



Q3-20 results underpin FY forecasts

Gigaset reported Q3 figures highlighting a nice recovery following the negative impacts from measures taken to dampen the spread of the coronavirus imposed in its key European markets during the summer. Our forecasts are left essentially intact post the report, both for the current year as well as going forward. We continue with EUR 0.48 TP and continue to rate the shares a Buy.

Return to sales growth and positive profit (EBITDA and net income)

Gigaset reported Q3-20 figures highlighting a nice recovery from the previous Covid-19 impacted quarters. Revenue of EUR 57.6m represents 14% yoy increase (vs. Pareto EUR 54m) whilst EUR 5.0m EBITDA (Pareto EUR 4.9m) represents 1% yoy growth and an 8.7% margin. With D&A level at EUR 3.6m, EBIT at EUR 1.4m (EUR 1.3m) was also better than forecast and there was EUR 0.7m positive net income (nil).

Phones segment continues to underpin the business model

Despite the Covid-19 pandemic, we believe that the group has a credible plan to mitigate a declining market for DECT cordless phones (where it is European leader) and invest the cash generated therefrom into building a stronger position in the Smartphones and Professional segments as well as establishing a growing role in the fast expanding but highly fragmented Smart Home segment.

Only minor changes to estimates; Buy rating confirmed

Our previous forecasts are essentially confirmed (we raise 2020e EBITDA by EUR 100k, confident that there should be a positive result). We maintain our EUR 0.48 TP and confirm the Buy rating.

EURm	2018	2019	2020e	2021e	2022e
Revenues	280	258	210	245	268
EBITDA	22	29	0	21	25
EBIT	9	14	(15)	5	8
EPS	0.03	0.09	(0.08)	0.02	0.04
EPS adj	0.03	0.03	(0.08)	0.02	0.04
DPS	-	-	-	-	-
EV/EBITDA	4.0	4.3	-	6.0	4.9
EV/EBIT	10.5	8.8	-	25.3	14.8
P/E adj	11.5	10.6	-	10.8	6.3
P/B	1.56	2.43	-	11.00	7.36
ROE (%)	13.8	51.9	-	188.7	140.6
Div yield (%)	-	-	-	-	-
Net debt	50	76	98	92	88

Source: Pareto

Target price (EUR)	0.48
Share price (EUR)	0.25

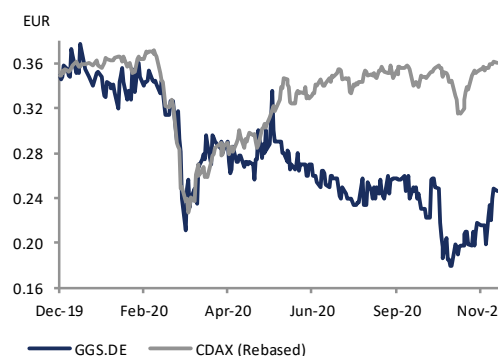
Forecast changes

%	2020e	2021e	2022e
Revenues	0	0	0
EBITDA	22	0	0
EBIT adj	0	0	0
EPS reported	4	1	1
EPS adj	4	1	1

Source: Pareto

Ticker	GGS.DE, GGS.GY
Sector	Hardware & Equipment
Shares fully diluted (m)	132.5
Market cap (EURm)	33
Net debt (EURm)	98
Minority interests (EURm)	0
Enterprise value 20e (EURm)	131
Free float (%)	26

Performance



Source: Factset

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Q3-20 results underpin FY forecasts

Gigaset reported Q3-20 figures highlighting a nice recovery following the negative impacts from measures imposed in its key European markets during the summer to dampen the spread of Covid-19. Revenue of EUR 57.6m represents 14% yoy increase (vs. Pareto estimates EUR 54m) whilst EUR 5.0m EBITDA (Pareto EUR 4.9m) represents 1% yoy growth and an 8.7% margin.

No reliable outlook for 2020 is provided although a fall in all relevant key figures is anticipated before a recovery sets-in next year. Nonetheless, our forecasts are left essentially intact post the Q3-20 report, both for the current year as well as going forward. To be precise, we raise 2020e EBITDA by EUR 100k, now confident that there should be a positive result in the current year.

