and in management (from Vlerick School) and a bachelor's in philosophy from the KUL. For ten years, he worked as an investment manager at Investco, the investment company of the Almanij-Kredietbank Group. He then worked for Gevaert for 15 years. At this investor in listed and unlisted companies, he rose to the position of managing director. From 2005 to 2010, he was an executive director at KBC Private Equity. He acquired management experience at a large number of companies such as Mobistar, Unie van Redding- en Sleepdienst, LVD, Remy Claeys Aluminium, Gemma Frisius and many other start-up and mature businesses. At present he is an independent director or member of the advisory board of a number of industrial and financial undertakings such as De Eik, Uitgeverij Lannoo and Boston Millennia Partners, Frucon and Cibo.

MR BART FRANSIS – DIRECTOR

Bart Fransis is a commercial engineer and also holds an MBA, among other qualifications. After three years in audit at KPMG, he has worked successively since 1997 as a macro-economist and market strategist at BACOB, a proprietary equity trader at Artesia and an equity portfolio manager at Dexia Bank (following the merger with Artesia) and later Dexia/BIL (Banque Internationale à Luxembourg).
Since 2009, he has been managing director of two mixed investment companies (with bond, equity and real estate investments and various national and international shareholders in the insurance sector).
Since the end of 2013, Bart Fransis is responsible for management of the equities and equity-related investment portfolio at Belfius Insurance and subsidiaries. He is also a director of Capricorn Health-tech Fund.

PROF. REGINE SLAGMULDER – INDEPENDENT DIRECTOR

Regine Slagmulder is a partner and full professor in management accounting & control at Vlerick Business School. She is also a guest lecturer at the University of Ghent's Faculty of Economics and Business Management. Previously, she worked as a strategy practice consultant at McKinsey & Company. She also previously worked as a full-time lecturer attached to INSEAD and as a professor of management accounting at the University of Tilburg. Regine Slagmulder graduated in civil electrotechnical engineering and industrial management from the University of Ghent, after which she took a management doctorate at Vlerick School. As part of her research activities, she was a research fellow attached to INSEAD, Boston University (USA) and the P. Drucker Graduate Management Center at Claremont University (USA). Her research and teaching work lies within the area of performance, risk and governance.

DR JOS B. PEETERS – DIRECTOR

Jos B, Peeters is a founder and managing partner of Capricorn Venture Partners NV, a Leuven-based venture capital company. For seven years, he was managing director of BeneVent Management NV, a venture capital company associated with the Almanij-Kredietbank Group. Prior to that, he worked for PA Technology, an international technology consulting group, and at Bell Telephone Manufacturing Company, which is now part of Alcatel. Jos Peeters holds a doctorate in physics from the University of Leuven (KUL). He has also been chairman of EVCA (currently Invest Europe) and is a co-founder of EASDAQ, the pan-European exchange for growth equities. He is currently a director of EASDAQ NV, which operates a platform for secondary equities trading under the name of “Equiduct”. He is additionally a member of the Global Advisory Council of the London Business School, and is an honorary fellow of Hogenheuvel College and chairman of Science@Leuven, both at the University of Leuven.

MS LIESBET PEETERS - DIRECTOR

Liesbet Peeters is founder and managing partner of Volta Capital, specialist in creating and structuring impact investment funds, financial vehicles and products that mobilise capital to meet the needs of underserved communities and generate improved financial and social returns. Prior to founding Volta Capital, she held positions as investment officer at the International Finance Corporation (IFC) in Washington DC; and CFO/Investor Relations manager at Capricorn Venture Partners in Belgium. Her prior experience also includes positions with Greenpark Capital, a London-based fund-of-funds; SG Cowen Securities in London, EASDAQ (EU technology stock market), and Incofin CVSO, a leading microfinance fund manager.

LIEVE VERPLANCKE – INDEPENDENT DIRECTOR

Lieve Verplancke graduated as a doctor of medicine from the KUL, after which she took an MBA. She has worked successively for Beecham (GSK), Merck Sharp and Dohme and Bristol-Myers Squibb in a variety of medical, marketing and sales management positions. At Bristol-Myers Squibb, she was also general manager for 18 years, and closely involved in international project teams, giving her profound insight into cross-border and cross-cultural issues. Lieve is the founder and managing director of Qaly @ Beersel, a 120-unit campus for senior citizens. She has an executive coach practice and provides guidance to managers and international executive committees. She is a director of the Europaziekenhuizen (Brussels) and the Imelda hospital (Bonheiden) and also of the company Materialise and the Foundation against Cancer. In the past, she has been chairwoman and deputy chairwoman of a number of pharma groupings (LAWG, LIM) and of Amcham.

		Date of expiry of office: at the end of the general meeting determining the results for the financial year ending on 31 December	Proposed by holders of shares of class
Chairman	Antoon De Proft [1]	26 March 2020	Ordinary
Director – executive officer	Philippe de Vicq de Cumptich	26 March 2020	Ordinary
Director	René Avonts	26 March 2020	Ordinary
Director	Prof. Regine Slagmulder [1]	26 March 2020	Ordinary
Director	Lieve Verplancke [1]	31 March 2022	Ordinary
Director	Liesbet Peeters	26 March 2020	A
Director	Michel Akkermans	26 March 2020	B
Director	Bart Fransis	26 March 2020	B
Director	Jos B. Peeters	26 March 2020	A

[1] Independent director

Functioning

The board of directors is the most important management body within Quest for Growth and is responsible for all activities that are needed to enable the company to achieve its objectives, with the exception of those responsibilities that are entrusted by statute to the shareholders in general meeting and the responsibilities that are contracted out to the management company.

The board of directors establishes the general policy, supervises the management company and is accountable to the shareholders in general meeting. The board of directors has the task of endeavouring to ensure the long-term success of the business by offering entrepreneurial leadership and by taking charge of risk analysis and management. The responsibilities of the board of directors include:

- setting the business objectives and business strategy, and evaluating them at regular intervals,
- supervising the management company, including internal and external controls,
- preparing and approving the annual and half-yearly reports,
- approving the annual accounts,
- deciding to invest in funds organised by the management company,
- paying dividends, if applicable,
- preparing special reports required by the Companies Code in the case of certain transactions.

The board of directors has delegated the day-to-day management of the fund to Capricorn Venture Partners, a management company of alternative institutions for collective investments licensed by the FSMA.

The board of directors may only validly deliberate and pass resolutions if at least half its members are present or represented and provided at least half the directors proposed by the class A shareholders and half the directors proposed by the class B shareholders are present or represented. If the quorum is not attained, a new meeting can be called with the same agenda, which can validly deliberate and pass resolutions if at least four directors are present or validly represented.

Provided at least half the directors are present in person, any director may submit opinions and decisions to the chairman by letter, telegram, telex, fax, e-mail or otherwise in writing.

In cases of urgent necessity, the members of the board of directors can be consulted by letter, telegram, telex, fax, e-mail or in any other written form. They can notify their opinions and decisions in a similar manner. However, this procedure cannot be used for drawing up the annual accounts or applying the authorised capital.

Apart from the exceptions allowed under the Companies Code, a director with a direct or indirect interest of a financial nature conflicting with a decision falling within the remit of the board of directors must notify this to the other directors before the board of directors takes a decision. The director and the board of directors must follow the prescript of section 523 of the Companies Code and section 11§1 of the Royal Decree of 10 July 2016 regarding alternative institutions for investment in unquoted companies and growth undertakings (hereafter also called the “RD of 10 July 2016” or the “RD of 10 July 2016 regarding public privaks/pricafs).

Each decision by the board of directors is taken on a majority of the votes cast. Blank or invalid votes are not counted in the votes cast. In the event of a tie, the person chairing the meeting has a casting vote.

The deliberations and decisions of the board of directors are set down in minutes, which are signed by the members who are present. These minutes are bound into a special register. Proxies are attached to the minutes of the meeting for which they are given.

Copies or extracts for production in judicial or other matters are validly signed by one of the executive officers or two directors.

This authority can be delegated to an attorney in fact authorised to engage in all acts not expressly consigned to the shareholders in general meeting by law or the articles of association.

The company is validly represented in all its acts, including representation before the courts, by (i) the board of directors, (ii) the joint action of one of the executive officers and a director, or (iii) three directors, acting jointly, of which at least two directors should be appointed on the proposition of the A- or B-shareholders.

The company will moreover be validly represented by its special proxy-holders, acting within the framework of their mandate. The company is in respect of its daily management only validly represented by its executive officers, acting jointly or separately, and by the Management Company to the extent that its tasks fall within the framework of the daily management of the company.

Meetings

In the last financial year, the board of directors met six times. In addition to recurring matters, such as approval of the quarterly figures, half-yearly report and annual report, the board also discussed other matters such as the additional investment in the Capricorn Sustainable Chemistry Fund, the preparation and follow-up of the capital increase by means of an optional dividend, the investment policy and the compliance with the statutory requirements for investment obligations and limitations, corporate governance and other strategic issues. Some directors were unable to attend all meetings and, in some cases, were represented by another director.

the board of directors met six times this year	23/01/2018	30/01/2018 (by phone)	27/03/2018 (by phone)	24/04/2018	24/07/2018	23/10/2018
Antoon De Proft	P	P	A	P	A	P
Philippe de Vicq de Cumptich	P	P	P	P	P	P
René Avonts	P	P	P	P	P	P
Regine Slagmulder	P	P	P	P	A	P
Michel Akkermans	P (by phone)	P	P	P (by phone)	P (by phone)	P (by phone)
Jos B. Peeters	P	P	P	P	P	P
Bart Fransis	P	P	P	P	P	P
Lieve Verplancke	P	P	P	P	P	P
Liesbet Peeters	A	P	P	P	P (by phone)	P (by phone)

P = present A = apologies

the audit committee met seven times this year	23/01/2018	24/04/2018	04/06/2018	24/07/2018	11/09/2018	23/10/2018	9/11/2018
Regine Slagmulder	P	P	P	A	P	P	P
René Avonts	P	P	P	P	A	P	P
Lieve Verplancke	P	P	P	P	A	P	P

P = present A = apologies

Assessment

The chairman of the board of directors had regular talks with all the directors to appraise the functioning of the board of directors. In so doing, he included both the operational and the strategic responsibilities of the board of directors.

Conflicts of interests – Companies Code, section 523

Related-party transactions – Companies Code, section 524

Avoiding conflicts of interests – Royal Decree of 10 July 2016, section 11§1

The conflicts of interests procedure set down in section 523 of the Companies Code was not applied during the financial year.

For governance reasons, Mr Jos Peeters, who is also shareholder in Capricorn Venture Partners, the management company of Quest for Growth, abstained from each ballot relative to joint investments along with the Capricorn Venture Partners funds even though none raised any suspicion of a conflict of interests as defined in section 523 of the Companies Code.

Moreover, for governance reasons, he also abstained from the ballot relative to the additional investment in the Capricorn Sustainable Chemistry Fund. That case also did not concern a conflict of interests as defined in section 523 of the Companies Code because the management fee charged by the fund is at arm's length and is the same for all the shareholders.

No further situations arose in the course of the year that fell within the scope of section 523 of the Companies Code, section 524 of the Companies Code or section 11§1 of the Royal Decree of 10 July 2016.

Code of Conduct

Each director arranges his or her own personal and business affairs to ensure that no direct or indirect conflicts of interests arise with the company. Transactions between the company and its directors require to be conducted at arm's length. The board of directors lays down a policy concerning transactions and other contractual links between the company, including its associated companies, and those of its directors who do not fall under the statutory conflict of interests rules.

The members of the board of directors have signed a code of conduct, which lays down how they require to act in conflict of interests situations, whereby the notion of a conflict of interests is given a broader scope than in the Companies Code.

The principles applying to the directors also apply to members of the other committees. All consultants and directors of Quest for Growth sign the code of conduct. It is very detailed and includes guidelines on relations with shareholders, the public authorities and society, the media, informants and general conduct rules. The code also makes provision for disciplinary measures. The existence of a code of conduct as a contractual framework stipulating how directors and, where appropriate, consultants are to behave when faced with the possibility of influencing a decision or where they could enrich themselves at the company's expense or could deny it a business opportunity is an explicit requirement of the code.

In 2016, an addition was made to the Code of Conduct in the form of a dealing code, the aim of which is to lay down general guidance for the directors and managers of Quest for Growth and to explain the most important principles arising from the Market Abuse Regulation (MAR), which came into force on 3 July 2016. One effect of the MAR is to create a common regulatory framework relative to insider trading, unlawful disclosures of inside information and market manipulation.

The audit committee



PROF. REGINE SLAGMULDER – CHAIRMAN
MR RENE AVONTS
MS LIEVE VERPLANCKE

Within the board of directors, an audit committee has been set up. The set-up and functioning of the audit committee are described in the articles of association and Corporate Governance Charter of Quest for Growth. All the members of the audit committee amply fulfil the criteria in terms of accounting and audit expertise. The audit committee members have no executive or functional responsibilities within the company. The committee assists the board of directors in performing its duties by overseeing:

- the quality and integrity of the audit, bookkeeping and financial reporting processes;
- the financial reports and other financial information provided by the company to its shareholders, prudential regulators and the general public;
- the company's internal control systems relative to bookkeeping, financial transactions and compliance with statutory requirements and the ethical rules imposed by management and the board of directors.

The audit committee's principal activity is to steer and supervise the financial reporting, bookkeeping and administration. The financial reporting is discussed quarterly, with special attention being paid to valuation decisions relative to holdings and funds in the portfolio.

The audit committee oversees the efficiency of the internal control and risk management systems.

Moreover, the audit committee was given access to the report by the manager's internal auditor.

The scope of the supervision exercised by the audit committee extends across all of Quest for Growth's activities. The audit committee's chief tasks and responsibilities are:

- to serve as an independent, objective party in examining the company's reporting process and internal control system;
- to examine and assess the work done by the external auditor;
- to establish open communication among the external auditor, the management company and the board of directors.

The committee has unlimited, direct access to all information and staff with information relevant to the fulfilment of its tasks and can use the means necessary to achieve this. The audit committee is supposed to communicate freely and frankly with the auditor (including individual talks at least once a year).

The detailed procedures and responsibilities of the audit committee are set down in the Audit Committee Charter.

After each of its meetings, the audit committee reports to the board of directors, which includes issuing recommendations.

During the financial year ending on 31 December 2018, the audit committee met seven times. Four meetings were held further to the fund's quarterly and annual results. Two meetings were related to the approval of the modalities of the capital increase by means of an optional dividend. Additionally, there was a joint meeting with the audit committee of the management company, which was attended by the management company's internal auditor for the purposes of discussing the management company's internal control processes. Individual attendance by the audit committee's members is given in the summary of emoluments of the board of directors.

The executive officers

MR PHILIPPE DE VICQ DE CUMPTICH - DIRECTOR
MR YVES VANEERDEWEGH – MEMBER OF THE EXECUTIVE COMMITTEE OF CAPRICORN VENTURE PARTNERS

The board of directors has appointed two executive officers, who are responsible for day-to-day management and for supervising the execution of the management agreement between the company and the management company. Their duties include ensuring that the asset manager has sufficient personnel, processes and controls to appropriately carry out its responsibilities under the management agreement.

The executive officers are Mr Philippe de Vicq de Cumptich (director of Quest for Growth) and Mr Yves Vaneerdewegh (member of the executive committee of Capricorn Venture Partners).

Mr Philippe de Vicq de Cumptich is responsible for:

- Supervising the calculation of the published net asset value
- Controlling the execution of the management agreement with Capricorn Venture Partners
- Controlling the adherence to the investment policy of Quest for Growth

Mr Yves Vaneerdwegh is responsible for:

- Day-to-day management duties which are not delegated to Capricorn Venture Partners
- Internal communication to the board of directors
- External communication in the name and for the account of Quest for Growth (website, press releases, questions from shareholders, etc.)

In order to enable the executive officers to fulfil their duties appropriately and efficiently, the management company timely provides them with the necessary relevant reports as set down in the management agreement.

The executive officers report verbally on their findings to the board of directors at least once every quarter.

As part of their responsibilities, the executive officers each day receive a calculation of the NAV, the risk analysis and the compliance analysis.

Furthermore, there are regular meetings between the executive officers and the management company to discuss the development of Quest for Growth.

The executive officers also contributed to preparations for the annual general meeting and meetings of the board of directors and audit committee. Each quarter, the executive officers discussed the matter of the value of Quest for Growth's unquoted portfolio with the management company preparatory to meetings of the audit committee and of the board of directors.

Examples of other matters discussed by the executive officers in 2018 include the preparation of press releases and interim reports, Quest for Growth's new investments and changes in existing holdings in the Quest for Growth portfolio.

