



MAX Automation returns to profit in Q3 2020

After two years of quarterly losses, MAX Automation has finally managed to return to positive earnings in Q3 2020 – despite the fact that the COVID-19 pandemic continues to put pressure on order intake and revenues. Driven by good cost control and a positive development in the non-core business, the company managed to compensate this and achieved a 9.4% EBITDA margin in the third quarter. While the company continues to not give any guidance for FY 2020, it is cautiously optimistic for Q4. Consequently, we have increased our EBITDA estimate for FY 2020 by 6%. We increase our target price to EUR 5.0 and reiterate our Buy recommendation.

Order intake development turns positive

Even though the COVID-19 pandemic continued to burden the overall economic development, the positive order pipeline has finally resulted in a stronger order intake development. While order intake continued to be slightly down yoy (-5.0%) to EUR 77.3m, this implies a sequential increase of 32% qoq.

Revenue down slightly in Q3 20

Group revenue declined by 34.6% yoy to EUR 73.0m. Compared to Q2 this marked a sequential improvement of 1.6% qoq. Book-to-Bill ratio amounted to 1.1x in the third quarter, the first ratio above 1.0 in one year, thus signalling growth going forward.

EURm	2018	2019	2020e	2021e	2022e
Revenues	277	425	319	326	344
EBITDA	24	(1)	7	27	32
EBIT	12	(31)	(11)	18	24
EPS	(1.05)	(1.18)	(0.62)	0.40	0.52
EPS adj	(0.92)	(0.25)	(0.44)	0.40	0.52
DPS	-	-	0.15	0.15	0.15
EV/EBITDA	7.6	-	26.5	6.8	5.5
EV/EBIT	14.9	-	-	10.1	7.5
P/E adj	-	-	-	10.5	8.1
P/B	1.47	2.00	2.51	2.18	1.83
ROE (%)	-	-	-	22.2	24.7
Div yield (%)	-	-	3.6	3.6	3.6
Net debt	46	76	67	60	52

Source: Pareto

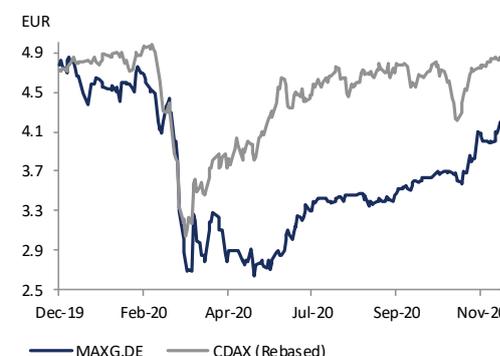
Target price (EUR)	5.0
Share price (EUR)	4.2

Forecast changes	2020e	2021e	2022e
%			
Revenues	(3)	-	-
EBITDA	6	4	(0)
EBIT adj	5	6	(1)
EPS reported	6	7	(1)
EPS adj	9	7	(1)

Source: Pareto

Ticker	MAXG.DE, MXH GR
Sector	Industrials
Shares fully diluted (m)	29.5
Market cap (EURm)	124
Net debt (EURm)	68
Minority interests (EURm)	0
Enterprise value 20e (EURm)	192
Free float (%)	44

Performance



Source: Factset

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EBITDA turns positive in Q3 2020

EBITDA improved by EUR 5.5m yoy to EUR 6.8m or 9.4% of revenue in Q3 2020 – the highest quarterly profit in 2 years. Relative to Q2 2020 the EBITDA improved by 6.9m, implying an increase 5 times larger than the upturn in revenue.

The main reason for the significant margin improvement was the cost development. Basically, all cost ratios relative to revenue improved massively in the third quarter relative to the second quarter – outstanding was however the development of the other operating expenses, which improved by 520bp (relative to total output) compared to Q2 and 290bp relative to Q3 2019. It needs to be seen if this is sustainable development.

Exhibit 1: Q3 2020 review

MAX Automation SE Deviation table (EUR m)	Q3 2019 reported	Q3 2020 reported	YoY
Process Technologies	10.6	11.9	12%
Environmental Technologies	32.5	28.4	-13%
Evolving Technologies	20.0	20.6	3%
Non core business	18.3	16.3	-10%
Group order intake	81.4	77.3	-5%
Process Technologies	20.8	12.5	-40%
Environmental Technologies	28.0	27.4	-2%
Evolving Technologies	35.5	24.7	-30%
Non core business	27.8	9.7	-65%
Groups sales	111.7	73.0	-35%
Process Technologies	4.4	2.1	-52%
Environmental Technologies	2.6	2.6	0%
Evolving Technologies	5.0	3.1	-39%
Holding/consolidation	-1.5	-1.7	11%
Non core business	-9.2	0.7	-108%
Group EBITDA	1.3	6.8	443%
Net income	-14.7	0.8	-105%
ANALYSIS GROUP			
Book-to-bill-ratio (x)	0.73	1.06	
Core business EBITDA-margin (%)	12.5%	9.6%	

