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QUEST HOLDINGS

Exquisite 'deal-questing' lifts valuation

Solid 9-mth execution underpins 2024 growth – Quest reported a solid set of 9-month 2024 results, with sales +12% (€926m) and EBITDA +9% yoy (€65m), driven by double digit top line growth in IT services and commercial activities and mid-single digit growth in Courier services. The bottom-line figures were slightly weighed down by elevated net financials, with net profit rising 2%. With the seasonally strong Q4 ahead, the high single digit EBITDA growth embedded in our numbers seems well underpinned. This is in symphony with mgt outlook for: 1) strong demand and continuing investments in IT services, 2) mild growth in commercial operations EBITDA, 3) sustained growth in courier (mid-single digits) supported by eCommerce trends, and 4) positive outlook for the RES division.

In constant quest for deals – With a strong M&A track record, Quest recently announced an agreement for the acquisition of 70% of Benrubi, a Greek household appliances company, for €27m (pending approvals) while also agreeing on the sale of a 20% stake in ACS (its courier arm) to GLS for €74m (completed within Q4'24). Embedded option clauses are in place for the remaining stakes. Following this M&A action, Quest will expand its commercial activities with margin enhancing products, while managing to crystallize the value of its courier business (valued at €370m, almost 5x the BV of the business) with a disposal possibility within the next two years.

Slightly recalibrating our forecasts, maintaining 8% 3-year EBIT CAGR – We have lifted our forecasts by 1% for FY24, now seeing revenues at €1,310m (+9.5% yoy) and EBITDA at €91m (+9.3% yoy). Our 2024e forecast points to a +9.6% yoy Q4'24e EBITDA growth, continuing 9-mth trends, as pointed out by mgt. We reckon this is an attainable target as we are in the traditionally strong 'Black Friday-Xmas' season. Looking further out, we keep our EBITDA estimates unchanged, anticipating +8% 3-year profit CAGR.

Balance sheet optionality – Quest maintains a healthy balance sheet (9M'24 net debt at €45m), while it has implemented investments of more than €155m in the 2019-23 period and has seen continuing operations EBITDA grow c20% annually. In the current year, Quest has planned some €25-30m investments, ex acquisitions, while agreeing to monetize a 20% stake in ACS and proceeding to a new acquisition (Bernubi). We believe that the ACS stake sale is likely to catalyze higher shareholder returns. As such we factor in a c€0.19/share special dividend out of the proceeds on top of our c50% payout ratio (€0.24/share) for 2024e.

Valuation – We value Quest via a SOTP of its 4 segments, to which we apply a 10% holding discount. Our indicative valuation range is set between €7.1 and €8.6 per share. We have upgraded our valuation regarding ACS mainly reflecting the value attained by the announced deal (€370m EV). Quest currently trades c6.4x its 2025e EV/EBITDA. We believe that the current valuation constitutes a compelling risk-reward proposition, underpinned by the solid growth outlook and value crystalization of M&A.

Estimates (EUR mn)	2022	2023	2024e	2025e	2026e
Sales	1,031.8	1,196.6	1,310.6	1,422.1	1,520.1
EBITDA	72.0	83.3	91.1	98.2	104.1
Net profit - reported	41.4	44.8	47.3	54.1	60.4
EPS (EUR)	0.39	0.41	0.44	0.50	0.56
DPS (EUR)	0.20	0.23	0.42	0.26	0.28

Valuation	2022	2023	2024e	2025e	2026e
P/E	12.9x	13.4x	12.7x	11.1x	9.9x
EV/EBITDA	7.4x	7.8x	6.7x	6.4x	5.8x
EBIT/Interest expense	8.4x	5.2x	4.8x	5.9x	7.7x
Dividend Yield	4.0%	3.9%	7.6%	4.6%	4.9%
ROE	17.3%	17.1%	13.7%	15.2%	15.5%

Source: Company, Eurobank Equities Research

Market Cap (mn) €600.4
Closing Price (03/12) €5.60

Stock Data

Reuters RIC IQTr.AT
Bloomberg Code QUEST GA

52 Week High (adj.) €6.25
52 Week Low (adj.) €4.60

Abs. performance (1m) 0.4%
Abs. performance (YTD) -0.4%

Number of shares 107.2mn
Avg Trading Volume (qrt) €117k
Est. 3yr EPS CAGR 11.2%
Free Float 24%

Quest Holdings share price



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See Appendix for Analyst Certification and important disclosures

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Investment Case

Quest delivering high single digit growth rates within a challenging backdrop

Quest is a holding group active in 4 distinctive segments, namely courier services (ACS), commercial product trading (InforQuest, you.gr, iSquare, iStorm, Focus, ClimaQuest, GED), implementation of ICT projects (Unisystems) and operation of renewable solar parks (RES). It enjoys a quite balanced profit mix within markets and is primed to benefit from the EU's digital/"green" push. After a stellar set of years, with double digit EBITDA growth, comparatives are harder this year. Notwithstanding the challenging dynamics in non-essential consumer products and e-commerce, propelled by the ongoing geopolitical tensions, Quest seems to be primed for high single digit EBITDA growth in 2024e, with 9M'24 running at a +9% EBITDA growth rate.

Stand-out M&A

Quest has once again excelled in M&A, as it has announced two agreements, both at compelling multiples. In specific, Quest announced 1) the sale of a 20% stake in ACS to GLS for €74m (completed), with a right for the remaining 80% in the 1-year or 2-year anniversary of the deal within a two year period and 2) the acquisition of 70% of Benrubi S.A., a local household appliances company (pending approvals) for €27m, with an option for the remaining 30% stake acquisition in 2027. The ACS stake sale points to a c14x EV/EBITDA multiple, significantly above the weighted average c6-7x valuation of postal peers, testament of Quest mgt's solid deal making capacity. Likewise, the Benrubi acquisition indicates a c8x EBITDA acquisition multiple, in a company which should boost the commercial segment's bottom line by c10% on our estimates. In our updated forecasts we do not incorporated Benrubi numbers (as the deal is pending approvals), however, modeling the value after a first full year of operations we come up with >€0.2/share on top of our commercial activities valuation.

We fine-tune our forecast among segments eying trivial changes in our EBITDA forecasts

We have lifted our forecasts by 1% for FY24, now eyeing revenues at €1,310m (+9.5% yoy) and EBITDA at €91m (+9.3% yoy). On the revenue we are propelled by better than anticipated sales in commercial activities (share gains) and IT services (digitization), which more than offset the slightly lower revenues from courier (elevated competition impact on price mix). We have recalibrated our divisional forecasts higher for Commercair activities EBITDA and lower for IT, Courier services and RES, raising group EBITDA by 1% in 2024e, while maintaining unchanged our forecasts ahead, with group EBITDA at €98m (+8%) in 2025e and €104m (+6%) in 2026e. At the bottom line, we calculate net profit unchanged at €47m in 2024e, pointing to a 5% yoy growth rate. Looking ahead, we trim our net financials, as a result of the favorable impact of the incoming cash (from ACS stake sale) on the group net cash position, and thus we envisage a c7% increase in our 2025-26e bottom line forecasts.

Balance sheet optionality boasted

Quest Group continues to enjoy a healthy liquidity position, with gross cash at >€100m in end-September 2024 and the additional c€74m from the 20% ACS stake sale set to filter through in Q4'24. Despite the €27m pending payment for Benrubi acquisition, Quest's solid cash flow generation ability, leaves plenty of room for balance sheet optionality. Quest has returned >€110m to shareholders since 2019, while growing continuing operations EBITDA by 20% CAGR and investing more than €155m cumulative in its businesses during the period (2019-23). In 2024e we have accounted for capex near €25m (in sync with mgt guidance for €25-30m), while we have deferred the acquisition of Benrubi to 2025e. We believe that the ACS stake sale is likely to catalyze higher shareholder returns. As such we factor in a c€20m (€0.19/share) special return from the sale of the ACS stake, on top of the c€25m (€0.24/share) we expect at the form of a regular dividend and as such we calculate the 2024e div. yield >7%. Looking ahead we maintain a payout ratio of c50%, with the dividend yield estimated between 4-5%.

Compelling valuation

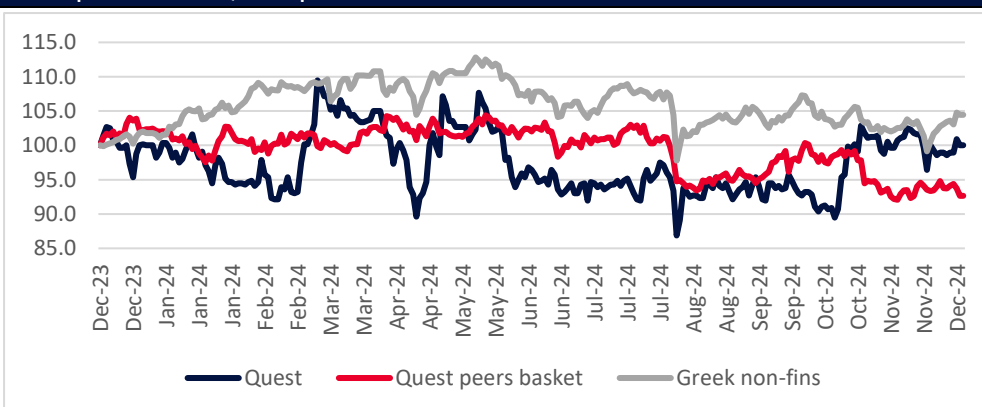
We value Quest with a sum of the parts valuation of the 4 core segments comprising the group, rolling over to 2025e, to which we apply a 10% holding discount. Our indicative valuation range is set higher between €7.1 and €8.6 per share, thanks to the beneficial valuation of ACS (c14x EV/EBITDA). Quest currently trades c6.4x its 2025e EV/EBITDA, namely at a c14% discount vs its blended peer group. Our indicative baseline intrinsic value estimate effectively values Quest at c8.9x the 12-mth forward EV/EBITDA, a level we reckon is reasonable given the growth profile and the diversified mix. Quest's share price has been trading rangebound (minus/plus 10%) in the past year, failing to capture the substantial latent value to be crystallized by acquisitions or disposals of stakes in subsidiaries, in our view.

