

## Reducing our estimates after Gesco cut its guidance for FY 2020



*With the publication of its preliminary results, Gesco also took down its guidance for the current business year. For FY 2020, the company now expects revenue of at least EUR 450m (previously: EUR 540m) and a positive net income after minorities and before impairments. Consequently, we have lowered our revenue estimates for FY 2020 by 16% to EUR 458m, and we now expect an adj. net income after minorities of EUR 0.6m. For the coming years, however, the reduction is less pronounced as we expect the general demand trends to be intact. Due to the reduced estimates, we cut our target price from EUR 21 to EUR 19 but re-iterate our Buy recommendation.*

### Guidance cut - a combination of a weak Q2 2020 and continuing weak order intake

Gesco's original guidance was, in our view, based on the scenario of a quick recovery after the COVID-19 related lock-down. This assumption was made as there are some sustainable growth trends, which should generally be intact once the crisis has come to an end. Additionally, one could expect some pent-up demand, as investments which have been postponed tend to increase demand in the future.

While this general assumption might still be valid over the long term, reality has now shown that the short-term demand from customers continues to very weak. Particular in the automotive related businesses capex is currently reduced massively. This is somewhat related to lower volumes, which do not require any growth capex, partly because OEMs delay new model launches and also because the companies need to make sure they safeguard their own liquidity.

EURm	2018	2019	2020e	2021e	2022e
Revenues	580	440	458	524	562
EBITDA	68	44	33	54	70
EBIT	42	24	(9)	25	41
EPS	2.08	1.14	(1.19)	1.19	1.95
EPS adj	2.08	1.14	(0.31)	1.19	2.05
DPS	0.90	0.23	0.12	0.60	1.00
EV/EBITDA	5.6	7.9	8.1	5.1	3.9
EV/EBIT	9.0	14.3	-	11.0	6.6
P/E adj	10.9	16.5	-	13.2	7.7
P/B	1.05	0.87	0.78	0.75	0.71
ROE (%)	10.2	5.3	-	5.8	9.0
Div yield (%)	4.0	1.2	0.8	3.8	6.4
Net debt	121	127	86	89	83

Source: Pareto

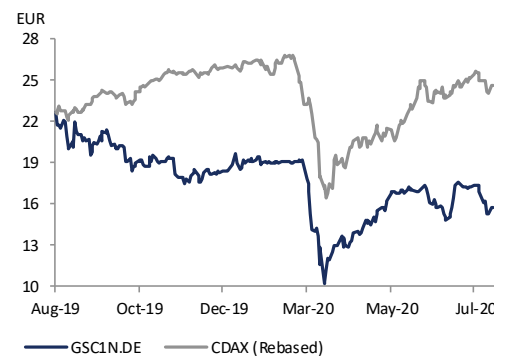
Target price (EUR)	19
Share price (EUR)	16

Forecast changes	2020e	2021e	2022e
%			
Revenues	(16)	(8)	(6)
EBITDA	(28)	(9)	(2)
EBIT adj	(72)	(18)	(4)
EPS reported	NM	(22)	(7)
EPS adj	NM	(22)	(7)

Source: Pareto

Ticker	GSC1N.DE, GSC1 GY
Sector	Industrials
Shares fully diluted (m)	10.8
Market cap (EURm)	170
Net debt (EURm)	86
Minority interests (EURm)	15
Enterprise value 20e (EURm)	272
Free float (%)	72

### Performance



Source: Factset

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Both Mobility and Process Technology segments have been especially hit by weak customer demand.

Given that Gesco has so far only published preliminary results for Q2 2020, which do not include any details with regard to order intake, segments or operating profitability, any current estimates are based by large extent on the guidance from the company. For FY 2020, we have thus stayed relatively close to the provided minimum guidance levels.