Source: Company data, Pareto Securities Research

Divisional development

Process Technologies

Process Technologies continues to be burdened by the delay of the awarding of large orders for impregnation technology in e-mobility, with several orders being postponed into Q4 2020 or 2021. However, the order pipeline remains promising and the book-to-bill ratio returned to 1.0x in the third quarter. While revenue was down 40% yoy, this had only a minor impact on the EBITDA margin, which at 16.7% remained at a high level only moderately below the prior year margin of 20.9%.

Environmental Technologies

Revenue in Environmental Technologies was nearly stable at EUR 27.4m, with a book-to-bill ratio of 1.0x, thus also signalling a further stable development. At 9.6% the EBITDA margin improved by 20bp yoy.

Evolving Technologies

Evolving Technologies suffered from continuing weak demand in press automation and robotics, which had already shown weaker order volumes during FY 2019. Consequently, revenue was down 30% to EUR 24.7m, while the book-to-bill ratio remained at 0.8x clearly below 1.0x.

Non-Core

Revenue in the Non-Core business units was down 65% to EUR 9.7m. However, this was mainly driven by the planned closing down of the IWM Automation companies, while ELWEMA managed to return to relatively normal business after the lock-down in the US had significantly burdened project process in Q2 2020. ELWEMA also managed to win some additional orders, which resulted in a book-to-bill ratio of the segment of 1.7x in the third quarter and 1.4x in the first nine months of FY 2020. Most importantly, EBITDA managed to return to a slight profit of EUR 0.7m in the third quarter, which should in our view help in the process of selling ELWEMA.

Strongly positive FCF in Q3 2020

Operating Cash-flow amounted to 20.7m in the third quarter. Investment cashflow continued to be relatively low at EUR -2.2m in the quarter, thus leading to a FCF of EUR 18.6m. This development was mainly driven by working capital reduction, e.g. related to the release of working capital in the IWM Automation businesses, which continue to be ramped down. Consequently, FCF turned to a small positive amount of EUR 2.2m in the 9m period.

Still no guidance for FY 2020

Given that uncertainties with regard to the further development of COVID-19 remain high, MAX has continued its recent communication and still gives no concrete guidance for FY 2020. However, the company is cautiously optimistic for Q4 2020, while they do not expect to see the same dynamic as in Q3 2020.

As a consequence of the positive development, especially on the cost side in Q3 2020, we have increased our estimates for the Group EBITDA in FY 2020 by 6% to 7.2m in FY 2020. However, this increase is mainly driven by lower than expected losses in the Non-Core segment. For the core business units we have slightly reduced our EBITDA estimate from EUR 21.7m to 18.8m, mainly driven by slightly lower revenue expectations. Overall, our estimates for Q4 are somewhat cautious as we have factored in a potentially weaker December, which might be affected by the current light lockdown, as well as some potential provisions for the remaining running orders in the non-core business unit.

For the following years we have applied only minor changes to our estimates as we continue to expect a recovery throughout all business units as well as the omission of losses in the Non-Core businesses.

Exhibit 2: Changes to our estimates

	2020e			2021e			2022e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	329.5	319.4	-3%	326.5	326.5	0%	344.1	344.1	0%
EBITDA	6.8	7.2	6%	26.1	27.1	4%	32.4	32.2	0%
EBITDA - margin	2.1%	2.3%	10%	8.0%	8.3%	4%	9.4%	9.4%	0%
EBIT	-11.2	-11.1	nm	17.3	18.3	6%	23.7	23.5	-1%
Net result adj	-14.1	-12.9	nm	11.0	11.8	7%	15.5	15.4	-1%
EPS	-0.66	-0.62	nm	0.37	0.40	7%	0.52	0.52	-1%

Source: Pareto Securities Research

Exhibit 3: Changes to our estimates (Core business)

	2020e			2021e			2022e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	294.2	284.0	-3.5%	326.5	319.5	-2.1%	344.1	344.1	0.0%
EBITDA	21.7	18.8	-13.2%	26.1	27.1	3.7%	32.4	32.2	-0.5%
EBITDA - margin	7.4%	6.6%	-10%	8.0%	8.5%	6%	9.4%	9.4%	0%

Source: Pareto Securities Research

Valuation – The investment case 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.

