



Q2 2020 impacted by Covid-19 pandemic, as expected

MAX Automation reported a set of Q2 2020 results, which showed clear signs of the Covid-19 pandemic, as expected. Revenue declined by 27% yoy, while the improved EBITDA loss was only attributable to an improved earnings situation at the non-core activities, whereas the core business saw clearly weaker earnings. Nonetheless, this development did not come unexpectedly, given that Q2 marked the climax of the Corona virus crisis – at least until now. What is somewhat disappointing was the weakness in order intake, which declined by 42% yoy. However, the order pipeline is well filled, according to the company. Depending on the further development of the pandemic, this might still be compensated during the second half of the year. We have applied only minor changes to our EBITDA estimates and reiterate our Buy recommendation with a slightly lower target price of EUR 4.50.

Revenue declined by 27% yoy

In Q2 2020, revenue declined by 27% yoy to EUR 71.8m. Core business was down by 18% yoy, mainly driven by Process Technologies (-29% yoy) and Evolving Technologies (-21% yoy), while Environmental Technologies (-6% yoy) performed relatively well. Non-core was down 69%, however partly driven by business which was discontinued.

EURm	2018	2019	2020e	2021e	2022e
Revenues	277	425	330	326	344
EBITDA	24	(1)	7	26	32
EBIT	12	(31)	(11)	17	24
EPS	(1.05)	(1.18)	(0.66)	0.37	0.52
EPS adj	(0.92)	(0.25)	(0.48)	0.37	0.52
DPS	-	-	0.15	0.15	0.15
EV/EBITDA	7.6	-	25.7	6.5	5.0
EV/EBIT	14.9	-	-	9.8	6.9
P/E adj	-	-	-	9.1	6.5
P/B	1.47	2.00	2.08	1.83	1.52
ROE (%)	-	-	-	21.4	25.6
Div yield (%)	-	-	4.4	4.4	4.4
Net debt	46	76	73	69	61

Source: Pareto

Target price (EUR)	4.5
Share price (EUR)	3.4

Forecast changes	2020e	2021e	2022e
%			
Revenues	(2)	-	-
EBITDA	(20)	(3)	(3)
EBIT adj	NM	(4)	(4)
EPS reported	(72)	(12)	(4)
EPS adj	NM	(12)	(4)

Source: Pareto

Ticker	MAXG.DE, MXH GR
Sector	Industrials
Shares fully diluted (m)	29.5
Market cap (EURm)	100
Net debt (EURm)	75
Minority interests (EURm)	0
Enterprise value 20e (EURm)	175
Free float (%)	44

Performance



Source: Factset

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Process Technologies suffered delayed project approvals, which were related to travel restrictions, while Environmental Technologies managed to finish a number of larger projects, especially in the US, which led to a relative resilience. Evolving Technologies suffered from temporary project standstills, especially in press automation and robotics. Overall, the negative revenue development in Q2 was mainly, in our view, a result of the lock-down in many countries.

EBITDA in the core business declined by 55% yoy to EUR 4.9m or 7.4% of revenue. Operating leverage on EBITDA level was roughly 43%, which was relatively high at first glance. However, the prior year results were positively impacted by revaluation gain in the Evolving Technologies division.

Exhibit 1: Q2 2020 review

MAX Automation SE Deviation table (EUR m)	Q2 2019 reported	Q2 2020 reported	YoY
Process Technologies	11.4	10.1	-11%
Environmental Technologies	42.6	21.2	-50%
Evolving Technologies	31.2	11.8	-62%
Non core business	16.0	15.5	-3%
Group order intake	101.2	58.6	-42%
Process Technologies	18.5	13.1	-29%
Environmental Technologies	28.4	26.6	-6%
Evolving Technologies	33.7	26.7	-21%
Non core business	17.9	5.6	-69%
Groups sales	98.0	71.8	-27%
Process Technologies	4.0	1.9	-54%
Environmental Technologies	2.7	3.5	28%
Evolving Technologies	4.8	2.1	-57%
Holding/consolidation	-0.5	-2.5	373%
Non core business	-16.4	-5.1	-69%
Group EBITDA	-5.4	-0.1	-97%
Net income	-24.1	-7.8	-68%
ANALYSIS GROUP			
Book-to-bill-ratio (x)	1.03	0.82	
Core business EBITDA-margin (%)	13.7%	7.4%	

Source: Company data, Pareto Securities Research

Environmental Technologies showed an extremely solid performance, with EBITDA up 28% to EUR 3.5m – despite slightly lower revenues. Evolving Technologies posted an operating leverage of 39% on EBITDA level which is somewhat weak at first glance, but as mentioned the prior year number had benefitted from a positive special effect from the revaluation of assets. Process Technologies showed an EBITDA decline of 54% yoy to EUR 1.9m, clearly driven by lower revenue and the corresponding operating leverage. At 14% the EBITDA margin was nonetheless the highest of all segments and almost 5 percentage points higher than in Q1.

