



On the road with GFT - virtually

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Pareto hosting a virtual roadshow with the CFO

Pareto Securities hosted a virtual roadshow with CFO Dr Ruetz in Helsinki. One of the key messages was in our view that chances are good that the business with DB might stabilize after 2020, as Google has been announced to be DB's key cloud vendor and at the same time represents one of GFT's global partners. For 2020 however, GFT still expects the respective revenue to decrease by 26%.

2020 will be a transition year

2020 is going to be a transition year for GFT, and this will be also visible in Q2 for which we expect an increase in revenues but a decrease in adjusted EBITDA. First, this is due to mix effects as high margin business with Top 2 clients is replaced by lower margin business with other clients. Second, GFT has guided for an increase of restructuring expenses to EUR 7m during the year, much of which has already been expensed in H1, we understand.

We stick to our "buy" recommendation

Our target price is EUR 12.80 and the recommendation remains "buy". GFT strengths are an asset-light business model, a modest degree of indebtedness, good revenue visibility and the fact that its operations are hardly affected by the coronavirus.

EURm	2018	2019	2020e	2021e	2022e
Revenues	413	429	441	474	517
EBITDA	38	45	41	49	59
EBIT	25	21	16	24	33
EPS	0.76	0.52	0.40	0.61	0.88
EPS adj	0.82	0.60	0.51	0.69	0.93
DPS	0.30	0.20	0.20	0.25	0.35
EV/EBITDA	6.5	8.3	8.6	6.9	5.6
EV/EBIT	9.8	17.4	21.3	14.4	10.0
P/E adj	8.2	19.4	21.4	15.7	11.7
P/B	1.39	2.31	2.08	1.93	1.74
ROE (%)	16.5	10.5	7.8	11.3	14.7
Div yield (%)	4.5	1.7	1.8	2.3	3.2
Net debt	60	59	57	48	36

Source: Pareto

Target price (EUR)	12.8
Share price (EUR)	10.9

Forecast changes

%	2020e	2021e	2022e
Revenues	-	-	-
EBITDA	-	-	-
EPS reported	-	-	-
EPS adj	-	-	-

Source: Pareto

Ticker	GFTG.DE, GFT GY
Sector	Software & Services
Shares fully diluted (m)	26.3
Market cap (EURm)	287
Net debt (EURm)	64
Minority interests (EURm)	0
Enterprise value 20e (EURm)	351
Free float (%)	64

Performance



Source: Factset

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Analysts

Knud Hinkel
+49 69 58997 419, knud.hinkel@paretosec.com

Virtual roadshow in Helsinki

Business model

Pareto Securities was hosting a virtual roadshow with CFO Dr Ruetz in Helsinki. One focus of discussions was the general business model and respective changes that occurred in the last couple of years. GFT is still focussing on individual software solutions that are frequently delivered from nearshore units, where GFT can realize superior margins compared to onshore solutions. Around 50% of revenues are derived from fixed price projects, while projects billing time & material make up for the other 50%. Regarding the management of customer relationships, GFT follows a “land and expand” strategy, i.e. winning a project with a new client, even if it is small and then build upon this relationship by tapping into new areas (geographies, topics). In general, the IT service industry was characterized as a sticky business.

Revenues of EUR 40m have been acquired in the last 4 years. GFT does not buy turnaround candidates but prefers growing bolt-acquisitions at attractive prices of 5-8 x EBITDA. Formerly, these deals were about strengthening the banking and insurance business, now the focus is on new technologies such as IoT. One example was the buy-in into the IoT technology with the Aroom acquisition, where GFT had already technological know-how but needed more industry knowledge. The mid-term target split between the three verticals banking, insurance and industry is 60/20/20, while it is today 76/13/11. The present revenue weight of the IoT business is 2%, as 2020 seems to be a “lost year” in that regard and 2021 and 2022 should see better momentum.

GFT believes it has an edge over the competition from large multinational IT service providers by being “big enough to deliver, small enough to care”, meaning that customers can be sure they get the attention even of board members if necessary.

Regarding wage inflation, GFT said a positive side-aspect of the pandemic is that nobody is quitting at present and there are even hiring opportunities. In general, GFT keeps in costs under control by hiring juniors and training them. Accordingly, GFT is not unhappy about a certain degree of fluctuation.