Pent-up demand supports Q3 revenues

The coronavirus pandemic triggered measures through-out Europe aimed at slowing the spread of the virus, including the closure of many retail channels which provide the main form of distribution for Gigaset's products and services. Thus, both Q1 and Q2 had recorded a drop in revenues of 27%, with a negative impact felt across all four group segments.

Although we had anticipated a revenue recovery in Q3, the 14% yoy improvement was stronger than Pareto had modelled and reflects in our view both a catch-up effect of pent-up demand from H1, plus some pre-ordering by clients ahead of the Christmas quarter.

Exhibit 1: Q3 / 9M 2020 results compared to Pareto estimates

EUR m	Q3 - 19	Q3 - 20	% yoy	Compared		9M - 19	9M - 20	% yoy
				PS Q3e	% delta			
Revenues	50.4	57.6	14%	54.0	7%	157.5	133.5	-15%
<i>of which: Phones</i>	33.7	43.9	30%	40.2	9%	110.1	100.6	-9%
<i>of which: Professional</i>	12.7	9.5	-25%	9.6	-2%	37.6	27.1	-28%
<i>of which: Smartphones</i>	3.3	3.8	16%	3.7	3%	7.5	4.0	-47%
<i>of which: Smart Home</i>	0.7	0.5	-30%	0.5	0%	2.3	1.8	-22%
<i>Change inventories</i>	14.0	2.3	-84%	4.7	-51%	11.0	0.6	-95%
<i>Purchased goods</i>	-34.7	-31.8	-8%	-29.0	9%	-84.7	-69.6	-18%
<i>Gross profit</i>	29.7	28.1	-5%	29.7	-5%	83.7	64.4	-23%
<i>Own production capitalised</i>	3.1	3.1	0%	2.4	32%	6.4	7.3	13%
<i>Other op. income</i>	1.9	2.1	10%	1.5	43%	11.2	8.1	-27%
<i>Personnel expenses</i>	-13.6	-11.9	-13%	-13.4	-11%	-42.8	-41.4	-3%
<i>Other op. expenses</i>	-16.2	-16.5	2%	-15.3	8%	-47.0	-41.5	-12%
EBITDA	4.9	5.0	1%	4.9	3%	11.6	-3.0	n.a
EBITDA margin	9.8%	8.7%	-1.1 pp	9.0%	-0.3 pp	7.4%	-2.2%	-9.6 pp
Adjusted EBITDA	4.9	5.0	1%	4.9	3%	8.3	-3.0	n.a
Adjusted EBITDA margin	9.8%	8.7%	-1.1 pp	9.0%	8.7 pp	5.3%	-2.2%	-7.5 pp
EBIT	1.3	1.4	6%	1.0	40%	1.0	-14.3	n.a
EBIT margin	2.6%	2.4%	-0.2 pp	1.8%	2.4 pp	0.6%	-10.7%	-11.4 pp
Pretax	0.9	1.1	14%	0.8	35%	1.2	-15.1	n.a
Pretax margin	1.8%	1.8%	0 pp	1.4%	1.8 pp	0.8%	-11.3%	-12.1 pp
Net income	0.0	0.7	n.a	0.7	n.a	0.4	-10.6	n.a

Source: Pareto Securities Research

The beat to our Q3-20 revenue estimate came in the main **DECT Phone** segment which benefited from a major restocking at retail in Q3 in recording 30% jump in sales to EUR 43.9m. This was especially felt in Germany and France and we suspect that the group's "Made in Germany" focus appears to have provided a competitive advantage during Q3 compared to Far East suppliers. Thus, the group has managed to increase share in Germany and retain market leadership with the EU-6 group (Germany, France, Italy, the UK, Spain and the Netherlands).

The **Smartphone** segment similarly had a good quarter in reporting EUR 3.8m revenues (+15%) although this had been anticipated in our model. Again, there had been an element of fulfilling pent-up demand (remembering that negative sales had been recorded in Q1, as distributors sent back inventories to Gigaset). In addition, we understand that higher than normal discounting (given the group's early decision to focus on "cash" rather than "profit margin") helped clear inventory of older smartphone models.