#### Exhibit 1: Changes to our estimates

	2020e			2021e			2022e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
<b>Revenues</b>	542.5	<b>458</b>	<b>-15.6%</b>	571.9	<b>524</b>	<b>-8.3%</b>	601.4	<b>562</b>	<b>-6.5%</b>
EBITDA	46.2	33.4	-27.7%	59.7	54.3	-9.1%	71.8	70.2	-2.2%
<b>Adj. EBIT</b>	<b>17.7</b>	<b>4.9</b>	<b>-72.5%</b>	<b>30.7</b>	<b>25.3</b>	<b>-17.7%</b>	<b>42.8</b>	<b>41.2</b>	<b>-3.8%</b>
<b>EBIT</b>	<b>17.7</b>	<b>-8.6</b>	<b>-148.9%</b>	<b>30.7</b>	<b>25.3</b>	<b>-17.7%</b>	<b>42.8</b>	<b>41.2</b>	<b>-3.8%</b>
EBIT margin	3.3%	-1.9%	514 BP	5.4%	4.8%	55 BP	7.1%	7.3%	-21 BP
EBT	15.0	-11.3	-175.8%	28.6	23.2	-19.0%	40.3	38.7	-4.0%
<b>Net result</b>	<b>8.4</b>	<b>-12.9</b>	<b>-253.5%</b>	<b>16.5</b>	<b>12.9</b>	<b>-21.7%</b>	<b>22.8</b>	<b>21.2</b>	<b>-7.1%</b>
Net margin	3.4%	-2.8%		3.4%	2.5%		3.4%	3.8%	
<b>EPS</b>	<b>0.77</b>	<b>-1.19</b>	<b>-253.5%</b>	<b>1.52</b>	<b>1.19</b>	<b>-21.7%</b>	<b>2.10</b>	<b>1.95</b>	<b>-7.1%</b>

Source: Pareto Securities Research

For the following years, we have cut our estimates to a lesser extent as we expect growth rates to increase from the low 2020 levels. Also, the impairments of EUR 13.5m, of which the majority should be related to fixed assets, would likely result in lower D&A in the coming years.

#### Valuation

We continue to value Gesco based on the average of a peer group, which yields a fair value of EUR 17 as well as a DCF model, which results in a fair value of EUR 21 per share.

Based on our new estimates as well as updated peer numbers, we have reduced our target price from EUR 21 to EUR 19.0.

Please note that our peer group model is based on 2021 estimates and multiples only, as we feel that the market is not ready to give credit based on 2022 estimates in the current uncertain environment.

Including also 2022 multiples would lift the peer group based fair value by roughly 2 Euro to EUR 19 and the target price for Gesco based on DCF and peer group model by 1 Euro to EUR 20.

Given that our reduced target price still implies an upside potential of more than 20%, we confirm our Buy recommendation on Gesco.

## Exhibit 2: Peer Group valuation

Company	PE 2021e	PE 2022e	EV/EBIT 2021e	EV/EBIT 2022e
INDUS Holding AG	12.1	9.6	10.9	8.8
MBB SE	31.4	19.6	5.0	4.0
Deutsche Beteiligungs AG	11.8	9.2	9.5	8.6
MAX Automation SE	21.0	9.9	15.1	9.4
Mutares SE & Co. KGaA	n.m.	8.7	n.m.	14.2
<b>Median</b>	<b>16.6</b>	<b>9.6</b>	<b>10.2</b>	<b>8.8</b>
<b>GESCO AG</b>	<b>13.2</b>	<b>8.0</b>	<b>11.5</b>	<b>7.0</b>
relative	79.7%	83.5%	112.5%	79.1%
<b>Fair value per share at peer median</b>	<b>19.7</b>	<b>18.8</b>	<b>14.1</b>	<b>24.3</b>
<b>Fair value / share (av.)</b>	<b>17</b>			

