

Licenses saved Q2, cloud order entry the future

Driven by strong license sales and good cost control, Intershop delivered good results in Q2 but also the cloud business made visible progress. We think Intershop is in an excellent position to profit from the ongoing digitization of sales channels and stick to our "buy recommendation, TP EUR 3.80 (from EUR 3.70).

A solid Q2

Intershop profited in Q2 from strong license sales and good cost control, but also the cloud business exhibited strong momentum as order entry surprised positively and the company managed to keep the churn rate down. Only quarterly cloud revenues and ARR lagged cloud order entry as customers were granted a longer than usual implementation period, we understand.

The pandemic accelerates digitization of sales channels

According to Bitkom, the global online retail market will grow by 16-17% in 2020. Accordingly, the pandemic seems to act as accelerator for the digitization of sales channels for many customers and Intershop is in a good position to profit from that, we think.

Increasing the price target to EUR 3.80

For the time being, we see little need to adjust our scenario for Intershop's cloud business. Thus, we stick to our "Buy" recommendation and increase our DCF -based price target from EUR 3.70 to EUR 3.80 due to compounding effects. The share comes with a high option value but also above average risks, in our view.

EURm	2018	2019	2020e	2021e	2022e
Revenues	31	32	32	35	40
EBITDA	(4)	(2)	5	5	7
EBIT	(6)	(6)	1	1	2
EPS	(0.20)	(0.48)	0.03	0.06	0.15
EPS adj	(0.19)	(0.44)	0.03	0.06	0.15
DPS	-	-	-	-	-
EV/EBITDA	-	-	8.7	8.0	5.9
EV/EBIT	-	-	77.4	46.9	17.7
P/E adj	-	-	-	56.4	21.8
P/B	10.06	2.71	2.95	2.80	2.48
ROE (%)	-	-	2.8	5.1	12.1
Div yield (%)	-	-	-	-	-
Net debt	(4)	(6)	(7)	(7)	(9)

Source: Pareto



Target price (EUR)	3.8
Share price (EUR)	3.4

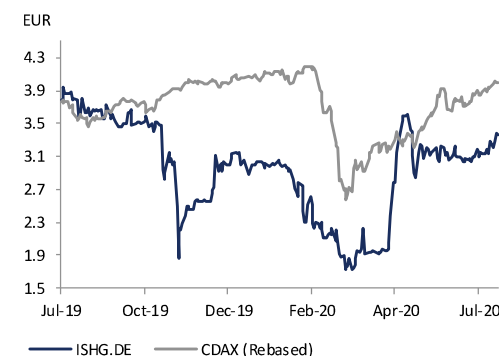
Forecast changes

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

Source: Pareto

Ticker	ISHG.DE, ISH2 GY
Sector	Software & Services
Shares fully diluted (m)	14.2
Market cap (EURm)	48
Net debt (EURm)	-7
Minority interests (EURm)	0
Enterprise value 20e (EURm)	41
Free float (%)	51

Performance



Source: Factset

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Review Q2

Q2 results

Intershop		Actual			Pareto	
		Q2 2019	Q2 2020	yoy (%)	Q2 2020	Delta
Revenues	EURm	7.9	8.0	1.6	7.2	10.7
of which: Licenses		0.3	1.0	187.0	0.3	187.0
of which: Maintenance		2.0	2.0	1.3	2.0	0.7
of which: Cloud / Subscription		1.5	1.7	13.7	1.8	-2.8
of which: Services		4.0	3.3	-18.7	3.1	5.4
Gross profit	"	2.6	3.6	40.9%	3.2	12.0
margin	%	32.6%	45.2%	1262 BP	44.7%	52 BP
EBIT	"	(1.6)	0.2	nm	0.0	nm
margin	%	nm	2.5%	0 BP	0.0%	251 BP
Other cloud-related KPI						
Incoming cloud orders	EURm	2.6	3.4	32.1	2.0	69.0
ARR from cloud	"	6.2	7.5	21.0	7.1	5.4
New ARR	"	0.2	0.5	140.1	0.18	171.9
Net new ARR	"	0.7	0.5	-0.3	0.09	420.1
Implied churn	"	(0.5)	0.0	nm	0.09	-84.1

