

## Daldrup ends realignment and lowering its risk profile

*With the announced sale of the Geysir Group, Daldrup finalizes its strategic realignment, which started in May 2019. As expected, FY 2019e reported are burdened by severe one-offs of c.EUR 15m, subject to the final audit. In turn, the withdrawal from the large-scale power plant business will reduce Daldrup's debt significantly and allows the company to set up its drilling business on a much healthier base. We believe investors will watch closely, how quick Daldrup will improve its EBIT margin in the drilling business towards 5%. Current demand in that business is high. With a new TP of EUR 4.00 (before: EUR 4.80) we stick to our Buy rating.*

### Geysir sale allows significant debt reduction

Daldrup has agreed with the IKAV Group the sale of the remaining 48.9% of its subsidiary Geysir Europe GmbH, including its share in the Taufkirchen power plant. With the deconsolidation of the Geysir Group, Daldrup is going to reduce its debt significantly. According to our estimates, liabilities of EUR 72.89m (as of June 30, 2019) is expected to decline to EUR 18.8m, with bank liabilities in the amount of EUR 14m as the major debt portion.

### Drilling business has scope for margin improvement

Following the sale, Daldrup simplified its corporate structure and will put much greater focus on its core activity, the drilling business. Over the last years, the drilling business was profitable. Nevertheless, the current margin is at the lower end of its guided range of 2-5% and leaves scope for improvement. While demand is currently strong in that business, future margin increase is expected to come from improving the project handling.

EURm	2017	2018	2019e	2020e	2021e
Revenues	25	39	22	28	33
EBITDA	5	(12)	(12)	3	3
EBIT	1	(16)	(14)	1	1
EPS	(0.02)	(3.38)	(2.72)	0.15	0.19
EPS adj	0.04	(0.02)	0.24	0.43	0.52
DPS	-	-	-	-	0.05
EV/EBITDA	16.3	-	-	7.0	6.6
EV/EBIT	67.8	-	-	21.3	17.0
P/E adj	-	-	15.0	6.1	5.0
P/B	1.39	1.35	0.65	0.45	0.43
ROE (%)	-	-	-	2.6	3.1
Div yield (%)	-	-	-	-	1.9
Net debt	13	9	7	7	6

Source: Pareto



Target price (EUR)	4.0
Share price (EUR)	2.6

### Forecast changes

%	2019e	2020e	2021e
Revenues	-	-	7
EBITDA	NM	10	1
EBIT adj	NM	-	-
EPS reported	NM	NM	27
EPS adj	-	-	-

Source: Pareto

Ticker	4DSG.DE, 4DS GR
Sector	Power & Renewable Energy
Shares fully diluted (m)	6.0
Market cap (EURm)	15
Net debt (EURm)	7
Minority interests (EURm)	0
Enterprise value 19e (EURm)	29

### Performance



Source: Factset

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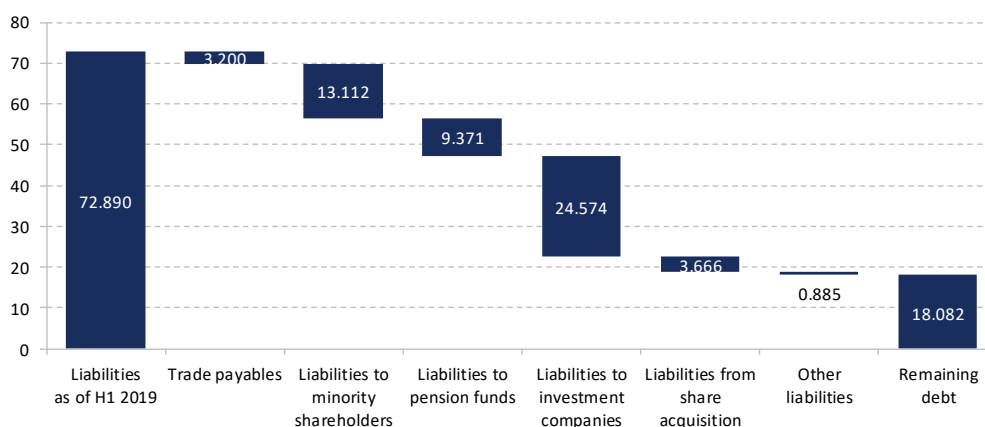
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## Significant debt reduction