The **Professional** segment, which targets SMEs with communication solutions, continues to be impacted as corporate clients adopt a "wait and see" attitude through the pandemic, deferring some projects. Investors had been forewarned that this might be the case, although revenues of EUR 9.5m represent a drop of 25% and just missed our EUR 9.6m forecast. The Q3 statement indicates that some domestic projects in the hospital sector had been postponed, although there has been a slight recovery in France and the Netherlands.

The **Smart Home** segment is quite small today and we have high hopes for fast and lucrative growth going forward but Q3 revenues declined to EUR 0.5m (-30%) in line with our projections. This division provides security & alarm solutions, home comfort solutions, including energy management and smart home care. A significant part of this today is home building security, a market estimated by Statista at EUR 4bn alone in Germany, but in an environment during which many people are currently working from home (some also fearing for their jobs) there is little incentive to invest today in additional security & alarm systems.

Including positive EUR 2.3m change in inventories (Q3-19: EUR 14m) total operating performance (TOP) came to EUR 59.9m (vs. EUR 64.4m). The Q3-20 **gross profit margin** improved 80bp to 49.6%, slightly below our forecast probably reflecting the higher discounting in the Smartphone segment. Nonetheless, Q3 was the first quarter in 2020 to record an improved gross profit margin.

Gigaset continues to make good progress with respect to costs control, particularly with **personnel expenses**. In Q3-20 these amounted to EUR 11.9m, down 13% yoy representing 19.8% ratio to TOP (Q3-19: 21.1%). Despite an increase in expenses linked to pension provisions, the reduction in working hours since the spring, including support from the government's "Kurzarbeit" (temporarily shortened working hours) program lay behind the lower wage bill.

Other operating expenses amounted to EUR 16.5m (+2% yoy), representing a 360bp improvement in the ratio to TOP (28.6% in Q3-20 vs. 32.2% in Q3-19). We estimate EUR 0.5m yoy lower marketing expenses in the quarter, as well as lower administration expenses, although the good progress was offset by around EUR 1m yoy negative FX impacts.

At EUR 5.0m **EBITDA** was up 1% on Q3-19 (EUR 4.9m) slightly exceeding our forecast. The EBITDA margin of 8.7% is viewed as being good reward for hard work involved in mitigating the effects of the pandemic despite being 110bp lower than the 9.8% EBITDA margin recorded in Q3-19. With D&A level yoy at EUR 3.6m, EBIT at EUR 1.4m (EUR 1.3m) was also better than forecast and there was EUR 0.7m positive net income (nil).

Gigaset Mobile Pte. Ltd is a financial investment of the group and Goldin Fund Pte. Ltd. In which Gigaset holds 14.98% stake. It was set up as a SVP when the group first began selling smartphones in 2015 and was intended to help source products. The current management see it as a dormant investment as far as Gigaset is concerned with no justifiable grounds for believing that the investment is recoverable. Therefore, with the Q3-20 report, the group has fully written off the minority stake and recognized that impairment directly against equity.

The latter decision meant that Shareholders' equity was reduced from EUR 5.1m per June, to EUR -2.6m per September. Given a modest retained profit assumed for Q4 and other measures, we currently assume FY-20e equity to be slightly positive. Cash reserves amounted to EUR 25.8m at the end of the quarter, compared to EUR 15.5m long-term debt and EUR 5.4m short-term debt, still leaving the group with net EUR 4.9m net cash reserves per September 2020.

Only minor changes to forecast, both for 2020e and beyond

There is no guidance for 2020. Although we are encouraged by the slight beat to Pareto Q3e revenue estimates, we leave our FY-2020 model essentially unchanged, believing that some of the beat within the Phone segment in Q3 represented a pulling forward of revenues from Q4. For FY-2020e we forecast EUR 209.9m in revenue, a reduction of 19% over 2018.

At the EBITDA level we lift our forecast by EUR 100k to EUR 0.4m for 2020e, representing 0.2% margin). Going forward we continue to model EUR 21m (8.6%) and EUR 24.5m (9.1%) respectively for 2021e and 2022e.