Exhibit 4: Valuation summary

Method	Fair value, EUR	Weight
Discounted Cash flow	5.4	75%
Peer-group multiples	3.9	25%
Fair value per share, EUR	5.0	100%

Source: Pareto Securities Research

Based on this approach we derive an updated target price of EUR 5.0, which is some 12% higher than our previous target price of EUR 4.5.

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 recent 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 5.0

Exhibit 5: Peer Group Valuation – 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	0.40	0.52	18.3	23.5
Forecasts Net debt (incl. pensions)			60.7	53.2
No. Shares at year end	29.5	29.5	29.5	29.5
Fair value per share at peer median	3.5	3.4	3.4	3.8
Fair value / share (av.)	3.5			

Source: Factset, Pareto Securities Research

Exhibit 6: Peer Group Valuation – 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
Metso Outotec 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	0.40	0.52	18.3	23.5
Forecasts Net debt (incl. pensions)			60.7	53.2
No. Shares at year end	29.46	29.46	29.46	29.46
Fair value per share at peer median, EUR	5.33	5.01	2.83	3.78
Fair value / share (av.), EUR	4.2			

Source: Factset, Pareto Securities Research

Exhibit 7: DCF Valuation

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
Revenues	319.4	326.5	344.1	357.8	372.0	385.6	398.4	410.3	421.2	431.0	
<i>growth rate</i>	-24.9%	2.2%	5.4%	4.0%	4.0%	3.6%	3.3%	3.0%	2.7%	2.3%	
EBIT	-11.1	18.3	23.5	25.6	27.8	28.1	28.2	28.3	28.2	28.0	
<i>EBIT margin</i>	-3.5%	5.6%	6.8%	7.2%	7.5%	7.3%	7.1%	6.9%	6.7%	6.5%	
Tax	0.3	-4.6	-7.1	-7.7	-8.4	-8.4	-8.5	-8.5	-8.5	-8.4	
<i>Tax rate</i>	2%	25%	30%	30%	30%	30%	30%	30%	30%	30%	
Depr. & Amort. (ex IFRS 16)	18.3	8.8	8.7	8.8	8.8	9.2	9.5	9.8	10.0	10.3	
<i>% of sales</i>	5.7%	2.7%	2.5%	2.5%	2.4%	2.4%	2.4%	2.4%	2.4%	2.4%	
Capex	-6.1	-9.3	-9.3	-9.1	-9.3	-9.6	-10.0	-10.3	-10.5	-10.8	
<i>% of sales</i>	1.9%	2.9%	2.7%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	
Change in WC & P	16.1	0.4	-3.0	-2.3	-2.4	-2.5	-2.6	-2.7	-2.7	-2.8	
<i>% of sales</i>	-5.0%	-0.1%	0.9%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	
Free Cash Flow	17.5	13.5	12.9	15.3	16.6	16.7	16.7	16.6	16.5	16.3	260.9
<i>growth rate</i>	nm	-22.7%	-5.0%	18.9%	8.4%	0.6%	0.1%	-0.4%	-0.8%	-1.3%	2.0%
Present Value FCF	17.4	12.4	10.9	11.9	11.9	11.1	10.2	9.4	8.6	7.9	125.8

PV Phase I	64.6	Risk free rate	3.50%	Targ. equity ratio	80%			
PV Phase II	47.2	Premium Equity	5.00%	Beta	1.2			
PV Phase III	125.8	Premium Debt	2.00%	WACC	8.37%			
Enterprise value	237.6	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%	5.7	6.1	6.6	7.1	7.8	
- Minorities & Peripherals	0.3	7.95%	5.2	5.6	6.0	6.4	7.0	
+ MV of financial assets		WACC	8.37%	4.8	5.1	5.4	5.8	6.3
- Paid-out dividends for last FY	0.0	8.79%	4.5	4.7	5.0	5.3	5.7	
+/- Other EV items		9.21%	4.1	4.3	4.6	4.9	5.2	
Equity value	160.3							
Number of shares	29.5							
Value per share (€)	5.4							