Daldrup has agreed with the IKAV Group the sale of the remaining 48.9% of its subsidiary Geysir Europe GmbH. Bear in mind, that IKAV had already acquired 48.9% of Geysir Europe in June 2019 for a fee of EUR 5.2m. The now announced sale includes also Daldrup's shares in the Taufkirchen power plant, which was not included in the initial transaction. While further proceeds of EUR 1m looks rather minor, the debt-reduction of the transaction is much more crucial. With the deconsolidation of the Geysir Group, Daldrup is going to reduce its debt by around EUR 42m, which is above our estimate (PAsE: at least EUR 30m). If we include the liabilities to minority shareholders in the amount of EUR 13.11m, the reduction climbs even to EUR 55m. According to our estimates, liabilities of EUR 72.89 (as of June 30, 2019) are expected to decline to EUR 18.8m, with bank liabilities in the amount of EUR 14m as the major debt portion.

### New debt structure after divesting Geysir Group



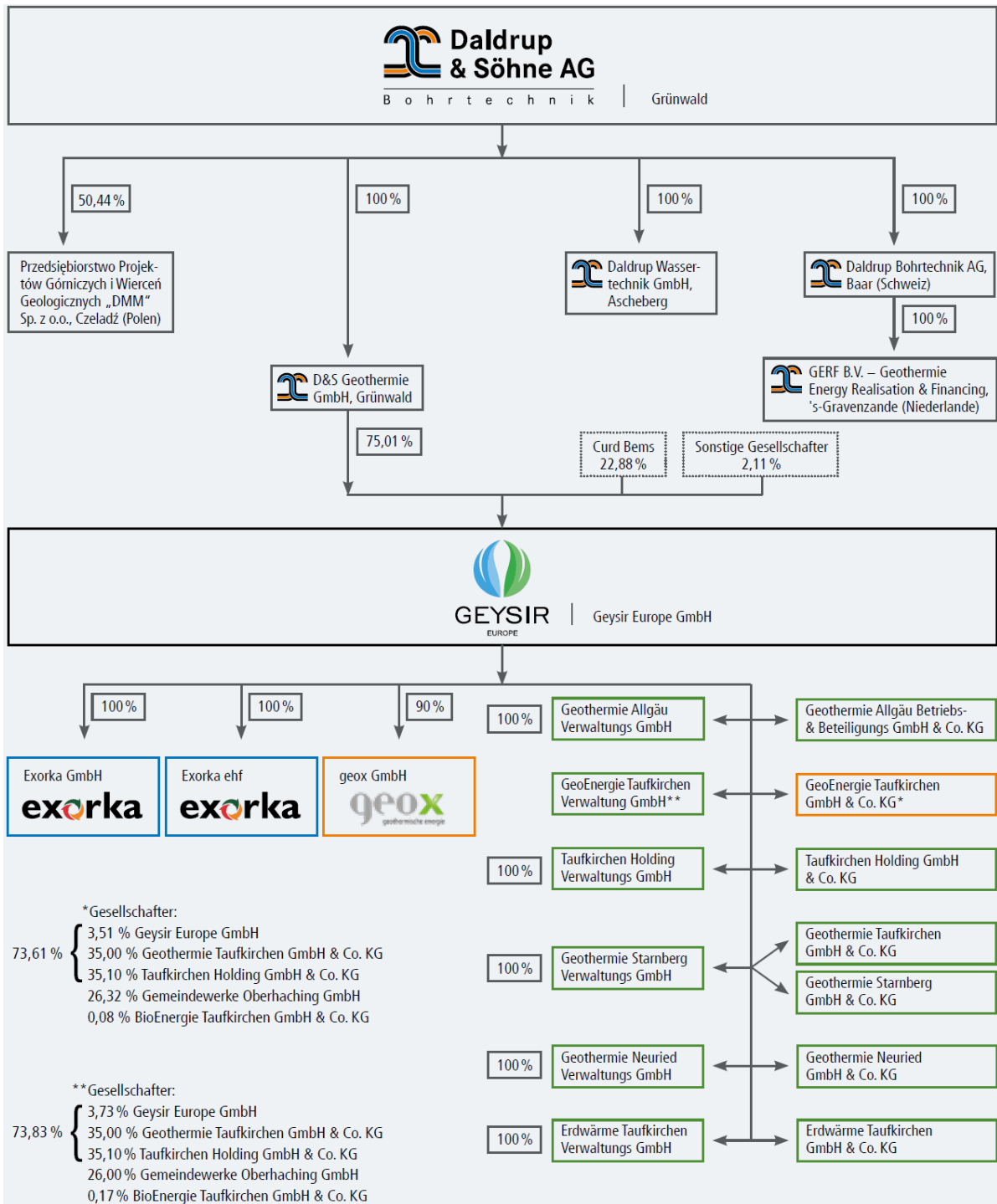
Source: Company data, Pareto Securities Research