Within the executive officers' responsibilities for oversight and monitoring of Quest for Growth's activities and processes, they familiarised themselves with the management company's Corporate Governance Charter and came to the view that the processes and controls set down in that document are such that, in terms of the tasks required of it on behalf of Quest for Growth, they duly allow the management company to carry them out in accordance with the management agreement.

Remuneration and nomination committee

All quoted companies set up a remuneration committee within their board of directors. However, quoted companies that, on a consolidated basis, meet at least two of the following three criteria:

- average workforce of fewer than 250 over the financial year in question,
- balance sheet total less than or equal to € 43,000,000,
- annual net turnover less than or equal to € 50,000,000

do not require to set up a remuneration committee within their board of directors but, if they do not, the tasks allotted to the remuneration committee that would otherwise be set up devolve onto the board of directors provided that the company has at least one independent director and, if the chairman of the board of directors is an executive member, he/she does not chair the board when it functions according to the remit of a remuneration committee.

Quest for Growth's board of directors fulfils collegiately the tasks that would otherwise be within the remit of a remuneration and nomination committee.

Remuneration report

(Companies Code section 92§3)

Remuneration policy for directors, executive officers and management company

The emoluments of the members of the board of directors are fixed by the shareholders in general meeting. The coming year's emoluments budget for all directors including the chairman and the executive officers is tabled before the general meeting.

The remuneration package must be such as to attract the desired profiles for the board of directors.

Since 1 April 2017, the chairman and director who acts as executive officer receive fixed emoluments but no attendance fees. The members of the audit committee receive a fixed annual compensation of 10,000 euros (excluding VAT) and attendance fees of 500 euros each. The other directors who are not representatives of strategic shareholders receive fixed annual emoluments of 7,500 euros (excluding VAT) and attendance fees of 500 euros each.

Pamica NV, represented by Mr Michel Akkermans, also receives an attendance fee for each meeting of the board of directors of Capricorn Venture Capital's funds attended by him on behalf of Quest for Growth. Philippe de Vicq does not receive a separate attendance fee per meeting of the board of directors of the Capricorn Venture Capital funds where he sits on behalf of Quest for Growth or participates as an observer.

The fixed emoluments of the chairman and the executive officer reflect the additional time they require to devote to their duties. For example, the executive officers have regular gatherings with the representatives of the management company in order to optimally perform their role in terms of supervising the execution of the management company's mandate. The chairman is responsible for the agenda, organisation and evaluation of the board of directors.

This emoluments structure is aimed at active participation by the directors, as regards meetings of both the board of directors and the committees. The directors receive no other fee whatsoever, which underpins their objectivity and independence.

The emoluments are presented to the shareholders in general meeting at the time when the annual accounts are approved.

The regular, justified outlays and expenses which the directors can claim as incurred in the exercise of their duties will be reimbursed and booked as general overheads. In financial year 2018, no outlays or expenses were reimbursed.

The remuneration of the management company is stated at page 19 of the notes to the financial statements. In case of termination of the management agreement, the management company is entitled to payment of the fixed fee on a pro rata basis up to the date of termination.

Neither the executive officers nor the management company are entitled to any severance pay at the expenses of the company

Neither the directors, the executive officers nor the management company receive a variable remuneration.

The three members of the executive committee of Capricorn Venture Partners received together for their services to the company during the period from 1 January 2018 until 31 December 2018 a remuneration of € 308,645 (**).

In the past financial year no changes occurred in the remuneration policy nor in the procedure used to develop a remuneration policy for the directors, the executive officers or the management company. The remunerations to the aforementioned persons were explained in this remuneration report. The company foresees no substantial changes to its remuneration policy for the next two years.

Emoluments of the chairman and executive officers:

In financial year 2018, the following emoluments (excl. VAT) were allotted to the chairman and the executive officers:	
Mr Antoon De Proft	€ 27,000
Mr Philippe de Vicq de Cumptich	€ 27,000

Emoluments of the directors:

In financial year 2018 the following emoluments (excl. VAT) were allotted to the directors:	
Prof. Regine Slagmulder	€ 15,500
Mr René Avonts	€ 16,000
Mr Michel Akkermans	€ 12,500
Ms Lieve Verplancke	€ 16,000

Total emoluments paid to the directors in financial year 2018 including VAT amounted to:	**€ 137,310**

Shares in possession of the executive officers and the management company

Name	Role	Ordinary shares	A-shares	B-shares
Capricorn Venture Partners NV	management company	-	9	-
Yves Vaneerdewegh*	executive officer	-	125	15
Philippe de Vicq*	executive officer	-	-	-

*Situation unchanged since the beginning of the financial year

** the calculation of the remuneration is based on the ratio of the equity of Quest for Growth (AIF) to the equity of the AIFS under the management of the management company and the UCITS under the delegated management of the management company.

Capital

The duty of notification is triggered when certain percentage thresholds of the total voting rights are crossed, whether upwards or downwards. The statutory thresholds are fixed at 5% of the voting rights, 10%, 15%, etc., at 5% intervals in each case. The party whose holding crosses the threshold requires to submit a notification at the time it is crossed.

On 31 December 2018 one shareholder of Quest for Growth had more than 5% of the voting rights:

Name and address	%	Number of shares	Date threshold crossed
Federal Holding and Investment Company (SFPI-FPIM) via Belfius Insurance Belgium NV Karel Rogierplein 11 1210 Brussels Belgium	13.09%	2.195.392(*)	20/10/2011

(*) Percentage and number of shares based on the number of shares on the date of justification, adjusted after capital increases on 17 May 2016 and 17 April 2018

One or more shareholders who, together, hold 3% or more of the company's share capital can have items placed on the agenda of a general meeting and submit proposals for resolutions relating to items included or to be included on the agenda.

Each month, Quest for Growth issues a press release with the net asset value at the end of the month, which it also sends to shareholders who so request. The publication dates of these press releases are contained in the financial calendar on page 120 of this report. In addition, shareholders can ask to be sent an e-mail or press release containing information on each important event.

The press releases issued during the past year are:

QfG accelerates investments in venture capital during Q4 2017	3 January 2018
NAV at 31/12/2017	4 January 2018
Annual results 2017	25 January 2018
NAV at 31/01/2018	8 February 2018
NAV at 28/02/2018	8 March 2018
Modalities optional dividend	28 March 2018
AGM & EGM approved proposal of dividend and capital increase by means of optional dividend	29 March 2018
NAV at 31/03/2018	5 April 2018
Results of capital increase by means of optional dividend	17 April 2018
Transparency legislation – denominator	20 April 2018
Quarterly update 31 March 2018	26 April 2018
NAV at 30/04/2018	3 May 2018
NAV at 31/05/2018	7 June 2018
NAV at 30/06/2018	5 July 2018
Semi-annual report 30 June 2018	26 July 2018
NAV at 31/07/2018	2 August 2018
QfG invests more than 4 mio € in two new unquoted companies	4 September 2018
NAV at 31/08/2018	6 September 2018
NAV at 30/09/2018	4 October 2018
Quarterly update 30 September 2018	25 October 2018
NAV at 31/10/2018	8 November 2018
NAV at 30/11/2018	6 December 2018

EXTERNAL AUDIT

On 17 March 2016, KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises was engaged by the shareholders in general meeting to perform the external audit of Quest for Growth. The mandate runs until after the general meeting approving the annual accounts of the financial year 2018. KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises is represented by Mr Filip De Bock.

For the financial year ending on 31 December 2018, Quest for Growth paid KPMG Bedrijfsrevisoren/Réviseurs d'Entreprises € 24,976 (VAT included) for the audit of the annual accounts and a limited verification of the half-yearly figures. The remuneration for the preparation of the special reports related to the capital increase by means of an optional dividend amounted to € 12,705 (including VAT).

INTERNAL AUDIT

Because Quest for Growth delegates all operational processes to Capricorn Venture Partners, the fund does not have any internal audit function of its own. However, it is agreed with the management company and the management company's internal auditor that all reporting concerning the internal control processes is also available to Quest for Growth. Additionally, an annual meeting is held among the management company's internal auditor, representatives of the management company and the audit committees of Quest for Growth and Capricorn Venture Partners to discuss in detail the findings of the internal auditor and the internal audit plan for the coming year.

CUSTODIAN

Belfius Bank acts as custodian.

The custodian is responsible for a number of material tasks. He must essentially insure the safekeeping of the assets of the AIF and effect the physical trading of those assets on behalf of the management company. For example: deliver the securities sold, pay the securities purchased. In addition, the custodian is responsible for the day-to-day administration of the assets of Quest for Growth. For example: collect the dividends and interest from the assets and exercise the subscription and granting rights attached to it. Furthermore the custodian has a control function. He ensures, among other things, that transactions of the AIF are settled in time, that the assets in custody correspond to the accounting records and that the investment restrictions are respected.

The remuneration that Belfius Bank received for its services as custodian for the period from 1 january 2018 to 31 December 2018 amounted to € 48,597.

MANAGEMENT COMPANY

Capricorn Venture Partners is the management company of Quest for Growth and carries out the statutory management tasks including portfolio management, risk management and administration.

Capricorn Venture Partners is an independent, pan-European venture capital provider specialising in investments in technologically innovative growth businesses. The investment teams are made up of experienced investment managers with deep-rooted technological backgrounds and extensive business experience. Capricorn Venture Partners is the managing director of the Capricorn Cleantech Fund, the Capricorn Health-tech Fund, the Capricorn ICT Arkiv and the Capricorn Sustainable Chemistry Fund. Capricorn Venture Partners is also investment adviser to Quest Management SICAV, which invests in quoted Cleantech companies.

Capricorn Venture Partners is licensed as a manager company of alternative institutions for collective investments by the Financial Services and Markets Authority (FSMA). The company has an exemplary compliance, governance and internal control structure that meets all future statutory and regulatory requirements.

Capricorn Venture Partners differentiates itself from other venture capital providers by its thorough, multidisciplinary case knowledge and far-reaching, hands-on approach to investment files. In addition, the company can rely on an extended worldwide network of advisers, investors and experts, who are each crucial in their own field for the successful investment decisions taken by the Capricorn team.

The board of directors has power to determine the investment policy and the apportionment of assets. The board of directors is responsible for determining the fund's strategy and evaluating Capricorn Venture Partners as management company of Quest for Growth.

The board of directors also has unimpeded discretion in deciding on investments in venture capital funds set up by Capricorn Venture Partners and significant joint investments in unquoted companies together with the venture capital funds of Capricorn Venture Partners.

The substance and scope of the tasks as well as the reporting obligations to the board of directors of Quest for Growth are described in the management agreement concluded between the two parties on 1 April 2017.

INTERNAL CONTROL AND RISK MANAGEMENT

Internal control is a system developed by management that contributes to controlling the company's activities, its effective functioning and the efficient use of its resources, all in accordance with the objectives, scope and complexity of its business activities.

Risk management is the process of identifying, evaluating and controlling risks and communication in this respect.

Quest for Growth strives for general compliance and a risk-aware attitude with a clear definition of the roles and responsibilities in all relevant domains, thus creating a controlled environment for the development of business objectives and strategies.

Control environment

The control environment is the framework within which internal control and risk management are set up.

The board of directors is the most important management body within Quest for Growth and is responsible for all activities needed to allow the company to achieve its objectives.

The roles and responsibilities of the board of directors and the various committees are set down in the Corporate Governance Charter, which also incorporates the ethical code.

Risk management

Risk management is a key function within Quest for Growth and is a responsibility borne by Capricorn Venture Partners as management company, which makes daily reports in this regard to the executive officers of Quest for Growth. Within Capricorn Venture Partners, risk management falls within the responsibility of a senior member of the finance department who is not a member of the executive committee but does report directly to it.

The risk officer uses Excel spreadsheets to collate and process all information relevant for risk management, The Excel worksheets generate various reports by which the risks within Quest for Growth can be monitored:

- compliance with investment restrictions;
- compliance with the privak legislation;
- supervision of hedging of the exchange risk;
- supervision of fluctuations in the daily NAV.

All abnormalities are immediately notified to the executive officers.

The risk officer reports to the executive officers. He/she reports to the audit committee at least once a year on his/her activities and can make process-improvement suggestions at any time.

Risk management within Quest for Growth focuses especially on the risks associated with the investments in the portfolio and their impact on the company's general risk profile and liquidity. Focus is also laid on identifying and managing operational risks such as legal, outsourcing and compliance.

Financial risks

The financial risks (portfolio risk, liquidity risk, interest rate risk and exchange risk) are explained in the notes to the annual accounts on page 91 (Notes to the annual accounts – item 6).

Risk of non-adherence to the investment strategy

Capricorn Venture Partners manages the portfolio in accordance with the internal investment limitations imposed by the board of directors and taking account of all the statutory requirements under the privak legislation. The management company sends the executive officers daily reports on adherence to the limits.

Operating risk

The management company has adequate internal controls for keeping any form of operating risk under control. There is also sufficient supervision of outside service providers to ensure that they work according to the same professional and ethical game rules as Quest for Growth.

Quest for Growth engages outside legal advice to evaluate operating risk where needed in specific cases.

Financial reporting

The foregoing processes allow Quest for Growth to report financial information meeting all objectives and legal and accounting obligations incumbent upon the fund. Moreover, by means of its internal separation of powers and four-eyes principle, the management company has a number of all-embracing controls in place which contribute to ensuring that reporting is due and proper.

Quest for Growth also has an external auditor, part of whose activities is to analyse and assess the suitability of the management company's internal control. Since Quest for Growth outsources a large part of its day-to-day management to Capricorn Venture Partners, there is no need for an internal control function within the company. Capricorn Venture Partners has an internal auditor who scrutinises all processes and procedures according to a rotation schedule, including those relevant to Quest for Growth.

The management company will notify Quest for Growth's executive officers and audit committee of all findings by the internal auditor that are of relevance to Quest for Growth. In addition, the management company makes provision for the necessary processes to have the internal auditor of Capricorn Venture Partners report directly to the audit committee of Quest for Growth in the eventuality that a material malfunction should be discovered in the internal control system.

Statutory disclosures required under section 96§1 companies code

Overview for the period ending on 31 december 2018 (section 96§1, 1° Companies Code)

Overview of the development and results of the company and the position of the company

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 -18.35% 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.

Allocation of result

The board of directors proposes to the shareholders at their next annual general meeting to transfer the loss of the financial year (- € 26,923,827) to the next financial year.

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 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 2018 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.

Description of the main risks and uncertainties

See point 6 of the Notes to the financial statements.

Information concerning the important events that have occurred after the end of the financial year

(section 96§1, 2° Companies Code)

The board of directors has no knowledge of events occurring after the balance sheet date that have influenced the capital, the economic or financial position and/or the result of the company.

Disclosures concerning circumstances that might significantly affect the company's development

(section 96§1, 3° Companies Code)

There exist no circumstances that might significantly affect the company's development other than risks referred to under 'Financial information' and 'notes'.

Research and development activities

(section 96§1, 4° Companies Code)

Not applicable.

Disclosures concerning the existence of branches of the company

(section 96§1, 5° Companies Code)

The company does not have any branches.

Carry-over loss or loss during two financial years

(section 96§1, 6° Companies Code)

The balance sheet as at 31 December 2018 shows a transfer of a loss of €25,895,613. Pursuant to Article 96, 6°, the Board of Directors must provide a justification for the application of the valuation rules in the assumption of continuity. The Board of Directors decided that given that the company has almost no debts, the continuity is not in danger at any time, and the valuation rules in the assumption of continuity can continue to be applied.

Other compulsory disclosures

(section 96§1, 7° Companies Code)

As will be further set out in the Corporate Governance Statement, during the financial year under review, there were no situations in which Article 523 of the Companies Code, Article 524 of the Companies Code or Article 11, §1 of the Royal Decree of 10 July 2016 applied.

Use of financial instruments

(section 96§1, 8° Companies Code)

We refer to the statement of objectives and policy of the company regarding the management of risk set forth in this report. We also refer to the analysis of credit risk and liquidity risk explained elsewhere in this report under 'Financial Information' and to the analysis of financial risks, including the pricing risk related to stock market prices, under the 'Notes'. The company's cash-flow risk is limited in view of its activities as an AIF (or alternative institution for collective investment).

Justification of the independence and expertise of a member of the audit committee

(section 96§1, 9° Companies Code)

We refer to the description and justification relative to the audit committee that are set down in the 'Corporate Governance Statement'.

Disclosures pursuant to section 96§2, 4° Companies Code

Where applicable, you will find below the legally required information pursuant to article 96§2, 4 ° of the Company Code.