Performance and valuation

Quest has narrowed the performance gap vs Greek non-financials after M&A news flow

Quest price is flattish YtD, following a +23% total return in 2023. In the past 12 months, Quest has traded rangebound, with the poor performance during Q2'24 unwinding in mid-October-2024, post the announcements of the two M&A agreements. The gap vs the Greek non-financials narrowed down following the M&A newsflow, with Quest currently underperforming the relevant index by c5%. Comparing to a basket of peers, Quest has mostly underperformed throughout the past year (Dec'23 to Feb'24, Apr'24 and May to Oct'24) owing to a lackluster consumer environment, though the stock price has gained ground since October 2024, currently outperforming peers by c7pps.

12 mth performance of Quest vs peers basket and non financials- rebased



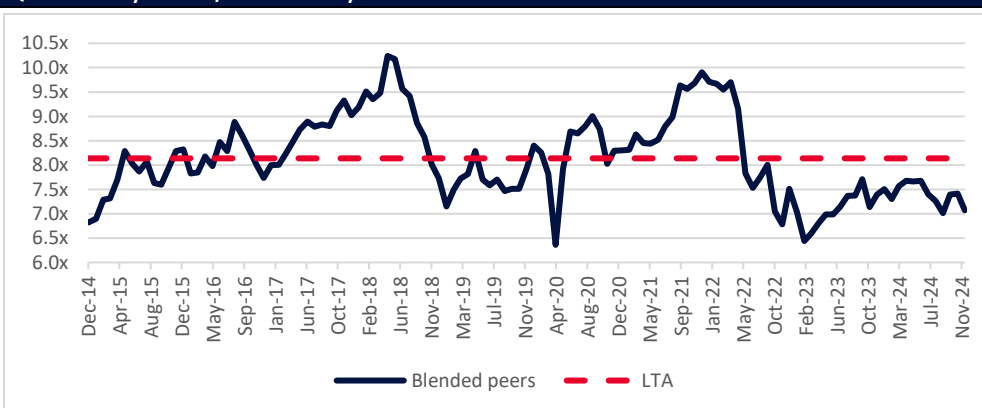
Source: Bloomberg, Eurobank Equities Research

Peers have de-rated from 2022 and remain below their LTA historic valuation

From a valuation perspective, Quest is currently trading <7x 12mth fwd EV/EBITDA still at a discount >10% vs a blended basket of peers. This, in our view, continues to point to a compelling relative proposition, given the rising contribution of high growth (RRF driven) IT/tech in Quest's mix, with the value unlocking from the agreement for the divestment from the courier/postal services in the following two years not being reflected in the price.

From a historic viewpoint, we remind that Quest's peers have traded at >8x EV/EBITDA in the long-run, with the valuation peaking in 2018 and 2021 and a de-rating following post April 2022, in the light of payback in goods' demand weighing on ecommerce and in the face of decelerating consumption trends. Currently the blended group is trading at c7x EV/EBITDA, a small discount vs the long-run valuation.

Quest Peers 1yr fwd EV/EBITDA history



Source: Bloomberg, Eurobank Equities Research

Currently trading at c11% discount to the blended peer group, with a compelling c8% 3-yr EBITDA CAGR

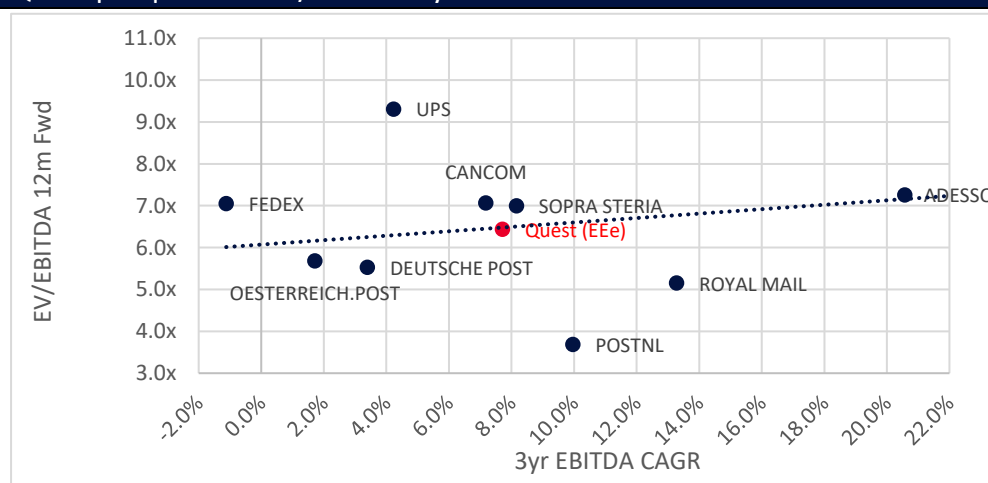
In the table below, we cross-check the current valuation of Quest's blended peer group. As a reminder, we have used companies with some degree of product overlap in IT/tech and courier/postal services. As can be seen, Quest remains at a discount vs its peers, despite enjoying a stronger balance sheet (similar to IT peers) while offering superior dividend yield (similar to the postal sub-group) and quite an attractive earnings growth profile (c8% 3-year EBITDA CAGR).

Quest Peer group valuation								
	P/E		EV/EBITDA		DY		Net debt / EBITDA	EBITDA CAGR
	2025e	2026e	2025e	2026e	2025e	2026e	2025e	3-yr 2023-26e
Quest (EEe)	11.1x	9.9x	6.4x	5.8x	5%	5%	-0.2x	8%
DEUTSCHE POST	10.8x	9.7x	5.5x	5.2x	5%	6%	1.9x	3%
OESTERREICH.POST	13.9x	13.3x	5.7x	5.6x	6%	7%	0.9x	2%
POSTNL	8.9x	7.1x	3.7x	3.3x	8%	10%	2.0x	10%
ROYAL MAIL	10.3x	8.6x	5.1x	4.6x	4%	4%	2.0x	13%
UPS	14.8x	13.0x	9.2x	8.4x	5%	5%	1.5x	4%
FEDEX	12.3x	10.9x	7.0x	6.6x	2%	2%	1.3x	-1%
Postal peers	11.8x	10.4x	6.0x	5.6x	5%	6%	1.7x	4%
SOPRA STERIA GRO	9.2x	8.4x	7.0x	6.6x	3%	3%	0.5x	8%
ADESSO	19.2x	13.8x	7.2x	6.1x	1%	1%	2.5x	21%
CANCOM	15.6x	13.4x	7.0x	6.4x	4%	5%	0.0x	7%
NNIT	14.2x	10.8x	9.6x	7.6x	1%	2%	0.5x	59%
IT peers	14.5x	11.6x	7.7x	6.7x	2%	3%	0.9x	14%
Blended peer group	13.7x	11.3x	7.2x	6.4x	3%	4%	0.6x	

Source: Bloomberg, Eurobank Equities Research

Given that the range of valuation multiples may also reflect differences in companies' growth profile, we have also examined the current valuation of the broad peer group in conjunction with a 3-year profit outlook (2023-26e). As can be seen below, Quest offers a quite compelling growth profile, whilst trading at favourable multiples among peers.

Quest vs peers | 12mth Fwd EV/EBITDA and 3-year EBITDA CAGR



Source: Bloomberg, Eurobank Equities Research

SOTP Valuation returns a €7.8 PT; indicative valuation range €7.1-€8.6 per share

Sum of the parts valuation returns a €850-€1,026m value

We value Quest using a SOTP valuation in order to capture the dynamics of each segment comprising the holding company. Our SOTP is detailed in the table below, with our base case pointing to a fair equity value near €850-1,026m. We continue to apply a 10% holding discount and come up with an indicative fair value of €7.8/share ex dividend (from €7.2 previously).

Quest Holdings Sum of the parts valuation		
EUR m (unless otherwise stated)		(x) 2025e EBITDA
Commercial Activities	281.0	7.4x
IT Services	287.2	11.5x
Courier Services	369.9	13.5x
RES	59.9	6.5x
Other	-5.7	5.0x
Consolidated EV	992.2	10.1x
Group Net cash (net debt)	29.0	
Other claims (operating leases etc.)	-36.7	
Total Equity value	984.5	
Number of shares (mn)	107.2	
12-mth fwd fair value per share - ex div (EUR)	8.7 €	
Assumed holding discount	10%	
12-mth PT (EUR)	7.8 €	
Source: Eurobank Equities Research		

Our **Non-RES valuation**, namely for Courier & IT Services and Commercial activities businesses, is predicated on the following assumptions:

- EBIT CAGR of 7.8% over 2023-2028e, with a respective margin almost unchanged at 5.35%
- Terminal growth at 1%, mirroring the LT link between consumption and GDP growth,
- Capex as % of sales between 0.8% to 1.4% of non-Res revenues in the medium term,
- Terminal incremental ROIC at c8%, based on the diverging division dynamics
- Underlying average FCF conversion rate at an average of c60% in the LT term.
- Combined WACC of 9.4%

In specific per segment our DCF's are predicated on the following assumptions

For **Commercial Activities** (InfoQuest, QuestOnline, iSquare, iStorm, Focus, ClimaQuest, G.E. Dimitriou, Epafos), our forecasts are predicated on:

- o a WACC of 9.9%;
- o Sales CAGR of c6% over 2023-2028e, underpinned by market share gains. We assume this fades to c5% in the medium term.
- o EBIT CAGR of c6.8% over the same period, as we assume only a marginal from operational leverage weighed by inflation and high competition. The implied FCF conversion (FCF/EBITDA) in the medium term stands at c37%.
- o a LT growth rate of c1% and reinvestment rate in perpetuity of 14%, implying a c7% incremental ROIC to reflect elevated competitive intensity (and distribution agreements risk).