The main segment, which pushed MAX Automation into the red EBITDA numbers in Q2 2020, however, was the non-core business. The EBITDA loss of EUR 5.1m in Q2 marked a negative EBITDA margin of 90%, partly driven by a sharp revenue decline, but also by some run-down related effects.

EBIT and all following earnings numbers were significantly deeper in red territory as MAX had to book impairment charges. This is, however, of one-time nature and should thus not be a concern.

FCF was clearly negative in Q2 2020, amounting EUR -11.3m. This should have been mainly related to working capital build-up, which is at least partly related to orders which have not yet been approved by the client. In H1 2020, working capital was up 84% yoy to EUR 57.3m. We would thus expect this trend to turn around in the next quarters.

Net debt increased to EUR 123m at the end of Q2 2020. Given the low EBITDA result this is clearly a worryingly high number. With decreasing working capital and improving profitability, we would expect this number to come down to a more moderate level in a relatively short timeframe. MAX Automation has agreed with its banks to suspend the covenant test on its bank debt until end of FY 2020.

Order intake was weak in Q2 2020, down 42% yoy to EUR 58.6m or a book-to-bill ratio of 0.8. Particular in the automotive industry, there is currently extreme reluctance with new orders.

The order pipeline however seems to be well filled with several bigger orders in various segments currently being in a tendering process, and it needs to be seen, if the companies will finally award these orders to suppliers. This, however, will in our view depend on the further development of the COVID-19 pandemic. The uncertainty thus remains high and consequently MAX Automation continues to not give a concrete guidance for FY 2020.

For FY 2020, we have applied only minor changes to our estimates for the core business. We have, however, increased our estimate for the expected EBITDA loss in the non-core segment. Consequently, this results in weaker estimates for FY 2020. For FY 2021, we continue to assume that the non-core business will be closed or run out and therefore expect no further loss contribution. This is – besides the expected revenue recovery – the main driver of the expected significant earnings improvement in FY 2021.

Exhibit 2: Changes to our estimates

	2020e			2021e			2022e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	336.5	329.5	-2%	326.5	326.5	0%	344.1	344.1	0%
EBITDA	8.5	6.8	-20%	26.9	26.1	-3%	33.4	32.4	-3%
EBITDA - margin	2.5%	2.1%	-18%	8.2%	8.0%	-3%	9.7%	9.4%	-3%
EBIT	-4.5	-11.2	nm	18.1	17.3	-4%	24.7	23.7	-4%
Net result adj	-6.0	-14.1	nm	12.5	11.0	-12%	16.1	15.5	-4%
EPS	-0.38	-0.66	nm	0.42	0.37	-12%	0.55	0.52	-4%

Source: Pareto Securities Research

Valuation – the investment story remains intact

We stick to our previous valuation methodology to derive a fair value for MAX Automation by combining a peer group approach with a DCF model. We use two different peer groups: one consisting of other German holding companies with mainly small cap holdings, the other consisting of companies that have a similarity to the operation business model of MAX Automation.

Based on this approach we derive an updated target price of EUR 4.50, which is slightly below our previous target price of EUR 4.60.

Exhibit 3: Valuation summary

Method	Fair value, EUR	Weight
Discounted Cash flow	4.8	75%
Peer-group multiples	3.6	25%
Fair value per share, EUR	4.5	100%

Source: Pareto Securities Research

The investment case for MAX Automation remain in our view fully intact. MAX Automation is currently in the final stage of exiting its Non-Core businesses, which have resulted in significant losses in the last years.

Once this process is over, the company will be focussed on businesses with good strategic growth potential and significantly higher margins than in the recent years.