The company's shareholding structure is contained in the 'Capital' section of this report.

The articles of association lay down special control rights for the holders of class A and class B shares with regard to the appointment of directors and attendance at meetings of the board of directors and with respect to representation, plus the right to call a general meeting of shareholders.

Each shareholder is entitled to one vote per share.

The rules for the appointment and replacement of members of the management body are set out in the 'Corporate Governance Statement'.

The articles of association contain rules for amending the company's articles of association in the context of changes to the share capital, taking into account the Royal Decree of 10 July 2016 on public privaks/pricafs.

The powers of the board of directors regarding their ability to issue new shares are described in the company's articles of association and the company's corporate governance charter. The board of directors was empowered by the shareholders in extraordinary general meeting on 25 April 2017 to raise the share capital within the framework of the authorised capital under a number of special conditions that are set down in the articles of association. These powers are valid for a period of five years from publication of notice of that decision in the Schedules to the Belgian official gazette and are renewable. The articles of association no longer contain special provisions regarding the powers of the board of directors to redeem own shares.

Compulsory disclosures required under the Act on alternative institutions for collective investment and their managers

Policy with respect to the exercise of voting rights

Under section 244(5) of the Act of 19 April 2014 on alternative institutions for collective investment and their managers (the “2014 Act”), the company is required to report in its annual report on its policy regarding exercise of the voting rights attaching to the securities managed by it. In particular, in so doing it must state and justify the manner in which the voting rights have been exercised or the reasons why voting rights were not exercised.

Capricorn Venture Partners takes part in as many general meetings as are called by portfolio companies of funds it manages. Because of the limited size of the holdings in a number of portfolio companies, however, it is not always in the interests of the fund and its shareholders for investment managers to devote so much time and effort to attending ordinary general meetings that have no special agenda items. Where holdings exceed the statutory transparency threshold, Capricorn Venture Partners is under a duty to take part in the general meetings.

Moreover, for some markets, shares have to be temporarily blocked until after the general meeting. For other markets, local representatives have to be appointed to vote by proxy on the proposed resolutions, which again incurs significant cost for the company.

Nor is it always possible to obtain sufficient information in time in order to make the right voting choices. In such circumstances, it is sometimes in the shareholders’ interests to prefer not to attend the meeting.

Capricorn Venture Partners assesses each voting decision separately (for, against or abstention) with the aim of taking the best decision in the interests of the shareholders of Quest for Growth.

As management company, Capricorn Venture Partners represented Quest for Growth at 45 general meetings in 2018.

Social, ethical and environmental aspects

Under section 252(1), last paragraph, of the 2014 Act, the company is obliged to include disclosures in its annual report on the extent to which, in the management of financial resources and the exercise of rights attaching to the securities in its portfolio, account has been taken of social, ethical and environmental aspects.

In managing financial resources and exercising the rights associated with the securities in the portfolio, QfG takes into account the social, ethical and environmental aspects in the following way:

For investments in quoted securities:

1. The thematic choice of certain areas of investment

   QfG only invests in innovative companies in three areas of investment that have a positive impact on the planet and its population:
   a) Cleantech, that is, companies focused on a less polluting or more efficient use of the natural riches of the earth such as energy, water, air and raw materials,
   b) Health-tech, that is, companies focused on prevention, diagnosis and treatment of

illnesses or that can contribute to a better health care sector,

c) ICT, that is, companies active in information and communications technology and in particular in digital solutions for automation, connectivity and the enormous volume of data available.

2. The exclusion of certain sectors

   QfG will not invest in sectors that have a major ESG risk such as weapons manufacturing, games of chance, nuclear energy, non-conventional oil and gas or the coal industry, tobacco industry.

3. Emphasis on small & mid caps

   QfG gives preference to investments in small and medium-sized companies that are within less than one day's travel for the investment managers. QfG considers it important for there to be personal contract with the management of the portfolio company. This way, ESG factors can be assessed on site.

4. Due diligence for the companies

   The QfG portfolio is fully actively managed and does not follow any reference index or benchmark. The selection is made based on a thorough analysis in which ESG factors are assessed. If the investment managers discover any negative ESG factors, the investment will not be made. We are thinking for example of companies that breach human rights, pose a risk to the environment, are vulnerable to fraud or corruption or may breach other ethical norms. In addition to internal due diligence, external databases are also used in this assessment.

5. As a management company, Capricorn Venture Partners exercise the rights attaching to the securities in its portfolio, in accordance with the principles and procedures laid down in the "Voting Rights Policy". In particular, the shareholder rights are explicitly exercised at all extraordinary general meetings and at the ordinary general meetings in which no specific points are placed on the agenda, whenever QfG's holding exceeds the statutory transparency threshold. The voting decisions are determined in part on the basis of ESG factors and is carefully kept in a separate folder. We refer to page 72 of this Annual Report for this matter.

For direct investments in unquoted companies or in venture capital funds.

The above-mentioned lines of conduct will also be followed, where relevant, for direct investments.

The venture capital funds in which QfG invests may in turn invest only in the areas in which QfG focuses (see point 1) and must not invest in the areas in which QfG does not invest in (see point 2). They are required as well to take ESG factors into account in their selection process and to report on this matter.

Other disclosures

In addition, section 61 of the 2014 Act provides for obligatory disclosures that are provided elsewhere in this report.

Compulsory disclosures required by the Royal Decree of 10 July 2016 on public privaks/pricafs

The Royal Decree of 10 July 2016 on public privaks/pricafs sets down additional obligations regarding the provision of information in the company's annual report. Section 11(1) of that royal decree has already been discussed above in the 'Corporate Governance Statement'.

Fees, commissions and costs (section 10§2 of the royal decree)

The annual financial report makes separate mention of the fees granted to

- the management company: see point 19 in the notes to the financial statements

  The annual report makes mention of the fees granted to

- the directors, members of the executive committee and persons charged with daily management of:
  - the management company: see remuneration report p. 64
  - the privak/pricaf: see remuneration report p. 64
- the custodian: see p. 66

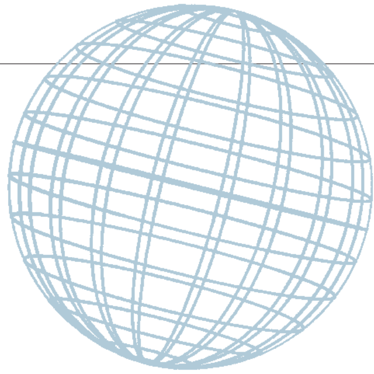
During the financial year, there were no transactions relating to the instruments and rights listed below and therefore the company did not pay any related commissions, duties or costs.

- financial instruments issued (a) by the management company or the custodian, or (b) by a company with which the privak/pricaf, the management company, the custodian or directors, executive officers or persons charged with the daily management of the privak/pricaf, or the management company is related;
- participatory rights in any other institution for collective investment that is managed directly or indirectly by the management company or other persons falling within the immediately foregoing clause.

Limitations exceeded (sections 23, 24 and 30 of the royal decree)

On 31 December 2018 the company was in compliance with section 18(3) of the royal decree and the corresponding provisions of its articles of association.

During the financial year, sections 23, 24 and 30 of the royal decree did not apply to the company.



Investments (annex B to the Royal Decree of 10 July 2016)

As regards the investments in unquoted companies, this report contains further disclosures about the transactions that were carried out during the past financial year by the privak/pricaf, including inter alia a list of investment transactions that were carried out during the relevant financial year with mention, for each transaction, of the acquisition value, the valuation value and the category of investments in which they were allocated.

A detailed list of the transactions carried out in the past financial year in respect of investments in quoted companies can be consulted at no charge at the company's premises.

Investments and securities representing more than 5% of the assets and other obligations (annex B to the Royal Decree of 10 July 2016)

During the financial year the company did not have investments and securities representing more than 5% of the assets, with the exception of the investments and securities related to the venture capital funds controlled by the management company explained below:

	% NAV	Paid-up capital	Not paid-up capital	% not paid-up capital	Final closing date	End of investment period	remaining term (in years)	Number of portfolio companies
Capricorn Health-tech Fund	6.3%	4,800,000	3,000,000	20%	22/10/2010	18/12/2015	2	7
Capricorn ICT Arkiv	6.8%	3,795,000	3,334,778	29%	18/12/2015	18/12/2018	4	9
Capricorn Sustainable Chemistry Fund	3.4%	5,000,000	15,000,000	75%	14/12/2018	14/12/2023	10	4

(*) See page 40 et seq : "Investments in Venture capital funds"

Notes to the overall policy guidelines in companies where the privak/pricaf or its representatives are represented in the governing bodies (Annex B to the Royal Decree of 10 July 2016)

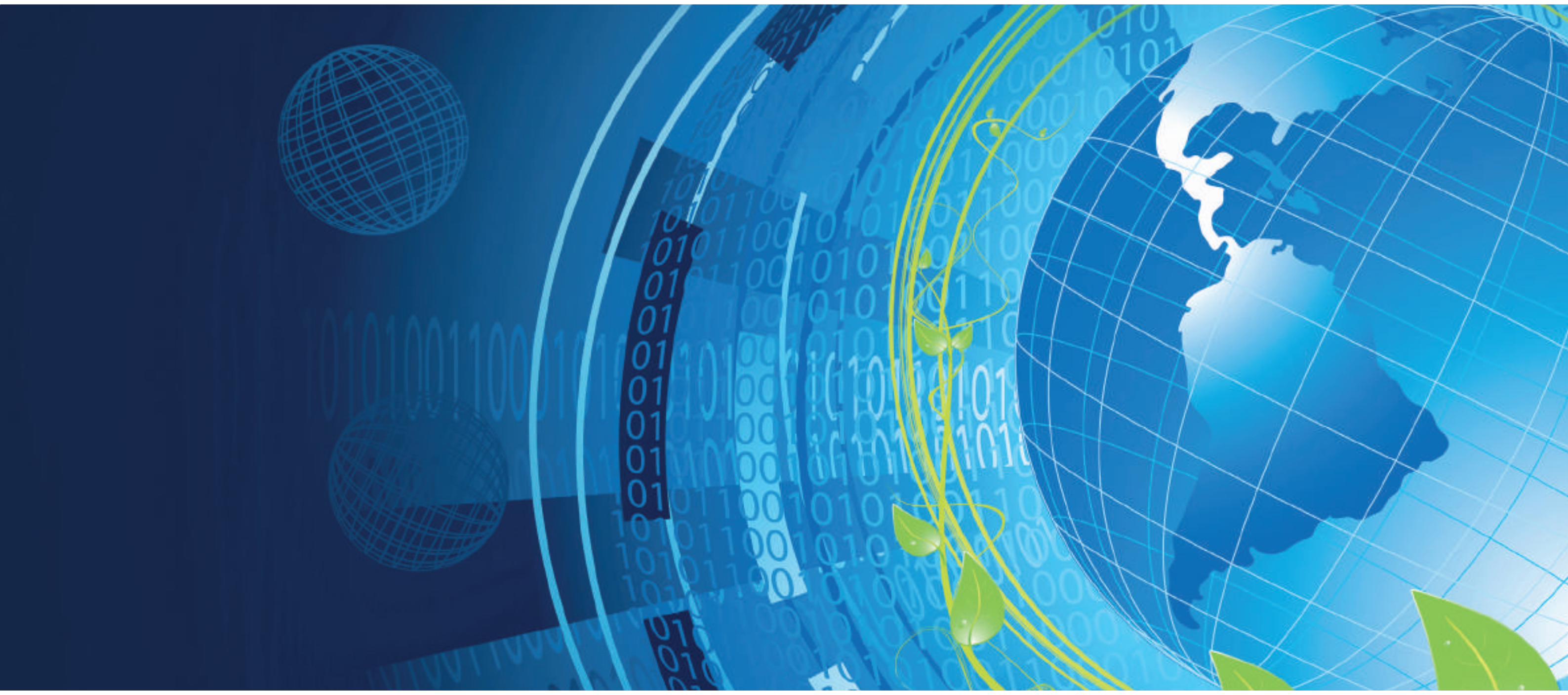
The privak/pricaf is represented directly in the governing bodies of the venture capital funds that are managed by the management company, and indirectly via the representative of the management company in the governing bodies of certain unquoted companies that constitute a co-investment with a venture capital fund managed by the management company.

Representatives who exercise a governing mandate are required to follow the lines of conduct set out in the Code of Conduct for QfG directors and, if applicable, in the Code of Conduct of the management company. All parties concerned are required to abide strictly by the conditions and provisions of the Management agreement.

During the financial year under review, the privak/pricaf and its representatives did not apply Articles 523 and 524 of the Code of Companies in companies where the privak/pricaf or its representatives are represented in the governing bodies.

Other compulsory disclosures

Other compulsory disclosures are spread throughout this report, where necessary with a reference to the relevant provision of said Royal Decree of 10 July 2016.



FINANCIAL INFORMATION

31 DECEMBER 2018

Statutory auditor's report to the general meeting of Quest for Growth NV on the financial statements as of and for the year ended 31 December 2018

FREE TRANSLATION OF UNQUALIFIED STATUTORY AUDITOR'S REPORT ORIGINALLY PREPARED IN THE DUTCH LANGUAGE

In the context of the statutory audit of the financial statements of Quest for Growth NV ("the Company"), we provide you with our statutory auditor's report. This includes our report on the financial statements for the year ended 31 December 2018, as well as other legal and regulatory requirements. Our report is one and indivisible.

We were appointed as statutory auditor by the general meeting of 17 March 2016, in accordance with the proposal of the board of directors issued on the recommendation of the audit committee. Our mandate will expire on the date of the general meeting deliberating on the financial statements for the year ended 31 December 2018.
We have performed the statutory audit of the financial statements of Quest for Growth NV for 21 consecutive financial years.

Report on the financial statements

Unqualified opinion

We have audited the financial statements of the Company as of and for the year ended 31 December 2018, prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium. These financial statements comprise the balance sheet as at 31 December 2018, the profit and loss statement, the statement of changes in equity and the statement of cash flows for the year then ended and the notes, comprising a summary of significant accounting policies and other explanatory information. The balance sheet total amounts to EUR 119.485.663 and the profit or loss statement shows a loss for the year of EUR 26.923.827.

In our opinion, the financial statements give a true and fair view of the Company's equity and financial position as at 31 December 2018 and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium.

Basis for our unqualified opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") as adopted in Belgium. In addition, we have applied the ISAs as issued by the IAASB applicable for the accounting years ended on or after December 2016 while these have not been adopted in Belgium yet. Our responsibilities under those standards are further described in the "Statutory auditors' responsibility for the audit of the financial statements" section of our report.
We have complied with the ethical requirements that are relevant to our audit of the financial statements in Belgium, including the independence requirements.

We have obtained from the board of directors and the Company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

Valuation of investments
We refer to note 7 of the financial statements.

- Description

The Company's portfolio of investments comprised financial assets classified as designated at fair value through profit or loss. Of these financial assets, 34% or EUR 35,6 million qualify as Level 3 financial assets. These Level 3 financial assets comprise mainly unquoted equity securities and venture fund investments which are valued based on methodologies that applied unobservable inputs, resulting in a significant degree of estimation uncertainty and management judgement in the valuation.

We identified the valuation of Level 3 financial assets as a key audit matter as these are material to the financial statements and due to the significant level of judgment and estimation required by the Company in determining the inputs used in the valuation models.

- Our audit procedures

We have performed the following audit procedures:

- verifying whether the internal control procedures with respect to the valuation of the Level 3 financial assets have operated effectively, more specifically the review procedures performed by the members of the executive committee of Capricorn Venture Partners, the manager, during the quarterly valuation meetings with the investment managers, the fund administrator and the internal valuation specialist with respect to investments in unquoted companies and in venture funds managed by Capricorn Venture Partners;

- assessing the appropriateness of the valuation models used by the company by comparing them with the International Private Equity and Venture Capital Valuation guidelines;

- assessing the reasonability of the most significant assumptions as described in the minutes of the quarterly reports of the valuation meetings by checking the used inputs with external data;

- evaluating the Company's assessment whether other evidence exists that could adversely affect the valuation of individual investments;

- challenging the Company's key inputs to the valuation, including the proper use of the peer group when using multiples based valuation technique;

- assessing the adequacy of the relevant disclosures.

Board of directors' responsibilities for the preparation of the financial statements

The board of directors is responsible for the preparation of these financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union, and with the legal and regulatory requirements applicable in Belgium, and for such internal control as board of directors determines, is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the board of directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Statutory auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements.