Source: Pareto Securities Research

After a strong Q1, Intershop was able to keep up the momentum in Q2. The top line was again driven by a strong licence business that significantly surpassed our expectations. Although licence sales are no strategic priority for Intershop, they help to mitigate the current situation and the transition of Intershop's business model into a SaaS provider. The strong increase in licence revenue was driven by three new customers but also by license renewals by existing customers. It seems that some customers are not yet ready to buy cloud-based offerings but stick to on-premise solutions.

In contrast, the service business suffered from corona-related project delays. Notwithstanding, the situation should improve in Q4 at the latest, but the full year segment result will be subdued as there is limited potential to make up for lost ground in that kind of business.

Regarding earnings, Intershop was able to keep the gross profit margin at a good 45%, which is a significant improvement compared to last year, and to deliver again positive EBIT as the restructuring that took place in 2019 bore fruit. Notwithstanding, Intershop continues to guide for a modest increase in revenue and "only" slightly positive EBIT for the full year. Intershop here prefers to be on the conservative side as the overall uncertainty is perceived to remain at high levels.

Although license sales obviously saved the quarter to some extent, Intershop's future will of course be shaped by the success of its cloud offering. The respective trajectory was positive, too. The increase of incoming cloud orders by 32% were above expectations. Also, the low churn rate was a positive, in our view. However, quarterly cloud revenues and ARR from cloud lagged the strong order entry as customers were granted a longer implementation period, that has frequently been extended from 3-6 months to 9-12 months in times of coronavirus, we understand.

All in all, it seems that the pandemic acts as an accelerator for the digitization of sales channels for many customers and Intershop is in a good position to profit from that. According to Bitkom, the global online retail market will grow by 16-17% in 2020, while the software market in Germany will decline by 4% and IT Service by more than 5%. In that context, it is noteworthy that Intershop product

suite again received good grades from Forrester in May 2020, especially with regard to its after sales and service features.

Valuation update

Exhibit 1: ...

Cloud business (EURm)	2017	2018	2019	2020e	2021e	2022e	2023e
Order Entry	2.1	7.2	13.1	14.0	21.0	31.5	47.3
% yoy		244%	81%	7%	50%	50%	50%
New ARR	0.6	1.7	2.6	2.8	4.2	6.3	9.4
% yoy		183%	53%	7%	50%	50%	50%
Average contract length (years)	3.5	4.3	5.0	5.0	5.0	5.0	5.0
% yoy		21%	19%	0%	0%	0%	0%
Churn	-0.1	0.3	0.9	0.3	0.5	0.6	0.9
% yoy		nm	200%	-62%	36%	40%	43%
Net new ARR	0.7	1.4	1.7	2.4	3.7	5.6	8.5
% yoy		100%	21%	44%	52%	51%	51%
ARR	3.7	5.1	6.8	9.2	12.9	18.5	27.0
% yoy		38%	32%	36%	40%	43%	46%
Cloud revenues	4.5	5.4	6.4	8.8	12.5	18.2	26.6
% yoy		20%	18%	38%	42%	45%	47%

Source: Pareto Securities Research

As of today, we see little need to adjust our scenario for Intershop's cloud business outlined above. Thus, we stick to our "Buy" recommendation and increase our DCF -based price target from EUR 3.70 to EUR 3.80 due to compounding effects. Although the investment case comes with a high option value, Intershop remains a risky stock for investors with strong confidence in the sustainable success of Intershop's cloud solutions.