The fact, that the COVID-19 pandemic is making 2020 a difficult year for MAX Automation, does in our view not change this situation. We thus re-iterate our Buy recommendation with a new target price of EUR 4.50

Exhibit 4: Peer Group – other German Holding companies

Company	PE 2021e	PE 2022e	EV/EBIT 2021e	EV/EBIT 2022e
GESCO AG	8.8	6.9	9.2	7.1
INDUS Holding AG	7.2	6.0	8.3	7.0
MBB SE	20.5	16.9	5.3	4.1
MS Industrie AG	8.5	5.4	16.5	8.6
Median	8.7	6.5	8.8	7.1
Forecasts Adjusted EPS / Adjusted EBIT	0.37	0.52	17.3	23.7
Forecasts Net debt (incl. pensions)			69.6	62.2
No. Shares at year end	29.5	29.5	29.5	29.5
Fair value per share at peer median	3.2	3.4	2.8	3.6
Fair value / share (av.)	3.3			

Source: Factset, Pareto Securities Research

Exhibit 5: Peer Group – companies with similar business characteristics

Company	PE 2021e	PE 2022e	EV/EBIT 2021e	EV/EBIT 2022e
ANDRITZ AG	8.6	7.6	7.9	6.3
ATS Automation Tooling Systems Inc.	13.9	12.2	7.9	6.6
Durr AG	7.6	6.6	5.6	4.8
I.M.A. Industria Macchine Automatiche S.p.A.	14.6	13.2	11.0	10.0
Krones AG	13.6	9.6	11.1	7.8
Neles Oyj	9.5	8.9	7.4	7.0
Micro-Mechanics (Holdings) Ltd	13.4	12.1	9.5	8.6
Median	13.4	9.6	7.9	7.0
Forecasts Adjusted EPS / Adjusted EBIT	0.37	0.52	17.3	23.7
Forecasts Net debt (incl. pensions)			69.6	62.2
No. Shares at year end	29.46	29.46	29.46	29.46
Fair value per share at peer median, EUR	5.00	5.04	2.27	3.51
Fair value / share (av.), EUR	4.0			

Source: Factset, Pareto Securities Research

Exhibit 6: DCF Valuation

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
Revenues	329.5	326.5	344.1	357.8	372.0	385.6	398.4	410.3	421.2	431.0	
<i>growth rate</i>	-22.5%	-0.9%	5.4%	4.0%	4.0%	3.6%	3.3%	3.0%	2.7%	2.3%	
EBIT	-11.2	17.3	23.7	25.5	27.0	27.4	27.7	27.9	28.0	28.0	
<i>EBIT margin</i>	-3.4%	5.3%	6.9%	7.1%	7.2%	7.1%	6.9%	6.8%	6.6%	6.5%	
Tax	-1.3	-4.3	-7.1	-7.7	-8.1	-8.2	-8.3	-8.4	-8.4	-8.4	
<i>Tax rate</i>	-12%	25%	30%	30%	30%	30%	30%	30%	30%	30%	
Depr. & Amort. (ex IFRS 16)	18.0	8.8	8.7	8.8	8.8	9.2	9.5	9.8	10.0	10.3	
<i>% of sales</i>	5.5%	2.7%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	
Capex	-9.5	-9.3	-9.3	-9.1	-9.3	-9.6	-10.0	-10.3	-10.5	-10.8	
<i>% of sales</i>	2.9%	2.9%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Change in WC & P	14.3	-1.1	-3.2	-2.5	-2.6	-2.7	-2.7	-2.8	-2.9	-3.0	
<i>% of sales</i>	-4.3%	0.3%	0.9%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
Free Cash Flow	10.3	11.3	12.8	15.1	15.8	16.0	16.1	16.2	16.2	16.1	258.3
<i>growth rate</i>	nm	10.1%	12.8%	18.0%	4.8%	13%	0.8%	0.4%	0.0%	-0.4%	2.0%
Present Value FCF	10.0	10.2	10.6	11.5	11.1	10.4	9.7	9.0	8.3	7.6	121.6

PV Phase I	53.4	Risk free rate	3.50%	Targ. equity ratio	80%
PV Phase II	44.9	Premium Equity	5.00%	Beta	1.2
PV Phase III	121.6	Premium Debt	2.00%	WACC	8.37%