When performing our audit we comply with the legal, regulatory and professional requirements applicable to audits of the financial statements in Belgium.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also perform the following procedures:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal controls relevant to the audit 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;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by board of directors;

- Conclude on the appropriateness of board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern;

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the Board of Directors

The board of directors is responsible for the preparation and the content of the board of directors' annual report and the other information included in the annual report, for maintaining the Company's accounting records in compliance with the applicable legal and regulatory requirements, as well as for the Company's compliance with the Companies' Code and the Company's articles of association.

Statutory auditor's responsibilities

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing as applicable in Belgium, our responsibility is to verify, in all material respects, the board of directors' annual report on the financial statements and the other information included in the annual report and compliance with certain requirements of the Companies' Code and with the articles of association, and to report on these matters.

Aspects concerning the board of directors' annual report on the financial statements and other information included in the annual report

Based on specific work performed on the board of directors' annual report on the financial statements, we are of the opinion that this report is consistent with the financial statements for the same period and has been prepared in accordance with articles 95 and 96 of the Companies' Code.

In the context of our audit of the financial statements, we are also responsible for considering, in particular based on the knowledge gained throughout the audit, whether the board of directors' annual report on the financial statements and other information included in the annual report, that is:

- Message to the shareholders
- Key figures
- Portfolio composition
- Strategy
- Investment report

contain material misstatements, or information that is incorrectly stated or misleading. In the context of the procedures carried out, we did not identify any material misstatements that we have to report to you.

Information about the independence

- Our audit firm and our network have not performed any engagement which is incompatible with the statutory audit of the financial statements and our audit firm remained independent of the Company during the term of our mandate.

- The fees for the additional engagements which are compatible with the statutory audit of the financial statements referred to in article 134 of the Companies' Code were correctly stated and disclosed in the notes to the financial statements.

Other aspects

- Without prejudice to formal aspects of minor importance, the accounting records were maintained in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

- The appropriation of results proposed to the general meeting complies with the legal provisions and the provisions of the articles of association.

- We do not have to inform you of any transactions undertaken or decisions taken in breach of the Company's articles of association or the Companies' Code.

- This report is consistent with our additional report to the audit committee on the basis of Article 11 of Regulation (EU) No 537/2014.

Antwerp, 22 February 2019

KPMG Réviseurs d'Entreprises / Bedrijfsrevisoren
Statutory Auditor
represented by

Filip De Bock
Réviseur d'Entreprises / Bedrijfsrevisor

Management responsibility statement

The financial statements for the period ended 31 December 2018 have been prepared in accordance with IFRS as approved by the International Accounting Standards Board and accepted by the European Union.

The board of directors approved the financial statements on 22 January 2019.

The undersigned state that to the best of their knowledge:

a. The financial statements give a true and fair view of the financial position, equity, profit or loss, changes in equity and cash flows of Quest for Growth NV, taken as a whole as at and for the twelve month period ended 31 December 2018; and

b. The financial statements include a fair review of important events that have occurred during the twelve month period ended 31 December 2018, and their impact on the financial statements for such period, a description of the principal risks and uncertainties they face and the future prospects.

Leuven, 22 January 2019

Regine Slagmulder	**Philippe de Vicq de Cumptich**	**Yves Vaneerdewegh**
Director – Chairman of the Audit Committee	Director – Executive officer	Executive officer Capricorn Venture Partners

FINANCIAL STATEMENTS

BALANCE SHEET

In EUR	Situation at	31 December 2018	31 December 2017	31 December 2016
Assets	**Notes**			
Cash and cash equivalents		7,197,869	11,672,050	13,363,928
Short term debt securities	7.f	5,199,781	7,699,511	-
Trade and other receivables	15	301,728	1,016,498	489,917
Dividends receivable	7.f	259,004	202,634	124,635
Financial assets				
Financial assets at FVTPL – equity securities	14	105,459,060	141,186,916	120,158,826
Financial assets at FVTPL – debt securities	14	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**
Equity and liabilities				
Share capital	17	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	16	0	-	1,513
Current tax payable	12	131	139	313
Other liabilities		41,819	42,728	44,141
Total liabilities		**41,950**	**42,867**	**45,966**
Total equity and liabilities		**119,485,663**	**162,401,757**	**135,015,080**

INCOME STATEMENT

In EUR	For the financial year ended	31 December 2018	31 December 2017	31 December 2016
	Notes			
Net realised gains / (losses) on financial assets	8/10	-4,306,042	34,487,669	-579,196
Net unrealised gains / (losses) on financial assets	8/10	-22,053,068	-6,708,309	1,117,350
Dividends income		2,015,201	1,952,142	1,391,220
Interest income	11	-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 operating 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	19	-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	21.5	-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 taxes on dividends income	12	-346,583	-340,553	-275,999
Other incomes taxes	12	-233	-139	-312
Profit / (Loss) for the period		**-26,923,827**	**27,389,776**	**538,145**

Earnings per share				
Basic & diluted average number of shares outstanding	9	16,299,833	15,155,969	13,794,970
Basic & diluted earnings per share for ordinary shares		-1.65	1.55	0.04
Basic & diluted earnings per share for A and B shares		-1.65	3,859.88	0.04

STATEMENT OF CHANGES IN EQUITY

In EUR	Notes	Share capital	Retained earnings	Total equity
Balance at 1 January 2018	17	134,167,495	28,191,395	162,358,890
Loss			-26,923,827	-26,923,827
Issue of ordinary shares, net of costs of capital increase	17	11,171,831		11,171,831
Dividends	18		-27,163,181	-27,163,181
Balance at 31 December 2018	17	145,339,326	-25,895,613	119,443,713

In EUR	Notes	Share capital	Retained earnings	Total equity
Balance at 1 January 2017	17	134,167,495	801,619	134,969,114
Profit			27,389,776	27,389,776
Issue of ordinary shares, net of costs of capital increase				
Dividends	18			
Balance at 31 December 2017	17	134,167,495	28,191,395	162,358,890

In EUR	Notes	Share capital	Retained earnings	Total equity
Balance at 1 January 2016	17	109,748,742	37,998,917	147,747,659
Profit			538,144	538,144
Issue of ordinary shares, net of costs of capital increase	17	24,418,753		24,418,753
Dividends	18		-37,735,442	-37,735,442
Balance at 31 December 2016	17	134,167,495	801,619	134,969,114

STATEMENT OF CASH FLOWS

In EUR	Annex	31 December 2018	31 December 2017	31 December 2016
Cash flows from operating activities				
Proceeds from sale of Financial Assets - equity securities		38,562,274	135,972,988	44,340,904
Proceeds from sale of Financial Assets – debt securities		4,549,628	0	14,249,420
Acquisition of Financial Assets - equity securities		-29,803,501	-128,491,801	-51,419,153
Acquisition of Financial Assets - debt securities		-2,049,898	-7,699,511	0
Net receipts / (payments) from derivative activities		46,650	-950,675	447,236
Monies received from claims further to divestments		664,718	0	6,742,108
Dividends received		1,607,348	1,530,541	1,106,590
Interest received	11	2,248	8,036	16,850
Interest paid	11	-3,499	-341	-1,563
Operating expenses paid		-2,023,342	-1,971,915	-2,052,254
Income taxes paid	12	-241	-312	-191
Cash flow from operating activities		**11,552,384**	**-1,602,992**	**13,429,948**
Proceeds from capital increase				24,418,753
Dividends paid to holders of preference shares	17	-3,760,502	0	-6,156,161
Dividends paid to holders of ordinary shares	18	-11,866,212	0	-31,144,543
Paid withholding tax on dividends to shareholders	18	-365,544	-1,413	-435,605
Cash flow from financing activities		**-15,992,258**	**-1,413**	**-13,317,556**
Net increase / (decrease) in cash and cash equivalents		-4,439,874	-1,604,405	112,392
Cash and cash equivalents at the beginning of the year		11,672,050	13,363,928	13,284,643
Effect of exchange rate on cash and cash equivalents		-34,307	-87,472	-33,107
Cash and cash equivalents at the end of the period		7,197,869	11,672,050	13,363,928

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. Reporting entity

Quest for Growth NV PRIVAK (the "Company") is a Public Investment Company with fixed capital under Belgian law, with registered office at Lei 19, PO Box 3, 3000 Leuven and with company number 0463.541.422

The AIFM Directive, the AIFM Law and the Royal Decree mainly determine the legal status of the public privak.

The Company is a closed end investment company primarily involved in investing in a highly diversified portfolio of equity securities issued by companies listed on European stock exchanges, unquoted companies and unquoted investment companies, with the objective of providing shareholders with above-average returns over the medium to long term.

The Company is managed by Capricorn Venture Partners (the "Management Company").

Quest for Growth is listed on Euronext Brussels under code BE0003730448

2. Basis of preparation

The financial statements were authorised for issue by the Company's board of directors on 22 January 2019.

The financial statements for the period ended on 31 December 2018 were prepared in accordance with IFRS as published by the International Accounting Standards Board (IASB) and accepted by the European Union.

This is the first set of financial statements in accordance with IFRS 9 – financial instruments. Amendments to the policies for financial reporting are described in annex 5.

The amounts in the annual accounts are included without decimals, as a result of which the additions can show rounding differences.

The annual accounts have been drawn up on the basis of going concern. The financial statements show a loss carried forward of € 25,895,613. Based on the liquidity of the assets, as described in the explanation under point 6b on page 93, and since the company does not have any debts, the contingency does not come at any time in the compromised.

3. Functional currency and presentation of currencies

The financial statements are presented in euros, which is the company's functional currency.

Following exchange rates were used for translation into euros:

	31 December 2018	31 December 2017
USD	1.1450	1.1993
GBP	0.89453	0.88723
CHF	1.1269	1.1702
NOK	9.9483	9.8403
SEK	10.2548	9.8438

4. Use of judgements and estimates

In preparing these financial statements, management has made judgement and estimates that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses.

The actual results may differ from these estimates.

a. Judgements

__Qualification as an investment entity__

IFRS 10 lays down a compulsory exemption for companies that meet the definition of an investment entity from having to measure both its subsidiaries and its interests in associates and joint ventures at fair value with accounting of changes in value through profit or loss.

An investment entity is defined as an entity that:

(1) obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
(2) commits to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both, and
(3) measures and evaluates the performance of substantially all of its investments on a fair value basis.

In assessing whether it fulfils this definition, an entity must also look into whether it possesses the following typical features for an investment entity:

(1) it has more than one investment;
(2) it has more than one investor;
(3) it has investors that are not related parties of the entity; and
(4) it has ownership interests in the form of equity or similar interests.

In accordance with the transitional provisions of IFRS 1, this analysis was done on the transition date, when it was determined that Quest for Growth possesses both the essential and the typical features and therefore meets the definition of an investment entity. Quest for Growth is a public investment company with close-ended capital for investment in unquoted companies and growth companies (called a “PRIVAK” (Dutch) or “PRICAF” (French)), regulated by the AIFM Directive, the AIFM Act and the public PRIVAKs/PRICAFs legislation (Royal Decree of 10 July 2016). The Issuer’s diversified portfolio comprises for the most part investments in growth undertakings listed at stock exchanges, unquoted companies and venture capital funds. Quest for Growth is listed on Euronext Brussels and has a diversified range of shareholders. Quest for Growth’s objects are collective investment in permitted financial instruments issued by unquoted companies and growth companies in order to thereby realise capital gains that are paid in the form of dividends to its shareholders. Quest for Growth measures all holdings at fair value with changes in value accounted through the income statement.

b. Assumptions and estimates

The management makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The assumptions and estimates that have a significant risk of causing a material adjustment are outlined below. Estimates and underlying assumptions are reviewed on an on-going basis. Revisions to estimates are recognized prospectively.

Fair value of derivative financial instruments

The Company may, from time to time, hold financial derivative instruments that are not quoted in active markets, such as over-the-counter derivatives. Fair values of such instruments are determined by using valuation techniques. Valuation techniques (for example, models) used to determine fair values, are validated and periodically reviewed.

Fair value of private equity portfolio

The private equity portfolio includes direct investments through equity, investment related investment loans and investments in other funds managed by the management company or in third party funds. These investments are stated at fair value on a case-by-case basis.

Fair value is estimated in compliance with the International Private Equity and Venture Capital Association (IPEV) Guidelines. These guidelines include valuation methods and techniques generally recognised as standard within the industry. The Company primarily uses price of recent transaction, earnings multiples and scenario analysis to estimate the fair value of an investment.

Although management uses its best judgement in estimation the fair value of investments, there are inherent limitations to every valuation methodology. Changes in assumptions could affect the reported fair value of financial instruments.

Valuation models use observable data, to the extent practicable. The determination of what constitutes “observable” requires significant judgement by the Company. The Company considers observable data to be market data that are readily available, regularly distributed or updated, reliable and verifiable and provided by independent sources that are actively involved in the relevant market.

We also refer to point 6 of the notes to the financial statements for more information.

5. Important amendments to the policies for financial reporting

The Company has been applying IFRS 9 - Financial Instruments - as from 1 January 2018.

A number of new standards also entered into force on 1 January 2018 but they have no material effect on the Company's financial statements. As allowed by the transitional provision of IFRS 9, no comparable information is included in the statements of financial position. With the exception of the amendments below, the Company has consistently applied the valuation rules as set out in Note 21 to all periods presented in these statements of financial position.

IFRS 9 Financial instruments

IFRS 9 contains requirements for the recognition and measurement of financial assets, financial liabilities and certain contracts to buy or sell financial items. This standard replaces IAS 39 Financial instruments: Recognition and measurement

The application of IFRS 9 has no material impact on the equity attributable to the fund's shareholders.

Classification and measurement of financial assets and financial liabilities

IFRS 9 has three classification categories:

- Measured by amortized cost,
- Fair value with changes in value through other comprehensive income (FVOCI) and
- Fair value with changes in value through profit or loss (FVTPL).

The classification of financial assets under IFRS 9 is generally based on the business model of which a financial asset is a part and on the cash flow characteristics. IFRS 9 eliminates the former IAS 39 categories (kept to maturity, loans and receivables, and available-for-sale).

IFRS 9 maintains most of the existing requirements in IAS 39 for the classification and measurement of financial liabilities.

The application of IFRS 9 has had no significant effect on the Company's policies for financial reporting regarding financial liabilities and derivative financial instruments.

In IFRS 9, as was the case in IAS 39, derivatives must be recognized in profit and loss measured at fair value (FVTPL).

For an explanation about how the Company classifies financial instruments and recognizes them in profit and loss under IFRS 9, see Note 21.

The following table and explanation below describe the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each category of financial assets and financial liabilities of the Company as at 1 January 2018.

The introduction of IFRS 9 for the book value of financial assets and liabilities on 1 January 2018 had no impact on the measurement of the Company's assets and liabilities.

	IAS 39	IFRS 9	IAS 39	IFRS 9
Financial assets				
Cash and cash equivalents	Loans and receivables	Measured by amortized cost	11,672,050	11,672,050
Short-term debt securities	Loans and receivables	Measured by amortized cost	7,699,511	7,699,511
Trade and other receivables	Loans and receivables	Measured by amortized cost	1,016,498	1,016,498
Dividend receivables	Loans and receivables	Measured by amortized cost	202,634	202,634
Financial assets measured at fair value with accounting of changes in value in profit or loss - shares	Measured at fair value	Measured at fair value	141,186,916	141,186,916
Financial assets measured at fair value with accounting of changes in value in profit or loss - debt securities	Measured at fair value	Measured at fair value	616,925	616,925
Other current assets	Measured by amortized cost	Measured by amortized cost	7,223	7,223
Financial liabilities				
Trade and other receivables	Measured by amortized cost	Measured by amortized cost	0	0
Taxes due	Measured by amortized cost	Measured by amortized cost	-139	-139
Other receivables	Measured by amortized cost	Measured by amortized cost	-42,728	-42,728

6. Financial risk management

This note presents information about the company's exposure to each of the financial risks.

Quest for Growth is exposed to a number of financial risks. The company's major risk factors are defined below. However these risks are not the only risks the company may run. Any other risk Quest for Growth may run, can also have a negative impact on the activities of the company.

A. Market risk
    1. Price risk
    2. Interest rate risk
    3. Currency risk
B. Liquidity risk
C. Credit risk

Financial risk management framework

The Company's overall risk management programme seeks to maximise the returns derived for the level of risk to which the Company is exposed and seeks to minimise potential adverse effects on the Company's financial performance. The Company's policy allows it to use derivative financial instruments to both moderate and create certain risk exposures.

All securities investments present a risk of loss of capital. The maximum loss of capital on long equity and debt securities is limited to the fair value of those positions. The maximum loss of capital on forward currency contracts is limited to the notional contract values of those positions.