Commercial activities DCF										
EUR m unless otherwise stated	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal
EBITDA	37.8	39.9	42.1	44.5	47.1	49.3	51.6	54.1	56.6	
- Tax	-6.1	-6.4	-6.8	-7.3	-8.8	-9.3	-9.8	-10.3	-10.8	
- Investments in the business	-20.7	-20.8	-21.4	-19.9	-20.0	-20.6	-21.1	-21.7	-22.3	
UnFCF	11.1	12.7	13.8	17.3	18.2	19.4	20.7	22.1	23.5	33.3
PV of Sum of UnFCF	105.7									
PV of terminal value	175.2									
Enterprise value	281.0									
- Net debt / + net cash	-62.4									
- other claims	0.0									
= Total Equity value	218.6									
Number of shares (mn)	107.2									
DCF fair value – year end	2.0 €									

Source: Eurobank Equities Research

IT Services (UniSystems, Intelli Solutions, Candi), we are utilizing:

- a 9.3% WACC;
- sales CAGR of c11.8% over 2023-2028e, led by sustained double digit growth in international activities and rising penetration of digitization/EU funds in the local market. We assume this fades to c8% in the medium term, led by backlog implementation (already exceeding half a billion).
- EBIT CAGR of c12.2% over the same period supported by positive operating leverage and the improved cost structure as projects are progressing.
- The implied FCF conversion (FCF/EBITDA) in the medium term stands between c50-53%.
- a LT growth rate of 1% and a reinvestment rate in perpetuity of c12%, implying incremental ROIC of 8.3%.

IT services DCF										
EUR m unless otherwise stated	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal
EBITDA	25.0	27.1	29.1	31.7	34.3	36.7	39.2	41.7	44.3	
- Tax	-4.7	-5.1	-6.1	-6.6	-7.2	-7.7	-8.3	-8.8	-9.4	
- Investments in the business	-7.1	-7.6	-8.1	-8.6	-9.4	-10.6	-11.0	-12.0	-13.1	
UnFCF	13.2	14.4	15.0	16.4	17.7	18.4	20.0	20.9	21.8	29.7
PV of Sum of UnFCF	109.7									
PV of terminal value	177.5									
Enterprise value	287.2									
- Net debt / + net cash	36.1									
- other claims	0.0									
= Total Equity value	323.2									
Number of shares (mn)	107.2									
DCF fair value – year end	3.0 €									

Source: Eurobank Equities Research

For Courier Services (ACS), we assume:

- an 8.4% WACC;
- a near-term sales CAGR of c5% (2023-2028e), weighed by the anticipated decline in volumes/price mix amid elevated competition.
- EBIT CAGR at 6.6% over the same 5-year period led by cost containment efforts driven by investments.
- FCF conversion (FCF/EBITDA) in the medium term >60%.
- a LT growth rate of 1% with a low reinvestment rate in perpetuity of c5%, as a significant batch of investments in infrastructure has been carried out.

Courier services DCF										
EUR m unless otherwise stated	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	Terminal
EBITDA	27.4	28.9	30.3	31.9	33.6	35.1	36.8	38.5	40.2	
- Tax	-5.0	-5.4	-5.7	-6.0	-6.3	-6.7	-7.0	-7.4	-7.8	
- Investments in the business	-5.7	-1.8	-1.9	0.2	2.2	2.3	2.4	2.6	2.9	
UnFCF	16.7	21.8	22.8	26.1	29.4	30.8	32.2	33.6	35.4	27.2
PV of Sum of UnFCF	176.2									
PV of terminal value	193.7									
Enterprise value	369.9									
- Net debt / + net cash	31.3									
- other claims	0.0									
= Total Equity value	401.2									
Number of shares (mn)	107.2									
DCF fair value – year end	3.7 €									

Source: Eurobank Equities Research

A basic sensitivity on a combination of WACC and terminal growth rates for the **non-RES** segments as a whole is presented at the table below. As can be seen, flexing our WACC and perpetuity growth inputs by 0.5%, yields a fair value range between €7.1 and €8.6 per share after applying a 10% holding discount.

Sensitivity of our calculated group fair value per share (pre holding discount) to the WACC and LT growth assumptions of non-RES segments

growth assumptions of non-RES segments						
Terminal growth	WACC					
		10.4%	9.9%	9.4%	8.9%	8.4%
	2.0%	8.2	8.7	9.3	10.0	10.8
	1.5%	8.0	8.4	9.0	9.6	10.3
	1.0%	7.7	8.2	8.7	9.2	9.8
	0.5%	7.5	7.9	8.4	8.9	9.4
	0.0%	7.3	7.7	8.1	8.6	9.1

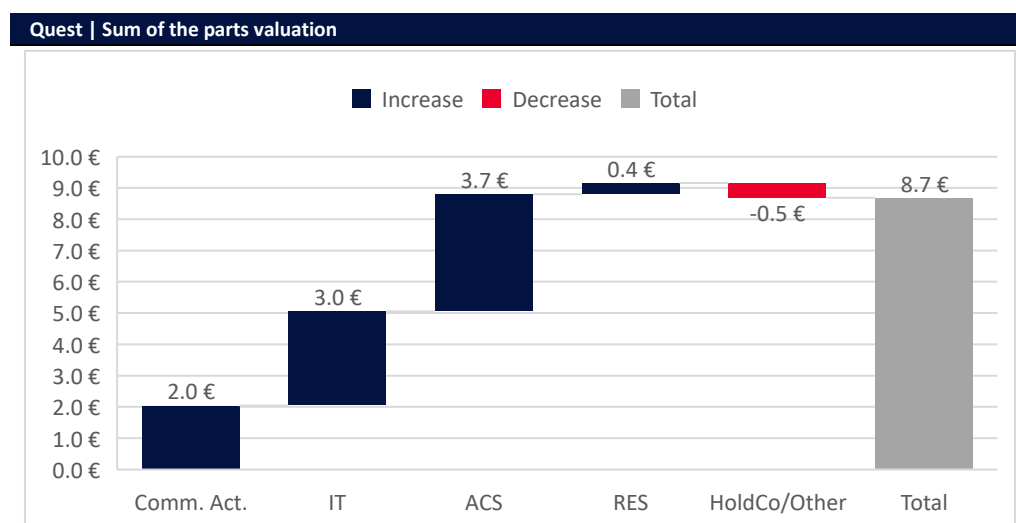
Source: Eurobank Equities Research

In **RES** we reduce our value, assuming no additional investments to the portfolio (39.3MW). We also recalibrate our assumptions for the remaining life of Quest's solar portfolio valuing the cash flows generated during a lifespan of 25 years for each installation (no repowering assumed). We lower the average feed-in tariff to c19€/MWh (from c22 €/MWh seen previously) while we maintain the load factor in between c15-16%. We discount the cash flows at a c6.5% discount rate and come up with an estimated EV of €60m.

RES DCF									
EUR m unless otherwise stated	2025e	2026e	2027e	2028e	2029e	...	2035e	...	2048e
EBITDA	9.2	9.1	7.9	7.7	7.5	...	4.2	...	
- Tax	-1.6	-1.6	-1.4	-1.3	-1.3	...	-0.6	...	
- Investments in the business	0.0	0.0	0.0	0.0	0.0	...	0.0	...	
UnFCF	7.6	7.5	6.6	6.4	6.2	...	3.6	...	0.0
PV of Sum of UnFCF	59.9								
PV of terminal value	0.0								
Enterprise value	59.9								
- Net debt / + net cash	-20.9								
- other claims	0.0								
= Total Equity value	39.0								
Number of shares (mn)	107.2								
DCF fair value – year end	0.4 €								

Source: Eurobank Equities Research

Below we showcase a waterfall of Quest Holdings with the sum of the parts valuation per share, pre the 10% holding discount.



Source: Bloomberg, Eurobank Equities Research

Poised to deliver another year of healthy growth

a. Solid 9-month performance...

9M'24 performance remains solid

Quest reported 9M'24 results in line with our estimates (1% beat in profitability), with the group being on track to deliver on the guidance for another growth year. In the 9-month period revenues were up 12% yoy to €926m while group EBITDA increased 9% yoy to €65.1m, with the respective margin shaping at 7% (-20bps yoy). EBT settled at €43.4m (+5% yoy) weighed down by the elevated net financial costs (as anticipated), leading to net profit of €32.7m (+2% yoy).

In the third quarter net group revenues increased +8% yoy driven by accelerating double digit growth in IT services (+25%, vs +24% yoy in Q2 and +10% yoy in Q1) and mid single digit growth in Commercial activities (+4% yoy) and Courier services (+6% yoy). EBITDA rose 13% in the quarter (€23.5m), with the respective margin gaining 0.3pps yoy (7.7%), led by expansion in IT services and Commercial activities margins.

Per division:

- Commercial activities revenues stood at €207.6m in Q3 (+4% yoy rise), aided by market share gains across consumer electronics and a boost in clima products during the summer period. Segment EBITDA increased 10% to €8.9m. As a result, 9M'24 revenues reached €626.3m (+11% yoy) while EBITDA rose to €24.4m (+78% yoy), reflecting a c12bps drop in the respective margin.
- In IT services Quest delivered accelerating double digit revenue growth rate of +25% in Q3, with revenues shaping at €56m and EBITDA at €5.1m, up by 33% yoy, boosted by c50bps margin expansion. 9M'24 revenues stood at €175.5m (+20% yoy) and EBITDA at €14.6m (+15% yoy), with the respective margin shaping at 8.3% in the 9-months.
- Courier services revenues reached €38.8m (+6% yoy) and EBITDA €6.8m (+6% yoy). In the 9-months revenues stood at €115.4m (+6% yoy) and EBITDA at €19.6m (+6% yoy).
- RES division quarterly revenues settled at €3.5m (+9% yoy), with the EBITDA seen at €3m (+16% yoy). As such 9M revenues stood at €8.7m (+11% yoy) and EBITDA at €7.5m (+14% yoy).