Exhibit 2: Only minor changes to forecast 2020-2022e

	2020e			2021e			2022e		
	Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
Revenues	209.1	209.9	0.4%	244.1	244.7	0.2%	268.0	268.2	0.1%
EBITDA	0.3	0.4	22.0%	21.0	21.0	0.0%	24.5	24.5	0.0%
Adjusted EBITDA	0.3	0.4	22.0%	21.0	21.0	0.0%	24.5	24.5	0.0%
EBIT	-15.3	-15.3	-0.5%	4.9	4.9	0.2%	8.1	8.1	0.0%
Pretax profit	-16.1	-16.0	-0.8%	4.2	4.3	1.4%	7.4	7.5	0.7%
Net result	-11.1	-10.7	-3.6%	3.0	3.0	1.4%	5.2	5.2	0.7%
EPS	-0.08	-0.08	-3.6%	0.02	0.02	1.4%	0.04	0.04	0.7%

Source: Pareto Securities Research

The prompt focus on liquidity management will likely mean that the group will be better positioned than many to benefit from the anticipated recovery in the telecommunication segments in 2021 and beyond.

We continue to refer to the DCF model in setting our 12-months target price. We apply a WACC of 7.2% (a risk-free rate of 3.5%, market premium of 5.0%, a beta of 1.5 and 30% normal tax rate). We conservatively model 5.0% terminal margin which we know is below the 6.5% level that management target for the longer-term but will review this rate if the group makes quicker than anticipated strides towards the targeted 13% EBITDA / 6.5% EBIT margins.

We have a Buy rating with EUR 0.48 price target.

Exhibit 3: DCF model points to EUR 0.48 target on 12-months view

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
Revenues	210	245	268	289	298	307	315	322	327	332	
<i>growth rate</i>	-18.6%	16.6%	9.6%	7.8%	3.3%	2.9%	2.5%	2.1%	1.8%	1.4%	
EBIT	-15.3	4.9	8.1	10.8	14.2	14.8	15.3	15.8	16.2	16.6	
<i>EBIT margin</i>	-7.3%	2.0%	3.0%	3.7%	4.8%	4.8%	4.9%	4.9%	5.0%	5.0%	
Tax	5.3	-1.3	-2.3	-3.1	-4.3	-4.5	-4.6	-4.8	-4.9	-5.0	
<i>Tax rate</i>	35%	26%	28%	29%	30%	30%	30%	30%	30%	30%	
Depr. & Amort.	16	16	16	17	17	16	16	16	16	16	
<i>% of sales</i>	7.5%	6.6%	6.1%	5.8%	5.7%	5.2%	5.0%	4.9%	4.8%	4.8%	
Capex	-15	-11	-12	-13	-13	-14	-15	-16	-16	-17	
<i>% of sales</i>	7.1%	4.5%	4.5%	4.3%	4.4%	4.7%	4.9%	4.9%	5.0%	5.0%	
Change in WC & P	-1	-1	-1	-1	-2	-1	-1	-1	-1	-1	
<i>% of sales</i>	0.2%	0.3%	0.4%	0.5%	0.5%	0.5%	0.4%	0.4%	0.3%	0.2%	
Free Cash Flow	-9.8	7.9	9.1	10.5	12.1	10.4	9.8	9.7	9.9	10.0	162.0
<i>growth rate</i>		<i>nm</i>	16.3%	15.1%	14.5%	-13.7%	-5.9%	-0.9%	1.8%	1.5%	1.0%
Present Value FCF	-9.8	7.3	7.9	8.5	9.1	7.3	6.4	5.9	5.6	5.3	85.8

PV Phase I	23	Risk free rate	3.50%	Targ. equity ratio	50%
PV Phase II	31	Premium Equity	5.00%	Beta	1.50
PV Phase III	86	Premium Debt	1.50%	WACC	7.24%

Enterprise value	139	Sensitivity	Growth in phase III					
- Net Debt (Cash)	-16		0.0%	0.5%	1.0%	1.5%	2.0%	
- Pension Provisions	93		6.5%	0.5	0.6	0.6	0.7	0.8
- Minorities & Peripherals	0		6.9%	0.4	0.49	0.55	0.62	0.7
+/- Other EV items	0		WACC 7.2%	0.4	0.43	0.48	0.54	0.6
			7.6%	0.3	0.37	0.41	0.47	0.5
		8.0%	0.3	0.3	0.4	0.4	0.5	
Equity value	63							
Number of shares	132.5							
Value per share (€)	0.48							
Current Price (€)	0.25							
Upside	92%							