Source: Factset, Pareto Securities Research

## Exhibit 3: DCF valuation

EUR m	Phase I					Phase II					Phase III	
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e		
<b>Revenues</b>	<b>458.0</b>	<b>524.4</b>	<b>562.4</b>	<b>609.4</b>	<b>639.7</b>	<b>668.4</b>	<b>695.0</b>	<b>719.2</b>	<b>740.7</b>	<b>759.2</b>		
growth rate	4.2%	14.5%	7.2%	8.4%	5.0%	4.5%	4.0%	3.5%	3.0%	2.5%		
<b>EBIT</b>	<b>-8.6</b>	<b>25.3</b>	<b>41.2</b>	<b>47.0</b>	<b>46.7</b>	<b>49.0</b>	<b>51.3</b>	<b>53.3</b>	<b>55.2</b>	<b>56.9</b>		
EBIT margin	-19%	4.8%	7.3%	7.7%	7.3%	7.3%	7.4%	7.4%	7.5%	7.5%		
<b>Tax</b>	<b>-0.7</b>	<b>-8.6</b>	<b>-16.2</b>	<b>-16.4</b>	<b>-16.4</b>	<b>-17.2</b>	<b>-18.0</b>	<b>-18.7</b>	<b>-19.4</b>	<b>-18.2</b>		
Tax rate	-9%	34%	39%	35%	35%	35%	35%	35%	35%	32%		
<b>Depr. &amp; Amort. (ex IFRS16)</b>	<b>38.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.0</b>	<b>25.8</b>	<b>26.6</b>	<b>27.5</b>	<b>28.3</b>	<b>28.9</b>		
% of sales	8.3%	4.8%	4.4%	4.1%	3.9%	3.9%	3.8%	3.8%	3.8%	3.8%		
<b>Capex</b>	<b>-20.6</b>	<b>-23.6</b>	<b>-25.3</b>	<b>-27.4</b>	<b>-28.8</b>	<b>-28.4</b>	<b>-28.7</b>	<b>-29.2</b>	<b>-29.9</b>	<b>-30.4</b>		
% of sales	4.5%	4.5%	4.5%	4.5%	4.5%	4.3%	4.1%	4.1%	4.0%	4.0%		
<b>Change in WC &amp; P</b>	<b>20.0</b>	<b>-20.3</b>	<b>-14.2</b>	<b>-17.6</b>	<b>-11.4</b>	<b>-10.7</b>	<b>-10.0</b>	<b>-9.1</b>	<b>-8.1</b>	<b>-6.9</b>		
% of sales	-4.4%	3.9%	2.5%	2.9%	1.8%	1.6%	1.4%	1.3%	1.1%	0.9%		
<b>Free Cash Flow</b>	<b>28.0</b>	<b>-2.2</b>	<b>10.5</b>	<b>10.6</b>	<b>15.1</b>	<b>18.5</b>	<b>21.3</b>	<b>23.8</b>	<b>26.2</b>	<b>30.3</b>	<b>536.2</b>	
growth rate	nm	nm	nm	14%	42.6%	22.0%	15.2%	11.9%	10.0%	15.9%	2.0%	
<b>Present Value FCF</b>	<b>27.1</b>	<b>-2.0</b>	<b>8.7</b>	<b>8.2</b>	<b>10.9</b>	<b>12.3</b>	<b>13.2</b>	<b>13.7</b>	<b>14.0</b>	<b>15.0</b>	<b>265.2</b>	
<b>PV Phase I</b>		<b>53.0</b>				<b>Risk free rate</b>	3.50%		<b>Targ. equity ratio</b>	70%		
<b>PV Phase II</b>		<b>68.1</b>				<b>Premium Equity</b>	5.00%		<b>Beta</b>	1.2		
<b>PV Phase III</b>		<b>265.2</b>				<b>Premium Debt</b>	2.00%		<b>WACC</b>	7.77%		
<b>Enterprise value</b>	<b>386.3</b>					<b>Sensitivity</b>		<b>Growth in phase III</b>				
- Net Debt (Cash)	127.4							<b>1.0%</b>	<b>1.5%</b>	<b>2.0%</b>	<b>2.5%</b>	<b>3.0%</b>
- Pension Provisions	17.7					<b>6.99%</b>	21.8	24.2	27.1	30.7	35.1	
- Minorities & Peripherals	14.6					<b>7.38%</b>	19.3	21.4	23.8	26.7	30.3	
+ MV of financial assets						<b>WACC</b>	<b>7.77%</b>	17.1	18.9	20.9	23.4	26.3
- Paid-out dividends for last FY	0.0					<b>8.16%</b>	15.1	16.6	18.4	20.5	23.0	
+/- Other EV items	0.0					<b>8.55%</b>	13.4	14.7	16.2	18.0	20.1	
<b>Equity value</b>	<b>226.6</b>											
Number of shares	10.8											
<b>Value per share (€)</b>	<b>21</b>											