Going forward, Daldrup's leverage is expected to decline further, as the new corporate structure is less capex intensive.

According to the management, Daldrup has capitalized services and receivables from Geysir in total of EUR 32.5m. Subject to the forthcoming audit by the auditors around EUR 15m of that amount is expected to be partially impaired, effecting FY 2019e p&l significantly. We believe that the extraordinary burden of EUR 15m is mainly related to debt waivers by Daldrup. The remaining assets in the amount of roughly EUR 18m, mainly receivables, are subject to performance figures at the Taufkirchen power plant and are expected to be repaid within the next seven years. Given the fact, that IKAV should have a strong interest in achieving the highest output in terms of heat and electricity generation from Taufkirchen, it is likely that the agreed performance targets will be achieved to a large extent. Thus, we do not have considered further write-downs in our estimates.

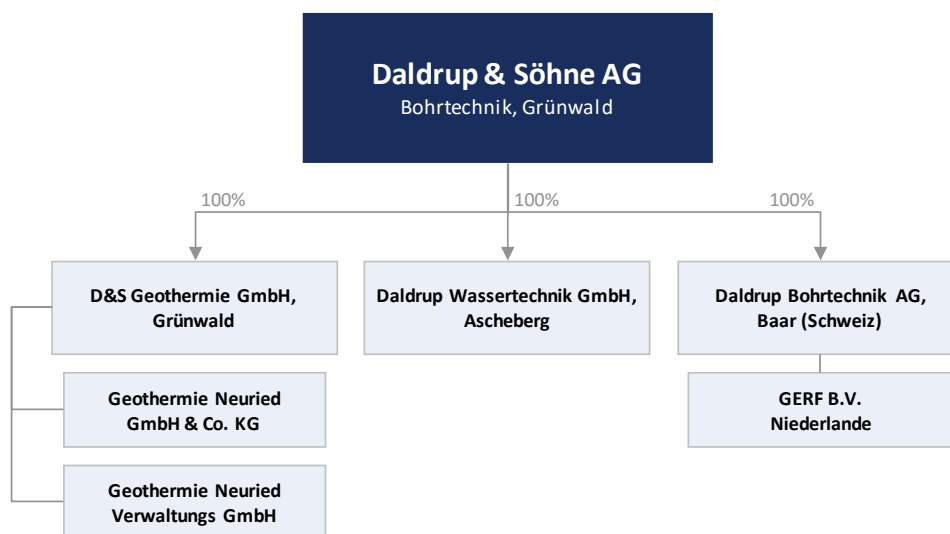
With the sale of Geysir, Daldrup ends the process of realignment, which started in May 2019. The abandonment of the large-size power plant business as majority shareholder will improve the company's risk profile and take out complexity. The participation in medium-sized geothermal heating plants as a minority partner is still planned, as long as it fits in Daldrup's corporate structures. However, Daldrup's focus in the future will be much more on its core competence the drilling services business.