Banking / Insurance

The situation in the banking vertical was another focus in the discussions. Revenues with Deutsche went down from EUR 185m to 90m within 4 years, and business with Barclays from EUR 31m to EUR 1m today, as GFT did not have sufficient capacity in Asia to meet Barclay’s respective demand. Regarding DB, the decrease was due to general cost savings requirements plus the end of the regulatory wave that came after the GFC in 2008/9. At the end of the year, GFT expect the business with DB to be around of 20% of group revenues, which implies a decrease of 26% compared to last year (business with other clients is expected to grow by 14%). After 2020, the business with DB might stabilize as Google has been announced to be DB’s key cloud vendor and at the same time represents one of GFT’s global partners. Google has just recommended GFT to Standard Chartered to build a digital bank in Hongkong (“Mox”), which will go live in August this year, so the relationship seems to be pretty much intact. GFT expects that all banks will move to the cloud sooner or later after the recent clearance of the European regulator, so there might be some standardization over the next ten years, which could be margin-enhancing for GFT. The discharge of IT experts by DB means that GFT will incur an unusually high EUR 7m of restructuring costs in 2020 after EUR 4m in 2019, as not all these people can be trained in other areas in order to get re-deployed on projects.

Overall, GFT derives 30% of revenues from services for investment banking activities, 46% from retail banks. GFT has a strong position with 2nd tier names in both categories, we understand. Demand from the insurance and banking sector proved to be stable during the crisis, while the business with industrials clearly suffered. The risk of being replaced in banking projects is considered fairly low in general as there will always be a transition period of 6-12 months which means double-paying for the client. Notwithstanding, cost pressure remains high especially in application management, to which 50-60% of banking IT budgets are related to (“engine room”).

Regarding new technologies, the blockchain opportunity is a bit disappointing at present from GFT’s perspective, who partners with Digital Assets Holding in that area. In contrast, the partnership with Guidewire seems to work out fine, as GFT bought a company that implements the corresponding insurance solutions. The respective projects seem to be complex and might involve revenues of EUR 50-60m for GFT, stretching over a 5-year period.

After the (unplanned) transition year 2020, GFT will again put emphasis on top-line growth in 2021, which should lead to a strong increase in EBITDA margin in 2022. GFT mentioned the target to grow the margin by 1 percentage point per year. The dividend will stay most likely at 20 cents for FY 2020 and grow thereafter. A pay-out ratio of 30% remains the long-term target.

Q2 preview

Q2 preview

GFT Technologies		Actual	Pareto	
		Q2 2019	Q2 2020e	yoy (%)
Revenues	EURm	105	107	1.6
Top 2 clients	"	32.0	23.7	-26.0
Other clients	"	73.2	83.4	14.0
Adj. EBITDA	"	10.8	8.2	-23.8
margin	%	10.2%	7.7%	-256 bps

Source: Pareto Securities Research

In-line with the guidance given in June, we expect business with Top 2 clients to drop by 26%, while business with other clients should be up by around ~14%. In total, we expect a slight yoy increase in revenues, which we would consider a good result in times of coronavirus.

Regarding earnings, we expect a decrease in adjusted EBITDA. First, this is due to mix effects as high margin business with Top 2 clients is replaced by lower margin (but still highly profitable) business with other clients. Second, GFT has guided for an increase of restructuring expenses during the year to EUR 7m, which GFT does not adjust for in adjusted EBITDA. Much of this has already been expensed in H1, we understand. On top of that, Q2 is one of the seasonally weaker quarters for GFT. All in, we expect adjusted EBITDA to drop by more than 20% yoy to just about EUR 8m.