On the cash flow front, the €45m net debt position in end-Sep'24 points to some €16.8m cash outflows in the quarter, which we deem as quite a satisfactory performance given the c€6m capex and c€24m for dividends paid in the third quarter.

Quest Q3/9M'24 snap results								
EUR m	Q3'23	Q3'24	yoy	Q3'24 EEe	9M'23	9M'24	yoy	9M'24 EEe
Group net revenues	283.0	305.9	8%	308.0	827.0	925.9	12%	928.1
Commercial Activities	198.7	207.6	4%	212.7	563.5	626.3	11%	631.3
IT Services	44.8	56.0	25%	52.4	146.6	175.5	20%	171.9
Courier Services	36.5	38.8	6%	39.7	109.1	115.4	6%	116.4
RES	3.0	3.5	17%	3.2	7.8	8.7	11%	8.4
EBITDA	20.8	23.5	13%	22.8	59.8	65.1	9%	64.5
EBITDA margin	7.3%	7.7%	0.3pps	7.4%	7.2%	7.0%	-0.2pps	6.9%
Commercial Activities	8.1	8.9	10%	8.7	22.6	24.4	8%	24.2
margin	4%	4.3%	0.2pps	4.1%	4.0%	3.9%	-0.1pps	3.8%
IT Services	3.8	5.1	33%	4.7	12.7	14.6	15%	14.3
margin	9%	9.1%	0.5pps	9.0%	8.7%	8.3%	-0.3pps	8.3%
Courier Services	6.4	6.8	6%	7.0	18.4	19.6	6%	19.7
margin	18%	17.6%	0.0pps	17.5%	16.8%	17.0%	0.1pps	16.9%
RES	2.6	3.0	16%	2.8	6.6	7.5	14%	7.3
margin	86%	85.2%	-1.0pps	86.0%	84.3%	86.1%	1.9pps	86.5%
EBT	14.3	16.1	12%	15.6	41.4	43.4	5%	42.9
Net profit	11.1	12.5	13%	12.0	31.9	32.7	2%	32.2
					FY'23	9M'24	9M'24e	
Net debt/(cash)					17.0	45.1		37.5
Period Inflow/(Outflow)						-28.1		-20.5
Source: Company, Eurobank Equities Research								

b. ...underpins 2024e forecasts

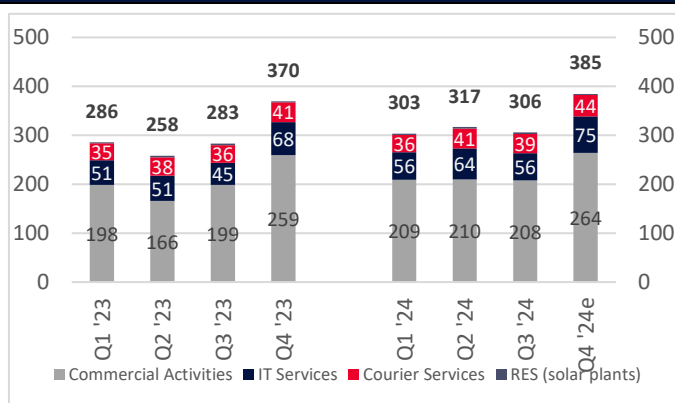
We slightly raise our 2024e forecasts...

Given the +9% EBITDA growth rate in the 9-mths, we see no reason why Quest group will not be able to deliver a similar or higher growth rate in 2024e. We thus raise our estimates by c1% in all lines for 2024e, fine tuning in between the divisions. Following our forecast changes, we see 2024 revenues shaping at €1.31bn, up by 10% yoy, led by +17% in IT services and mid-to-high single digit growth in Commercial activities and Courier services, with RES revenues also up 12% yoy. We maintain a flattish EBITDA margin at c7% for the group, with EBITDA at €91m, +9% yoy, driven by growth in all segments (IT services +13%, commercial +8%, courier +7% and RES EBITDA +13%).

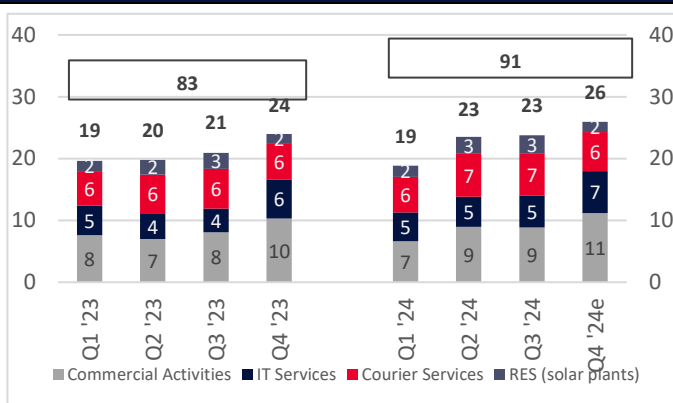
... with risk lying on the upside, given our conservative Q4 assumptions

As a reminder Q4 is a seasonally strong quarter for Quest group as it encompasses Black Friday and Xmas sales, which benefit retail and e-commerce, while it is the strongest quarter also in IT services. Nonetheless we remind that Quest is cycling a very strong Q4'23. As such, we model +10% yoy growth in Q4'24e EBITDA (vs +13% in Q3 and +18% in Q2) on +4% revenues growth, preferring to err on the conservative side.

Quest Holdings | Quarterly sales evolution 2023 & 2024e (€m)



Quest Holdings | Quarterly EBITDA evolution 2023 & 2024e (€m)



Source: Company, Eurobank Equities Research

Latest corporate action

New M&A booked in Q4'24

Quest entered into an agreement with GLS for the sale of 20% of ACS courier for c€74m (with a call option for the remainder 80%). Separately, it has agreed to acquire 70% of Benrubi (to be included in commercial activities) for c€27m (with an option for the remaining 30% stake).

Deal to acquire 70% of Benrubi for c€27m

In particular, Quest signed an agreement (October 11th, 2024) for the acquisition of 70% of the share capital of the company Benrubi S.A. for a consideration amounting to €27.2m, plus c€2m earnout bonus within a year to the minority shareholders. The agreement includes an option to acquire the remaining 30% during 2027. The deal is pending regulatory approvals (i.e. green light from the competition authority), which should be concluded within the following two months.

Acquisition compelling at c8x EV/EBITDA

Benrubi has a history of 140 years in household equipment and occupies a leading position in the field of distribution of electrical and household appliances as well as in personal care products. The company achieved sales of €25m and EBITDA of €5.2m in 2023 (+20% EBITDA margin). Benrubi is set to contribute >€5m (>15%) annualized EBITDA in Quest's Commercial activities, pointing to an implied EV/EBITDA multiple for the transaction at c8x. We anticipate the deal to be completed early in 2025 and start feeding into Quest group numbers in Q1'25, boosting the Commercial division margins by more than 30bps pre-synergies.

Below we present an overview of the Benrubi figures and the impact in our profitability and valuation for a full year in 2025e. In total, we model a €0.2/share value accretion in our commercial activities division for the 70% stake to be acquired.

Benrubi S.A.				
Acquisition (EUR mn)				
Initial acquisition cost	27			
Earnout bonus in 1 year	2			
Acquisition cost for 70%	29			
Current value of 30% stake	15			
EV (100%)	42			
EV/EBITDA multiple (pre synergies)	8.0x			
Benrubi figures (EUR mn)				
	2022	2023	2024e	2025e
Sales	21.7	25.3	28.5	29.4
EBITDA pre-synergies	2.8	5.2	4.3	4.5
EBIT pre-synergies	2.4	4.8	4.0	5.7
Net profit pre-synergies	1.3	2.9	2.3	2.4
Quest Holdings Commercial Activities			2024e	2025e
Sales			890.1	951.6
EBITDA			35.6	37.8
margin			4.0%	4.0%
Net profit			14.2	15.1
Including Benrubi 70% stake in 2025e				
Sales				981.0
EBITDA				42.5
margin				4.3%
Net profit				16.8
Commercial Activities				1.8
Accretion/(dilution)				10%
Added value per share at c8x EV/EBITDA				€0.2

Source: Eurobank Equities Research

ACS 20% stake sale for €74m to GLS...

Quest Holdings also agreed to sell a 20% stake in ACS to GLS, one of the largest parcel, logistics and express services companies in Europe and a prominent member of IDS Group. The consideration was agreed at €74m, with the agreement also including a call option for the remainder 80% within two years (either in October 2025 or in October 2026) for a minimum price of €296m. Alternatively, Quest will have the right to repurchase its stake, subject to a pre-agreed mechanism.

...pointing to a multiple c14x 2024e EBITDA

It is worth noting that the management of ACS will continue to be exercised by Quest until the exercise of the call option. As such, we see no changes in the Courier services arm strategy, with Quest progressing with its last-mile investment plans. The implied EV of ACS is set at €370m, based on the transaction, corresponding to c14x EV/EBITDA, which stands well above our prior ACS valuation of c€296m, pointing to value accretion.