Group structure as at 30/06/2019 – complex and confusing at the same time



Source: Company data, Pareto Securities Research

### New group structure – much more consistent with corporate size



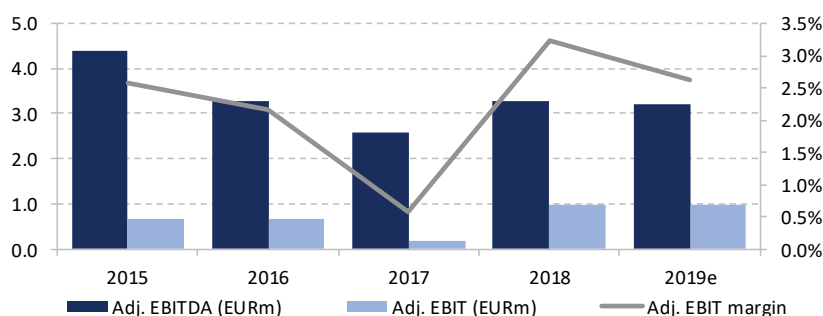
Source: Company data, Pareto Securities Research

## Earnings in core business quite decent

Operational development in FY 2019e (final results due on end of May 2020) is expected to be in the guided range, according to the management. From today's point of view, Daldrup forecasts the total operating output to be around EUR 38m (guidance: EUR 40m, PASE: EUR 40.5m). The expected EBIT of around EUR 1m (PASE EBIT of EUR 0.4m) implies an EBIT margin at the lower end of the guided range of 2-5%. We have to note that the operational figures are based on the individual financial statement, and do not reflect consolidated numbers on group level. Given the heavy streamlining of its portfolio and the related deconsolidation, future operational figures should consist of the core activity, the drilling business.

In order to reflect the earnings and margin profile of the drilling business, we looked at historical numbers on individual financial statement level. Over the recent past, Daldrup was profitable in the drilling business, but has scope for improvement, as the achieved margins are rather at the lower end. One-off costs related to the sale of Geysir are not considered.

### Operating profitability on individual financial level quite decent

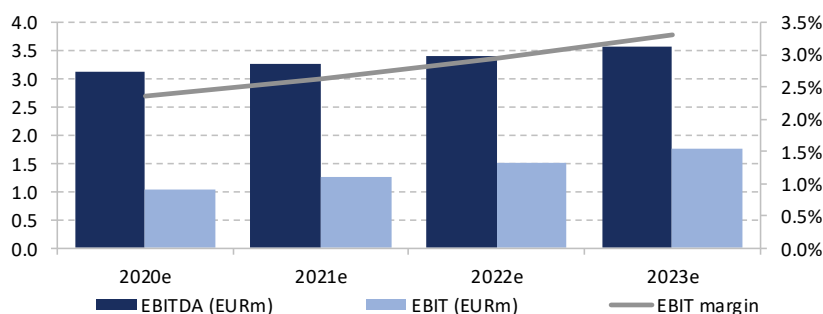


Source: Company data, Pareto Securities Research

We believe, that Daldrup will stick to its mid-term EBIT margin target of 2-5% (related to total operating output). Given the current strong demand and related high utilization of their drilling rigs, we do not expect the company to reduce headcount costs. Moving up with the EBIT margin towards 5% should be able with an improvement on the project execution side. We have seen in the past, that even attractive projects were burdened by one-off costs. Besides top-line growth, a proper project management will be the main driver for margins in the future. The greater focus on the drilling business should help to improve internal processes, in our view.

From discussions with the management, we understood that current utilization of all three major drilling rigs are high. Given the current order backlog of around EUR 42m, reach secures the next 12 months of revenues. The discussions about climate change has improved the awareness and increased demand for drilling companies. Progressive climate policies towards reducing CO2 emission and improving drinking water quality in emerging markets and European markets - for example nitrate pollution in Europe - should continue to support the positive trend. We expect Daldrup to benefit from that in the years to come. Since Daldrup's company size is limits a broad international expansion, we assume to see more strategic cooperation with local partners in the future, as it was the case in the past.

#### Future earnings should be less impacted by one-offs



Source: Pareto Securities Research

We leave our estimates almost unchanged, which we already had reduced in October 2019 in anticipation of no further contribution from the larger scale power plant business. Nevertheless, we do some minor adjustments to our reported earnings estimates, in order to reflect the new balance sheet. The deconsolidation reduces going to cut the total balance sheet by more than half to around EUR 60m. Total debt is expected to reduce to a much healthier level of around EUR 14m, from EUR 73m at June 30, 2019.

