



Good momentum in 2021 expected

GFT did not only report solid Q4 and full year numbers but also makes good progress regarding customer diversification and fast-growing technologies. We believe that GFT can grow earnings substantially in 2021, as restructuring expenses are expected to go down. Our new fair value is EUR 19.20 (was EUR 14.50 before), the recommendation remains “buy”.

Sharp earnings increase in 2021 expected

GFT reported solid Q4 and full year numbers that were in-line with the company guidance. For 2021, GFT anticipates an increase of revenues by 8% to EUR 480m and a sharp increase of earnings as adjusted EBITDA is supposed to grow by 18% to EUR 50m and EBT of 70% to EUR 24m.

GFT is executing on its strategy

In 2020, GFT did not only keep the utilisation rate at high levels but made also good progress regarding customer diversification. Business with Top 2 clients was down from 28% to 21% of group sales. The share of clients from the banking sector came down from 80% to 75%. On the other hand, the share of fast-growing technologies has risen by 44% in 2020 and now stands for 42% of revenues.

Still attractive at current price levels

As restructuring expenses are expected to go down, we believe that GFT can improve the adjusted EBITDA margin by 170 bps in the next two years. Another key appeal of the GFT share is that the company hardly requires capital to grow the top line. Our DCF indicates a new fair value of EUR 19.20 (was EUR 15.00 before), the upside is at around 30%. Accordingly, we re-iterate our “buy” recommendation.

EURm	2019	2020	2021e	2022e	2023e
Revenues	429	445	480	520	564
EBITDA	45	40	48	56	63
EBIT	21	16	29	37	43
EPS	0.52	0.38	0.74	0.99	1.17
EPS adj	0.60	0.45	0.82	1.04	1.17
DPS	0.20	0.20	0.26	0.35	0.41
EV/EBITDA	8.3	8.9	8.9	7.4	6.4
EV/EBIT	17.5	21.7	14.9	11.2	9.3
P/E adj	19.4	26.3	18.4	14.4	12.8
P/B	2.30	2.45	2.78	2.45	2.16
ROE (%)	10.5	7.6	14.3	17.1	17.9
Div yield (%)	1.7	1.7	1.7	2.3	2.7
Net debt	59	31	23	12	(1)

Source: Pareto

Target price (EUR)	19
Share price (EUR)	15

Forecast changes

%	2021e	2022e	2023e
Revenues	2	0	NM
EBITDA	(9)	(4)	NM
EBIT adj	(0)	6	NM
EPS reported	(1)	7	NM
EPS adj	(1)	6	NM

Source: Pareto

Ticker	GFTG.DE, GFT GY
Sector	Software & Services
Shares fully diluted (m)	26.3
Market cap (EURm)	395
Net debt (EURm)	32
Minority interests (EURm)	0
Enterprise value 21e (EURm)	428
Free float (%)	64

Performance



Source: Factset

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Wrap-up of 2020 numbers

Exhibit 1: 2020 numbers

GFT Technologies		2019	Actual		Pareto	
			2020	yoy	2020	Delta
Revenues	EURm	429.0	444.9	3.7%	445.0	(0.0)%
Top 2 clients	"	122.0	95.5	(22)%	93.0	3%
Other clients	"	306.4	349.0	14%	352.0	(1)%
Adj. EBITDA	"	47.9	42.6	(11.0)%	42.0	1.5%
margin	%	11.2%	9.6%	-159 bps	9.3%	25 bps
EBT	EURm	18.7	14.1	(25)%	14.0	1%
margin	%	0.0%	0.0%	0 bps	0.0%	0 bps

Source: GFT, Pareto Securities Research

GFT reported solid Q4 and full year numbers that were in-line with the company guidance, which pointed at revenues of EUR 440m and adjusted EBITDA of EUR 42m, respectively. Revenues were up 4% yoy (3% organically). Business with top 2 clients (mainly DB) developed a bit better than expected in Q4, while business with other clients remained a notch behind expectations. For 2021, GFT guides for an increase of revenues by 8% to EUR 480m, of adjusted EBITDA by 18% to EUR 50m and EBT of 70% to EUR 24m.