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Revenues	384	337	376	277	425	319	326	344
EBITDA	32	24	29	24	(1)	7	27	32
Depreciation & amortisation	(12)	(12)	(9)	(10)	(15)	(18)	(9)	(9)
EBIT	20	12	20	12	(31)	(11)	18	24
Net interest	(4)	(3)	(3)	(3)	(4)	(8)	(3)	(2)
Other financial items	-	-	-	-	-	-	-	-
Profit before taxes	16	10	17	10	(34)	(19)	16	22
Taxes	(6)	(1)	(3)	2	(1)	0	(4)	(7)
Minority interest	-	(0)	(0)	5	1	(0)	-	-
Net profit	10	8	14	(31)	(35)	(18)	12	15
EPS reported	0.38	0.31	0.51	(1.05)	(1.18)	(0.62)	0.40	0.52
EPS adjusted	0.52	0.44	0.54	(0.92)	(0.25)	(0.44)	0.40	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	52	52	53
Other non-current assets	85	79	80	63	72	71	71	71
Other current assets	144	173	186	245	184	150	151	157
Cash & equivalents	21	23	26	32	41	50	57	64
Total assets	283	306	323	364	360	324	332	346
Total equity	107	111	139	92	68	50	57	68
Interest-bearing non-current debt	61	93	73	78	117	117	117	117
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	114	101	110	194	174	156	157	160
Total liabilities & equity	283	306	323	364	360	324	332	346
CASH FLOW (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Cash earnings	41	(0)	26	(59)	23	(1)	21	24
Change in working capital	(7)	(16)	(7)	80	(44)	16	0	(3)
Cash flow from investments	(16)	(9)	(7)	(13)	(10)	(6)	(9)	(9)
Cash flow from financing	(50)	26	(8)	0	39	-	(4)	(4)
Net cash flow	(31)	2	3	7	7	9	7	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	4.20	4.20	4.20
Number of shares end period	27	27	28	29	29	29	29	29
Net interest bearing debt	40	70	47	46	76	67	60	52
Enterprise value	191	221	276	184	213	192	185	177
EV/Sales	0.5	0.7	0.7	0.7	0.5	0.6	0.6	0.5
EV/EBITDA	6.0	9.1	9.6	7.6	-	26.5	6.8	5.5
EV/EBIT	9.6	17.9	13.8	14.9	-	-	10.1	7.5
P/E reported	14.7	18.0	16.1	-	-	-	10.5	8.1
P/E adjusted	10.8	12.7	15.2	-	-	-	10.5	8.1
P/B	1.4	1.4	1.6	1.5	2.0	2.5	2.2	1.8
FINANCIAL ANALYSIS & CREDIT METRICS	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE adjusted (%)	13.4	10.8	12.0	-	-	-	22.0	24.5
Dividend yield (%)	2.7	2.7	1.8	-	-	3.6	3.6	3.6
EBITDA margin (%)	8.3	7.2	7.7	8.7	-	2.3	8.3	9.4
EBIT margin (%)	5.2	3.7	5.3	4.4	-	-	5.6	6.8
NIBD/EBITDA	1.25	2.86	1.63	1.91	(85.10)	9.23	2.20	1.62
EBITDA/Net interest	8.78	8.56	9.75	8.93	-	0.96	10.41	20.14

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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	2,012,315	9.64%	SpareBank 1Østfold Akerst	1,139,560	9.20%
Pareto Bank ASA	16,015,327	22.93%	Sparebanken Vest	6,361,986	5.93%