## Valuation

With the sale of the Geysir Group, Daldrup ends the process of its strategic realignment. Therefore, we roll forward our DCF model, despite the lack of final figures for FY 2019e. Overall, our TP moves to EUR 4.00 from EUR 4.80. Implied upside remains ample with c.56%.

### DCF model

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
<b>Revenues</b>	<b>28</b>	<b>33</b>	<b>35</b>	<b>37</b>	<b>40</b>	<b>42</b>	<b>45</b>	<b>47</b>	<b>49</b>	<b>51</b>	
growth rate	30.2%	16.1%	7.4%	7.0%	6.8%	6.3%	5.7%	5.2%	4.6%	3.5%	
<b>EBIT</b>	<b>1.0</b>	<b>1.3</b>	<b>1.5</b>	<b>1.8</b>	<b>2.1</b>	<b>2.3</b>	<b>2.4</b>	<b>2.6</b>	<b>2.8</b>	<b>3.1</b>	
EBIT margin	3.7%	3.9%	4.3%	4.7%	5.2%	5.3%	5.5%	5.6%	5.7%	6.0%	
<b>Tax</b>	<b>0.0</b>	<b>-0.1</b>	<b>-0.2</b>	<b>-0.3</b>	<b>-0.4</b>	<b>-0.5</b>	<b>-0.6</b>	<b>-0.7</b>	<b>-0.7</b>	<b>-0.8</b>	
Tax rate	5%	5%	15%	15%	20%	22%	24%	26%	26%	28%	
<b>Depr. &amp; Amort.</b>	<b>2.1</b>	<b>2.0</b>	<b>1.9</b>	<b>1.8</b>	<b>1.8</b>	<b>1.5</b>	<b>1.5</b>	<b>1.4</b>	<b>1.5</b>	<b>1.5</b>	
% of sales	7.5%	6.2%	5.4%	4.8%	4.4%	3.6%	3.2%	3.0%	3.0%	2.9%	
<b>Capex</b>	<b>-1.1</b>	<b>-1.2</b>	<b>-1.2</b>	<b>-1.3</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-1.4</b>	<b>-1.5</b>	<b>-1.5</b>	
% of sales	3.8%	3.8%	3.5%	3.5%	3.5%	3.3%	3.1%	3.1%	3.0%	3.0%	
<b>Change in WC &amp; P</b>	<b>-0.6</b>	<b>-0.5</b>	<b>0.2</b>	<b>0.1</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.2</b>	<b>-0.3</b>	
% of sales	2.0%	1.6%	-0.6%	-0.2%	0.5%	0.5%	0.5%	0.5%	0.5%	0.5%	
<b>Free Cash Flow</b>	<b>1.5</b>	<b>1.5</b>	<b>2.2</b>	<b>2.1</b>	<b>1.8</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.8</b>	<b>1.9</b>	<b>35.8</b>
growth rate	nm	-0.3%	47.7%	-4.3%	-13.1%	-5.8%	-1.1%	1.3%	5.7%	4.9%	2.0%
<b>Present Value FCF</b>	<b>1.4</b>	<b>1.3</b>	<b>1.8</b>	<b>1.6</b>	<b>1.3</b>	<b>1.1</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>	<b>0.9</b>	<b>17.7</b>

<b>PV Phase I</b>	<b>7</b>	<b>Risk free rate</b>	3.00%	<b>Targ. equity ratio</b>	70%		
<b>PV Phase II</b>	<b>5</b>	<b>Premium Equity</b>	5.00%	<b>Beta</b>	1.2		
<b>PV Phase III</b>	<b>18</b>	<b>Premium Debt</b>	2.00%	<b>WACC</b>	7.39%		
<b>Enterprise value</b>	<b>30</b>	<b>Sensitivity</b>	<b>Growth in phase III</b>				
- Net Debt (Cash)	6		<b>1.0%</b>	<b>1.5%</b>	<b>2.0%</b>	<b>2.5%</b>	<b>3.0%</b>
- Pension Provisions	0	<b>6.6%</b>	4.1	4.4	4.8	5.3	5.8
- Minorities & Peripherals	0	<b>7.0%</b>	3.8	4.1	4.4	4.8	5.2
+ MV of financial assets		<b>WACC</b>	<b>7.4%</b>	3.5	3.8	<b>4.0</b>	4.3
- Paid-out dividends for last FY	0	<b>7.8%</b>	3.3	3.5	3.7	4.0	4.3
+ Other EV items (power plants)	0	<b>8.1%</b>	3.1	3.2	3.4	3.7	3.9
<b>Equity value</b>	<b>24</b>						
Number of shares	6.0						
<b>Value per share (€)</b>	<b>4.0</b>						
<b>Current Price (€)</b>	<b>2.58</b>						
<b>Upside</b>	<b>56%</b>						