Diversification

We note that GFT made good progress in terms of diversification in several dimensions and will continue to do so:

- The revenues share of business with DB was down from 28% to 21% and is expected to shrink further to 16% in 2021.
- The share of business with clients from the banking sector shrunk from 80% to 75%.
- The insurance business proved to be a strong growth driver in 2020, now representing 14% of sales (2019: 11%). In 2021, GFT expects the revenue share to approach even 18%.
- The business with industry clients was held back by the pandemic but is also expected to make progress in 2021 and reach 13% of revenues (2020: 11%).
- We also note that GFT has won 54 new “qualified” customers (making at least EUR 100k revenues annually). Especially the number of “small” customers was up in 2020 (standing for less than EUR 1.0m annually), which is part of the “land & expand” strategy of GFT and bodes well for future growth opportunities. Most of these customers is either in the banking or the industrial sector as GFT’s insurance projects typically come with larger tickets.

Moreover, GFT intends to grow in the APAC regions and now has 100 employees in the area. However, GFT does not intend to become a mass player in the region but pursues a niche strategy and will concentrate on its core competence in banking.

GFT is open for bolt-on M&A transactions but organic growth will remain the first priority.

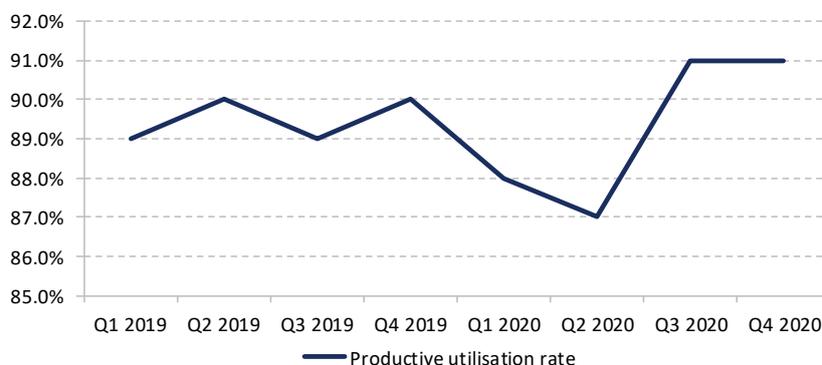
Technology:

The share of fast-growing technologies (DLT/ blockchain, data analytics, artificial intelligence, cloud and DevOps.) has risen by 44% in 2020 and now stands for 42% of revenues (30% in 2020). Especially cloud-related projects exhibited good momentum and related revenues grew by 86% in 2020. This means that the “bread and butter” business shrinks. The CEO Ms Lulay explained on the analyst call that this kind of business, which was mainly so-called on-premise application management in data centres, is shrinking by intention partly as clients are moving to cloud or are simply trying to benefit even further from labour arbitrage and moving to cheaper vendors, predominantly in India, Russia or the Ukraine.

However, the “new tech” business described above is expected to also result in bread and butter business later because also those applications must be maintained, continuously developed, and so on. So GFT exchanges the type of “bread and butter” business over time but this kind of business will still be around going forward.

Coronavirus

GFT fared better in the current pandemic than initially expected. 100% of employees have moved into home office last year and that hasn't changed since. Notwithstanding, the business is back to normal since September, as customers have accepted to be serviced remotely and sales pitches don't either seem to be a problem. Accordingly, GFT's productive utilization rate has approached the “picture-perfect” utilization rate of 91% in Q3 and Q4 2020.