The management of these risks is carried out by the management company under policies approved by the board of directors, as explained in the annual report (Strategy page 8 and further).

The management company makes daily reports in this regard to the executive officers of the Company. Within the management company, risk management falls within the responsibility of a senior member of the finance department who is not a member of the executive committee but does report directly to it.

The risk manager uses Excel spreadsheets to collate and process all information relevant for risk management. The Excel worksheets generate various reports by which the risks within Quest for Growth can be monitored:

- compliance with investment restriction
- compliance with the legislation on closed-end private equity companies;
- supervision of hedging of the exchange risk;
- supervision of fluctuations in the daily NAV.

All abnormalities are immediately notified to the executive officers.

The risk manager reports to the executive officers. He/she reports to the audit committee at least once a year on his/her activities and can make process-improvement suggestions at any time.

Risk management within the Company focuses especially on the risks associated with the investments in the portfolio and their impact on the company's general risk profile and liquidity. Focus is also laid on identifying and managing operational risks such as legal, outsourcing and compliance.

A. Market risk

1. Price risk (see also sensitivity analysis on page 98)

The value of the quoted companies in the portfolio directly depends on the stock prices and the evolution thereof.

In addition, the valuation of the unquoted companies of the portfolio and the valuation to the companies in the venture companies depend upon a number of market related elements such as the value of companies in the peer group, used for valuation purposes.

This means that the fair value of quest for Growth's unquoted portfolio is highly dependent on the evolution of the stock markets.

Investments in the quoted portfolio are smaller than 5% of the net asset value. Direct investments in unquoted companies are also smaller than 5% of the net asset value.

Investments in venture companies may be higher than 5% of the net asset value but are themselves diversified.

2. Interest rate risk

Quest for Growth invests a limited amount in term deposits and commercial paper. The interest rate risk is therefore negligible.

3.Currency risk

Quest for Growth invests also in companies whose securities are not denominated in EUR. It is the responsibility of the board of directors to determine to what extent this currency risk should be hedged. Until September 2016 the Company's strategy was to fully or partly hedge exchange risks on portfolio positions denominated in pounds sterling with foreign currency forward exchange contracts and to fully hedge exchange risks on portfolio positions denominated in US dollars with foreign currency forward exchange contracts.

As of September 2016 currency risk is no longer hedged. The board however, can at any time decide on a case-by-case basis to hedge a position in the in the portfolio

On 31 December 2018 Quest for Growth held a currency risk of € 1,167,901. The exposure per currency is illustrated in the table below:

31 December 2018	In foreign currency	In €
Quoted companies		
GBP	0	0
NOK	0	0
Unquoted companies		
GBP	0	0
USD	137,173	119,802
CHF	761,136	675,425
Venture capital funds		
GBP	0	0
USD	426,712	372,674
Cash and cash equivalents		
GBP	0	0
USD	0	0
CHF	0	0
NOK	0	0

31 December 2017	In foreign currency	In €
Quoted companies		
GBP	0	0
NOK	44,052,500	4,476,744
Unquoted companies		
GBP	204	230
USD	2,777,105	2,352,662
CHF	698,035	596,509
Venture capital funds		
GBP	0	0
USD	866,689	1,041,998
Cash and cash equivalents		
GBP	0	0
USD	0	0
CHF	0	0
NOK	0	0

Sensitivity analysis

The table below sets out the effect on the result of the period of a reasonably possible decrease of the EUR against the USD, GBP, NOK and CHF by 10% at 31 December 2018 and 31 December 2017. The analysis assumes that all other variables, in particular interest rates, remain constant.

Given that there were no debts or liabilities in foreign currencies at the end of the financial year, the effect on equity is the same as the effect on profit or loss.

In EUR	31 December 2018	31 December 2017
USD	54,720	341,703
GBP	0	26
CHF	75,047	66,279
NOK	0	497,416

B. Liquidity risk

'Liquidity risk' is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities and commitments that are settled by delivering cash or another financial asset.

Quest for Growth is an investment company with fixed capital and – as opposed to investment funds with variable capital – does not have to buy back shares. No liquidity problems can arise in the short term.

Quest for Growth does nonetheless invest in quoted equities with limited liquidity risk and has outstanding commitments towards a number of venture capital funds and unquoted companies.

These investment commitments need to be fully paid up in accordance with the investments the companies makes over the investment period and further on. Quest for Growth has no control or decision power in this respect.

The table below gives an overview of the outstanding commitments at 31 December 2018 and 31 December 2017.

	Currency	Commitment in € 31/12/2018	Commitment in € 31/12/2017
Capricorn Health-tech Company	€	3,000,000	3,000,000
Capricorn ICT ARKIV	€	3,334,778	5,060,000
Capricorn Sustainable Chemistry Fund	€	15,000,000	11,250,000
Carlyle Europe Technology Partners II	€	653,148	653,148
Life Sciences Partners IV	€	42,506	42,506
HalioDx	€	0	999,990
miaa Guard	€	625,000	0
Total		**22,655,432**	**21,005,644**

The following are the contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments.

In euro	**Contractual cash flows**				
31 December 2018	**Book value**	**Total**	**Less than 15 days**	**15 days to 1 year**	**More than 1 year**
Non-derivative liabilities					
Balances due to brokers	0	0	0	0	0
Dividends payable	0	0	0	0	0
Derivative financial liabilities	0	0	0	0	0
Commitments	**22,655,432**	**22,655,432**	**0**	**22,655,432**	**0**
Total	**22,655,432**	**22,655,432**	**0**	**22,655,432**	**0**

In euro	**Contractual cash flows**				
31 December 2017	**Book value**	**Total**	**Less than 15 days**	**15 days to 1 year**	**More than 1 year**
Non-derivative liabilities					
Balances due to brokers	0	0	0	0	0
Dividends payable	0	0	0	0	0
Derivative financial liabilities	0	0	0	0	0
Commitments	**21,005,644**	**21,005,644**	**0**	**21,005,644**	**0**
Total	**21,005,644**	**21,005,644**	**0**	**21,005,644**	**0**

The table above shows the undiscounted cash flows of the Fund's financial liabilities on the basis of their earliest possible contractual maturity.

The ratio of net assets with an expected liquidation period within seven days (liquid assets) to total net assets is set out below.

	31 December 2018	**31 December 2017**
Total liquid assets	39,275,292	71,181,272
Liquid assets as % of total net assets	33%	44%

Liquidity in the case of listed shares is assessed on the basis of the average number of shares traded at the exchange during the previous 90 days. The table below shows the anticipated liquidation period for financial assets as at 31 December 2018:

Term:	**Immediately available**	**Maximum 7 days**	**Max. 1 month**	**Max. 1 year**	**More than 1 year**
	16.8%	16.0%	17.0%	18.3%	31.9%

C. Credit risk

- Concentration of credit risk

  Quest for Growth holds an important cash position as well as a position in short term debt securities.

  The credit risk on the cash position is managed by a fair distribution of the cash amongst different financial institutions with solid ratings or guaranteed by the Belgian Government.

  However this diversification of cash or similar instruments cannot protect the Company against negative evolutions within the counterparties that may have an important impact on the Company's cash position.

  There were no significant concentrations in debt securities to any individual issuer or group of issuers at 31 December 2018 or at 31 December 2017. No individual investment exceeded 5% of the net assets attributable to holders of ordinary shares either at 31 December 2018 or at 31 December 2017.

  The management company reviews the credit concentration of debt securities based on counterparties.

  The table below shows the most significant positions of cash and short term debt securities in function of the equity of the company on 31 December 2018:

Counterparty	Cash	Short term debt secrities
Belfius Bank	5.22%	
KBC Bank	0.53%	
ETEXCO		2.26%
PURATOS		2.09%

7. Fair value of financial instruments

a. Valuation models

Fair value is the price that would be received to sell an asset or that would be paid to transfer a liability in an orderly transaction between market participants at a measurement date.

Financial assets and liabilities measured at fair value

The fair value of financial assets and liabilities traded in active markets (such as listed securities and publicly traded derivatives) are based on quoted market prices at the close of trading at the measurement date. An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Company uses the close price for both financial assets and financial liabilities. If a significant movement in fair value occurs subsequent to the close of trading at the end of the reporting date, valuation techniques will be applied to determine the fair value.

The fair value of financial assets and liabilities that are not traded in an active market are determined by using valuation techniques. The Company may use internally developed models, which are based on valuation methods and techniques generally recognised as standard within the industry (IPEV). Valuation models are used primarily to value unlisted equity, debt securities and other debt instruments for which markets were or have been inactive during the financial year. Some of the inputs to these models may not be market observable and are therefore estimated based on assumptions.

Valuation techniques used include the use of comparable recent arm's length transactions, reference to other instruments that are substantially the same, option-pricing models and other valuation techniques commonly used by market participants making the maximum use of market inputs and relying as little as possible on entity-specific inputs.

The output of a model is always an estimate or approximation of a value that cannot be determined with certainty, and valuation techniques employed may not fully reflect all factors relevant to the positions the Company holds. Valuations are therefore adjusted, where appropriate, to allow for additional factors including model risk, liquidity risk and counterparty risk.

Other financial assets and liabilities

The carrying value less impairment provision of other financial assets and liabilities are assumed to approximate their fair values.

b. Fair value hierarchy

The company recognises transfers between levels of the fair value hierarchy as at the beginning of the reporting period.

The fair value hierarchy has the following levels

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs that are unobservable. This category includes all instruments for which the valuation techniques includes inputs not based on observable data and whose unobservable inputs have significant effect on the instruments' valuation.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgement by the company. The Company considers observable data to be that market data that is readily available regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equities and exchange traded derivatives. The company does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include listed equities on non active markets and over-the-counter derivatives. As Level 2 investments include positions that are not traded in active markets and/or are subject to transfer restrictions, valuations may be adjusted to reflect illiquidity and/or non-transferability, which are generally based on available market information.

Investments classified within Level 3 have significant unobservable inputs, as they trade infrequently. Level 3 instruments include private equity and corporate debt securities. As observable prices are not available for these securities, the Company has used valuation techniques to derive the fair value.

c. Valuation Framework

The company has established a control framework for the measurement of fair values. The management company that is responsible for developing the company's valuation processes and procedures oversees the valuation process. The management company reports to board of directors of the company.

The valuations and calculations are carried out by the management company at a frequency, which is appropriate to the specific character of the company. In practise, the management company reassesses the valuations of the non-quoted investments of the company at least once every quarter. The valuation could be reassessed in between valuation dates in case material events occur in the underlying investment.

The valuation is the responsibility of the valuation expert and the executive committee of the management company. The valuation role is functionally independent from the portfolio management activities and the valuation expert, though present in the team meetings is not a member of the investment committees. Other measures ensure that conflicts of interest are mitigated and that undue influence upon the employees is prevented. The valuation shall be performed with all due skill, care and diligence. The valuation expert has an experience in auditing or determining the valuation of financial instruments.

For the valuation of the unquoted investments, the valuation expert receives input of the dedicated investment managers on the fundamentals and the prospects of the non-quoted investments. He/she attends the meetings of the investment teams. Valuation proposals can be discussed in the respective investment team meetings of the funds. The main responsibility of the valuation expert is to make sure that all valuations are done in accordance with the valuation rules of the company and that the assumptions at the basis of the valuation are sufficiently documented. He/she will also make sure that all factors that could be relevant in determining the value of the unquoted investments are taken into account in the assessment.

The valuation proposals are discussed at a quarterly valuation meeting that takes place close to the end of each quarter. Are present in this quarterly valuation meeting: the valuation expert, the members of the executive committee of Capricorn Venture Partners and all Capricorn investment managers overseeing active non-quoted investments of the company. In the valuation meeting the proposed valuations of an investment manager are discussed with all members present and the valuations may be amended to obtain a final valuation proposal.

The final valuation proposals are submitted for approval to the executive committee of Capricorn Venture Partners.

The ultimate responsibility for the approval of the valuations resides legally and contractually with the board of Quest for Growth. Changes in valuation rules will be submitted to and need approval of the board of directors.

d. Fair value hierarchy – Financial instruments measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date by the level in fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position.

31 December 2018	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Shares, listed	70,493,670	0		70,493,670
Debt securities			626,011	626,011
Shares, unlisted			9,686,054	9,686,054
Venture capital funds			25,279,337	25,279,337
Total	**70,493,670**	**0**	**35,591,402**	**106,085,072**
Derivative financial instruments				
Listed equity index options	0			0
Foreign currency forward contracts		0		0
Total	**0**	**0**		**0**

31 December 2017	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss				
Shares, listed	106,398,696	1,449,921		107,848,617
Debt securities			616,925	616,925
Shares, unlisted			5,609,712	5,609,712
Venture capital funds			27,425,887	27,425,887
Total	**106,398,696**	**1,449,921**	**33,652,524**	**141,501,141**
Derivative financial instruments				
Listed equity index options	302,700			302,700
Foreign currency forward contracts		0		0
Total	**302,700**	**0**		**302,700**

In 2018 no financial instruments were transferred from Level 2 to Level 1.

The following table shows a reconciliation from the opening balances to the closing balances for the fair value measurement in level 3 of the fair value hierarchy

	Private equity investments	Venture Capital Funds	Total
Balance at 1 January 2017	**6,357,929**	**21,966,702**	**28,324,631**
Purchases	3,666,492	3,895,000	7,561,492
Sales	0	-7,878,832	-7,878,832
Transfers into level 3	0	0	0
Transfers out of level 3	-1,500,000	0	-1,500,000
Total gains or losses recognised in profit or loss	-2,297,783	9,443,017	7,145,234
Balance at 31 December 2017	**6,226,638**	**27,425,887**	**33,652,525**
Balance at 1 January 2018	**6,226,638**	**27,425,887**	**33,652,525**
Purchases	6,496,367	1,825,000	8,321,367
Sales	-1,798,117	-1,043,352	-2,841,469
Transfers into level 3	0	0	0
Transfers out of level 3	0	0	0
Total gains (or losses) recognised in profit or loss	-612,822	-2,928,198	-3,541,020
Balance at 31 December 2018	**10,312,066**	**25,279,337**	**35,591,403**

Measurement techniques used to determine fair value must encompass as many relevant observable inputs and as few non-observable inputs as possible. Level 3 inputs are non-observable as regards the assets. They are used to determine fair value to the extent that no relevant observable inputs are available. They reflect the assumptions on which market players should proceed when measuring the assets, including assumptions as to risks.

Risk assumptions include the risk inherent in a certain measurement technique that is used to determine fair value (such as a valuation model) and the risk inherent in the inputs for the measurement technique.

The table below shows the degree to which certain measurement techniques are used to value level 3 financial instruments on 31 December 2018:

	Price in a recent transaction	Multiples	Scenario analysis	Stock quotations	Cash	Other
Unlisted shares and debt securities	86.55%	0%	13.45%			
Venture capital funds (underlying instruments)	34.41%	2.19%	13.98%	4.93%	18.59%	25.91%

e. Sensitivity analysis of financial instruments at fair value through profit and loss

The valuation of investments In non-quoted equity securities and venture capital funds depends on a number of market related factors.

The following market-related factors may be applied to the measurement methods.

Price of a recent transaction: the price of a recent investment determined by the market

Multiples: the multiples used are preferably equity/earnings (company value/turnover) for companies with a sustainable turnover flow and equity/EBITDA (company value/profit for financial burdens, taxes and depreciation/amortisation) for companies with a sustainable EBITDA flow. The valuation is done on the basis of the most recent available information over 12 months, for instance the figures for the last four quarters or the figures for the last financial year.

The multiple is determined based on the median for comparable companies ("peer group"). FactSet is used as the source of these data. The peer group is composed on the basis of criteria such as: similar activities or industry, size, geographical spread. The peer group preferably encompasses a minimum of three and a maximum of ten companies.

The market-based multiple of the peer group of quoted companies is corrected with differences between the peer group and the company to be valued ("discount"). In this regard, account is taken of the difference in liquidity of the valued shares to be valued compared to that of quoted shares. Other grounds for correcting multiples might be: size, growth, diversity, nature of activities, differences between markets, competitive positioning etc.

Scenario analysis: In applying the probability-weighted model, account is taken of industry-specific information and available studies.

In the valuation of investments in unquoted shares in the venture capital funds managed by Capricorn as at 31 December 2018, 16 shares are valued based on the price of a recent transaction, 6 shares on the basis of a scenario analysis and 1 share is valued using the multiple method.

A 10 % change of these parameters would imply a € 1,807,177 increase in the value of the venture capital funds and € 1,031,206 in the value of direct investments in non-quoted equity.