Source: Pareto Securities Research

<b>PROFIT &amp; LOSS (fiscal year) (EURm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>
<b>Revenues</b>	<b>52</b>	<b>17</b>	<b>31</b>	<b>25</b>	<b>39</b>	<b>22</b>	<b>28</b>	<b>33</b>
<b>EBITDA</b>	<b>(6)</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>(12)</b>	<b>(12)</b>	<b>3</b>	<b>3</b>
Depreciation & amortisation	(12)	(4)	(4)	(4)	(4)	(2)	(2)	(2)
<b>EBIT</b>	<b>(19)</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>(16)</b>	<b>(14)</b>	<b>1</b>	<b>1</b>
Net interest	(0)	(1)	(1)	(1)	(2)	(2)	(0)	(0)
Other financial items	-	-	-	-	-	-	-	-
<b>Profit before taxes</b>	<b>(19)</b>	<b>0</b>	<b>(0)</b>	<b>0</b>	<b>(18)</b>	<b>(16)</b>	<b>1</b>	<b>1</b>
Taxes	(0)	0	(0)	0	(0)	0	(0)	(0)
Minority interest	3	0	0	0	1	-	-	-
<b>Net profit</b>	<b>(16)</b>	<b>0</b>	<b>0</b>	<b>(0)</b>	<b>(20)</b>	<b>(16)</b>	<b>1</b>	<b>1</b>
EPS reported	(2.99)	0.07	0.07	(0.02)	(3.38)	(2.72)	0.15	0.19
<b>EPS adjusted</b>	<b>(2.99)</b>	<b>0.07</b>	<b>0.07</b>	<b>0.04</b>	<b>(0.02)</b>	<b>0.24</b>	<b>0.43</b>	<b>0.52</b>
DPS	-	-	-	-	-	-	-	0.05
<b>BALANCE SHEET (EURm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>
Tangible non current assets	29	27	25	36	113	22	21	20
Other non-current assets	27	25	23	23	3	1	1	1
Other current assets	19	34	43	42	24	34	35	36
Cash & equivalents	5	3	1	1	2	4	4	5
<b>Total assets</b>	<b>79</b>	<b>89</b>	<b>91</b>	<b>102</b>	<b>142</b>	<b>60</b>	<b>60</b>	<b>62</b>
Total equity	46	46	46	46	55	34	35	36
Interest-bearing non-current debt	9	12	9	-	-	11	11	11
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	23	30	37	56	87	16	15	15
<b>Total liabilities &amp; equity</b>	<b>79</b>	<b>89</b>	<b>91</b>	<b>102</b>	<b>142</b>	<b>60</b>	<b>60</b>	<b>62</b>
<b>CASH FLOW (EURm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>
Cash earnings	6	(28)	3	7	50	1	1	1
Change in working capital	(2)	10	0	3	(15)	2	1	1
Cash flow from investments	(1)	(1)	(1)	(15)	(31)	(1)	(1)	(1)
Cash flow from financing	2	2	(3)	6	(4)	-	-	-
Net cash flow	(0)	(1)	(2)	(5)	12	2	0	0
<b>CAPITALIZATION &amp; VALUATION (EURm)</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>
<b>Share price (EUR end)</b>	<b>12.1</b>	<b>8.3</b>	<b>7.8</b>	<b>11.8</b>	<b>8.0</b>	<b>3.68</b>	<b>2.58</b>	<b>2.58</b>
Number of shares end period	5	5	5	5	6	6	6	6
Net interest bearing debt	5	9	8	13	9	7	7	6
<b>Enterprise value</b>	<b>71</b>	<b>54</b>	<b>50</b>	<b>77</b>	<b>76</b>	<b>29</b>	<b>22</b>	<b>22</b>
EV/Sales	1.4	3.2	1.6	3.1	1.9	1.3	0.8	0.7
<b>EV/EBITDA</b>	<b>-</b>	<b>12.4</b>	<b>12.0</b>	<b>16.3</b>	<b>-</b>	<b>-</b>	<b>7.0</b>	<b>6.6</b>
EV/EBIT	-	65.5	57.7	67.8	-	-	21.3	17.0
P/E reported	-	-	-	-	-	-	17.4	13.9
<b>P/E adjusted</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15.0</b>	<b>6.1</b>	<b>5.0</b>
P/B	1.4	1.0	0.9	1.4	1.3	0.7	0.4	0.4
<b>FINANCIAL ANALYSIS &amp; CREDIT METRICS</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019e</b>	<b>2020e</b>	<b>2021e</b>
ROE adjusted (%)	-	0.8	0.8	0.5	-	3.3	7.5	8.8
Dividend yield (%)	-	-	-	-	-	-	-	1.9
EBITDA margin (%)	-	25.5	13.4	19.2	-	-	11.2	10.1
EBIT margin (%)	-	4.8	2.8	4.6	-	-	3.7	3.9
NIBD/EBITDA	(0.79)	1.99	1.88	2.75	(0.69)	(0.59)	2.09	1.87
EBITDA/Net interest	-	5.47	4.07	4.55	-	-	31.32	32.68