Source: Pareto Securities Research

<b>PROFIT &amp; LOSS (fiscal year) (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
<b>Revenues</b>	<b>494</b>	<b>482</b>	<b>547</b>	<b>580</b>	<b>440</b>	<b>458</b>	<b>524</b>	<b>562</b>
<b>EBITDA</b>	<b>53</b>	<b>50</b>	<b>57</b>	<b>68</b>	<b>44</b>	<b>33</b>	<b>54</b>	<b>70</b>
Depreciation & amortisation	(22)	(28)	(24)	(26)	(21)	(42)	(29)	(29)
<b>EBIT</b>	<b>31</b>	<b>22</b>	<b>34</b>	<b>42</b>	<b>24</b>	<b>(9)</b>	<b>25</b>	<b>41</b>
Net interest	(3)	(2)	(2)	(3)	(2)	(3)	(2)	(3)
Other financial items	-	-	-	-	-	-	-	-
<b>Profit before taxes</b>	<b>29</b>	<b>20</b>	<b>32</b>	<b>40</b>	<b>22</b>	<b>(11)</b>	<b>23</b>	<b>39</b>
Taxes	(10)	(10)	(13)	(14)	(8)	(1)	(8)	(15)
Minority interest	(3)	(2)	(2)	(3)	(1)	(1)	(2)	(2)
<b>Net profit</b>	<b>16</b>	<b>8</b>	<b>16</b>	<b>23</b>	<b>12</b>	<b>(13)</b>	<b>13</b>	<b>21</b>
EPS reported	1.62	0.79	1.49	2.08	1.14	(1.19)	1.19	1.95
<b>EPS adjusted</b>	<b>1.62</b>	<b>1.24</b>	<b>1.49</b>	<b>2.08</b>	<b>1.14</b>	<b>(0.31)</b>	<b>1.19</b>	<b>2.05</b>
DPS	0.67	0.35	0.60	0.90	0.23	0.12	0.60	1.00
<b>BALANCE SHEET (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
Tangible non current assets	134	141	147	158	172	153	148	145
Other non-current assets	29	48	42	52	49	47	47	47
Other current assets	214	220	233	286	254	220	246	264
Cash & equivalents	37	35	38	29	31	57	54	59
<b>Total assets</b>	<b>413</b>	<b>444</b>	<b>460</b>	<b>525</b>	<b>506</b>	<b>477</b>	<b>495</b>	<b>514</b>
Total equity	199	216	226	251	250	234	246	261
Interest-bearing non-current debt	117	122	119	150	158	143	143	143
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	81	89	99	108	80	82	88	93
<b>Total liabilities &amp; equity</b>	<b>413</b>	<b>444</b>	<b>460</b>	<b>525</b>	<b>506</b>	<b>477</b>	<b>495</b>	<b>514</b>
<b>CASH FLOW (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
Cash earnings	31	43	51	28	26	46	44	54
Change in working capital	(4)	(1)	(13)	(15)	13	20	(20)	(14)
Cash flow from investments	(24)	(20)	(22)	(41)	(14)	(21)	(24)	(25)
Cash flow from financing	(3)	(1)	(7)	21	(3)	(17)	(2)	(7)
Net cash flow	1	(1)	3	(9)	2	26	(3)	6
<b>CAPITALIZATION &amp; VALUATION (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
<b>Share price (EUR end)</b>	<b>24.7</b>	<b>25.0</b>	<b>28.5</b>	<b>22.8</b>	<b>18.9</b>	<b>15.7</b>	<b>15.7</b>	<b>15.7</b>
Number of shares end period	10	10	11	11	11	11	11	11
Net interest bearing debt	81	87	80	121	127	86	89	83
<b>Enterprise value</b>	<b>346</b>	<b>354</b>	<b>406</b>	<b>382</b>	<b>346</b>	<b>272</b>	<b>277</b>	<b>273</b>
EV/Sales	0.7	0.7	0.7	0.7	0.8	0.6	0.5	0.5
<b>EV/EBITDA</b>	<b>6.5</b>	<b>7.1</b>	<b>7.1</b>	<b>5.6</b>	<b>7.9</b>	<b>8.1</b>	<b>5.1</b>	<b>3.9</b>
EV/EBIT	11.0	16.0	12.0	9.0	14.3	-	11.0	6.6
P/E reported	15.3	31.6	19.2	10.9	16.5	-	13.2	8.0
<b>P/E adjusted</b>	<b>15.3</b>	<b>20.1</b>	<b>19.2</b>	<b>10.9</b>	<b>16.5</b>	<b>-</b>	<b>13.2</b>	<b>7.7</b>
P/B	1.4	1.3	1.5	1.0	0.9	0.8	0.7	0.7
<b>FINANCIAL ANALYSIS &amp; CREDIT METRICS</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
ROE adjusted (%)	8.4	6.0	7.3	9.5	4.9	-	5.4	8.8
Dividend yield (%)	2.7	1.4	2.1	4.0	1.2	0.8	3.8	6.4
EBITDA margin (%)	10.8	10.3	10.5	11.8	10.0	7.3	10.3	12.5
EBIT margin (%)	6.4	4.6	6.2	7.3	5.5	-	4.8	7.3
NIBD/EBITDA	1.51	1.76	1.40	1.76	2.89	2.59	1.64	1.19
EBITDA/Net interest	20.37	22.49	29.68	26.34	18.64	12.36	25.85	28.47