Enterprise value	219.9	Sensitivity	Growth in phase III					
- Net Debt (Cash)	76.0		1.0%	1.5%	2.0%	2.5%	3.0%	
- Pension Provisions	1.0	7.53%	5.1	5.5	5.9	6.5	7.1	
- Minorities & Peripherals	0.3	7.95%	4.7	5.0	5.4	5.8	6.3	
+ MV of financial assets		WACC	8.37%	4.2	4.5	4.8	5.2	5.7
- Paid-out dividends for last FY	0.0		8.79%	3.9	4.1	4.4	4.7	5.1
+/- Other EV items			9.21%	3.5	3.8	4.0	4.3	4.6
Equity value	142.6							
Number of shares	29.5							
Value per share (€)	4.8							

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Revenues	384	337	376	277	425	330	326	344
EBITDA	32	24	29	24	(1)	7	26	32
Depreciation & amortisation	(12)	(12)	(9)	(10)	(15)	(18)	(9)	(9)
EBIT	20	12	20	12	(31)	(11)	17	24
Net interest	(4)	(3)	(3)	(3)	(4)	(6)	(3)	(2)
Other financial items	-	-	-	-	-	-	-	-
Profit before taxes	16	10	17	10	(34)	(17)	15	22
Taxes	(6)	(1)	(3)	2	(1)	(2)	(4)	(7)
Minority interest	-	(0)	(0)	5	1	-	-	-
Net profit	10	8	14	(31)	(35)	(19)	11	15
EPS reported	0.38	0.31	0.51	(1.05)	(1.18)	(0.66)	0.37	0.52
EPS adjusted	0.52	0.44	0.54	(0.92)	(0.25)	(0.48)	0.37	0.52
DPS	0.15	0.15	0.15	-	-	0.15	0.15	0.15
BALANCE SHEET (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Tangible non current assets	33	32	32	25	64	55	56	57
Other non-current assets	85	79	80	63	72	72	72	72
Other current assets	144	173	186	245	184	154	154	160
Cash & equivalents	21	23	26	32	41	43	48	55
Total assets	283	306	323	364	360	324	330	344
Total equity	107	111	139	92	68	48	55	66
Interest-bearing non-current debt	61	93	73	78	117	117	117	117
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	114	101	110	194	174	158	157	160
Total liabilities & equity	283	306	323	364	360	324	330	344
CASH FLOW (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Cash earnings	41	(0)	26	(59)	23	(2)	20	24
Change in working capital	(7)	(16)	(7)	80	(44)	14	(1)	(3)
Cash flow from investments	(16)	(9)	(7)	(13)	(10)	(9)	(9)	(9)
Cash flow from financing	(50)	26	(8)	0	39	-	(4)	(4)
Net cash flow	(31)	2	3	7	7	3	5	7
CAPITALIZATION & VALUATION (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Share price (EUR end)	5.6	5.6	8.1	4.80	4.59	3.40	3.40	3.40
Number of shares end period	27	27	28	29	29	29	29	29
Net interest bearing debt	40	70	47	46	76	73	69	61
Enterprise value	191	221	276	184	213	175	170	163
EV/Sales	0.5	0.7	0.7	0.7	0.5	0.5	0.5	0.5
EV/EBITDA	6.0	9.1	9.6	7.6	-	25.7	6.5	5.0
EV/EBIT	9.6	17.9	13.8	14.9	-	-	9.8	6.9
P/E reported	14.7	18.0	16.1	-	-	-	9.1	6.5
P/E adjusted	10.8	12.7	15.2	-	-	-	9.1	6.5
P/B	1.4	1.4	1.6	1.5	2.0	2.1	1.8	1.5
FINANCIAL ANALYSIS & CREDIT METRICS	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE adjusted (%)	13.4	10.8	12.0	-	-	-	21.3	25.5
Dividend yield (%)	2.7	2.7	1.8	-	-	4.4	4.4	4.4
EBITDA margin (%)	8.3	7.2	7.7	8.7	-	2.1	8.0	9.4
EBIT margin (%)	5.2	3.7	5.3	4.4	-	-	5.3	6.9
NIBD/EBITDA	1.25	2.86	1.63	1.91	(85.10)	10.78	2.63	1.89
EBITDA/Net interest	8.78	8.56	9.75	8.93	-	1.12	10.04	20.24

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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	14,903,900	2134%	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	145%
NHST Media Group AS	17,900	139%	SpareBank 1Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,903,900	2134%	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	3,245,305	3.23%	Totens Sparebank	78,246	128%