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	"Hold"	Pareto Securities Research expects this financial instrument's total return to be between -10% and 10% over the next 12 months
	"Sell"	Pareto Securities Research expects this financial instrument's total return to be negative by more than 10% over the next 12 months

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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	2,010,630	9.63%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Pareto Bank ASA	14,902,985	21.34%	Sparebanken Vest	6,026,744	5.62%

Pareto Securities AS or its affiliates own as determined in accordance with Section 13(d) of the US Exchange Act, 1% or more of the equity securities of:

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,010,630	9.63%	SpareBank 1SMN	1,880,567	14.5%
Pareto Bank ASA	14,902,985	21.34%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Selvaag Bolig ASA	2,172,147	2.32%	Sparebanken Møre	305,239	3.09%
SpareBank 1BV	1,655,920	2.63%	Sparebanken Sør	433,149	2.77%
SpareBank 1Nord-Norge	3,241,405	3.23%	Sparebanken Vest	6,026,744	5.62%

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
AF Gruppen	0	18,475	Høegh LNG	0	3,890	Sandnes Sparebank	0	27,532
Aker	0	1,021	Ice Group	0	88,410	Scatec Solar	0	35,750
Aker BP	0	8,449	Jæren Sparebank	0	500	Schibsted ASA B Aksjer	0	538
AKVA Group	0	1,500	Komplett Bank	0	106,079	Seadrill	0	14,319
Atlantic Sapphire	0	2,105	Kongsberg Gruppen	0	34,184	Selvaag Bolig	0	3,000
Avance Gas	0	4,580	KWS	75	75	SpareBank 1BV	0	22,700
Axactor	0	8,709	Lerøy Seafood	0	9,080	SpareBank 1Nord-Norge	0	27,025
BASF	270	270	Mowi	0	1,904	SpareBank 1Ringerike Hadr	0	500
Bonheur	0	48,635	NORBIT	0	18,864	SpareBank 1SMN	0	17,865
BRABank	0	1,371,000	Nordic Semiconductor	0	6,000	SpareBank 1SR-Bank	0	30,040
DNB	0	31,425	Norsk Hydro	0	99,051	Sparebank 1Østfold Akersl	0	450
DNO	0	414,788	Northern Drilling	0	5,060	SpareBank 1Østlandet	0	2,161
DNO Bull ETN	0	7,000	Norwegian Air Shuttle	0	40,447	Sparebanken Sør	0	15,840
Entra	0	8,777	Norwegian Energy Compan	0	300	Sparebanken Vest	0	5,684
Equinor	0	6,495	Ocean Yield	0	34,967	Sparebanken Øst	0	1,500
Europris	0	15,150	Odfjell Drilling	0	1,949	Stolt-Nielsen	0	42,426
Fjord1	0	50,000	Okeanis Eco Tankers	0	2,728	Storebrand	0	5,565
Fjordkraft Holding	0	8,000	Orkla	0	19,278	Subsea 7	0	1,162
Flex LNG	0	1,032	Panoro Energy	0	6,170	Telenor	0	2,661
Frontline	0	11,730	Pareto Bank	0	1279,375	TGS-NOPEC	0	2,000
Gjensidige Forsikring	0	6,712	PGS	0	11,756	VOWASA	0	3,281
Golden Ocean Group	0	1,744	Pioneer Property	0	2,050	XXL	0	9,279
Grieg Seafood	0	770	Protector Forsikring	0	14,385	Yara International	0	13,923
Hafnia Limited	0	10,000	REC Silicon	0	32,708	Zenterio	0	78,865
Helgeland Sparebank	0	4,127	SalMar	0	380			