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## Appendix A

Disclosure requirements pursuant to the Norwegian Securities Trading Regulations section 3-10 (2) and section 3-11 (1), letters a-b

The below list shows companies where Pareto Securities AS - together with affiliated companies and/or persons – own a portion of the shares exceeding 5% of the total share capital in any company where a recommendation has been produced or distributed by Pareto Securities AS.

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,009,280	9.63%	SpareBank 1Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,901,908	21.33%	Sparebanken Vest	6,370,851	5.94%

Pareto Securities AS or its affiliates own as determined in accordance with FINRA Rule 2241, 1 % or more of the equity securities of:

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,009,280	9.63%	SpareBank 1SMN	1881442	14.5%
NHST Media Group AS	17,900	1.39%	SpareBank 1Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,901,908	21.33%	Sparebanken Møre	305,239	3.09%
Selvaag Bolig ASA	2,177,497	2.32%	Sparebanken Sør	433,444	2.77%
SpareBank 1BV	1655,220	2.62%	Sparebanken Vest	6,370,851	5.94%
SpareBank 1Nord-Norge	3,245,605	3.23%	Totens Sparebank	78,246	12.8%

Pareto Securities AS may hold financial instruments in companies where a recommendation has been produced or distributed by Pareto Securities AS in connection with rendering investment services, including Market Making.

Please find below an overview of material interests in shares held by employees in Pareto Securities AS, in companies where a recommendation has been produced or distributed by Pareto Securities AS. "By material interest" means holdings exceeding a value of NOK 50,000.

Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
Adevinta	0	574	Golden Ocean Group	0	1,744	Quantafuel	0	2,540
AF Gruppen	0	19,185	Grieg Seafood	0	6,258	REC Silicon	0	32,708
Aker	0	791	Hafnia Limited	0	30,000	SailMar	0	385
Aker BP	0	23,126	Helgeland Sparebank	0	2,777	Sandnes Sparebank	0	25,782
American Shipping Compar	0	3,500	Ice Group	0	104,391	Sbanken	0	4,520
Atlantic Sapphire	0	1,105	Jæren Sparebank	0	500	Scatec Solar	0	35,000
Austevoll Seafood	0	635	Komplett Bank	0	94,300	Schibsted ASA A Aksjer	0	232
Avance Gas	0	4,456	Kongsberg Gruppen	0	34,274	Schibsted ASA B Aksjer	0	607
Axactor	0	11,376	KWS	75	75	Selvaag Bolig	0	2,350
Bakkafrost	0	204	Lerøy Seafood	0	3,814	SpareBank 1BV	0	22,000
BASF	270	270	Mowi	0	3,779	SpareBank 1Nord-Norge	0	26,050
Bonheur	0	37,076	NORBIT	0	8,155	SpareBank 1SMN	0	18,740
BRABank	0	137,100	Nordic Semiconductor	0	6,765	SpareBank 1SR-Bank	0	42,601
BWEnergy Limited	0	43,075	Norsk Hydro	0	102,321	SpareBank 1Østlandet	0	7,921
BWOffshore	0	8,326	Norske Skog	0	3,550	Sparebanken Sør	0	16,135
DNB	0	31,464	Norwegian Air Shuttle	0	40,028	Sparebanken Vest	0	14,924
DNO	0	499,263	Norwegian Finans Holding	0	3,310	Sparebanken Øst	0	1,500
Elkem	0	5,218	NTS	0	2,172	Stolt-Nielsen	0	41,317
Entra	0	10,537	Ocean Yield	0	46,005	Storebrand	0	7,552
Equinor	0	5,002	Okeanis Eco Tankers	0	2,000	Subsea 7	0	3,198
Europris	0	13,469	Orkla	0	18,699	Telenor	0	2,076
Fjord1	0	50,000	Panoro Energy	0	9,285	TGS-NOPEC	0	2,000
Fjordkraft Holding	0	12,000	Pareto Bank	0	1278,298	VOWASA	0	6,281
Frontline	0	28,710	Pexip Holding	0	7,000	XXL	0	12,573
Gjensidige Forsikring	0	7,280	Protector Forsikring	0	14,000	Yara International	0	14,175

This overview is updated monthly (last updated 10.07.2020).

\*Analyst holdings refer to positions held by the Pareto Securities AS analyst covering the company.



## Appendix B

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11, letters e-f, ref the Securities Trading Act Section 3-10

Overview over issuers of financial instruments where Pareto Securities AS have prepared or distributed investment recommendation, where Pareto Securities AS have been lead manager/co-lead manager or have rendered publicly known not immaterial investment banking services over the previous 12 months:

24SevenOffice Scandinavia AB	Hafnia Limited	Pexip Holding ASA	
Acconer AB	Helgeland Sparebank	Pinewood Laboratories	
Avanzia Bank	HKN Energy Ltd	Pioneer Property Group	
Africa Energy	Ice Group	Pioneer Property Group ASA	
African Petroleum Corporation	ICW Holding	Providences Inv. Mngmt Pty	
Aker ASA	Kingfish Zeeland	Salmon Evolution AS	
American Tanker, Inc.	Klavness Combination Carriers ASA	Sandnes Sparebank	
Aprila Bank ASA	Komplett Bank ASA	Scorpio Bulkers Inc.	
Belships	Kongsberg Automotive	Seadrill	
Boreal Holding AS	LifeFit	Sparebanken Vest	
Borr Drilling Ltd.	Luxaviation Holding	Stolt Nielsen	
BRABank	Mercell Holding AS	TEMPTON Dienstleistungen	
BRABank ASA	Monobank ASA	United Camping AB	
BW Energy	Mutares SE & Co. KGaA		-
Cabonline Group Holding AB	Navigator Holdings		-
Cibus Nordic Real Estate AB	Next Biometrics Group ASA ("NEXT")		-
Digiplex	Northern Ocean		-
DOF ASA	Norwegian Air Shuttle		-
DOF Subsea AS	Nouveau Monde Graphite		-
Erwe Immobilien	Ocean Yield		-
Euromicron AG	Odfjell SE		-
Filo Mining Corp	Pareto Bank		-
Floatel	Petroleum Geo-Services		-