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	Frontline	0	29,130	Protector Forsikring	0	14,000
AF Gruppen	0	19,125	Gjensidige Forsikring	0	7,280	Quantafuel	0	2,540
Aker	0	1,162	Golden Ocean Group	0	1,744	REC Silicon	0	32,708
Aker BP	0	22,626	Grieg Seafood	0	7,448	SailMar	0	505
American Shipping Compar	0	3,500	Hafnia Limited	0	30,000	Sandnes Sparebank	0	25,782
Arcus	0	2,684	Helgeland Sparebank	0	2,777	Sbanken	0	4,520
Atlantic Sapphire	0	1,105	Ice Group	0	104,391	Scatec Solar	0	35,000
Austevoll Seafood	0	635	Jæren Sparebank	0	500	Schibsted ASA A Aksjer	0	232
Avance Gas	0	4,456	Komplett Bank	0	94,300	Schibsted ASA B Aksjer	0	631
Axactor	0	11,376	Kongsberg Gruppen	0	34,274	SpareBank 1BV	0	22,000
B2Holding	0	10,940	KWS	75	75	SpareBank 1Nord-Norge	0	25,750
Bakkafrost	0	204	Lerøy Seafood	0	3,814	SpareBank 1SMN	0	18,740
BASF	270	270	Mowi	0	4,904	SpareBank 1SR-Bank	0	42,601
Bonheur	0	35,162	NORBIT	0	7,503	SpareBank 1Østlandet	0	7,921
BRABank	0	137,1000	Nordic Semiconductor	0	4,765	Sparebanken Sør	0	16,135
BWEnergy Limited	0	43,075	Norsk Hydro	0	102,321	Sparebanken Vest	0	14,924
BWOffshore	0	8,326	Norske Skog	0	3,550	Sparebanken Øst	0	1,500
ContextVision	0	545	Norwegian Air Shuttle	0	40,028	Stolt-Nielsen	0	41,317
DNB	0	31,364	Norwegian Finans Holding	0	3,310	Storebrand	0	7,552
DNO	0	499,263	NTS	0	2,172	Subsea 7	0	3,198
Elkem	0	5,218	Ocean Yield	0	46,005	Telenor	0	2,076
Entra	0	10,442	Okeanis Eco Tankers	0	2,000	TGS-NOPEC	0	2,000
Equinor	0	4,922	Orkla	0	18,699	VOWASA	0	4,781
Europris	0	13,269	Panoro Energy	0	9,285	XXL	0	12,573
Fjord1	0	50,000	Pareto Bank	0	1,280,290	Yara International	0	14,471
Fjordkraft Holding	0	10,000	Pexip Holding	0	8,130			

This overview is updated monthly (last updated 14.08.2020).

*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	
Advanzia 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.	Klaveness Combination Carriers ASA	Sandnes Sparebank	
Aprila Bank ASA	Komplet Bank ASA	Scorpio Bulkers Inc.	
Belships	Kongsberg Automotive	Seadrill	
Boreal Holding AS	LifeFit	Sparebanken Vest	
Borr Drilling Ltd.	Luxaviation Holding	Stolt Nilsen	
BRABank	Merzell Holding AS	TEMPTON Dienstleistungen	
BRABank ASA	Monobank ASA	United Camping AB	
BW Energy	Mutares SE & Co. KGaA	Seadrill Ltd	
Cabonline Group Holding AB	Navigator Holdings	Sparebanken Vest	
Cibus Nordic Real Estate AB	Next Biometrics Group ASA ("NEXT")	Stolt-Nilsen	
Digiplex	Northern Ocean	TEMPTON Dienstleistungen	
DOF ASA	Norwegian Air Shuttle	United Camping AB	
DOF Subsea AS	Nouveau Monde Graphite	Watercircles Forsikring ASA	
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 31.07.2019 – 31.07.2020).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	64%
Hold	31%
Sell	5%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	68%
Hold	32%
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 17.08.2020).

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

Pareto Securities acts as a designated sponsor for the following companies, including the provision of bid and ask offers. Therefore, we regularly possess shares of the company in our proprietary trading books. Pareto Securities receives a commission from the company for the provision of the designated sponsor services.

2G Energy *	Gigaset *	MLP *	Siemens Healthineers AG
Baywa	Heidelberg Pharma *	MOBOTIX AG	SMT Scharf AG *
Biotest *	Hypoport AG	mutares	Surteco Group *
Brenntag	Intershop Communications AG	OVH Holding AG	Syzygy 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	OVH 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).