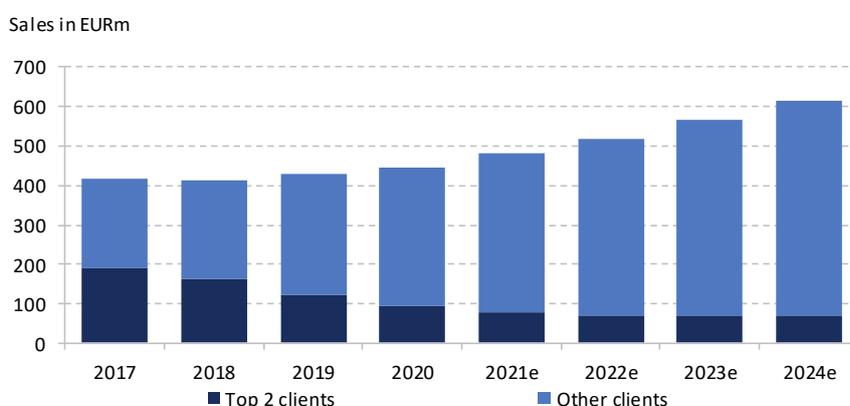
Exhibit 2: Productive utilization rate

Source: GFT, Pareto Securities Research

Updated assumptions

For 2021, GFT predicts that revenues with Top 2 clients will drop to EUR 79m (minus 17% yoy), while revenues with other clients are expected to go up by 15% to EUR 401m. With regard to 2022 and beyond, we believe the odds are good that 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. GFT expects more or less all banks to 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. Accordingly, we expect revenues with Top 2 clients to drop by only 11% to EUR 70m in 2022 and to remain at this level in the subsequent years. Regarding other clients, we expect revenues to grow by 12% in 2022 and 10% p.a. thereafter; in that regard no change to our former assumptions.

Exhibit 3: Expected share of top 2 vs other clients



Source: GFT, Pareto Securities Research

Regarding adjusted EBITDA, we believe that GFT can grow the respective margin by 170 bps in the next two years. Our line of thoughts is as follows: GFT has reported adjusted EBITDA of EUR 42.6m in 2020. The company has been burdened by EUR 8.8m of restructuring costs, EUR 4.3m of "underutilization" resulting from the differential of 150 bps (89.5% vs. 91%) between the actual and the "picture-perfect" utilization rate depicted above and EUR 0.7m currency effects. Stripping out these effects (plus EUR 2m cost savings), GFT has earned ("clean") EBITDA of EUR 54.4m in 2020, pretty much the same level as in 2019.

Exhibit 4: Expected margin evolution 2019 – 2024e

EUR m	2019	2020	2021e	2022e	2023e	2024e	2025e
Reported adjusted EBITDA	47.9	42.6	51.0	58.5	63.2	68.5	74.2
<i>margin</i>	10.5%	9.6%	10.6%	11.3%	11.2%	11.2%	11.1%
Restructuring	-4.1	-8.8	-4.0	-1.5	-1.5	-1.5	-1.5
Underutilisation	-1.4	-4.3	-1.4	0.0	0.0	0.0	0.0
Currency effects	-0.8	-0.7					
Other		2.0					
"Clean" adjusted EBITDA	54.3	54.4	56.4	60.0	64.7	70.0	75.7
<i>margin</i>	12.6%	12.2%	11.7%	11.5%	11.5%	11.4%	11.3%

Source: Pareto Securities Research

In the coming years, we expect this "clean" adjusted EBITDA margin to contract a bit as the share of revenues with top 2 clients declines further, while the business with other clients, which is said to have a margin disadvantage of at least five percentage points, is expected to remain on the rise. Notwithstanding, restructuring expenses are anticipated to be EUR 4m in 2021 and to converge to

the assumed base level of EUR 1.5m p.a. in the years thereafter. Also, the effect from underutilization is expected to fully diminish in 2021. Hence, we expect the reported adjusted EBITDA margin to expand despite the margin pressure from the ongoing change of the client base.

GFT has reported a depreciation amount of EUR 11m on right-of-use assets in 2020, which is expected to decrease to EUR 9m in 2021. Regarding taxation, we assume a tax rate of 25%. All in, we arrive at adjusted EBITDA of EUR 51m, EBITDA of 48m and EBT of EUR 26m (see P&L below) in 2021, a notch better than the guided EUR 50m, EUR 47m and EUR 24m, respectively.