*This overview is updated monthly (this overview is for the period 30.06.2019 – 30.06.2020).*

## Appendix C

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11(4)

### Distribution of recommendations

Recommendation	% distribution
Buy	64%
Hold	31%
Sell	4%

### Distribution of recommendations (transactions\*)

Recommendation	% distribution
Buy	75%
Hold	25%
Sell	0%

\* Companies under coverage with which Pareto Securities Group has on-going or completed public investment banking services in the previous 12 months

This overview is updated monthly (last updated 10.07.2020).

## Appendix D

This section applies to research reports prepared by Pareto Securities AB.

### Disclosure of positions in financial instruments

The beneficial holding of the Pareto Group is 1 % or more of the total share capital of the following companies included in Pareto Securities AB's research coverage universe: None

The Pareto Group has material holdings of other financial instruments than shares issued by the following companies included in Pareto Securities AB's research coverage universe: None

### Disclosure of assignments and mandates

Overview over issuers of financial instruments where Pareto Securities AB has prepared or distributed investment recommendation, where Pareto Securities AB has been lead manager or co-lead manager or has rendered publicly known not immaterial investment banking services over the previous twelve months:

Azelio	Jetpak Top Holding AB	Pexip Holding	Sedana Medical
Bionvent	Mentice AB	Pledpharma AB	ShaM aran Petroleum
IRRAS AB	Minesto	QleanAir Holding	

Members of the Pareto Group provide market making or other liquidity providing services to the following companies included in Pareto Securities AB's research coverage universe:

ByggPartner i Dalarna Holding	Magnolia Bostad	SciBase Holding	Surgical Science
Cibus Nordic Real Estate	Minesto	Sedana Medical	Tethys Oil
Isofol Medical	Saltängen Property Invest	ShaM aran Petroleum	Vostok Emerging Finance

Members of the Pareto Group have entered into agreements concerning the inclusion of the company in question in Pareto Securities AB's research coverage universe with the following companies: None

Member of the Pareto Group is providing Business Management services to the following companies:

Bosjö Fastigheter AB	Bråviken Logistik	Halmslätten	Mälårasen
Bonäsudden	Delarka	Logistri	Sydsvenska Hem

Members of the Pareto Group have entered into agreements concerning the inclusion of the company in question in Pareto Securities AB's research coverage universe with the following companies: None  
*This overview is updated monthly (last updated 15.07.2020).*

## Appendix E

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11, letter d, ref the Securities Trading Act Section 3-10

### Designated Sponsor

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Baywa	Heidelberg Pharma *	MOBOTIX AG	SMT Scharf AG *
Biotest *	Hypoport AG	mutares	Surteco Group *
Brenntag	Intershop Communications AG	OVB Holding AG	Szygy AG *
CORESTATE Capital Holding S.A.	ISRA Vision	Procredit Holding *	TAKKT AG
Daldrup & Söhne	Leifheit	PSI SOFTWARE AG *	Vapiano
Demire	Logwin *	PWO *	va-Q-tec *
Epigenomics AG*	Manz AG *	RIB Software *	Viscom *
Gesco *	MAX Automation SE	S&T AG *	
GFT Technologies *	Merkur Bank	SCOUT24	

\* The designated sponsor services include a contractually agreed provision of research services.

## Appendix F

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11, letter g, ref the Securities Trading Act Section 3-10

### Sponsored Research

Pareto Securities has entered into an agreement with these companies about the preparation of research reports and—in return—receives compensation.

Adler Modemaerkte	Daldrup & Söhne	Intershop Communications AG	mutares
Baywa	Dermapharm Holding SE	Leifheit	OHB SE
BB Biotech	First Sensor	MAX Automation SE	OVB Holding AG
B.R.A.I.N.	Godewind Immobilien AG	Merkur Bank	Siegfried Holding AG
comdirect	Hypoport AG	MOBOTIX AG	

*This overview is updated monthly (last updated 15.07.2020).*