DCF

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
Revenues	32	35	40	48	60	72	85	97	107	114	
growth rate	2.1%	9.1%	13.7%	19.1%	24.9%	21.3%	17.6%	14.0%	10.3%	6.7%	
EBIT	0.5	0.9	2.2	2.6	4.7	5.6	6.4	7.2	7.7	8.0	
EBIT margin	1.6%	2.4%	5.4%	5.4%	8.0%	7.8%	7.6%	7.4%	7.2%	7.0%	
Tax	0.0	(0.3)	(0.7)	(0.8)	(1.5)	(1.8)	(2.0)	(2.3)	(2.4)	(2.5)	
Tax rate	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%	
Depr. & Amort.	2.5	2.4	2.3	2.3	2.4	2.8	3.3	3.7	4.1	4.3	
% of sales	8%	7%	6%	5%	4%	4%	4%	4%	4%	4%	
Capex	(2.2)	(2.2)	(2.2)	(2.6)	(3.3)	(3.4)	(3.7)	(4.1)	(4.4)	(4.6)	
% of sales	6.8%	6.3%	5.5%	5.5%	5.5%	4.8%	4.4%	4.2%	4.1%	4.0%	
Change in NWC	(0.1)	(0.4)	(0.6)	(0.9)	(1.5)	(1.5)	(1.4)	(1.2)	(1.0)	(0.6)	
% of sales	0.3%	1.0%	1.5%	2.0%	2.5%	2.1%	1.7%	1.3%	0.9%	0.5%	
Free Cash Flow	0.7	0.4	1.0	0.5	0.9	1.8	2.6	3.3	4.0	4.7	70.0
growth rate		(51)%	nm	(53)%	nm	91%	45%	30%	21%	16%	3%
Present Value FCF	0.7	0.3	0.8	0.3	0.6	1.1	1.4	1.6	1.8	1.9	28.8

PV Phase I	2.7	Risk free rate	3.5%	Targ. equity ratio	95%
PV Phase II	7.8	Premium Equity	5.0%	Beta	1.3
PV Phase III	28.8	Premium Debt	5.0%	WACC	9.9%

Enterprise value	39.3	Sensitivity	Growth in phase III				
- Net Debt (Cash)	(6.2)		2.0%	2.5%	3.0%	3.5%	4.0%
- Leasing Liabilities	1.8	8.9%	4.0	4.1	4.4	4.6	4.9
- Minorities & Peripherals	0.0	9.4%	3.7	3.9	4.0	4.2	4.5
+ MV of financial assets	0.0	WACC 9.9%	3.5	3.6	3.8	3.9	4.1
- Paid-out dividends for last FY	0.0	10.4%	3.3	3.4	3.5	3.7	3.8
+/- Other EV items	9.7	10.9%	3.1	3.2	3.3	3.4	3.6
Equity value	53.4						
Number of shares	14.2						
Value per share (€)	3.80						
Current Price (€)	3.38						
Upside	12%						