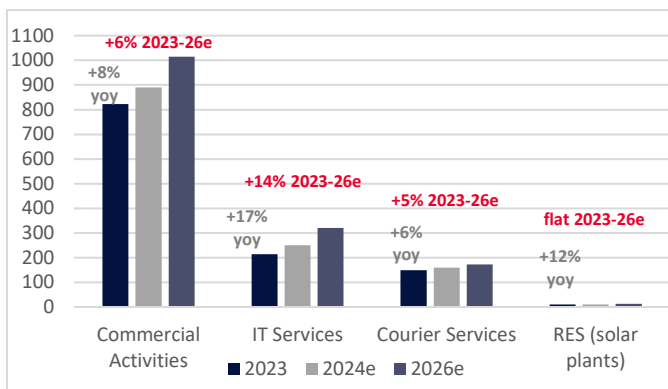
High single-digit 3-yr EBITDA CAGR ahead

We still model c8% 2023-26e EBITDA CAGR on similar sales growth

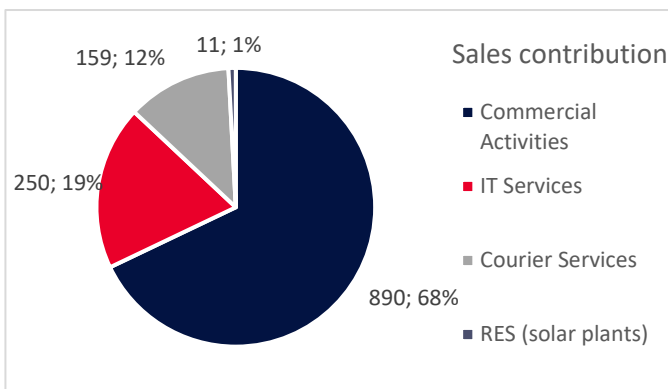
Looking ahead into 2025-26e we have maintained unchanged our group EBITDA forecasts while we have recalibrated the net financial cost assumptions on the back of the €74m cash from the 20% stake sale of ACS. The latter will be channeled to the Benrubi acquisition (€27m), while we have also pencilled in some €20m to be returned to shareholders and the remainder should further boost the group's financial position. As a result we have raised our bottom line forecasts by some 7% for the group in the 2025-26e period.

Looking at group revenues, our 2025e forecast is set at €1,422m, (+8.5% yoy), rising a further +6.9% in 2026e. We calculate an 8.3% 3-year sales CAGR (2023-26e), primarily reflecting double digit sales CAGR in IT services and mid-single digit sales CAGR in the commercial activities and courier services segments.

Quest Holdings | +8% group sales CAGR in 2023-26e



Quest Holdings | Group revenue breakdown shows significance of commercial activities in the top line (2024e €m, % of total)



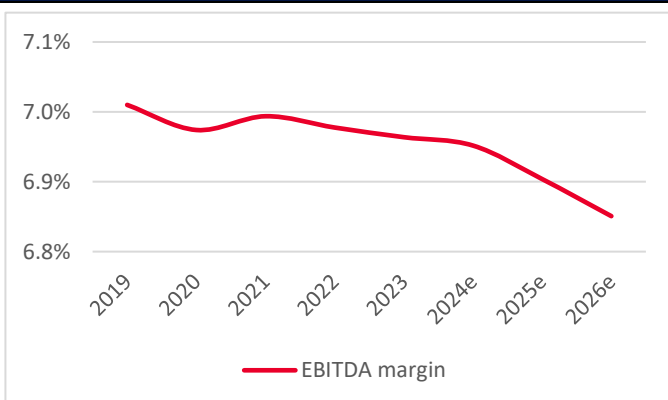
Source: Company, Eurobank Equities Research

On the profitability front, we maintain a fairly flat group gross margin between 14%-14.5% and we also account for operating costs growth in broad sync to sales growth with no significant changes in our forecasts. Though we have adjusted for the changes in the Apple margins and fine tuned the margins in between the segments, we have maintained profitability levels pretty intact, while we have not included yet the benefit from the addition of Benrubi products (deal not completed yet). We thus see our EBITDA margin sustained withing the 6.8-7.0% range, and our EBITDA forecasts unchanged at €98m-€104m in 2025-26e.

Quest Holdings | Gross margin normalizes in mid-14% for the group



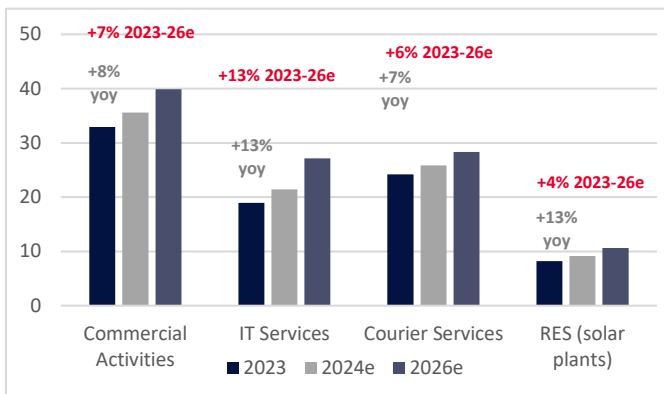
Quest Holdings | EBITDA margin evolution ranging between 6.8-7.0%



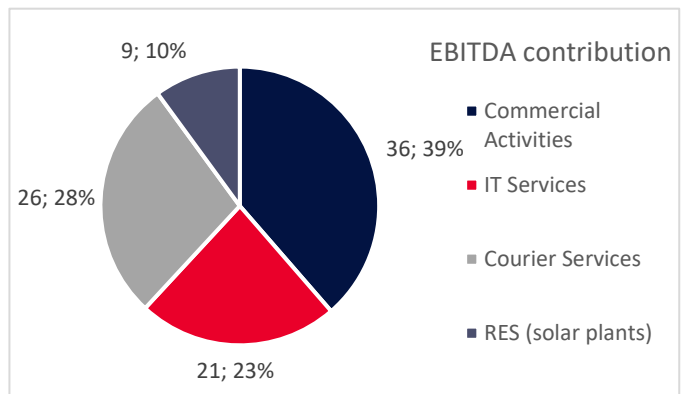
Source: Company, Eurobank Equities Research

We calculate c7.7% 2023-28e EBITDA CAGR, once again thanks to double digit CAGR in IT services (+12.7%), followed by 6-7% CAGR in commercial activities, courier services and +4% in RES EBITDA. As we have mentioned earlier, profitability is mostly balanced across the 3 main group segments, namely commercial activities, IT services and courier services with the latter enjoying an EBITDA margin >16%, IT services an EBITDA margin of c8-9% and Commercial activities an EBITDA margin near 4%.

Quest Holdings | +8% group EBITDA CAGR in 2023-26e



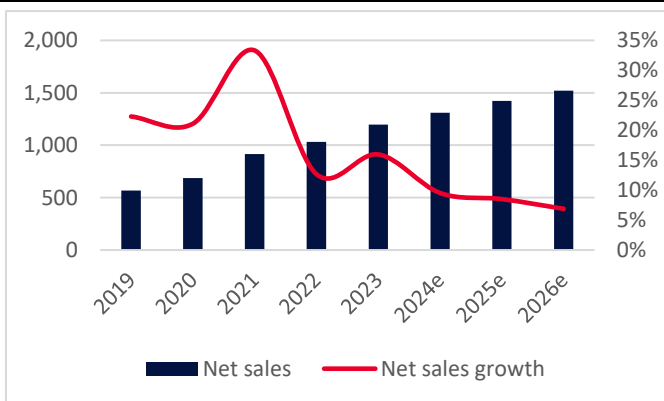
Quest Holdings | EBITDA evolution shows fairly balanced portfolio (2024e €m, % of total)



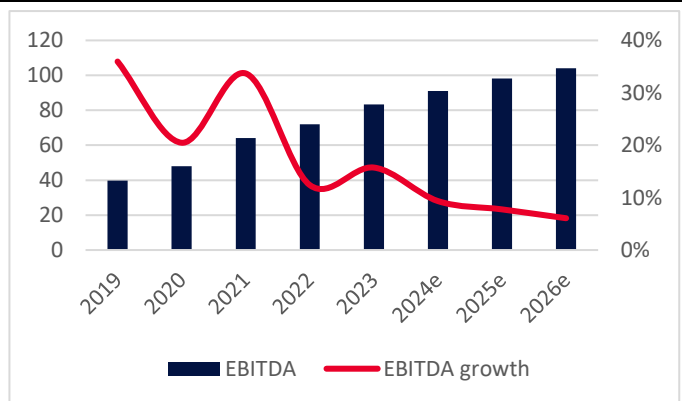
Source: Company, Eurobank Equities Research

Against this background we picture the group Sales and EBITDA growth pro-forma ex Cardlink numbers in 2019-21 (sold in Q3'21). For 2024e we forecast group sales of €1,310m and EBITDA of €91m, both rising at €1.5bn and €104m respectively by 2026e, on our numbers.

Quest Holdings | Group Sales (€m) & growth



Quest Holdings | Group EBITDA (€m) & growth



Source: Company, Eurobank Equities Research

Future growth underpinned by investments, e-Commerce and digitization push

Revisiting once again the trends per segment we underline that the key growth prospects lie within: 1) the elevated backlog in the IT services segment (>€550m), of which >€100m in RRF related projects, set to benefit the IT services segment (in the double digit range), 2) rising e-commerce growth, which should benefit both courier services and online sales, and 3) investments in added value commercial products (Benrubi acquisition) and 4) ongoing growth capex in sustainable tech and e-commerce.

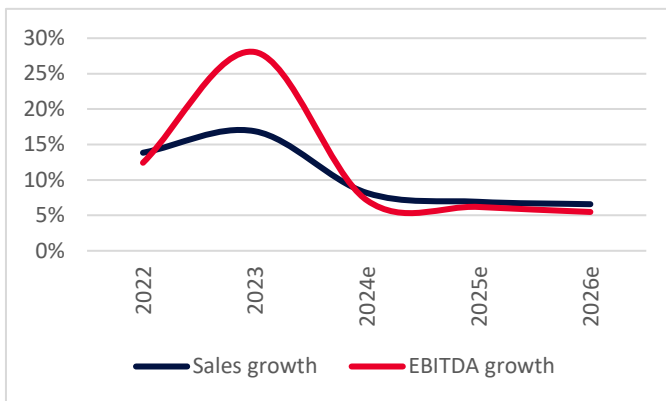
Segmental overview

c. Commercial Activities

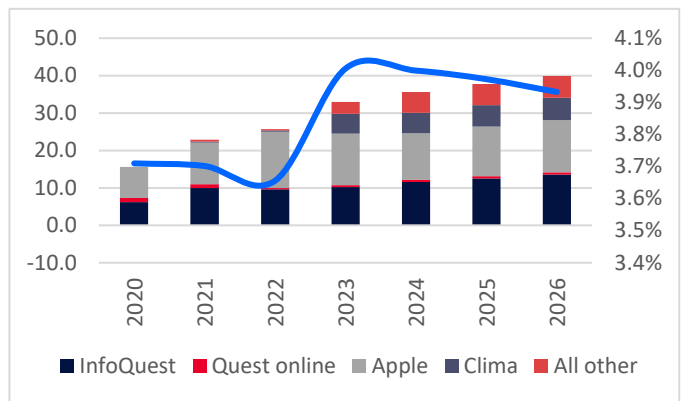
Commercial activities 5-yr EBITDA CAGR running at +6%

In the commercial activities segment we have slightly raised our top line forecasts (c1%), now factoring c8% net sales growth, on a flat EBITDA margin in 2024e (thus leading to a 6.6% forecasts raise), as we have seen an improvement in margins from Romanian penetration of Xiaomi, offsetting pressures from Apple stores (following the changes in mid-2023 - iSquare activity). In specific, we eye 2024e sales of €890m, +8.2% yoy, and EBITDA of €35.6m, +8% yoy. By 2026e we estimate sales will rise 7.2% annually to €1,014m and EBITDA c6.6% annually to €40m. However the rise in Romanian activity has impacted net financials, and alongside the high interest rate environment throughout 2024, both have weighed further on the bottom-line, with our 2024e net profit forecast set c5% lower at €14.2m, set to reach c€16.3m by 2026e (ex the non-completed Benrubi acquisition).