Source: Pareto

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Revenues	305	282	293	280	258	210	245	268
EBITDA	8	30	30	22	29	0	21	25
Depreciation & amortisation	(21)	(18)	(18)	(14)	(15)	(16)	(16)	(16)
EBIT	(16)	13	12	9	14	(15)	5	8
Net interest	(3)	(1)	(1)	(1)	1	(1)	(1)	(1)
Other financial items	-	-	-	-	-	-	-	-
Profit before taxes	(20)	12	11	7	15	(16)	4	7
Taxes	(2)	(7)	(3)	(4)	(3)	5	(1)	(2)
Minority interest	-	-	-	-	-	-	-	-
Net profit	(22)	4	8	3	11	(11)	3	5
EPS reported	(0.17)	0.03	0.06	0.03	0.09	(0.08)	0.02	0.04
EPS adjusted	(0.17)	0.03	0.06	0.03	0.03	(0.08)	0.02	0.04
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Tangible non current assets	30	25	23	23	28	26	26	23
Other non-current assets	67	65	62	50	51	52	46	45
Other current assets	83	84	93	103	108	101	96	92
Cash & equivalents	41	47	49	37	37	20	22	25
Total assets	221	222	227	213	223	199	190	184
Total equity	18	18	24	25	19	0	3	4
Interest-bearing non-current debt	-	-	-	14	13	15	11	8
Interest-bearing current debt	0	-	-	-	7	5	5	5
Other Debt	133	123	121	101	91	81	73	67
Total liabilities & equity	221	222	227	213	223	199	190	184
CASH FLOW (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Cash earnings	6	31	31	16	22	2	20	24
Change in working capital	(2)	(13)	(16)	(26)	(5)	(1)	(1)	(1)
Cash flow from investments	(14)	(11)	(12)	(14)	(16)	(15)	(11)	(12)
Cash flow from financing	0	(1)	(1)	12	(2)	(2)	(6)	(7)
Net cash flow	(10)	7	2	(12)	(0)	(16)	2	3
CAPITALIZATION & VALUATION (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Share price (EUR end)	0.58	0.82	0.61	0.30	0.34	0.25	0.25	0.25
Number of shares end period	132	132	132	132	132	132	132	132
Net interest bearing debt	29	33	32	50	76	98	92	88
Enterprise value	106	142	113	89	121	131	125	120
EV/Sales	0.3	0.5	0.4	0.3	0.5	0.6	0.5	0.4
EV/EBITDA	14.2	4.7	3.7	4.0	4.3	-	6.0	4.9
EV/EBIT	-	11.1	9.2	10.5	8.8	-	25.3	14.8
P/E reported	-	25.2	10.2	11.5	4.0	-	10.8	6.3
P/E adjusted	-	25.2	10.2	11.5	10.6	-	10.8	6.3
P/B	4.3	6.1	3.3	1.6	2.4	-	11.0	7.4
FINANCIAL ANALYSIS & CREDIT METRICS	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE adjusted (%)	-	24.2	37.6	13.8	19.5	-	188.7	140.6
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	2.5	10.8	10.4	7.9	11.1	0.2	8.6	9.1
EBIT margin (%)	-	4.6	4.2	3.0	5.3	-	2.0	3.0
NIBD/EBITDA	3.93	1.10	1.06	2.26	2.67	242.74	4.40	3.57
EBITDA/Net interest	2.29	28.09	27.71	20.78	-	0.54	32.31	37.73