At a glance

At a glance

Products/ applications	Customized IT solutions stand for 90% of revenues, implementing a third party software product ("Guidewire") for 10%. ~30% of revenues derived from banks are related to application management, 40% to core tech, 30% to new tech.								
Customers	Deutsche Bank (30% of revenues), Sabadell, HSBC (5-10% each). 80% of revenues with the banking industry. 10% with insurance companies. 10% are derived from other applications such as industry 4.0.								
Market share/ positioning	We estimate the global IT service market for financials to be around EUR 180bn in 2019. Thus, GFT commands a market share of ~0.3%, in our view.								
Drivers	In general, IT spending of financials is positively correlated with regulation, digitisation and competitive pressure from fintechs and big tech. IT spending of Deutsche Bank is still important for GFT, but the significance has decreased over time. The need of customers to cut costs may help at times (e.g. with regard to outsourcing), but sometimes will also put pressure on relevant IT budgets. Other drivers are labour costs (~60% of revenues), utilisation rate and GFT's ability to diversify into other verticals. The emergence of new technologies and GFT's ability to embrace these are important drivers, too. Finally, the partnerships with Google, AWS, MSFT Azure and Guidewire play a significant role for GFT's business model.								
Main competitors	Highly fragmented market with many competitors. At the top end, the market is served by IBM, Accenture etc. that realizes more than EUR 2bn revenues in the relevant market space. This group commands c. 40% market share. The smaller companies with less than EUR 500m revenues command 50% market share, among them well reputed names like SAP, too.								
Entry barriers/ competitive advantage	In-dept knowledge on clients' market requirements and state-of-the-art technologies. Capacity to handle complexity. Reputation to handle complex projects on budget / time. Access to workforce in different locations (on-, near-, offshore). Good project management safeguards margins.								
Strategy & Guidance	Strategy: (I) Being partner of choice for financial sector. (II) Reducing dependency from banking sector / top clients by expanding into other verticals. (III) Ensuring cost competitiveness by an on-, near- and offshore mix of workforce. (IV) Grow workforce by frequent acquisitions. (V) Nurture "exponential" technologies (disruptive / high growth potential). (VI) Anchor shareholder allows for long-term business horizon. (VII) Dividend continuity.			Guidance (06/2020): Revenue: EUR 440m y/y Adj. EBITDA: EUR 44m margin 10.0%		PAS Estimates: EUR 440m 2.6% EUR 44m 10.0%		Consensus: EUR 440m 2.6% EUR 45m 10.2%	
2019	Sales y/y	429.0	Adj. EBITDA (EURm) Margin	47.9 11.2%	EBIT (EURm) Margin	21.3 5.0%	Sales 5Y hist. CAGR	3.3%	
Sales & EBIT Split	Sales split by region 		Sales split by client 		Adj. EBITDA by region 		Group financial development 		
Shareholder structure & management	CEO Marika Lulay <ul style="list-style-type: none"> With GFT since 2002, first as COO, since 2017 CEO. Also member of the administrative board, which is rare in Germany. Responsible for strategy & business development, markets, communications, marketing, technology & innovation. Prior to her career at GFT, Ms Lulay was in various management positions at numerous software companies, among them Software AG. 		CFO Dr. Jochen Ruetz <ul style="list-style-type: none"> Member of the GFT board since 2003. Also member of the administrative board, which is rare in Germany. Responsible for finance, IT, human resources, legal, purchasing, audit, investor relations and M&A Prior to his career at GFT, Dr Ruetz was in various management positions at Strabag and Deutsche Bank. 		Shareholder structure 				
# of employees FY 2019	5,170								

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Revenues	374	423	419	413	429	441	474	517
EBITDA	45	32	33	38	45	41	49	59
Depreciation & amortisation	(10)	(12)	(15)	(13)	(24)	(24)	(25)	(26)
EBIT	34	20	19	25	21	16	24	33
Net interest	(2)	(2)	(2)	(2)	(3)	(3)	(3)	(2)
Other financial items	-	(1)	(1)	-	(0)	-	-	-
Profit before taxes	33	17	16	23	19	14	21	30
Taxes	(6)	(9)	(0)	(3)	(5)	(3)	(5)	(7)
Minority interest	-	-	-	-	-	-	-	-
Net profit	25	9	16	20	14	11	16	23
EPS reported	0.96	0.33	0.60	0.76	0.52	0.40	0.61	0.88
EPS adjusted	0.96	0.33	0.60	0.82	0.60	0.51	0.69	0.93
DPS	0.30	0.30	0.30	0.30	0.20	0.20	0.25	0.35
BALANCE SHEET (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Tangible non current assets	26	31	29	27	28	29	26	25
Other non-current assets	147	144	136	167	230	215	215	215
Other current assets	106	128	135	118	122	124	132	142
Cash & equivalents	47	62	72	62	56	58	67	79
Total assets	327	366	373	373	435	427	441	460
Total equity	124	117	115	127	133	138	149	165
Interest-bearing non-current debt	83	86	106	106	115	115	115	115
Interest-bearing current debt	1	18	5	15	-	-	-	-
Other Debt	111	136	137	117	181	167	170	173
Total liabilities & equity	327	366	373	373	435	427	441	460
CASH FLOW (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Cash earnings	38	34	20	17	39	36	43	50
Change in working capital	5	(15)	3	27	(2)	(2)	(5)	(7)
Cash flow from investments	(32)	(17)	(9)	(54)	(14)	(15)	(10)	(11)
Cash flow from financing	(3)	13	(3)	(2)	(27)	(18)	(19)	(21)
Net cash flow	9	15	10	(11)	(5)	2	9	12
CAPITALIZATION & VALUATION (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Share price (EUR end)	31.6	20.5	13.0	6.7	11.6	10.9	10.9	10.9
Number of shares end period	26	26	26	26	26	26	26	26
Net interest bearing debt	36	42	39	60	59	57	48	36
Enterprise value	876	590	391	243	372	351	342	330
EV/Sales	2.3	1.4	0.9	0.6	0.9	0.8	0.7	0.6
EV/EBITDA	19.7	18.6	11.7	6.5	8.3	8.6	6.9	5.6
EV/EBIT	25.6	29.9	20.8	9.8	17.4	21.3	14.4	10.0
P/E reported	32.8	63.0	21.8	8.8	22.4	27.1	17.8	12.4
P/E adjusted	32.8	63.0	21.8	8.2	19.4	21.4	15.7	11.7
P/B	6.7	4.6	3.0	1.4	2.3	2.1	1.9	1.7
FINANCIAL ANALYSIS & CREDIT METRICS	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE adjusted (%)	22.5	7.1	13.5	17.8	12.2	9.9	12.7	15.6
Dividend yield (%)	0.9	1.5	2.3	4.5	1.7	1.8	2.3	3.2
EBITDA margin (%)	11.9	7.5	8.0	9.1	10.5	9.2	10.4	11.3
EBIT margin (%)	9.2	4.7	4.5	6.0	5.0	3.7	5.0	6.4
NIBD/EBITDA	0.82	1.33	1.18	1.59	1.31	1.40	0.97	0.62
EBITDA/Net interest	26.17	18.13	18.83	19.06	18.52	17.67	20.73	24.36