Quest Holdings | Commercial Activities segment sales & EBITDA growth



Quest Holdings | Commercial Activities EBITDA (EUR mn) & margin



Source: Company, Eurobank Equities Research

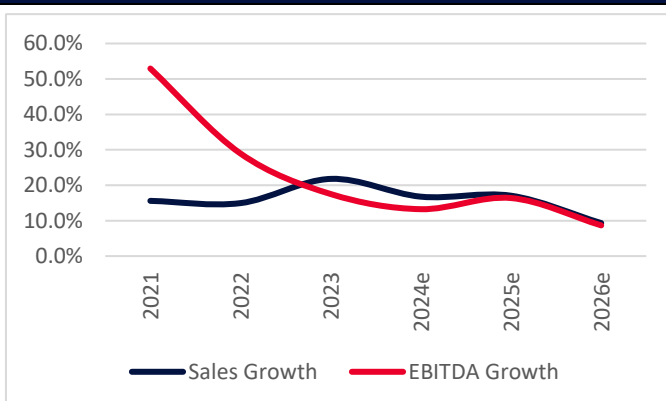
d. IT Services

IT services underpinned by RRF and digitization, with 5-yr EBITDA CAGR c11%

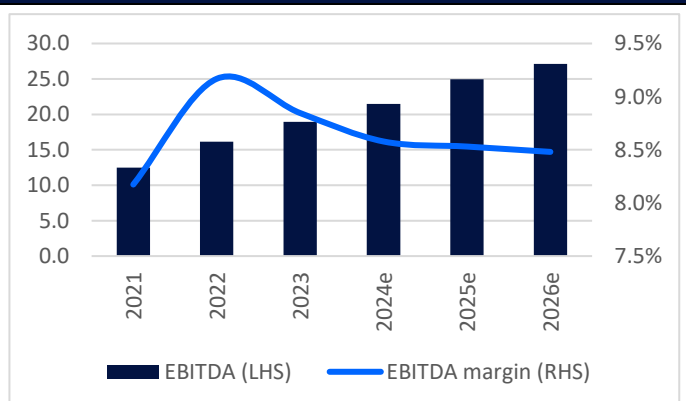
In our IT services forecasts we raise our top line estimates by c1-3% in 2024-26e, starting from a higher base thanks to the outstanding 2023 performance and the strong backlog to be executed ahead on a per project basis. Of note is that Unisystems currently enjoys a backlog of more than €550m, of which >€100m RRF related pointing to a >10% top line CAGR ahead. In specific we factor in a c17% yoy sales growth in the current and the following year and a more moderate c8-9% growth pace looking ahead. On the cost side we model EBITDA margins between 8.5-8.6% in the same period, as we assume a rising operating cost environment will be required in order to facilitate project development, while we do see slower implementation rate than we had previously anticipated. As a result we lower our EBITDA forecasts by 2-4% in 2024-26e eying €21.5m EBITDA in 2024e, growing by 14% annually in the 2023-26e period.

We forecast revenues of €250m in 2024e, rising by c17% yoy, and EBITDA of €21.5m, up by 13% yoy, thus pointing to a slight margin erosion to 8.6% (-20bps yoy). With net financials maintained fairly low and depreciation costs at constant rates in the IT services segment, we calculate net profit of €14.8m in 2024 (+22% yoy), rising to €19.4m by 2026e.

Quest Holdings | IT Services segment sales & EBITDA growth



Quest Holdings | IT Services segment EBITDA (EUR mn) & margin



Source: Company, Eurobank Equities Research

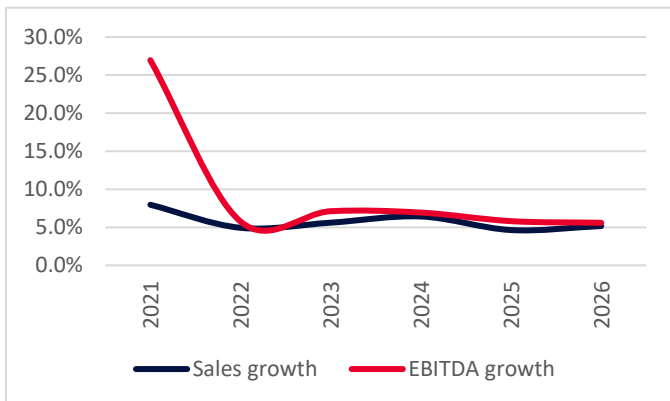
e. Courier Services

Courier services running at c6% 5-yr EBITDA CAGR

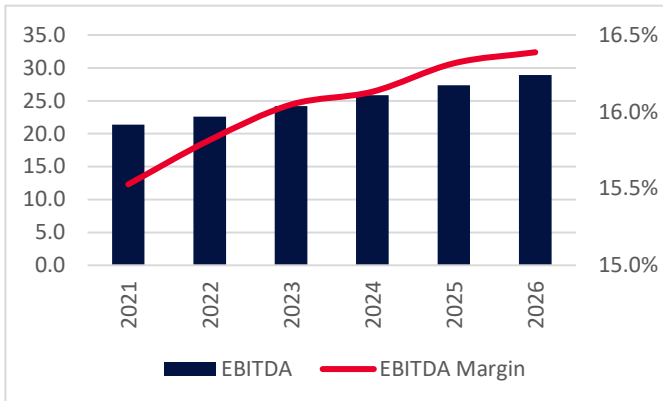
In the courier segment we have trimmed our 2024e forecasts by c3%, driven by the slower than expected top line growth (highly competitive environment) and the fairly stable margins. Though the strong X-mas/Black Friday period still lies ahead, we maintain a cautious view, modelling a 0.1pps rise in the EBITDA margin thus calculating some 8% yoy growth in the last quarter of the year (accelerating vs the +6% in the 9-mth period), on similar revenue growth. As a result we forecast €159m revenues and €25.9m EBITDA in 2024e.

We have also reduced our forecasts looking ahead by c4-5% now estimating a marginal 10bps annual rise in the EBITDA margins as we see slower implementation rate of investments aimed to enhance the last mile experience, with costs remaining pretty elevated. We model a c6% 2023-26e EBITDA CAGR, with our 2026e EBITDA forecast set at €28.9m, on a 16.5% respective margin.

Quest Holdings | ACS segment sales & EBITDA growth



Quest Holdings | ACS segment EBITDA (EUR mn) & margin



Source: Company, Eurobank Equities Research

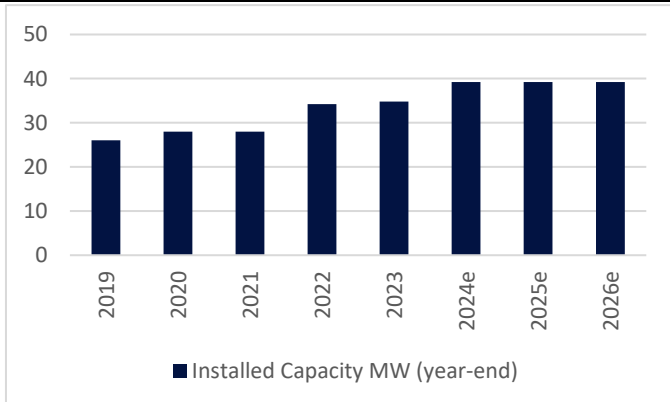
f. RES

RES accounts for just 10% of group EBITDA

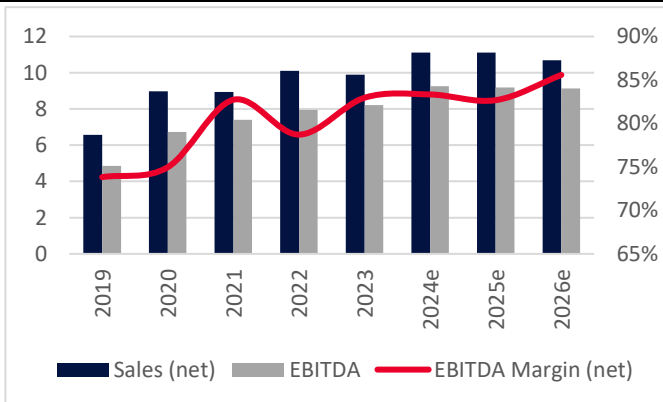
Quest RES Energy division accounts for just 10% of the group EBITDA (2024e data) while it is currently operating solar plants of c39MW total installed capacity (34.8MW end-2023). The group has halted new investments, as a result of the lack of capacity for new installations and a lowering average feed-in tariff of those already in the grid. Driven by the solid results in the current year we have slightly raised our forecasts wying c€11m revenues and €9m in EBITDA from the segment. However looking ahead we maintain fairly stable figures duw to the lack of additional investments (implying reduction in our 2025-26e forecasts)

In the long term, we assume no repowering upon the end of the projects' life cycle, while we see the remaining life for the group's installed parks between 10 and 25 years.