Source: Pareto Securities Research

At a glance

At a glance

Business units	Licenses	Maintenance	Cloud / Subscription	Services				
Products & services	Intershop Commerce Suite builds the core of the product offering. The commerce platform can be employed "ready-to-use" or on a modular basis according to customers' needs. Intershop's solutions contain commerce management, product information management, experience management as well as omni-channel order management. Deployment modes are either on-premise, per private cloud or as CaaS (Commerce-as-a-Service). Services include strategic digital consulting, project management, complete or partly operation of the commerce business (Full Service Commerce), as well as training and support.							
Customers	Globally, more than 300 customers, which are mainly active in the manufacturing, retail / wholesale, automotive, and energy industries.							
	Top 25 customers account for c. 66% of revenue.							
Market share & positioning	In its relevant market segment, Intershop accounts for c. 5% of market share, while in the total e-commerce software market Intershop solutions are implemented in less than 2% of all online shops. Intershop is an engineering-driven company, with a focus on a strong performance and a reliable system, thus a quality-oriented company.							
Drivers	Increasing internet penetration (+) Underlying growth in e-commerce business and associated shift from brick-and-mortar retail to e-commerce / omni-channel commerce (+) Changing B2B buyer demographics towards a more digital native buyer group (+) Amazon move into B2B e-commerce business (substitution via marketplaces and strong independent online shops) (-)							
Main competitors	<u>Main competitors:</u> Hybris (by SAP), WebSphere Commerce (by IBM), Oracle NetSuiteCommerce (B2B solution by Oracle), Oracle Commerce Platform (by Oracle), CloudCraze (B2B solution recently acquired by salesforce.com), Salesforce Commerce (formerly Demandware, B2C solution by salesforce.com), Magento Commerce (recently acquired by Adobe) <u>Non-listed competitors:</u> Insite Software (B2B solution), OROCommerce (B2B solution), Shopware (strong German presence), OXID eSales (strong German presence)							
Strategy, guidance & consensus	<div><div>Strategy: (I) "Cloud first" (II) B2B Focus, tilted towards SMB via CaaS offering (III) Extending technological functionalities and sales channels via Microsoft partnership (IV) Strengthening marketing capabilities</div><div>Guidance Revenue slight increase EBIT slightly positive</div><div>Pareto Revenue EUR 32m EBIT EUR 0.5m EBIT margin 1.6%</div><div>Consensus Revenue EUR 33m EBIT EUR 1m EBIT margin 2.9%</div></div>							
2019	Sales (EURm) y/y	31.6 1.4%	EBITDA Margin	-2.3 -7.4%	EBIT (EURm) Margin	-6.5 -20.4%	5Y sales CAGR Organic growth y/y	0.3% 4.7%
Sales & EBIT split	<div><div>Sales split by product / service</div><div>■ License Sales ■ Maintenance Sales ■ Service Sales</div></div> <div><div>Sales split by region</div><div>■ Europe ■ U.S.A. ■ Asia/Pacific</div></div>				<div>Group financial development</div> <div>■ Group Sales — EBIT margin (rhs)</div>			
Management & shareholder structure	<div><div><div>Dr. Jochen Wiechen Chief Executive Officer (since 2015)</div><ul style="list-style-type: none">• With Intershop since 2013 (first as CTO)• >20 years experience in the software industry and at venture capital funds• Prior to joining Intershop, Dr. Wiechen was Vice President at SAP and held board roles at datango AG and Martlet Venture Management Ltd.• Dr. Wiechen started his career in 1994 at PSI Software AG (Berlin)</div><div><div>Markus Klahn Chief Sales Officer (since 2018)</div><ul style="list-style-type: none">• With Intershop since 2018• >20 years experience in the software industry• Responsibilities: service portfolio• Prior to joining Intershop, Mr Klahn was active in the ERP and SaaS business after having been on the management board of proALPHA Consulting AG.</div></div> <div>Shareholder structure<div>■ Shareholder Value Management AG / Shareholder Value Beteiligungen AG ■ Axion SA (Luxembourg) ■ Frankfurter Inv.-ges. m. var. Kapital (SICAV)</div></div>							
# of employees FY 2019	304							