Exhibit 5: Forecast P&L

Profit & Loss	2014	2015	2016	2017	2018	2019	2020	2021e	2022e	2023e	2024e
Revenue	365	374	423	419	413	429	445	480	520	564	614
% yoy	38.2%	2.2%	13.1%	-0.9%	-1.4%	3.9%	3.7%	7.9%	8.2%	8.7%	8.8%
Adjusted EBITDA	35	45	32	31	40	48	43	51	58	63	68
% of sales	9.5%	11.9%	7.5%	7.5%	9.6%	11.2%	9.6%	10.6%	11.3%	11.2%	11.2%
EBITDA	35	45	32	33	38	45	40	48	56	63	68
% of sales	9.5%	11.9%	7.5%	8.0%	9.1%	10.5%	8.9%	10.0%	10.9%	11.2%	11.2%
EBIT	28	34	20	19	25	21	16	29	37	43	48
% of sales	7.7%	9.2%	4.7%	4.5%	6.0%	5.0%	3.7%	6.0%	7.1%	7.7%	7.8%
Pretax Profit	27	33	17	16	23	19	14	26	35	41	46
% of sales	7.4%	8.7%	4.1%	3.8%	5.5%	4.4%	3.2%	5.4%	6.7%	7.3%	7.4%
Net Profit	20	25	9	16	20	14	10	19	26	31	34
% of sales	5.5%	6.8%	2.0%	3.8%	4.8%	3.2%	2.2%	4.0%	5.0%	5.5%	5.6%
EPS (EUR)	0.76	0.96	0.33	0.60	0.76	0.52	0.38	0.74	0.99	1.17	1.30
% yoy	46.4%	27.0%	-66.2%	84.1%	26.7%	-31.6%	-27.3%	95.3%	34.2%	18.4%	11.0%
DPS (EUR)	0.25	0.30	0.30	0.30	0.30	0.20	0.20	0.26	0.35	0.41	0.45
Payout ratio	33%	31%	92%	50%	40%	39%	50%	35%	35%	35%	35%

Source: Pareto Securities Research

The “consensus” is of minor relevance for GFT as only three analysts (including Pareto) follow the share. Notwithstanding, we note that consensus is above the company guidance regarding (unadjusted) EBITDA but in-line with the company guidance regarding EBT. Our estimates compare with consensus as follows:

Exhibit 6: Our estimates vs. guidance

GFT Technologies	No. of estimates	Pareto	2021e		2022e			2023e		
			Cons.	Delta	Pareto	Cons.	Delta	Pareto	Cons.	Delta
Revenues	2	480	476	1%	520	516	1%	564	553	2%
EBITDA	2	48	50	(4)%	56	56	0%	63	60	6%
EBT	2	26	24	4%	34	31	9%	40	36	11%

Source: Pareto Securities Research

Valuation

DCF

Exhibit 7: DCF

EUR m	Phase I					Phase II					Phase III	
	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e		
Revenues	480	520	564	614	668	721	771	816	857	891		
<i>growth rate</i>	7.9%	8.2%	8.7%	8.8%	8.9%	7.9%	6.9%	5.9%	5.0%	4.0%		
EBIT	29	37	43	48	53	56	59	62	65	67		
<i>EBIT margin</i>	6.0%	7.1%	7.7%	7.8%	7.9%	7.8%	7.7%	7.6%	7.6%	7.5%		
Tax	(7)	(9)	(11)	(12)	(13)	(14)	(15)	(16)	(16)	(17)		
<i>Tax rate</i>	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%		
Depr. & Amort. (w/o leases)	10	9	9	8	8	9	10	11	11	12		
<i>% of sales</i>	2.1%	1.7%	1.5%	1.4%	1.3%	1.3%	1.3%	1.3%	1.3%	1.3%		
Capex	(7)	(7)	(8)	(9)	(9)	(10)	(11)	(11)	(12)	(12)		
<i>% of sales</i>	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%	1.4%		
Change in NWC	(9)	(11)	(9)	(7)	(8)	(8)	(7)	(7)	(6)	(5)		
<i>% of sales</i>	1.9%	2.0%	1.7%	1.2%	1.2%	1.1%	1.0%	0.8%	0.7%	0.6%		
Free Cash Flow	16	19	24	28	30	33	36	39	42	44	859	
<i>growth rate</i>	<i>nm</i>	22.5%	25.3%	18.3%	7.1%	9.9%	8.9%	7.9%	6.9%	6.0%	3.0%	
Present Value FCF	15	17	19	21	21	21	21	21	21	20	392	
PV Phase I		92				Risk free rate	3.5%	Targ. equity ratio			80%	
PV Phase II		104				Premium Equity	5.0%	Beta			1.2	
PV Phase III		392				Premium Debt	0.5%	WACC			8.3%	
Enterprise value		588				Sensitivity		Growth in phase III				
- Net Debt (Cash)		31						2.0%	2.5%	3.0%	3.5%	4.0%
- Pension Provisions		7				7.5%	20.0	21.6	23.6	26.1	29.3	
- Minorities & Peripherals		0				7.9%	18.2	19.6	21.2	23.2	25.7	
- Leasing liabilities		45				WACC	8.3%	16.7	17.8	19.2	20.8	22.8
- Paid-out dividends for last FY		0				8.7%	15.3	16.3	17.4	18.8	20.4	
+/- Other EV items		0				9.2%	14.1	15.0	15.9	17.0	18.4	
Equity value		504										
Number of shares (m)		26.3										
Value per share (€)		19.20										
Current Price (€)		15.00										
Upside		28%										