Quest Holdings | Solar Parks capacity year end (MW)



Quest Holdings | RES segment Sales & EBITDA (EUR mn)/EBITDA margin



Source: Company, Eurobank Equities Research

Immaterial changes in revenues and EBITDA lines

Forecast changes

We summarize below our forecast changes:

1. We have slightly raised our revenue forecasts (1%) throughout 2024-26e.
2. We maintain our group EBITDA estimates little-changed, despite the c6-7% increase in our commercial activities EBITDA forecast, as we have simultaneously lowered the courier services EBITDA by -3% to -5% and IT services EBITDA by -2% to -4%.
3. Below the EBITDA line we account for better than initially expected net financial expenses looking ahead, and as such we raise our net profit forecasts by 1% in 2024e and further by c7% in 2025-26e as the cash element from the ACS stake sale feeds in the numbers.

Our estimate changes are laid out in the tables below:

Estimate changes for Quest Holdings			
EUR m	2024e	2025e	2026e
New			
Net Sales	1,310	1,422	1,520
EBITDA	91	98	104
Net Income	47	54	60
Old			
Net Sales	1,300	1,408	1,506
EBITDA	90	98	104
Net Income	47	51	56
New vs. Old			
Net Sales	1%	1%	1%
EBITDA	1%	0%	0%
Net Income	1%	7%	7%

Source: Eurobank Equities Research

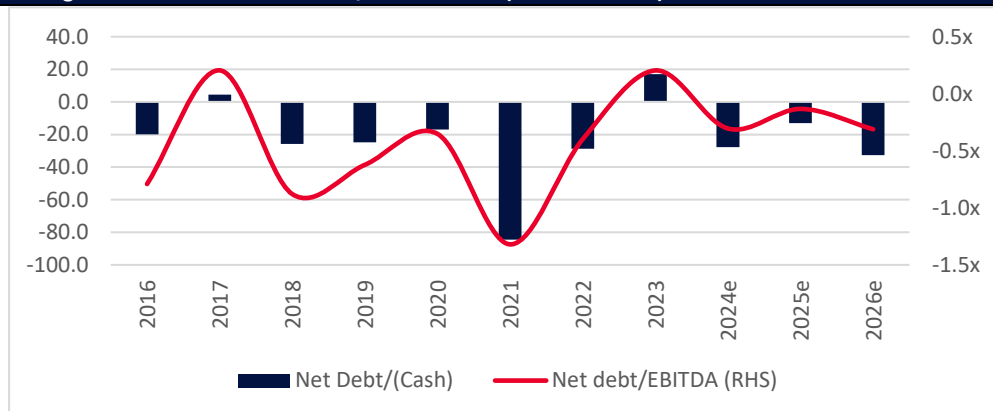
Estimate changes per division			
EUR m	2024e	2025e	2026e
New Sales			
Commercial Activities	890	952	1014
IT Services	250	293	320
Courier Services	159	167	175
RES	11	11	11
Old Sales			
Commercial Activities	878	938	999
IT Services	247	284	310
Courier Services	164	174	185
RES	11	12	13
New vs old sales			
Commercial Activities	1%	1%	2%
IT Services	1%	3%	3%
Courier Services	-3%	-4%	-5%
RES	1%	-7%	-15%
New EBITDA			
Commercial Activities	36	38	40
IT Services	21	25	27
Courier Services	26	27	29
RES	9	9	9
Old EBITDA			
Commercial Activities	33	36	37
IT Services	22	25	28
Courier Services	27	28	30
RES	9	10	10
new vs old EBITDA			
Commercial Activities	7%	6%	6%
IT Services	-4%	-2%	-2%
Courier Services	-3%	-4%	-5%
RES	5%	-5%	-9%

Source: Eurobank Equities Research

M&A empowers investments and shareholder returns

Quest has maintained a healthy balance sheet through the 9-month 2024 period with cash outflows shaping at €28m from year-end 2023, despite c€17m in new capex and c€24m in dividend/buyback payments. Gross cash stood at €104m in end-Sep 2024, while financial gross debt (excl. operating leases) amounted at c€149m. In the chart below we show the evolution of the group's net cash position.

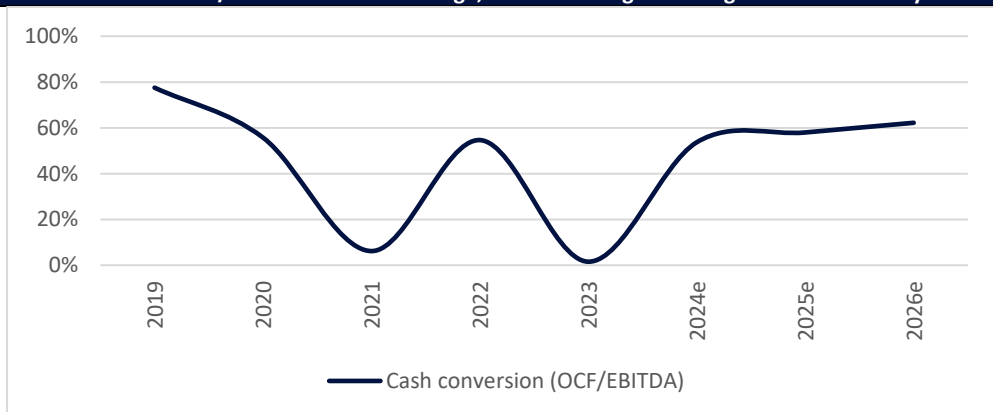
Strong balance sheet with net cash/EBITDA <0.5x (net cash €28m) in end-2024e



Source: Company, Eurobank Equities Research

Quest has been consistently generating positive operating free cash flow (OpFCF), with the respective conversion ratio (as % of EBITDA) at c55% on average in the last decade. It is worth noting that 2021 and 2023 were two years of significant divergence owing to WC oscillations, with G.E. Dimitriou retail activity addition an important variant in 2023 and the divestment from Cardlink affecting the 2021 figures. Our forecasts assume conversion near the 55-65% area, i.e. consistent with the historic pattern.

Cash conversion OCF/EBITDA >50% on average, with WC being the swing factor across the years

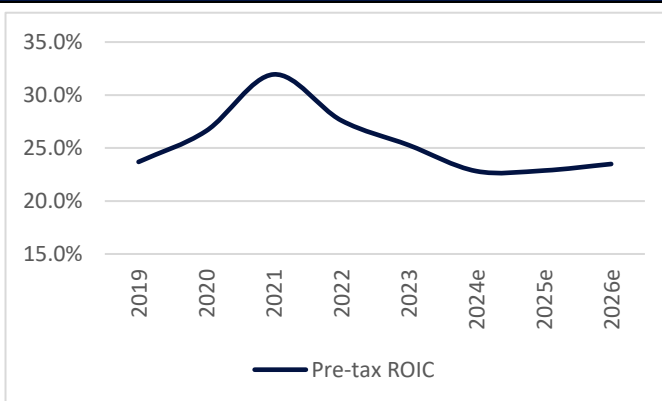
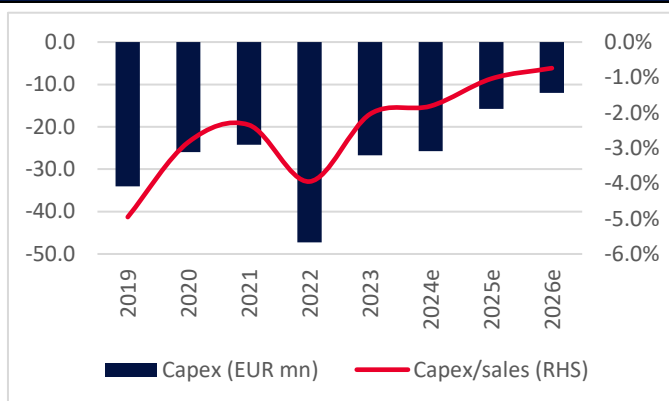


Source: Company, Eurobank Equities Research

Against this background, Quest has been able to continuously invest in its operations, with almost €160m investments carried out since 2019. The return on these investments has cumulatively reached 24%. The current year capex envelope called for c€25-30m investments, mainly planned in Unisystems and ACS (last mile). Quest has already carried out c€17m in the 9-mth period while it has also agreed upon the acquisition of 70% of Benrubi for c€27m, with the related outlay likely to take place in 2025. As we can see in the chart below, reported average two year ROIC (pre-tax), has exceeded 20% since 2019, with our forecast looking ahead in the c23% area.

Investments continue, with our numbers envisaging >€50m in 2024-26e period, following c€158m in 2019-23

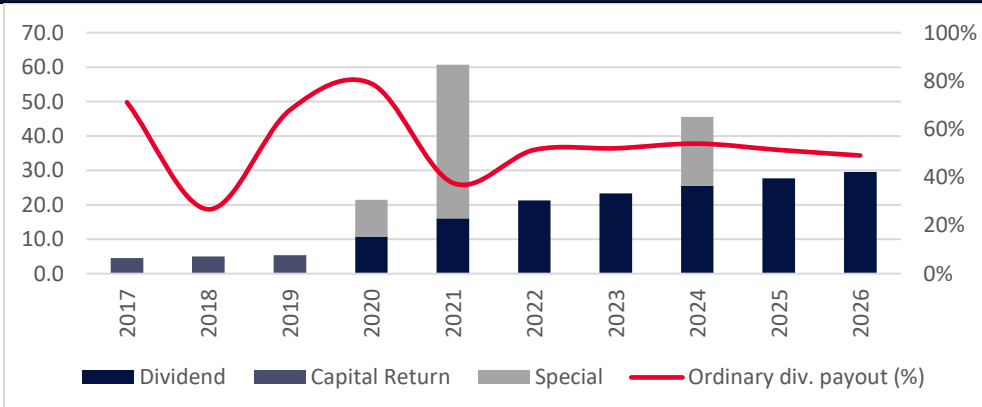
Pre-tax ROIC remains >20%



Source: Company, Eurobank Equities Research

In the meantime, Quest has been rewarding shareholders through dividend payments and capital returns while it has also returned special amounts. Below we showcase the shareholders remuneration in the past decade, which points to an average payout ratio of c50%. Quest also has in place a buyback plan, with the total value of own shares at c€6.4m by the end of September 2024 (1.34 m treasury shares). Looking ahead, we choose to raise the dividend in sync with profitability, with our payout ratio assumption standing near 50%. We note that we have also assumed a special c€20m distribution out of the recent disposal of the 20% stake in ACS.