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Revenues	43	34	36	31	32	32	35	40
EBITDA	3	0	3	(4)	(2)	5	5	7
Depreciation & amortisation	(3)	(2)	(2)	(2)	(4)	(4)	(4)	(4)
EBIT	0	(2)	0	(6)	(6)	1	1	2
Net interest	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other financial items	-	-	-	-	-	-	-	-
Profit before taxes	0	(3)	0	(6)	(7)	0	1	2
Taxes	(0)	(0)	(1)	(1)	(0)	(0)	(0)	0
Minority interest	-	-	-	-	-	-	-	-
Net profit	0	(3)	(1)	(7)	(7)	0	1	2
EPS reported	0.00	(0.28)	(0.06)	(0.20)	(0.48)	0.03	0.06	0.15
EPS adjusted	0.00	(0.21)	(0.06)	(0.19)	(0.44)	0.03	0.06	0.15
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Tangible non current assets	0	1	1	1	1	0	0	0
Other non-current assets	11	10	10	10	12	12	12	12
Other current assets	6	6	6	5	7	7	7	8
Cash & equivalents	15	11	9	7	8	7	8	9
Total assets	33	27	25	23	28	27	28	30
Total equity	19	16	15	14	16	16	17	19
Interest-bearing non-current debt	5	3	2	2	0	0	0	0
Interest-bearing current debt	1	1	1	2	1	-	-	-
Other Debt	8	7	7	6	10	10	11	11
Total liabilities & equity	33	27	25	23	28	27	28	30
CASH FLOW (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Cash earnings	3	(0)	2	(5)	(0)	3	3	4
Change in working capital	2	(0)	(0)	1	(1)	(0)	(0)	(1)
Cash flow from investments	(2)	(2)	(3)	(3)	(3)	(2)	(2)	(2)
Cash flow from financing	6	(1)	(1)	5	6	(1)	-	-
Net cash flow	9	(4)	(2)	(2)	1	(1)	1	2
CAPITALIZATION & VALUATION (EURm)	2015	2016	2017	2018	2019	2020e	2021e	2022e
Share price (EUR end)	3.63	3.21	5.2	3.94	3.00	3.36	3.36	3.36
Number of shares end period	10	11	11	35	14	14	14	14
Net interest bearing debt	(9)	(7)	(6)	(4)	(6)	(7)	(7)	(9)
Enterprise value	29	28	50	133	36	41	40	39
EV/Sales	0.7	0.8	1.4	4.3	1.2	1.3	1.1	1.0
EV/EBITDA	8.3	-	17.7	-	-	8.7	8.0	5.9
EV/EBIT	-	-	-	-	-	77.4	46.9	17.7
P/E reported	-	-	-	-	-	-	56.4	21.8
P/E adjusted	-	-	-	-	-	-	56.4	21.8
P/B	2.0	2.2	3.7	10.1	2.7	2.9	2.8	2.5
FINANCIAL ANALYSIS & CREDIT METRICS	2015	2016	2017	2018	2019	2020e	2021e	2022e
ROE adjusted (%)	0.0	-	-	-	-	2.8	5.1	12.1
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	8.1	0.3	7.9	-	-	14.5	14.3	16.4
EBIT margin (%)	0.4	-	1.2	-	-	1.6	2.4	5.4
NIBD/EBITDA	(2.68)	(63.06)	(2.18)	1.13	2.64	(1.45)	(1.47)	(1.38)
EBITDA/Net interest	23.25	4.30	8.53	-	-	57.71	-	-

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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 1 Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,901,908	2133%	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 1 SMN	1881442	145%
NHST Media Group AS	17,900	139%	SpareBank 1 Østfold Akersl	1,139,560	9.20%
Pareto Bank ASA	14,901,908	2133%	Sparebanken Møre	305,239	3.09%
Selvaag Bolig ASA	2,177,497	2.32%	Sparebanken Sør	433,444	2.77%
SpareBank 1 BV	1655,220	2.62%	Sparebanken Vest	6,370,851	5.94%
SpareBank 1 Nord-Norge	3,245,605	3.23%	Totens Sparebank	78,246	128%

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

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

Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
Adevinta	0	574	Golden Ocean Group	0	1744	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	SalMar	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 1 BV	0	22,000
BASF	270	270	Mowi	0	3,779	SpareBank 1 Nord-Norge	0	26,050
Bonheur	0	37,076	NORBIT	0	8,155	SpareBank 1 SMN	0	18,740
BRABank	0	1,371,000	Nordic Semiconductor	0	6,765	SpareBank 1 SR-Bank	0	42,601
BW Energy Limited	0	43,075	Norsk Hydro	0	102,321	SpareBank 1 Østlandet	0	7,921
BW Offshore	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	1,278,298	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
Advanzia 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
BW Energy	Mutares SE & Co. KGaA	-
Cabonline Group Holding AB	Navigator Holdings	-
Cibus Nordic Real Estate AB	Next Biometrics Group ASA ("NEXT")	-
Digiplex	Northern Ocean	-
DOF ASA	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	Mälarsåsen
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).