This overview is updated monthly (last updated 16.01.2020).

\*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:

2020Bulkers	GG. St. Kongensgade 100 og 106	Norwegian Air Shuttle
Avanzia Bank	Hafnia Limited	Nouveau Monde Graphite
African Petroleum Corporation	Hafslund E-CO	Ocean Yield
Agder Energi	HKN Energy Ltd	OKEA
Aker ASA	Hunter Group ASA	Otiga Group
American Tanker	Hörmann Industries	Pareto Bank
Andfjord Salmon	Ice Group	PetroTal
Belships	ICWHolding	Pinewood Laboratories
BRABank	Kingfish Zeeland	Pioneer Property Group
Cabonline Group Holding AB	LifeFit	Providences Inv. Mngmt Pty
CentralNic Group	Lundin Petroleum	Qesterre Energy
DNO	Luxaviation Holding	Shamaran Petroleum
Erwe Immobilien	Monobank ASA	Sparebank 1 Østlandet
Euromicron AG	Navig8	Sparebanken Vest
Exmar NV	Navigator Holdings	Stolt Nilsen
Filo Mining Corp	NGEX Resources	TEMPTON Dienstleistungen
Flex LNG	Norbit ASA	United Camping AB
Floatel	Northern Ocean	Vantage Drilling
Genel Energy		

*This overview is updated monthly (this overview is for the period 31.12.2018 – 31.12.2019).*

## Appendix C

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

### Distribution of recommendations

Recommendation	% distribution
Buy	61%
Hold	35%
Sell	4%

### Distribution of recommendations (transactions\*)

Recommendation	% distribution
Buy	75%
Hold	19%
Sell	6%

\* 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 16.01.2020).

## 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	Green Landscaping Holding	Mentice AB	Sedana Medical
Bionvent	IRRAS AB	Pledpharma AB	ShaM aran Petroleum
Climeon	Jetpak Top Holding AB	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	Sedana Medical	Tethys Oil
Cibus Nordic Real Estate	Saltängen Property Invest	ShaM aran Petroleum	Vostok Emerging Finance
Isofol Medical	SciBase Holding		

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 23.01.2020).*

## 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.

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Baywa	Heidelberg Pharma *	MLP *	Siemens Healthineers AG
Biotest *	Hypoport AG	MOBOTIX AG	SMT Scharf AG *
Brenntag	init	OVH Holding AG	Surteco Group *
CORESTATE Capital Holding S.A.	Intershop Communications AG	Procredit Holding *	Syzygy AG *
Daldrup & Söhne	ISRA Vision	PSI SOFTWARE AG *	TAKKT AG
Demire	Leifheit	PWO *	Vapiano
Epigenomics AG*	Logwin *	RIB Software *	va-Q-tec *
Gesco *	Manz AG *	S&T AG *	Viscom *
GFT Technologies *	MAX Automation SE	Schaltbau Holding AG *	

\* 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	OHB SE
Baywa	First Sensor	Leifheit	OVH Holding AG
BB Biotech	Godewind Immobilien AG	MAX Automation SE	Siegfried Holding AG
B.R.A.I.N.	Hypoport AG	Merkur Bank	Vapiano
comdirect	init	MOBOTIX AG	

*This overview is updated monthly (last updated 17.01.2020).*