PROFIT & LOSS (fiscal year) (EURm)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20e
Revenues	46	61	50	100	32	43	58	76
EBITDA	(2)	9	5	17	(7)	(1)	5	3
Depreciation & amortisation	(4)	(3)	(4)	(4)	(4)	(4)	(4)	(4)
EBIT	(5)	5	1	13	(11)	(4)	1	(1)
Net interest	(0)	1	(0)	1	(0)	(0)	(0)	0
Other financial items	-	-	-	-	-	-	-	-
Profit before taxes	(6)	6	1	13	(12)	(5)	1	(1)
Taxes	2	(1)	(1)	(2)	4	1	(0)	1
Minority interest	-	-	-	-	-	-	-	-
Net profit	(4)	5	(0)	11	(8)	(3)	1	(0)
EPS reported	(0.03)	0.03	(0.00)	0.08	(0.06)	(0.02)	0.01	(0.00)
EPS adjusted	(0.03)	0.01	(0.00)	0.05	(0.06)	(0.02)	0.01	(0.00)
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (EURm)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20e
Tangible non current assets	27	28	27	28	27	26	25	26
Other non-current assets	53	54	59	51	55	59	52	52
Other current assets	95	90	101	108	83	75	80	101
Cash & equivalents	26	29	22	37	20	29	26	20
Total assets	201	201	209	223	185	188	183	199
Total equity	17	16	10	19	11	5	(3)	0
Interest-bearing non-current debt	17	13	14	13	16	14	16	15
Interest-bearing current debt	1	5	6	7	4	7	5	5
Other Debt	86	81	84	91	61	64	68	81
Total liabilities & equity	201	201	209	223	185	188	183	199
CASH FLOW (EURm)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20e
Cash earnings	(2)	3	3	19	(6)	0	2	6
Change in working capital	(6)	5	(6)	2	(5)	9	3	(7)
Cash flow from investments	(2)	(4)	(5)	(5)	(3)	(2)	(6)	(3)
Cash flow from financing	(1)	(1)	1	(1)	(2)	2	(1)	(1)
Net cash flow	(11)	3	(7)	15	(17)	9	(3)	(5)
CAPITALIZATION & VALUATION (EURm)	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20e
Share price (EUR end)	0.43	0.40	0.38	0.34	0.28	0.26	0.23	0.25
Number of shares end period	132	132	132	132	132	132	132	132
Net interest bearing debt	73	75	93	76	93	90	92	98
P/E reported	68.3	13.3	5.5	4.0	5.0	-	-	-
P/E adjusted	68.3	-	8.5	10.6	-	-	-	-
P/B	3.4	3.4	5.0	2.4	3.5	6.8	-	-
FINANCIAL ANALYSIS & CREDIT METRICS	1Q'19	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20e
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	-	13.9	9.8	16.9	-	-	8.7	4.4
EBIT margin (%)	-	8.3	2.6	12.7	-	-	2.4	-
NIBD/EBITDA	3.31	3.14	2.49	2.78	3.68	6.35	6.31	231.08
EBITDA/Net interest	14.41	-	-	-	-	39.58	48.87	0.54

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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 1 Østfold Akershi	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	1.23%	SpareBank 1 SMN	1,876,052	1.44%
Helgeland Sparebank	2,012,315	9.64%	SpareBank 1 Østfold Akershi	1,139,560	9.20%
NHST Media Group AS	17,900	1.39%	SpareBank 1 Østlandet	1,743,409	1.63%
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 1 BV	1,640,220	2.60%	Sparebanken Vest	6,361,986	5.93%
SpareBank 1 Nord-Norge	3,220,305	3.21%	Totens Sparebank	78,246	1.28%

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Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
Aker ASA	500	1,917	Frontline	0	42,918	SalMar	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 1 BV	0	7,000
Austevoll Seafood	0	29,135	Kongsberg Gruppen	0	37,237	SpareBank 1 Nord-Norge	0	750
Avance Gas	0	4,374	KWS	75	75	SpareBank 1 SMN	0	13,350
B2Holding AS	0	14,075	Lerøy Seafood Group	0	17,368	SpareBank 1 SR-Bank	0	18,308
BASF	270	270	Mowi	0	4,849	SpareBank 1 Østlandet	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 refers 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:

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Advanzia 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
Aprila Bank ASA	ICW Holding	Providences 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	Klaveness 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	Mintra 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

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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

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Azelio	Isofol Medical AB	Pexip Holding	ShaMaran Petroleum
Bionvent	Jetpak Top Holding AB	Pledpharma AB	Vicore Pharma
Climeon AB	Mentice AB	QleanAir Holding	VNV Global
Implantica			

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Appendix E

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

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Appendix F

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

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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 16.11.2020).