The quoted share portfolio is to a significant extent sensitive to fluctuations on the stock markets. The portfolio's betas, which measure the portfolio's sensitivity relative to the market, are 0.88 over 5 years and 1.02 over 3 years. These betas have been calculated with Factset for the quoted share portfolio excluding cash against the STOXX Europe 600 index as at 31 December 2018. Taking account of these betas, calculated on the basis of historical data for the portfolio, a rise or fall of 8.8 to 10.02% can be expected upon a rise or fall of 10% in the STOXX Europe 600 index. Changes in the portfolio's composition and changes in the volatility of shares in the portfolio or of the market can give rise to fluctuations beyond the above range.

f. Financial instruments not measured at fair value

The financial instruments not measured at fair value through profit or loss are short term financial assets and liabilities whose book value approaches fair value. They are not measured at fair value because the book value is a good approach of the fair value, because of their short term nature and for the financial assets for the high credit quality of counterparties.

31 December 2018	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Short-term debt securities	5,199,781	0	5,199,781	0	5,199,781
Trade and other receivables	301,728	0	301,728	0	301,728
Dividend receivables	259,004	0	259,004	0	259,004
Financial liabilities					
Trade payables	0	0	0	0	0

31 December 2017	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Short-term debt securities	7,699,511	0	7,699,511	0	7,699,511
Trade and other receivables	1,016,498	0	1,016,498	0	1,016,498
Dividend receivables	202,634	0	202,634	0	202,634
Financial liabilities					
Trade payables	0	0	0	0	0

8. Operating segments

The Company has three reportable segments: Investments in quoted companies, investments in unquoted companies and investments in venture capital funds. Segment information is prepared on the same basis as that is used for the preparation of the Fund's financial statements.

Investments in quoted companies

Quest for Growth's quoted portfolio is 100% actively managed and does not follow any reference index or benchmark. Stock selection is based on fundamental analysis. Important investment criteria are: financial strength, growth prospects, market position, management strength and valuation. The preference lies in long-term investments in growth companies with an attractive valuation.

Most of the shares within the portfolio are in companies with a small or mid sized market capitalisation (small & mid caps). Quest for Growth believes it is very important to maintain personal contact with the management of these companies. In addition to mid caps, Quest for Growth may also invest in large companies to a certain degree, thus improving the liquidity of part of the portfolio.

Balanced diversification among the various industries is a goal. The portfolio is diversified but selective, with investments in 20 to 30 different companies. The holding in any individual company is in principle no more than 5% of the net asset value.

Investments in unquoted companies

Quest for Growth is able, on a selective basis, to co-invest together with the venture capital funds of Capricorn Venture Partners, which can result in Quest for Growth increasing its exposure to companies in which investments have already been made. This will usually be done in a later phase of the company's development. These kinds of investments are initially decided on by the board of directors of Quest for Growth.

Until 2010, Quest for Growth bought direct holdings in unquoted companies, usually small minority shareholdings where Quest for Growth was often not involved in management and invested together with other, larger financial shareholders. These holdings are actively managed, with the possibility of further financial means being made available to these companies. New direct holdings other than co-investments are not planned, however.

For direct investments in unquoted companies, Quest for Growth will invest a maximum of 5% of the assets in a single company.

The aim with regard to unlisted equities is to create capital gains by means of takeovers by other market players or in the course of exit (i.e., disposing of the shares in the company) by means of an IPO on the stock market.

Investments in venture capital funds

Investments in unquoted equities will increasingly be made via venture capital funds of Capricorn Venture Partners, which is Quest for Growth's management company. Decisions on whether to undertake investments in these funds are taken by the board of directors of Quest for Growth. The aim is to acquire significant holdings in businesses via these funds, whereby the management company plays an active role on the board of directors and in supporting those businesses' management. This strategy is designed to ensure a higher influx of investment files and more thorough supervision of the investments in unlisted shares, with the ultimate aim of further improving Quest for Growth's future results.

As regards investments in third-party funds, a similar strategy has been pursued as for direct holdings in unquoted companies, but there will be no investments in new funds. Past obligations will be honoured.

The table below gives an overview of the assets per segment:

	Notes	31 December 2018	31 December 2017
Investments in quoted companies	14	70,493,670	108,151,317
Investments in unquoted companies	14	10,312,066	6,226,637
Investments in venture capital funds	14	25,279,337	27,425,887
TOTAL		**106,085,073**	**141,803,841**

STATEMENT OF PROFIT OR LOSS PER SEGMENT

In EUR	For the period ended	31 December 2018	31 December 2017
	Notes		
Net realised gains /(losses) on financial assets	7/10	-2,718,760	32,974,802
Net unrealised gains/(losses) on financial assets	7/10	-18,512,045	-14,010,088
Dividends income		2,015,201	1,952,142
Segment revenue from investments in quoted companies		**-19,215,604**	**20,916,855**
Net realised gains/(losses) on financial assets	7/10	-1,235,823	126
Net unrealised gains/(losses) on financial assets	7/10	-612,822	-2,297,787
Dividends income		0	0
Segment revenue from investments in unquoted companies		**-1,848,645**	**-2,297,661**
Net realised gains /(losses) on financial assets	7/10	-351,459	1,699,291
Net unrealised gains /(losses) on financial assets	7/10	-2,928,201	9,443,017
Dividends income			0
Segment revenue from investments in venture capital funds		**-3,279,660**	**11,102,308**
Net interest income / (charges)	11	-1,251	7,695
Net realised foreign exchange gain/(loss)		-26,390	-25,536
Net unrealised foreign exchange gain/(loss)		0	-36,464
Total income from investments		**-24,371,551**	**29,677,196**
Other operating income / (loss)		-177,326	26,581
Total operating income		**-24,548,877**	**29,703,777**
Total operating costs		-2,019,815	-1,965,790
Profit from operating activities		**-26,568,692**	**27,737,987**
Net finance expense		-8,319	-7,519
Profit / (Loss) before income taxes		**-26,577,011**	**27,730,468**
Withholding tax expenses	12	-346,583	-340,553
Other incomes taxes	12	-233	-139
Profit / (Loss) for the period		**-26,923,827**	**27,389,776**

9. Earnings per share

	31 December 2018			31 December 2017		
	Ordinary shares	Class A shares	Class B shares	Ordinary shares	Class A shares	Class B shares
Average number of shares outstanding - basic and diluted	16,299,833	750	250	15,154,969	750	250
Profit/(loss)	-26,922,175	-1,239	-413	23,529,897	2,894,909	964,970
Profit/(loss) per share -basic and diluted	-1.65	-1.65	-1.65	1.55	3,859,88	3,859,88

(*) average weighted number of shares outstanding for the period

10. Net gain from financial instruments at fair value through profit and loss

	31 December 2018	31 December 2017
Net gain (loss) from financial instruments designated as at fair value through profit and loss		
Shares	-25,640,769	28,427,488
Debt securities	-462,291	-152
Derivative financial instruments	-256,050	-647,975
Net gain (loss) from financial instruments designated as at fair value through profit and loss		
Realised	-4,306,042	34,487,669
Unrealised	-22,053,068	-6,708,309

The realised gain from financial instruments at fair value through profit or loss represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or the transaction price if it was purchased in the current period, and its sale or settlement price.

The unrealised gain represents the difference between the carrying amount of a financial instrument at the beginning of the period, or the transaction price if it was purchased in the current reporting period, and its carrying amount at the end of the period.

11. Interest income (charges)

	31 December 2018	31 December 2017
Interest income / (charges) on financial instruments not measured at fair value		
Short term debt securities	2,248	8,036
Cash and cash equivalents	-3,499	-341

12. Income Taxes

Other Income taxes

Quest for Growth is structured as a private equity company and therefor enjoys considerable tax benefits. These benefits only apply if the investment rules are adhered to and:

- All the portfolio companies are subject to a normal taxation scheme;
- At least 80% of realised profits from the financial year are distributed as dividends (Quest for Growth's articles of association specify that it will distribute at least 90% of the realised profits);
- Provided there are sums available for distribution.

Provided the private equity company adheres to these investment rules, the tax base is limited to disallowed expenses and 'abnormal or gratuitous benefits'.

Amendments of the corporate tax laws may have an important impact on the company's results.

Withholding taxes

Dividend income from foreign companies received by the company is subject to withholding tax imposed in country of origin. Based on double-taxation treaties between Belgium and the country of origin, sometimes part of the retained withholding taxes can be claimed back.

Dividend income from Belgian companies is subject to a withholding tax of 30%. The withholding tax paid cannot be claimed back. During the reporting period till 31 December 2018 € 157,862 (2017: € 149,994) was withheld on dividends from Belgian companies.

For the period to 31 December 2018, a sum of € 188,721 of non-deductible withholding tax was retained at source on dividends from foreign corporations. In the period to 31 December 2017, retentions of this kind amounted to € 190,558.

13. Classification of financial assets and financial liabilities

The table below sets out the classifications of the carrying amounts of the company's financial assets and financial liabilities into categories of financial instruments.

31 December 2018	Designated at fair value		Financial assets and liabilities at amortized cost	Total
Cash and cash equivalents			7,197,869	7,197,869
Short term debt securities			5,199,781	5,199,781
Trade receivables			301,728	301,728
Dividends receivable			259,004	259,004
Financial assets				
Financial assets at FVTPL – equity securities	105,459,060			105,459,060
Financial assets at FVTPL – debt securities	626,011			626,011
Other current assets			442,210	442,210
Trade and other payables			-131	-131
Other liabilities			-41,819	-41,819
Total	**106,085,071**		**13,442,642**	**119,443,713**

31 December 2017	Designated at fair value	Loans and receivables	Financial assets and liabilities at amortized cost	Total
Cash and cash equivalents		11,672,050		11,672,050
Short term debt securities		7,699,511		7,699,511
Trade receivables		1,016,498		1,016,498
Dividends receivable		202,634		202,634
Financial assets				
Financial assets at FVTPL – equity securities	141,186,916			141,186,916
Financial assets at FVTPL – debt securities	616,925			616,925
Other current assets			7,223	7,223
Trade and other payables			-139	-139
Other liabilities			-42,728	-42,728
Total	**141,803,841**	**20,590,693**	**-35,643**	**162,358,891**

14. Financial assets and financial liabilities at fair value through profit or loss

	31 December 2018	31 December 2017
Financial assets at fair value through profit or loss		
Shares - quoted	70,493,670	107,848,617
Shares - unquoted	9,686,055	5,609,712
Venture capital funds	25,279,337	27,425,887
Debt securities	626,011	616,925
Derivative financial instruments	0	302,700
Total financial assets through profit or loss	**106,085,073**	**141,803,841**

Classification

The company classifies its investments in debt and equity securities, venture funds and derivatives as financial assets and liabilities at fair value through profit and loss. These financial assets or financial liabilities are either held for trading or designated by the board of directors at fair value through profit and loss at inception. (IFRS 9)

Financial assets or financial liabilities held for trading are those acquired or incurred principally for the purpose of selling or repurchasing in the near future or on initial recognition, they are part of a portfolio of identified financial instruments that the fund manages together and has a recent actual pattern of short-term profit taking. All derivatives and short positions are included in this category.
The Fund does not classify any derivatives as hedges in a hedging relationship.

15. Trade and other receivables

Trade and other receivables comprise amongst others

	31 December 2018	31 December 2017
Capricorn Health-tech Fund – capital decrease	0	500,000
Claims pursuant to divestments	301,728	418,723
Other	0	97,774
Total	**301,728**	**1,016,498**

16. Balances due to brokers and other payables

	31 December 2018	31 December 2017
Balances due from brokers		
Sales transactions awaiting settlement	0	0
Balances due to brokers		
Purchases awaiting settlement	0	0

In accordance with the company's policy of trade – date accounting for regular way sale and purchase transactions, sales /purchase transactions awaiting settlement represent amounts receivable / payable for securities sold / purchased but not yet settled as at reporting date.

17. Equity

	31 December 2018	31 December 2017
Authorised, issued an fully paid		
Ordinary shares	16,773,226	15,154,969
Class A shares	750	750
Class B shares	250	250
Subscribed capital	€ 146,458,719	€ 135,130,875
Cost of capital increase	€ 1,119,393	963,380
Share capital after deduction cost of capital increase	€ 145,339,326	€ 134,167,495

Capital increase

The general meeting of 29 March 2018 decided to distribute a gross dividend for ordinary shares of EUR 1.54 per share (net: EUR 1.52

per share). Shareholders had a choice between:

- contributing their dividend entitlement to the capital in exchange for new shares of the “ordinary” class,
- a pay-out of the dividends in cash, or
- a combination of the previous two options.

The issue price of the new ordinary shares was €7.00 per share.

The number of dividends to be contributed in order to subscribe to one new ordinary share (the "exchange ratio") thus amounted to 1 new ordinary share for 5 existing dividend rights. Given that the value of 5 dividends (that is €7.6) was higher than the issue price for 1 new ordinary share, the balance of the value of the dividends contributed that was not used for meeting the issue price, namely a sum of €0.60 per 5 dividends, was paid out in cash to the shareholder.

For 53% of the dividend entitlements, shareholders opted to contribute their dividends to the capital in exchange for new ordinary shares. As a result, 1,618,257 new ordinary shares were issued, for a total amount of EUR 11,327,844.24.

The capital of Quest for Growth now amounts (after deducting the cost of the capital increase) to €145,339,326.56 and is represented by 16,773,226 ordinary shares, 750 A-class and 250 B-class shares.

Each of those shares is accompanied by one voting right at the general meeting of the company.

The new ordinary shares have been quoted since 17 April 2018 on Euronext Brussels.

18. Dividend

Quest for Growth is structured as privak, a public alternative undertaking for collective investment with fixed capital, and is subject to specific investment rules. Section 35 of the Royal Decree of 10 July 2016 provides that privaks/pricafs must pay out at least 80% of the net earnings for the year, less amounts corresponding to net reductions in the investment institution’s liabilities during the year. However, Quest for Growth’s articles of association include a clause saying that the company must distribute at least 90% of its income after deduction of pay, commissions and expenses.

The shareholders in general meeting resolve on the allocation of the remainder on a proposal by the board of directors.

Dividend attributable to holders of different classes of shares

The holders of class A and class B shares of the Issuer receive a preference dividend. That preferred dividend is paid out of the part of the net profit that exceeds the amount necessary to pay out to all the shareholders a dividend equal to six per cent (6%) nominal calculated on basis of the capital and reserves as they are expressed on the balance sheet after appropriation of the net profit at the beginning of the accounting year to which the dividend relates. Of that surplus amount twenty per cent (20%) is paid out to holders of class A and class B shares of the Issuer as preference dividends. The remaining eighty per cent (80%) is distributed equally amongst all shareholders. Capital increases effectuated during the year are included in the calculation on a pro rata temporis base.

In 2018 the following payments were made to the holders of the different share classes:

	Bruto	Netto	Total
Ordinary shares	€ 1.54	€ 1.52	€ 23,351,382
Shares class A / B	€ 3,813.31	€ 3,761.98	€ 3,811,799
			€ 27,163,181

For the financial year ended 31/12/2018, no dividend is distributed because the company closed the year with a loss of € 26,923,827.

19. Related parties and key contacts

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

Management fee

The Company is managed by Capricorn Venture Partners (the 'Management Company'), an alternative investment fund manager incorporated in Belgium.

Until 31 March 2017, the management company received a fixed fee of € 300,000 for its administrative management. Additionally, the management company received a percentage fee depending on the scope and composition of the portfolio.

The fees for management of the unquoted shares was 2% of their fair value. The fee for the management of quoted shares and of cash and cash equivalents was 1% of their fair value. Besides the fee charged by the funds themselves, the manager did not receive a fee for managing funds that it organised itself.

Moreover, an additional 1% of the outstanding obligations to funds of the management company was deducted from the annual fee as assessed.

Under the terms of the new management agreement dated 1 April 2017, whereby the Company appointed Capricorn Venture Partners as Management Company to manage Quest for Growth, the management company's fee is set at 1% of the Company's share capital (currently, that results in a fee of 1,453,393 euros per quarter).

The total management fee received by Capricorn Venture Partners for services rendered for the period from 1 January 2018 until 31 December 2018 was € 1,431,288. For the same period ended 31 December 2017 the total management fee paid was € 1.350.333.

20. Subsequent events

The board of directors has no knowledge of events occurring after the balance sheet date that might have an effect on the result for the year.

21. Significant valuation rules

The Company's financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and approved by the European Union.

The following accounting policies have been consistently applied to all periods presented in these financial statements.