Dividend/capital return & special dividend payments in EUR mn and payout ratio



Source: Company, Eurobank Equities Research

Group Financial Statements

Quest Holdings, EUR mn					
Group P&L					
	2022	2023	2024e	2025e	2026e
Sales	1,031.8	1,196.6	1,310.6	1,422.1	1,520.1
Gross Profit	153.5	171.8	185.5	202.6	217.3
EBITDA	72.0	83.3	91.1	98.2	104.1
change	12.4%	15.7%	9.3%	7.8%	6.1%
EBITDA margin	7.0%	7.0%	7.0%	6.9%	6.9%
EBIT	60.2	69.7	75.8	82.4	88.0
Net Financial expense	-6.5	-11.9	-14.2	-12.3	-9.8
Exceptionals / other income	1.1	1.1	0.0	0.0	0.0
PBT	54.9	58.9	61.7	70.1	78.2
Income tax	-12.9	-13.5	-13.8	-15.4	-17.2
Non-controlling interest	-0.6	-0.6	-0.6	-0.6	-0.6
Net Profit – reported	41.4	44.8	47.3	54.1	60.4
EPS - adjusted (EUR)	0.39	0.41	0.44	0.50	0.56
DPS (EUR)	0.20	0.23	0.42	0.26	0.28
Group Cash Flow Statement					
	2022	2023	2024e	2025e	2026e
EBITDA adj.	72.0	83.3	91.1	98.2	104.1
Change in Working Capital	-9.5	-53.9	-9.8	-10.0	-8.8
Net Interest	-6.5	-11.9	-10.8	-9.0	-6.6
Tax	-9.6	-9.9	-13.8	-15.4	-17.2
Other	-0.4	0.3	-1.0	0.0	0.0
Operating Cash Flow	46.0	7.9	55.8	63.7	71.6
Capex	-22.7	-21.3	-20.3	-15.8	-12.0
Other investing	-3.1	-2.0	-5.5	0.0	0.0
Net Investing Cash Flow	-25.8	-23.3	-25.8	-15.8	-12.0
Dividends	-16.1	-21.4	-23.3	-45.5	-27.7
Other (incl. payment of leases)	-60.0	-8.8	38.0	-9.8	-9.7
Net Debt (cash) - ex. leases	-28.7	17.0	-27.7	-20.4	-42.6
Free Cash Flow (adj.)	16.7	-20.0	28.7	41.1	52.8
Group Balance Sheet					
	2022	2023	2024e	2025e	2026e
Tangible Assets	112.5	120.8	140.1	148.8	153.2
Intangible Assets	58.5	66.4	76.5	74.4	72.4
Other non-current Assets	57.1	59.0	59.4	59.8	60.1
Non-current Assets	228.1	246.2	276.1	282.9	285.6
Inventories	77.2	87.6	96.2	104.3	111.4
Trade Receivables	125.2	184.1	197.5	214.3	229.1
Other receivables	93.1	90.0	90.0	90.0	90.0
Cash & Equivalents	168.2	121.1	176.9	142.2	152.0
Current Assets	463.7	482.9	560.7	550.8	582.5
Total Assets	691.9	729.1	836.8	833.8	868.1
Shareholder funds	237.9	260.9	284.8	293.4	326.1
Non-controlling interest	0.8	1.5	61.4	62.0	62.6
Total Equity	238.7	262.3	346.3	355.4	388.7
Long-term debt	74.2	59.6	54.6	49.6	49.6
Other long-term liabilities	50.5	67.9	68.4	68.8	69.0
Long Term Liabilities	124.7	127.5	123.0	118.4	118.6
Short-term debt	65.3	78.5	94.6	72.2	59.8
Trade Payables	102.0	115.8	123.3	133.6	142.8
Other current liabilities	161.1	144.9	149.6	154.1	158.1
Current Liabilities	328.4	339.2	367.5	360.0	360.7
Total Equity & Liabilities	691.9	729.1	836.8	833.8	868.1
Key Financial Ratios					
	2022	2023	2024e	2025e	2026e
P/E	12.9x	13.4x	12.7x	11.1x	9.9x
P/BV	2.2x	2.3x	1.7x	1.7x	1.5x
EV/EBITDA	7.4x	7.8x	6.7x	6.4x	5.8x
EBIT/Interest expense	8.4x	5.2x	4.8x	5.9x	7.7x
Net Debt (cash)/EBITDA	-0.4x	0.2x	-0.3x	-0.2x	-0.4x
Dividend Yield	4.0%	4.2%	7.6%	4.6%	4.9%
ROE	17.3%	17.1%	13.7%	15.2%	15.5%
Free Cash Flow yield	2.5%	-3.7%	3.9%	6.9%	8.8%
Payout Ratio	51.8%	55.5%	96.3%	51.2%	49.0%

Source: Eurobank Equities Research

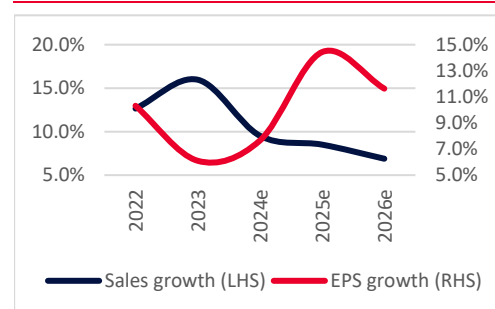
Company description

Quest is a tech-oriented holding group active in 4 core segments via specialized subsidiaries, most of which are among the leaders in their respective sector. Its portfolio spans across segments such as courier services, trade of commercial products (tech/clima), implementation of ICT projects and operation of renewable parks. In Sep' 2021 the group sold its electronic transactions division. Its EBITDA mix is relatively balanced across the various segments. In Oct' 2024 it agreed on the sale of a 20% stake in its courier arm and the acquisition of Benrubi (pending approvals). Geographically, the group is mainly exposed to Greece (c80% of total).

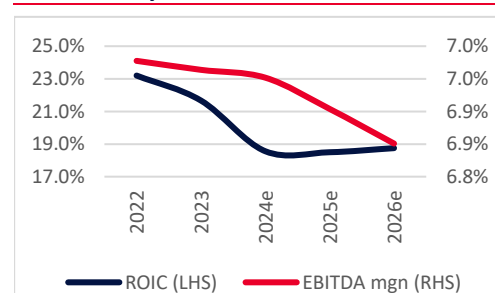
Risks and sensitivities

- **Macro risk:** Given its domestic exposure, Quest is dependent on the Greek macro environment. Any significant decline in economic activity would weigh on performance. More recently, in the aftermath of the pandemic, a new risk has arisen, namely the potential for further lockdowns and new disruptions to the economic activity.
- **Competition:** Competitive intensity can affect pricing/profitability and can be manifested in the guise of last-mile competition from retailers in the courier business, price/changes upon contract renewal in the same segment, market share loss in IT, falling fees in e-payments etc.
- **Sector risk:** Slower penetration of e-payments than our model incorporates and higher customer churn, inability to monetize value added services, tempered e-Commerce growth for courier, customer losses for IT.
- **Tech-related risks:** Given the technology orientation of the group, there is risk of technology disruption.
- **Sensitivity:** Flexing the WACC utilized in our model by 1% results in a €1.0 per share variation in our calculated fair value.

Sales and EPS growth



Profitability and returns



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This report has been written by Natalia Svyrou Svyriadi (Equity Analyst).

Analyst Compensation:

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Natalia Svyrou Svyriadi does not have a significant financial interest in one or more of the financial instruments which are the subject of this report or a significant conflict of interest with respect to the subject companies mentioned in this report a) that are accessible or reasonably expected to be accessible to the persons involved in the preparation of this report or b) known to persons who, although not involved in the preparation of this report, had or could reasonably be expected to have access to this report prior to its dissemination to customers or the public.

Planned Frequency of Updates:

Eurobank Equities Investment Firm S.A. provides updates on Quest based on the terms of the agreement between the two parties and at least but not limited to bi-annually after the publication of financial statements of Quest.

12-month Rating History of Quest Holdings:

Date	Rating	Stock price	Target price
04/12/2024	Not Rated	€5.60	-
22/04/2024	Not Rated	€5.30	-
22/01/2024	Not Rated	€5.29	-

EUROBANK Equities Investment Firm S.A. Rating System:

Stock Ratings	Coverage Universe		Investment Banking Clients		Other Material Investment Services Clients (MISC) – as of 15th Oct 2024	
	Count	Total	Count	Total	Count	Total
Buy	25	69%	4	16%	11	46%
Hold	4	11%	1	25%	2	67%
Sell	0	0%	0	0%	0	0%
Restricted	1	3%	0	0%	1	100%
Under Review	1	3%	0	0%	2	100%
Not Rated	5	14%	1	20%	2	40%
Total	36	100%				

Coverage Universe: A summary of historic ratings for our coverage universe in the last 12 months is available [here](#).

Analyst Stock Ratings:

Buy:	Based on a current 12-month view of total shareholder return (percentage change in share price to projected target price plus projected dividend yield), we recommend that investors buy the stock.
Hold:	We adopt a neutral view on the stock 12-months out and, on this time horizon, do not recommend either Buy or Sell.
Sell:	Based on a current 12-month view of total shareholder return, we recommend that investors sell the stock.
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Not rated:	Refers to Sponsored Research reports