Source: Pareto Securities Research

Based on the estimates outlined above, our DCF indicates a fair value of EUR 19.20 (was EUR 14.50 before), the upside is at around 30%. Accordingly, we re-iterate our "buy" recommendation.

Some remarks:

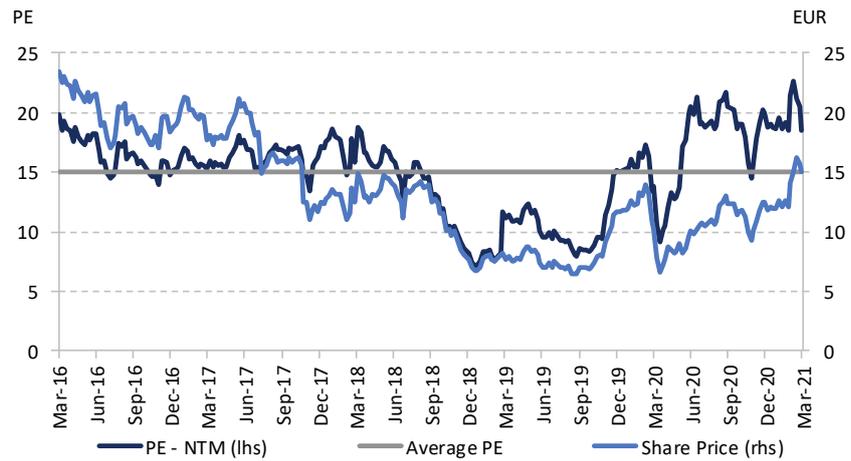
A key appeal of the GFT share is that the company hardly requires capital to grow the business. Accordingly, we expect only minor outflows for capex and net working capital (NWC) in the future. The NWC to sales ratio stood at 12.5% of sales in 2020, down from 19% in 2019, which explains the strong decrease in net cash at the end of 2020. In the next 3 years, we assume a normalization of this ratio to 15% of sales, but the respective outflows are still minor.

As usual, we will only add back depreciation to EBIT in our DCF framework that do not refer to right-of-use assets. Correspondingly, we will only deduct capex for fixed assets other than right-of-use assets from free cash flow. We will however account for the move of the interest component of the leasing

arrangements into the financial result by deducting the leasing liabilities from the enterprise value, treating them in analogy to interest bearing net debt and pension liabilities.

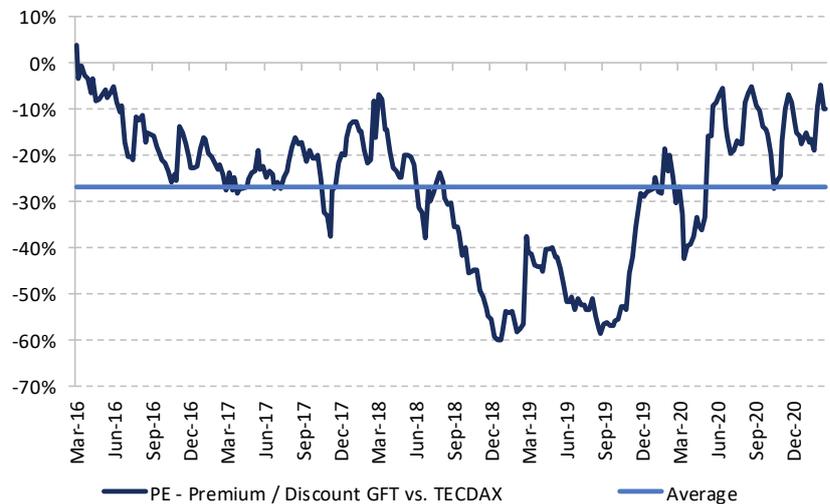
Regarding the historic PE and the valuation relative to the TecDAX, GFT seems to trade in neutral territory or looks even a bit expensive. However, the current consensus valuation does not yet fully account for the significant earnings increase we forecast for 2022 and 2023e. This will bring down adjusted PE to 14.4x and 12.8, respectively, which is then below historic levels.