21.1 Foreign currencies

Transactions in foreign currencies are recorded at the exchange rate valid on the date of the transaction. Monetary assets and liabilities in foreign currencies are converted at the closing rate on the balance sheet date. Profits and losses resulting from foreign currency transactions and the conversion of monetary assets and liabilities are recorded in the income statement.

21.2 Non-derivative financial instruments

The fund categorises non-derivative financial assets as follows: financial assets valued at fair value with changes in value being incorporated into profit or loss, up to maturity held financial assets and borrowings and receivables.

Realised profits or losses on investments are calculated as the difference between the sale price and the investment's carrying value at the time of the sale. All purchases and sales of financial assets according to standard market conventions are recognised on the transaction date.

Purchases and sales of financial assets according to standard market conventions are purchases and sales of an asset on the basis of a contract whose terms require delivery of the asset within the deadlines that are generally laid down or agreed on the relevant market.

First recognition of loans, receivables and issued debt instruments occurs on the date on which they are executed.

Financial assets measured at fair value with changes in value reflected in profit or loss

A financial asset is classified as measured at fair value through profit or loss if it is held for the purpose of trading or if it is so identified upon first recognition. Directly attributable transaction costs are accounted through profit or loss at the time they are incurred. Financial assets measured at fair value through profit or loss are measured at fair value; any changes including any interest or dividend proceeds are incorporated into profit or loss.

The shareholdings are classified as financial fixed assets measured at fair value through result. These holdings are equity instruments belonging to the fund's investment portfolio, including associated holdings.

The International Private Equity and Venture Capital Valuation Guidelines (IPEV Guidelines) are applied as explained below. In December 2015, a new version of these guidelines was published as a replacement for the previous version, with effect as of 1 September 2015.

Determination of fair value for investments in equity components

1. **Investments in quoted companies**

For investments that are actively traded on organised financial markets, fair value is determined on the basis of the closing price at the time the relevant market closed on the balance sheet date.

Discounts are not normally applied to stock market prices. However, in cases where the liquidity of a share is restricted or if the market price is not representative, account is taken thereof in determining the value.

The following discounts are applied where appropriate. They can be modified if circumstances clearly dictate they should be.

- Contractual limitations or other legally enforceable restrictions on sale such as a lock-up agreement: for investments in quoted companies subject to contractual arrangements prohibiting sale of those shares before the expiry of a given period ("lock-up agreement"), a discount of 1.5% is applied for each lock-up month still to run under the lock-up agreement, capped at 25%. No distinction is drawn between so called hard and soft lock-ups.

- Limited liquidity owing to limited trading in the share: if the share is not regularly traded (e.g. not daily), a liquidity discount may be applied. If a share's negotiability is limited (it is not traded in daily) and where there are particular movements in the price prior to the reporting date, the option can also be taken to apply an average price over a recent period as a measurement yardstick.

- If more than one of the above discounts applies, application is made of the highest applicable at that time.

2. Investments in unquoted companies

In accordance with IFRS 13, fair value is determined as the amount for which an asset can be traded between well informed, independent parties prepared to enter into a transaction. In the absence of an active market for a financial instrument, use is made of valuation models. Valuation methods are applied consistently from one period to another unless change would result in a better estimation of fair value.

Valuation methods

a. The price of a recent transaction

The most appropriate approach to determining fair value is a method based on market data, i.e. the price of a recent investment in the company in question.

In the case of an internal round involving only existing investors in proportion of their pro rata investments, it must be examined whether there are specific circumstances that might impinge on the reliability of the investment round as an indicator of fair value. In the case of a financing operation, in the absence of new investors or other significant factors suggesting that the value has altered, it is improbable that the transaction alone is a reliable indication of fair value.

The 'price of a recent transaction' method is used for a limited period after the date of the transaction in question. The length of that period is dependent on the specific characteristics of the investment in question. In principle, the 'price of a recent transaction' method will be the most appropriate approach to determining fair value for the first 18 months following the transaction. The limited period can extend beyond 18 months if it is judged that there have been no changes or events following the relevant transaction that might have occasioned a change in the investment's fair value and the multiples method cannot be applied.

During this limited period after the date of a relevant transaction, a judgment is made as to whether changes or events after the relevant transaction could cause a change in the fair value of the investment. If it is decided that there is an indication of a change in the fair value (based on objective data or the experience of the relevant investment manager), the price of the last finance round will be adapted.

b. Multiples

This method is used for investments in an established company with a significant, identifiable, constant stream of turnover or profits that can be regarded as sustainable. When assessing the sustainability of the turnover or profits, the company's results for the last three financial years are examined together with the forecasted results outlook of the company.

In the multiples method, in order to determine the fair value of an investment, a multiple that is applicable and reasonable (bearing in mind the company's risk profile and profit-growth prospects) is applied to the sustainable turnover or profits that it generates.

The following multiples are preferred:

- equity/earnings (company value/turnover) for companies with a sustainable turnover flow

- equity/EBITDA (company value/ profit for financial burdens and taxes and depreciation/amor-tisation) for companies with a sustainable EBITDA flow

The valuation is done on the basis of the most recent available information over 12 months, for instance the figures for the last four quarters or the figures for the last financial year.

The multiple is determined based on the median for comparable companies ('peer group'). The peer group is composed on the basis of criteria such as: comparable activities or sector, size, geograph-ical spread. The peer group will preferably encompass a minimum of three and a maximum of ten companies.

The market-based multiple of the peer group of quoted companies is corrected with differences between the peer group and the company to be valued ('discount'). In this regard, account is taken of the difference in liquidity of the valued shares to be valued compared to that of quoted shares. Other grounds for correcting multiples might be: scope, growth, diversity, nature of activities, differences between markets, competitive positioning, etc.

Recent transactions in which comparable companies have been sold can also be taken as a basis for determining a suitable multiple.

The above model is adjusted for any superfluous assets or liabilities and other relevant factors, in order to evaluate the company's business.

This company valuation is reduced by all amounts relative to financial instruments that, in the event of a liquidation, would have priority over the fund's highest-ranking instrument, whereby account is also taken of any instruments that might have a dilutive effect on the fund's investment, so as to determine the net equity value. The net equity value is appropriately split among the relevant financial instruments.

The data used are adjusted for exceptional or one-off items, the impact of closed transactions, acquisitions and anticipated drops in results.

For investments in 'established' companies whereby a 'price of a recent transaction' is available, the multiples method is also calculated as a reality check during the limited period for which the 'price of a recent transaction' is regarded as the appropriate approach to determining fair value. If the value arrived at using the multiples method is significantly different, an assessment is done of which measurement method is the more appropriate .

c. Scenario analysis

In determining the valuation of 'early stage' investments, a proba-bility-weighted model or scenario analysis can be used. This approach can be utilised where there exists no recent transaction or when changes or events post the relevant trans-action have occasioned a change in the investment's fair value necessi-tating an adjustment to the price of the last finance round.

Thus, the value of the business can be assessed, for instance, based on probability percentages for a possible upgraded valuation (finance rounds at a higher val-uation), an unchanged valuation (capital round at current valuation) , a downgraded valuation (capital round at a lower valuation) or full write-off (the investment is forfeit), taking account of possible dilution as a result of the next investment round. For each of these scenarios, a business valuation can be arrived to take account of the investor's expectation.

d. Investments in funds not managed by Capricorn Venture Partners

For funds that are not managed by Capricorn Venture Partners, the fund's fair value is derived from the fund's net asset value. Depending on market circumstances, a decision can be made to base the funds' valuations on an individual valuation of the underlying shareholdings.

Although the reported fund net asset value of the fund is a relevant starting point in determining the fund's fair value, it may be necessary to adjust that value on the basis of the best available information as at the reporting date. Factors that might give rise to an adjustment include: a timing difference as against the reporting date, major valuation differences and any other factor likely to affect the value of the fund.

e. Specific considerations

- Account is taken of fluctuations in exchange rates that are liable to impact the valuation of investments.
- If the reporting currency is different from that in which the investment is couched, conversion is done using the exchange rate on the date on which fair value is determined.
- Major positions in options and warrants are valued separately from the underlying investments making use of an option-valuation model. The fair value takes account of the assumption that options and warrants are exercised where the fair value exceeds the strike price.
- Other rights such as conversion rights and ratchets, which may affect the fair value, are examined each time a measurement is done in order to establish the probability of their being exercised and the potential impact that that could have on the investment's value.
- Differences in the allocation of earnings, such as liquidation preferences, can impact valuation. If they are granted, they are examined in order to determine whether they are of benefit to the fund, or of benefit to third parties.
- Loans granted pending a finance round are measured at cost in the case of a first investment (bridging finance).
- In the event of doubt as to the credit standing of a borrower and, as a result, as to whether the loan will be repaid, a discount can be applied to the nominal amount.
- Many financial instruments used in the field of private equity accumulate accrued interest, which is only cashed out at the time the instrument is surrendered. When measuring this instrument, account is taken of the total amount to be received including the increase in accumulated interest.
- Non binding indicative offers are not used separately but need to be confirmed using one of the valuation methods.
- Receivables stemming from the sale of equity components and that are linked to results (milestone payments, sales figures, etc.) attract a discount that is dependent on the probability of these results-bound payments/claims being realised. For an escrow (deferred payments placed in a frozen account), a discount of 20% is applied in principle.
- If the transaction upon which the valuation is based on has been signed (e.g. an "SPA", or signed purchase agreement) but has not yet closed, a discount can be applied to the valuation to factor in the risk that closure might not be achieved.
- In calculating the value of (holdings in) Capricorn Venture Partners' venture capital funds, account is taken of the rights attaching to shares with special rights.

Financial assets held to maturity

Loans to portfolio companies are financial assets with fixed or determinable payments that are not listed on an active market. Upon first recognition, these assets are valued at fair value plus any directly attributable transaction costs. After first recognition, these financial assets are measured at cost subject to deduction of any impairment charges if doubt should exist as to the recoverability of the loan.

Loans and receivables

These assets are measured on first recognition at fair value plus any directly attributable transaction costs. After first recognition, they are measured at amortised cost using the effective-interest method.

Liquid resources include all treasury resources held in cash or on bank deposit, together with treasury resources invested in liquid products that are not subject to valuation fluctuations.

Non-derivative financial obligations

On first recognition, non-derivative financial obligations are measured at fair value plus any directly attributable transaction costs. After first recognition, these obligations are measured at amortised cost using the effective-interest method.

Criteria for writing off financial assets and debts

Financial assets and debts are written off when the contractual rights attaching to them are no longer controlled. This arises when financial assets and debts are sold or the cash flows attributable to the assets and debts are assigned to an independent third party.

21.3 Derivative financial instruments

Derivative financial instruments are measured at fair value on first recognition; any directly attributable transaction costs are accounted through profit or loss at the time they are incurred. After first recognition, derivative financial instruments are measured at fair value. Changes in fair value are recognised in the income statement. No hedge accounting is done for hedging transactions.

21.4 Income tax

As a matter of principle, Quest for Growth is subject to Belgian corporation tax at the standard rate of 33.99%. However, its tax base is determined on a notional basis in the sense that it comprises only the total abnormal and gratuitous benefits it receives and disallowed expenses incurred other than impairment and capital losses on shares.

Application of this favourable tax regime is dependent on Quest for Growth's qualifying as a public PRIVAK/PRICAF. This means that, should the company forfeit that status (e.g. as the result of breaches of regulatory provisions imposed as a consequence of the status, such as permitted investments and the investment policy that is pursued), said favourable corporation tax regime will no longer apply to it.

Received income is in principle exempt from Belgian withholding tax except for Belgian-source dividends and compounded interest on loans and zero-coupon bonds. Belgian-source dividends remain subject to Belgian withholding tax at 30% unless Quest for Growth has held a holding representing at least 10% of the capital of the relevant Belgian company for one year or more. Any Belgian withholding tax retained at source on dividends received by Quest for Growth cannot be offset against its corporation tax liability and any excess is not refundable.

Moreover, it must be noted that certain foreign income received by Quest for Growth may be subject to local (foreign) withholding taxes. The company receives the relevant income after deduction or retention of the relevant local withholding tax and, in principle, cannot offset it against its Belgian corporation tax charge or otherwise recover it in Belgium in any other manner.

21.5 Other levies

Quest for Growth is a collective investment undertaking and therefore subject to the annual tax on those bodies. The rate of this tax is 0.0925% and is the tax charged on the total net assets on 31 December of the preceding year.

21.6 Provisions

Provisions are constituted where the company has engaged commitments (enforceable in law or de facto) as a result of previous events, where it is probable that fulfilment of those obligations will require an outflow of resources and where a reliable estimate can be made of the scope of those obligations. Provisions are determined by placing a net present value on anticipated future cash flows on the basis of a discount rate before tax that is a reflection of the current market assessments of the time value of money and of the specific risks relative to the obligation. The grossing-up of provisions is accounted as a finance charge. If the company expects to be remunerated for a provision, the repayment is not booked as an asset until such time as repayment is virtually certain.

21.7 Recognition of earnings

Interest earnings are booked as earnings according to the effective-interest method as set out in IFRS 9.

Earnings and expenditure are presented on a net basis for profits and losses on financial instruments and for exchange rate profits and losses.

Declared dividends are recorded as earnings:

- for listed shares, at the time the share is listed ex-coupon
- for unlisted shares, at the time that the shareholders in general meeting approve the dividend.

21.8 Share capital

Costs directly attributable to an issuance of ordinary stock after deduction of any tax effects are deducted from equity.

Dividends proposed by the board of directors after year-end are not booked as a debt in the financial statements until approved by the shareholders in annual general meeting.

21.9 Profit per share

Quest for Growth calculates both the ordinary and the diluted profit per share in accordance with IAS 33. The ordinary profit per share is calculated on the basis of the weighted average number of outstanding ordinary shares during the period. The diluted profit per share is calculated according to the average number of outstanding shares during the period, taking into account the dilutive effect of warrants in circulation. There are currently no warrants in circulation.

22. Compulsory disclosures under the Royal Decree of 10 July 2016 on alternative funds for collective investment in unquoted companies and growth undertakings

- The statutory debt ratio of the PRIVAK/PRICAF may not exceed 10% of the statutory assets.
  Quest for Growth's statutory debt ratio is 0.04%.

- The total debt burden of the PRIVAK/PRICAF's statutory debt ratio multiplied by the total uncalled amounts upon acquisition by the PRIVAK/PRICAF of financial instruments that are not fully paid up may not exceed 35% of the PRIVAK/PRICAF's statutory assets.

  The total debt burden of Quest for Growth multiplied by the total uncalled amount upon acquisition by the PRIVAK/PRICAF of financial instruments that are not fully paid up amounts to 15.57%.

- A detailed list of the transactions in quoted companies that have been carried out over the past financial year may be inspected free of charge at the company's registered office.

- For investments in unquoted companies, the Royal Decree of 10 July 2016 requires the Company to publish more detailed information of transactions closed during the reporting period. Detailed information regarding these transactions however are often submitted to non-disclosure agreements preventing the company to make this information public.

- Portfolio composition, distribution per sector, per country and per currency and sector performance are detailed on pages 2, 3 and 4 of the annual report preceding these financial statements.

23. Newly applied standards

With the exception of IFRS 9 - Financial instruments, the following new standards and amendments entered into force on 1 January 2018, which have had no impact on the presentation, financial results or financial position of Quest for Growth:

- IFRS 15 - Revenue from Contracts with customers.
- IFRS 2 - Amendments - Classification and measurement of share-based payments
- IAS 40 - Amendments - Transfer of assets held for sale
- IFRS 4 - Amendments - Use of IFRS 9 Financial instruments with IFRS 4.
- IFRIC 22 - Foreign currency transactions and advance consideration

As from 1 January 2018, IAS 39 "Financial instruments: Recognition and Measurement" has been replaced by IFRS 9 - Financial instruments.

Quest for Growth applies IFRS 9 with retroactive effect without restatement of comparable figures.

IFRS 9 brings together all 3 aspects with relation to the accounting for financial instruments.

(a) classification and measurement,
(b) changes in value, and
(c) hedge accounting.

a) Classification and measurement: classification and measurement of financial assets under IFRS 9 depends on the specific business model in use and the characteristics of the contractual cash flows from the assets. The new requirements have no impact on the financial assets held by Quest for Growth. No reclassifications have taken place.
b) Changes in value: There was no impact on trade receivables.
c) Hedge accounting: not relevant.

24. New standards not yet applied

A number of new or amended standards entered into force for the financial years beginning after 1 January 2019, with early adoption permitted. The Company had not previously applied the following new or amended standards when preparing these financial statements. None of these standards are expected to have a significant effect on the financial statements.