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 %
DOF ASA	3,789,844	123%	SpareBank 1SMN	1,876,052	144%
Helgeland Sparebank	2,012,315	9.64%	SpareBank 1Østfold Akerst	1,139,560	9.20%
NHST Media Group AS	17,900	1.39%	SpareBank 1Østlandet	1,743,409	163%
Pareto Bank ASA	16,015,327	22.93%	Sparebanken Møre	305,369	3.09%
Selvaag Bolig ASA	2,394,475	2.55%	Sparebanken Sør	433,544	2.77%
SpareBank 1BV	1,640,220	2.60%	Sparebanken Vest	6,361,986	5.93%
SpareBank 1Nord-Norge	3,220,305	3.21%	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
Aker ASA	500	1,917	Frontline	0	42,918	SailMar	0	305
Aker BP	0	28,032	Gjensidige Forsikring	0	7,294	Sandnes Sparebank	0	125,782
Aker Carbon Capture	0	295,978	Grieg Seafood	0	12,600	Sbanken ASA	0	4,520
Aker Solutions	0	8,148	Hafnia Limited	0	30,000	Scatec Solar	0	20,000
American Shipping Company	0	3,780	Ice Group ASA	0	190,000	Schibsted ASA B Aksjer	0	649
Archer	0	32,930	Kid ASA	0	783	Selvaag Bolig	0	54,175
Atlantic Sapphire	0	10,210	Komplett Bank	0	98,300	SpareBank 1BV	0	7,000
Austevoll Seafood	0	29,135	Kongsberg Gruppen	0	37,237	SpareBank 1Nord-Norge	0	750
Avance Gas	0	4,374	KWS	75	75	SpareBank 1SMN	0	13,350
B2Holding AS	0	14,075	Lerøy Seafood Group	0	17,368	SpareBank 1SR-Bank	0	18,308
BASF	270	270	Mowi	0	4,849	SpareBank 1Østlandet	0	921
Bonheur	0	33,592	NORBIT ASA	0	5,428	Sparebanken Møre	0	180
Borregaard ASA	0	500	Nordic Semiconductor	0	5,100	Sparebanken Sør	0	16,235
Bouvet	0	94	Norsk Hydro	0	112,001	Sparebanken Vest	0	6,059
BRABank	0	74,607	Norske Skog	0	8,225	Sparebanken Øst	0	1,500
BW Energy	0	43,075	Norwegian Finans Holding	0	3,210	Stolt-Nielsen	0	41,317
BW Offshore	0	11,326	NTS	0	2,272	Storebrand	0	7,007
DNB	0	25,036	Ocean Yield	0	66,710	Subsea 7	0	9,226
DNO	0	537,478	Okeanis Eco Tankers	0	22,000	Telenor	0	2,797
DOF	0	2,366,346	Orkla	0	19,353	TGS-NOPEC	0	1,300
Elkem	0	37,878	Panoro Energy	0	9,795	VOW	0	5,231
Entra	0	10,842	Pareto Bank	0	2,391,717	Wallenius Wilhelmsen	0	50,100
Equinor	0	3,369	Pexip Holding	0	23,692	XXL	0	12,573
Europris	0	11,056	Protector Forsikring	0	16,400	Yara	0	14,971
Fjord1 ASA	0	50,000	Quantafuel	0	1,125,190			
Fjordkraft Holding	0	12,605	REC Silicon	0	35,515			

This overview is updated monthly (last updated 15.11.2020).

*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	Hafnia Limited	Odfjell SE
Acconer AB	Helgeland Sparebank	OHT ASA
Avanzia Bank	HKN Energy Ltd	Pexip Holding
Africa Energy Corp	Hofseth BioCare	PGS
Aker ASA	House of Control	Pinewood Laboratories
American Tanker, Inc.	HydrogenPro	Pioneer Property Group
Aprilia Bank ASA	ICW Holding	Providence Inv. Mngmt Pty
Boreal Holding AS	Idavang A/S	Quantafuel
Borr Drilling Limited	Instabank ASA	REC Silicon
BRABank	Kingfish Zeeland	Salmon Evolution
Brooge Energy Limited	Klavens Combination Carriers ASA	Sandnes Sparebank
BW Energy	Komplett Bank	Scorpio Bulkers Inc.
Cabonline Group Holding AB	Kongsberg Automotive	Seadrill Ltd
Cibus Nordic Real Estate	Luxaviation Holding	Sparebanken Vest
Cloudberry Clean Energy AS	Mercell	United Camping AB
CrayoNano AS	Mintira Group	Watercircles Forsikring ASA
Digiplex	MPC Container Ships	West Coast Salmon
DOF ASA	Mutares SE & Co. KGaA	
DOF Subsea AS	Navigator Holdings Ltd.	
ELOP	Next Biometrics Group	
Erwe Immobilien	Northern Ocean	
Fjordkraft Holding	Norwegian Air Shuttle	
Genel Energy	Ocean Yield	

This overview is updated monthly (this overview is for the period 31.10.2019 – 31.10.2020).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	69%
Hold	27%
Sell	4%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	77%
Hold	23%
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 16.11.2020).

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:

24SevenOffice Scandinavia AB	Implantica	Minesto	Shamran Petroleum
Azelio	IRRAS AB	Pexip Holding	Swedencare AB
Bionvent	Isofol Medical AB	Pledpharma AB	Vicore Pharma
Cibus Nordic Real Estate AB	Jetpak Top Holding AB	QleanAir Holding	VNV Global
Climeon AB	Mentice AB	Sedana Medical	

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:

Africa Energy Corp.	Magnolia Bostad	Logistri Fastighets AB	Shamran Petroleum
ByggPartner i Dalarna Holding	Media & Games Invest plc.	Saltängen Property Invest	Surgical Science
Cibus Nordic Real Estate	Mentice AB	SciBase Holding	Tethys Oil
Isofol Medical	Minesto	Sedana Medical	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 03.12.2020).

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 16.11.2020).