Exhibit 8: Historic PE



Source: Factset, Pareto Securities Research

Exhibit 9: Premium vs TecDax



Source: Factset, Pareto Securities Research

At a glance

Exhibit 10: At a glance

Business Units									
Products/ applications	Customized IT solutions stand for 86% of revenues, implementing a third party software product ("Guidewire") for 14%. ~58% of revenues are related to application management and core tech, 42% to new tech such as Blockchain, AI, Cloud, Data Analytics and DevOps.								
Customers	Deutsche Bank (21% of revenues), Sabadell, HSBC (5-10% each). 75% of revenues with the banking industry. 14% with insurance companies. 11% 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 (~80% 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-depth 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. Partnerships with major cloud providers as well as Guidewire.								
Strategy & Guidance	Strategy: (I) Being partner of choice for financial sector. (III) 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 plus technology and sector know-how by frequent acquisitions. (V) Nurture "exponential" technologies (disruptive / high growth potential). (VI) Anchor shareholder allows for long-term business horizon. (VII) Dividend continuity.			Guidance (03/2021): Revenue: EUR 480m Adj. EBITDA: EUR 50m margin: 10.0%		PAS Estimates: EUR 480m 7.9% EUR 51m 10.0%		Consensus: EUR 476m 7.0% #N/A	
2020	Sales y/y	444.9	Adj. EBITDA (EURm) Margin	42.6	EBIT (EURm) Margin	16.3	Sales 5Y hist. CAGR	3.6%	
Sales & EBIT Split	Sales split by region 			Sales split by client 		Adj. EBITDA by region 		Group financial development 	
Shareholder structure & management	CEO <u>Marika Lulay</u> <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 <u>Dr. Jochen Ruetz</u> <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 2020	5,986								

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Revenues	423	419	413	429	445	480	520	564
EBITDA	32	33	38	45	40	48	56	63
Depreciation & amortisation	(12)	(15)	(13)	(24)	(23)	(19)	(19)	(20)
EBIT	20	19	25	21	16	29	37	43
Net interest	(2)	(2)	(2)	(3)	(2)	(3)	(2)	(2)
Other financial items	(1)	(1)	-	-	-	-	-	-
Profit before taxes	17	16	23	19	14	26	35	41
Taxes	(9)	(0)	(3)	(5)	(4)	(6)	(9)	(10)
Minority interest	-	-	-	-	-	-	-	-
Net profit	9	16	20	14	10	19	26	31
EPS reported	0.33	0.60	0.76	0.52	0.38	0.74	0.99	1.17
EPS adjusted	0.33	0.60	0.82	0.60	0.45	0.82	1.04	1.17
DPS	0.30	0.30	0.30	0.20	0.20	0.26	0.35	0.41
BALANCE SHEET (EURm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Tangible non current assets	31	29	27	26	23	20	18	17
Other non-current assets	144	136	167	217	206	196	196	196
Other current assets	128	135	118	137	115	130	148	164
Cash & equivalents	62	72	62	56	71	79	90	103
Total assets	366	373	373	435	415	425	452	479
Total equity	117	115	127	133	128	142	161	183
Interest-bearing non-current debt	86	106	106	115	68	102	102	102
Interest-bearing current debt	18	5	15	-	34	-	-	-
Other Debt	136	137	117	180	175	172	179	185
Total liabilities & equity	366	373	373	435	415	425	452	479
CASH FLOW (EURm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Cash earnings	34	20	17	54	35	39	46	51
Change in working capital	(15)	3	27	(18)	26	(9)	(11)	(9)
Cash flow from investments	(17)	(9)	(54)	(14)	(11)	(7)	(7)	(8)
Cash flow from financing	13	(3)	(2)	(27)	(29)	(15)	(18)	(21)
Net cash flow	15	10	(11)	(5)	15	8	11	13
CAPITALIZATION & VALUATION (EURm)	2016	2017	2018	2019	2020	2021e	2022e	2023e
Share price (EUR end)	20.5	13.0	6.7	11.6	11.9	15.0	15.0	15.0
Number of shares end period	26	26	26	26	26	26	26	26
Net interest bearing debt	42	39	60	59	31	23	12	(1)
Enterprise value	590	391	243	372	355	428	417	404
EV/Sales	1.4	0.9	0.6	0.9	0.8	0.9	0.8	0.7
EV/EBITDA	18.6	11.7	6.5	8.3	8.9	8.9	7.4	6.4
EV/EBIT	29.9	20.8	9.8	17.5	21.7	14.9	11.2	9.3
P/E reported	63.0	21.8	8.8	22.4	31.7	20.4	15.2	12.8
P/E adjusted	63.0	21.8	8.2	19.4	26.3	18.4	14.4	12.8
P/B	4.6	3.0	1.4	2.3	2.5	2.8	2.4	2.2
FINANCIAL ANALYSIS & CREDIT METRICS	2016	2017	2018	2019	2020	2021e	2022e	2023e
ROE adjusted (%)	7.1	13.5	17.8	12.1	9.2	15.9	18.1	17.9
Dividend yield (%)	1.5	2.3	4.5	1.7	1.7	1.7	2.3	2.7
EBITDA margin (%)	7.5	8.0	9.1	10.5	8.9	10.0	10.9	11.2
EBIT margin (%)	4.7	4.5	6.0	5.0	3.7	6.0	7.1	7.7
NIBD/EBITDA	1.33	1.18	1.59	1.31	0.79	0.48	0.22	(0.01)
EBITDA/Net interest	18.13	18.83	19.06	18.43	19.37	18.56	24.32	26.93