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Appendix A

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

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

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

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

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,009,280	9.63%	SpareBank 1SMN	188,1442	14.5%
NHST Media Group AS	17,900	1.39%	SpareBank 1Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,901,908	21.33%	Sparebanken M øre	305,239	3.09%
Selvaag Bolig ASA	2,177,497	2.32%	Sparebanken Sør	433,444	2.77%
SpareBank 1BV	1,655,220	2.62%	Sparebanken Vest	6,370,851	5.94%
SpareBank 1Nord-Norge	3,245,605	3.23%	Totens Sparebank	78,246	12.8%

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

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

Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
Adevinta	0	574	Golden Ocean Group	0	1,744	Quantafuel	0	2,540
AF Gruppen	0	19,185	Grieg Seafood	0	6,258	REC Silicon	0	32,708
Aker	0	791	Hafnia Limited	0	30,000	SailMar	0	385
Aker BP	0	23,126	Helgeland Sparebank	0	2,777	Sandnes Sparebank	0	25,782
American Shipping Compar	0	3,500	Ice Group	0	104,391	Sbanken	0	4,520
Atlantic Sapphire	0	1,105	Jæren Sparebank	0	500	Scatec Solar	0	35,000
Austevoll Seafood	0	635	Komplett Bank	0	94,300	Schibsted ASA A Aksjer	0	232
Avance Gas	0	4,456	Kongsberg Gruppen	0	34,274	Schibsted ASA B Aksjer	0	607
Axactor	0	11,376	KWS	75	75	Selvaag Bolig	0	2,350
Bakkafrost	0	204	Lerøy Seafood	0	3,814	SpareBank 1BV	0	22,000
BASF	270	270	Mowi	0	3,779	SpareBank 1Nord-Norge	0	26,050
Bonheur	0	37,076	NORBIT	0	8,155	SpareBank 1SMN	0	18,740
BRABank	0	137,1000	Nordic Semiconductor	0	6,765	SpareBank 1SR-Bank	0	42,601
BWEnergy Limited	0	43,075	Norsk Hydro	0	102,321	SpareBank 1Østlandet	0	7,921
BWOffshore	0	8,326	Norske Skog	0	3,550	Sparebanken Sør	0	16,135
DNB	0	31,464	Norwegian Air Shuttle	0	40,028	Sparebanken Vest	0	14,924
DNO	0	499,263	Norwegian Finans Holding	0	3,310	Sparebanken Øst	0	1,500
Elkem	0	5,218	NTS	0	2,172	Stolt-Nielsen	0	41,317
Entra	0	10,537	Ocean Yield	0	46,005	Storebrand	0	7,552
Equinor	0	5,002	Okeanis Eco Tankers	0	2,000	Subsea 7	0	3,198
Europris	0	13,469	Orkla	0	18,699	Telenor	0	2,076
Fjord1	0	50,000	Panoro Energy	0	9,285	TGS-NOPEC	0	2,000
Fjordkraft Holding	0	12,000	Pareto Bank	0	1278,298	VOWASA	0	6,281
Frontline	0	28,710	Pexip Holding	0	7,000	XXL	0	12,573
Gjensidige Forsikring	0	7,280	Protector Forsikring	0	14,000	Yara International	0	14,175

This overview is updated monthly (last updated 10.07.2020).

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

Appendix B

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

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

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

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

Appendix C

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

Distribution of recommendations

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

Distribution of recommendations (transactions*)

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

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

This overview is updated monthly (last updated 10.07.2020).

Appendix D

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

Disclosure of positions in financial instruments

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

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

Disclosure of assignments and mandates

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

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

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

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

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

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

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

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

Appendix E

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

Designated Sponsor

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).