- IFRS 16 - Leasing
- IFRIC interpretation 23 - Uncertainty over income tax treatments
- IFRS 9 - Amendments - Prepayment features with negative compensation
- IAS 28 - Amendments - Long-term interests in associates and joint ventures
- IAS 19 - Amendments - Plan amendments, curtailment and settlement
- IFRS 17 - Insurance contracts

GENERAL INFORMATION ABOUT THE COMPANY

Name, legal form and legal entities register

The company is a public limited company trading under the name of "Quest for Growth". The company was incorporated as an investment company with fixed capital for investment in unquoted companies and growth companies (also called “privak”).

The company’s registered office is situated at Lei 19, box 3, B-3000 Leuven. The company is registered in Belgium under the legal entities register in Leuven, with company registration number 0463.541.422.

Formation, changes to the Articles of Association, duration

The company was established for an indefinite period in the form of a public limited company (NV/SA) on 9 June 1998.

During the financial year the Articles of Association were amended twice, a first time by deed passed before Notary Helena VERWIMP, in Rotselaar, on 29 March 2018, published in the Belgian Official Gazette on 20 April 2018 under the number 180065268 and a second time by deed before Notary Peter VAN MELKEBEKE, in Brussels, on 17 April 2018, published in the Belgian Official Gazette on 22 May 2018 under the number 18079982.

Financial year and audit

The Company’s financial year begins on January 1st and ends on December 31st.

The annual accounts are audited by Klynveld Peat Marwick Goerdeler Bedrijfsrevisoren Burg, CV, represented by Mr Filip De Bock, Borsbeeksebrug 30 bus 2, B-2600 Antwerpen.

Where information is available for inspection

Quest for Growth’s articles of association are available for inspection at the registry of Leuven Commercial Court. The company’s financial statements are filed with the National Bank of Belgium. These documents, together with the annual, semi-annual and quarterly reports and all other public information intended for shareholders, may also be obtained from the company’s registered office. The financial statements together with the relevant reports are sent to the registered shareholders and to all other parties so requesting.

Company objectives

The objects of the privak are the collective investment of funds collected from the public pursuant to the Royal Decree of the eighteenth of April nineteen hundred and ninety-seven in quoted and unquoted growth companies and funds with a similar objective to the privak. It shall be governed in its investment policy by the aforesaid Royal Decree and by the provisions in these Articles of Association and the prospectus published with regard to the issue of shares to the public.

The privak shall focus its investment policy on investment in growth industries in various sectors of the economy, including but not limited to the sectors of medicine and health, biotechnology, information technology, software and electronics and new materials.

Furthermore, the company may incidentally keep liquid funds in the form of savings accounts, investments at notice or short term investment certificates. From the second year of operations onwards, such liquid funds shall in principle be limited to ten per cent (10%) of the assets unless a special decision by the Board of directors temporarily authorises a higher percentage.

General meeting

The General Meeting shall be held on the last Thursday of March at 11am. Where that date falls on a public holiday, the meeting shall take place on the next working day. The AGM for the accounting year starting January 1st 2019 and ending December 31st 2019 will take place on March 26th 2020.

GENERAL INFORMATION ABOUT THE COMPANY'S CAPITAL

Issued capital of the Company

On 17 April 2018 the capital was increased by EUR 11,327,844.24 after completion of a capital increase by contribution in kind of dividend rights following an optional dividend.

The subsribed capital of the Company is 146,458,719.56 EUR and is represented by 16,773,226 ordinary shares, 750 A-shares and 250 B-shares without nominal value.

All ordinary shares have the same rights and privileges, represent the same fractional value of the capital of the Company and are fully paid-up. All of these ordinary shares have the same voting rights, dividend entitlements and rights to the liquidation surplus.

The holders of Class A and Class B shares will receive a preference dividend. That preference dividend will be paid out from part of the net profit that exceeds the amount necessary to pay all shareholders a dividend equal to the return of van 6% nominal calculated on the basis of the net asset value as expressed on the balance sheet (after profit appropriation) at the beginning of the financial year to which the dividend relates. Of that surplus amount, twenty per cent (20%) will be paid out to holders of Class A and Class B shares as preference dividends. The remaining eighty per cent (80%) will be distributed equally among all shareholders. If the capital is increased during the year, the new capital contributed will be included in the calculation on a pro rata temporis basis.

Authorised capital of the company

The updated text of the Articles of Association as at April 25th 2017 explicitly permits the board of directors to increase the share capital on one or more occasions by a maximum amount of € 135,130,875.

This authorisation is granted for a period of five years, with effect from publication of the deed of capital increase of the Company on April 25th 2017, published in the Riders to the Belgian Official Gazette on May 26th 2017. It can be renewed one or more times, for a maximum period of five years on each occasion.

The general meeting may increase or reduce the subscribed capital. In the event of an increase in capital by issuing shares in return for a contribution in cash, it is not possible to deviate from the priority right of the existing shareholders.

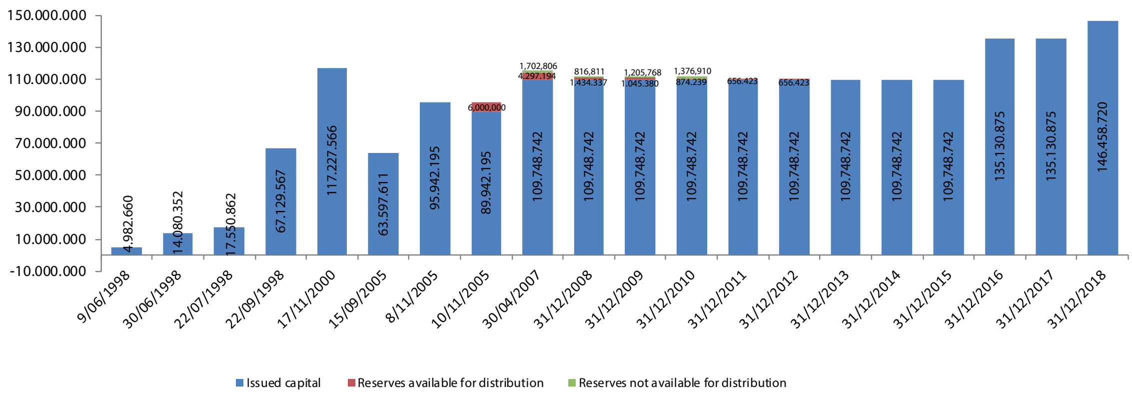
Warrants and rights

There are no outstanding warrants of other rights to subscribe to the shares of the Company.

Treasury shares

The articles of association no longer contain specific provisions regarding the powers of the board of directors with regard to the possibility of purchasing own shares.

EVOLUTION COMPANY CAPITAL AND RESERVES



SUPPLEMENTARY INFORMATION

Board of directors	**Mr Antoon De Proft**, chairman and independent director
	Mr Michel Akkermans, director
	Mr René Avonts, director
	Mr Philippe de Vicq de Cumptich, director and executive officer
	Mr Bart Fransis, director
	Dr Jos B. Peeters, director
	Ms Liesbet Peeters, director
	Prof. Regine Slagmulder, independent director
	Ms Lieve Verplancke, independent director
Audit committee	**Prof. Regine Slagmulder**, chairman
	Mr René Avonts
	Ms Lieve Verplancke
Executive officers	**Mr Philippe de Vicq de Cumptich**, director
	Mr Yves Vaneerdewegh, member of the Executive Committee of Capricorn Venture Partners
Management Company	Capricorn Venture Partners NV, Lei 19 box 1, B-3000 Leuven
Statutory auditor	Klynveld Peat Marwick Goerdeler Bedrijfsrevisoren CV, represented by Mr Filip De Bock, Borsbeeksebrug 30 box 2, B-2600 Antwerpen
Depository bank	BELFIUS BANK BELGIË, Pachecolaan 44, B-1000 Brussels
Incorporation	9 June 1998
Official listing	23 September 1998 on Euronext Brussels
Security number	ISIN: BE0003730448
Stock price	Bloomberg: QFG BB Equity Reuters: QUFG.BR Telekurs: 950524
Company reports	published quarterly, the next quarterly report will be published on 25 April 2019
Estimated net asset value	published every first Thursday of the month on the website www.questforgrowth.com

Closed-end private equity funds, submitted to the Royal Decree of 10 July 2016 on alternative institutions for collective investment in unquoted and growth companies, are an investment instrument designed to offer individual investors a suitable framework in which to invest in unquoted and growth undertakings.

A closed-end private equity fund is a closed undertaking for collective investment (UCI) which is under the supervision of the Financial Services and Market Authority (FSMA) and subject to specific investment rules and obligations as regards the distribution of dividends.

Investment rules

- 25% or more of the portfolio must be invested in unquoted companies;
- 70% or more of the portfolio (qualified investments) must be invested in
  - unquoted companies;
  - quoted growth companies with a market capitalisation of less than 1.5 billion euros;
  - AIF's with an investment policy similar to that of the private equity fund.

A private equity fund may not invest more than 20% of its portfolio in a single undertaking.

Tax treatment

Tax treatment of a public privak/pricaf

As a public privak/pricaf, Quest for Growth NV falls under the special corporation tax rules in section 185bis of the Income Tax Code 1992, which restrict the tax base of public privaks/pricafs to abnormal and gratuitous benefits that they receive and non-deductible expenditure (except for write-downs and impairment on shares).

Tax liability in the hands of Belgian individuals and bodies subject to legal entities tax

Dividend distributions

There is no withholding tax charge on that portion of a dividend derived from capital gains realised by a privak/pricaf on shares. The remaining portion of the dividend attracts a withholding tax charge at a rate of 30%. The charge to withholding tax and the exemption therefrom are both final in terms of ultimate liability.

Capital gains on shares realised by Belgian individuals

Private individuals not investing in the course of their business in principle pay no tax on any capital gain realised by them when selling their units in a privak/pricaf.

There is an exception to this rule under section 19bis Income Tax Code 1992, which imposes a tax charge on the privak/pricaf's interest component in the case of a purchase of own shares, liquidation or transfer for valuable consideration of units in a public privak/pricaf in the name of individual investors (referred to as the "savings levy"). The ambit of section 19bis was amended by section 101 of the "Programme Law" of 25 December 2017. For participatory rights acquired on or after 1 January 2018, section 19bis applies to collective investment

undertakings investing 10% or more in debt claims and/or certificates of debt. The threshold was previously 25%.

The Rulings Commission for an advanced decision confirms article 19bis of the Income Tax Code 1992 does not apply for Quest for Growth.

In the prior decision confirming the inapplicability of section 19bis Income Tax Code 1992, Quest for Growth NV commits itself:

1) to annually pay out a sum at least equal to the Belgian TIS to the extent permitted by the rules applying to it; and

2) in each case, to verify that, insofar as permitted by the rules to which it is subject, a sum equal to the Belgian TIS is distributed and that the portion of distributed dividend on which withholding tax is deducted at source is greater than the amount of Belgian TIS per share; and

3) to expressly incorporate said commitments in the next (half-yearly and annual) reports issued by Quest for Growth NV.

Should an amount equal the Belgian TIS not be distributed, or not be fully distributed, in a given year, for instance due to the legal prohibition constituted by section 35 of the Royal Decree of 10 July 2016 read in conjunction with sections 617 et seq. of the Companies Code (i.e. the proscription against distributing unrealised income), Quest for Growth NV is asking the Rulings Commission to confirm that this means that section 19bis still needs to apply. In that event, in a later financial year (n+1, n+2, etc.), Quest for Growth NV will (provided circumstances allow) pay the relevant amount of TIS booked in year n over and above the TIS for that same later year to the extent that that sum could not be paid at the time of closing the accounts for year n.

Capital gains on shares realised by Belgian legal persons subject to legal entities tax

Legal persons subject to legal entities tax are, as a rule, not taxed on the capital gains they realised when selling their units in a privak/pricaf.

Liquidation surplus and profits on surrender

A public privak/pricaf qualifies as an investment company and for tax treatment that differs from the general rules under the ordinary law and therefore, in principle, no withholding tax is due on income realised further to redemptions of own shares by the public privak/pricaf or further to the entire or partial distribution of its equity.

There is a exemption to this for Belgian nationals (natural persons) in that article 19bis Income Tax Code 1992 may fall to be applied. As mentioned above, Quest for Growth NV has applied to the Rulings Commission for an advance decision to confirm that section 19bis does not apply to share redemptions by Quest for Growth NV, entire or partial distribution of its equity or transfers for valuable consideration of units in Quest for Growth NV.

Tax treatment in the hands of Belgian investors subject to corporation tax

Dividend distributions

No withholding tax is retained on the portion of a dividend deriving from capital gains realised by a privak/pricaf on shares. The remainder of the dividend is in principle subject to withholding tax at the rate of 30%.

Distributed dividends qualify for deduction as definitively taxed income (DBI/RDT). Neither the participation threshold not the minimum holding period apply for that deduction. Moreover, the holding in the privak/pricaf need not necessarily be booked as a financial asset in order to qualify for the DBI/RDT deduction.

Dividends distributed by a privak/pricaf only qualify for the DBI/RDT deduction to the extent that they derive from dividends or capital gains relative to shares that are not excluded from the DBI/RDT deduction on the basis of the “taxation condition” set down in section 203 of the Income Tax Code 1992. Income from dividends that do not accord a right to the DBI/RDT deduction or that bear no relationship to capital gains on shares that are eligible for exemption are subject to corporation tax at the standard rate of 29.58% or the rate of 20.4% (the latter only applying to small companies under certain conditions and limited to the first slice of EUR 100,000). From financial year 2020, the standard rate falls to 25%. The reduced rate of 20.4% falls to 20% from financial year 2020.

Capital gains on shares

Capital gains realised on units in a privak/pricaf in principle attract corporation tax in the hands of Belgian corporate investors at the standard rate of 29.58% (25% from financial year 2020), or 20.40% (20% from financial year 2020) for small companies (see above). As a rule, impairment (or write-downs) on units in a privak/pricaf are non-deductible.

Financial calendar

Shareholders' meetings	Annual General Meeting	Thursday March 28th 2019
	Annual General Meeting	Thursday March 26th 2020
Audit committee	Results FY 2018	Tuesday 22 January 2019 at 13h30
	Results Q1	Tuesday 23 April 2019 at 13h30
	Results H1	Tuesday 23 July 2019 at 13h30
	Results Q3	Tuesday 22 October 2019 at 13h30
	Results FY 2019	Tuesday 21 January 2020 at 13h30
Board of directors	Results FY 2018	Tuesday 22 January 2019 at 15h00
	Results Q1	Tuesday 23 April 2019 at 15h00
	Results H1	Tuesday 23 July 2019 at 15h00
	Results Q3	Tuesday 22 October 2019 at 15h00
	Results FY 2019	Tuesday 21 January 2020 at 15h00
Public announcements	Results FY 2018	Thursday 24 January 2019 at 17h40
	Results Q1	Thursday 25 April 2019 at 17h40
	Results H1	Thursday 25 July 2019 at 17h40
	Results Q3	Thursday 24 October 2019 at 17h40
	Results FY 2019	Thursday 23 January 2020 at 17h40
Analyst meetings & Press conferences	Results FY 2018	Friday 25 January 2019 at 11h00
	Results H1	Friday 26 July 2019 at 11h00
	Results FY 2019	Friday 24 January 2020 at 11h00

Publication of Net Asset Value

	2019											
NAV	**31 Jan**	**28 Feb**	**31 Mar**	**30 Apr**	**31 May**	**30 June**	**31 July**	**31 Aug**	**30 Sep**	**31 Oct**	**30 Nov**	**31 Dec**
QfG Website	Thu 7 Feb	Thu 7 Mar	Thu 4 Apr	Thu 9 May	Thu 6 June	Thu 4 July	Thu 8 Aug	Thu 5 Sep	Thu 3 Oct	Thu 7 Nov	Thu 5 Dec	Thu 9 Jan

Publication NAV on QfG website after 17h40

Under the Royal Decree of 14 November 2007 on the obligations of issuers of financial instruments admitted to trading on a regulated market, Quest for Growth is required to make its annual management report public. The annual financial report comprises the audited financial statements, the annual report, the management responsibility statement and the statutory auditor's signed report.

In accordance with sections 98 and 100 of the Companies Code, the full version of the annual financial statements has been filed with the National Bank of Belgium together with the management report by the board of directors and the statutory auditor's report.

The statutory auditor has issued an unqualified opinion on the annual financial statements.

You can find the annual report, the full version of the annual financial statements and the statutory auditor's report on those financial statements on the website at www.questforgrowth.com and you can obtain copies free of charge on request at the following address:

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