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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	2,015,935	9.66%	SpareBank 1Østfold Akerst	1,139,560	9.20%
Pareto Bank ASA	16,234,886	23.24%	Sparebanken Vest	6,735,132	6.28%

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	12.9%	SpareBank 1SMN	1,876,052	1.44%
Helgeland Sparebank	2,015,935	9.66%	SpareBank 1Østfold Akerst	1,139,560	9.20%
NHST Media Group AS	17,900	1.39%	SpareBank 1Østlandet	3,153,952	2.94%
Pareto Bank ASA	16,234,886	23.24%	Sparebanken Møre	305,369	3.09%
Selvaag Bolig ASA	2,848,311	3.04%	Sparebanken Sør	433,544	2.77%
SpareBank 1BV	1,633,220	2.59%	Sparebanken Vest	6,735,132	6.28%
SpareBank 1Nord-Norge	3,872,656	3.86%	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	2,246	Flex LNG	0	14,312	Protector Forsikring	0	12,000
Aker BP	0	32,433	Frontline	0	82,818	Quantafuel	0	1,119,190
Aker Carbon Capture	0	279,368	Gjensidige Forsikring	0	7,400	REC Silicon	0	35,551
Aker Offshore Wind	0	117,078	Golden Ocean Group	0	1,433	SalMar	0	105
American Shipping Company	0	9,204	Grieg Seafood	0	13,170	Sandnes Sparebank	0	126,013
Aprilia Bank ASA	0	22,675	Hafnia Limited	0	99,500	Sbanken ASA	0	4,520
Archer	0	30,170	HydrogenPro	0	37,901	Scatec Solar	0	20,000
Arcus	0	2,784	Ice Group ASA	0	190,000	Selvaag Bolig	0	50,000
Atlantic Sapphire	0	10,010	Komplett Bank	0	99,300	Skitude	0	12,695
Austevoll Seafood	0	29,135	Kongsberg Gruppen	0	35,581	SpareBank 1Nord-Norge	0	1,850
Avance Gas	0	3,362	KWS	75	75	SpareBank 1SMN	0	13,350
Axactor	0	44,376	Lerøy Seafood Group	0	18,242	SpareBank 1SR-Bank	0	9,743
B2Holding AS	0	14,075	Mowi	0	4,919	Sparebank 1Østfold Akersthus	0	1,252
BASF	270	270	MPC Container Ships	0	43,944	SpareBank 1Østlandet	0	8,621
Bonheur	0	32,075	NORBIT ASA	0	5,478	Sparebanken Møre	0	180
Borregaard ASA	0	500	Nordic Semiconductor	0	5,250	Sparebanken Sør	0	16,235
Bouvet	0	294	Norsk Hydro	0	106,867	Sparebanken Vest	0	16,185
BRABank	0	74,607	Norske Skog	0	8,225	Sparebanken Øst	0	1,500
BW Energy	0	43,075	Norwegian Energy Company	0	790	Stolt-Nielsen	0	1,817
BW LPG	0	11,023	Norwegian Finans Holding	0	3,310	Storebrand	0	9,732
BW Offshore	0	11,326	Norwegian Property	0	13,150	Subsea 7	0	9,226
DNB	0	29,908	NTS	0	2,272	Telenor	0	5,249
DNO	0	217,978	Ocean Yield	0	67,882	TGS-NOPEC	0	1,300
DOF	0	2,366,346	OHT	0	6,650	Volve	0	15,148
Elkem	0	35,626	Okeanis Eco Tankers	0	22,000	VOW	0	5,981
Entra	0	10,382	Orkla	0	20,227	Wallerius Wilhelmsen	0	46,100
Equinor	0	2,549	Panoro Energy	0	10,502	XXL	0	17,534
Europpris	0	11,056	Pareto Bank	0	2,411,276	Yara	0	14,375
Fjord1 ASA	0	50,000	Pexip Holding	0	37,583	Zaptec	0	25,000
Fjordkraft Holding	0	12,605	PGS	0	11,676			

This overview is updated monthly (last updated 15.02.2021).

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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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Acconer AB	Fjordkraft Holding	Nordic Halibut
Africa Energy Corp Corp	Flexistore AS	Norske Skog
Aker ASA	Genel Energy	Norwegian Block Exchange
Aker Horizons	Hafnia Ltd.	Odfjell SE
Akershus Energi	Helgeland Sparebank	OHT
Akva Group	HKN Energy Ltd	Pelagia Holding AS
Alussa Energy Acquisition Corp (Freyr)	Hofseth BioCare	Pexip Holding
American Tanker, Inc.	House of Control	Pioneer Property Group ASA
Aprila Bank ASA	HydrogenPro	Proximar Seafood
Boreal Holding AS	Idavang A/S	Quantafuel
Borr Drilling Limited	Instabank ASA	REC Silicon
BRABank	Keppel FELS Limited	Saga Robotics
Brooge Energy Limited	Klaveness Combination Carriers ASA	Salmon Evolution
Bulk Infrastructure Holding	KLP	Sandnes Sparebank
BW Energy	Komplett Bank	Scorpio Bulkers
Cibus Nordic Real Estate	Kongsberg Automotive	Seadrill Ltd
Cloudberry Clean Energy	Kraft Bank	Skitude
Crayo Nano AS	Meltwater	Sparebanken Vest
CRC Holding B.V. ("Pryme")	Mercell	Talos Energy Inc
Digiplex	Mintira Group	Tise AS
DOF	MPC Container Ships	Trønderenergi AS
DOF Subsea AS	Mutares SE & Co. KGaA	Watercircles Forsikring ASA
ELOP	Navigator Holdings Ltd.	West Coast Salmon
Endur ASA	Navios	Wheel.me

This overview is updated monthly (this overview is for the period 31.01.2020 – 31.01.2021).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	67%
Hold	29%
Sell	3%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	87%
Hold	13%
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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Appendix D

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Bionvent	Egetis Therapeutics	Surgical Science	
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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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Daldrup & Söhne	Leifheit	Procredit Holding *	TAKKT AG
Demire	Logwin *	PSI SOFTWARE AG *	Viscom *
Epigenomics AG*	Manz AG *	PWO *	
Gesco *	MAX Automation SE	RIB Software *	
GFT Technologies *	Merkur Bank	S&T AG *	

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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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Baywa	Hypoport AG	Merkur Bank	OVH Holding AG
BB Biotech	Intershop Communications AG	mutares	Stegfried Holding AG
Daldrup & Söhne	Leifheit		

This overview is updated monthly (last updated 15.02.2021).