



## Q1 review: Making progress

*After a very good Q1, we reviewed our assumptions regarding cloud order entry for 2020, the long-term churn rate and cost management. As a result, we now expect Intershop to break even already in 2020 and raised the fair value per share from EUR 2.50 per share to EUR 3.70. The recommendation remains "Buy".*

### Blow-out Q1 numbers

Intershop today reports Q1 numbers that are in almost every aspect significantly better than expected. Highlights were incoming cloud orders that more than tripled and a positive EBIT of EUR 0.3m, as the cost reduction program completed in 2019 obviously bore fruit.

### Adjusting our forecasts upwards

Within our company model, we now incorporated a more positive view on the cloud order entry for 2020, the long-term churn rate and cost management. As a result, we now expect Intershop to break even already in 2020 instead of 2022 previously and to achieve a net result of EUR 2.2m by 2022.

### Raising our target price to EUR 3.70, keeping our buy rating

All in, we raise the fair value per share from EUR 2.50 per share to now EUR 3.70. Thus, we stick to our "Buy" recommendation despite the recent share price rally. Notwithstanding, Intershop remains a risky stock for investors with appetite for a binary investment case and enough confidence in the sustainable success of Intershop's cloud solutions.

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	-	-	8.1	7.4	5.5
EV/EBIT	-	-	72.0	43.6	16.4
P/E adj	-	-	-	53.0	20.5
P/B	10.06	2.71	2.77	2.64	2.34
ROE (%)	-	-	2.8	5.1	12.1
Div yield (%)	-	-	-	-	-
Net debt	(4)	(6)	(7)	(7)	(9)

Source: Pareto

Target price (EUR)	3.7
Share price (EUR)	3.2

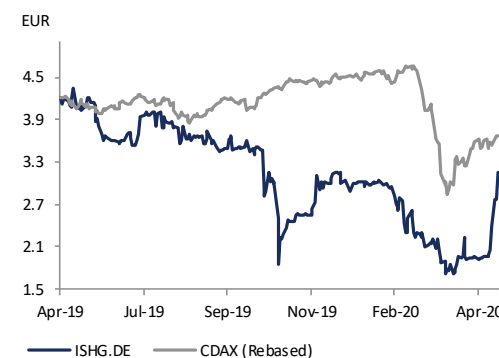
### Forecast changes

%	2020e	2021e	2022e
Revenues	2	4	6
EBITDA	89	65	37
EBIT adj	NM	NM	NM
EPS reported	NM	NM	NM
EPS adj	NM	NM	NM

Source: Pareto

Ticker	ISHG.DE, ISH2 GY
Sector	Software & Services
Shares fully diluted (m)	14.2
Market cap (EURm)	45
Net debt (EURm)	-7
Minority interests (EURm)	0
Enterprise value 20e (EURm)	38
Free float (%)	51

### Performance



Source: Factset

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## Wrap-up Q1 report

### Exhibit 1: Overview Q1 numbers

Intershop		Actual			Pareto		
		Q1 2019	Q1 2020	yoy (%)	Q1 2020	Delta	
<b>Revenues</b>	<b>EURm</b>	<b>7.3</b>	<b>8.4</b>	<b>15.3</b>	<b>7.8</b>	<b>8.4</b>	
	<i>of which: Licenses</i>	0.6	1.1	68.2	0.6	68.2	
	<i>of which: Maintenance</i>	2.0	2.0	0.7	2.0	1.7	
	<i>of which: Cloud / Subscription</i>	1.5	1.7	19.1	1.8	-5.3	
	<i>of which: Services</i>	3.2	3.6	12.1	3.3	8.6	
<b>EBIT</b>	<b>"</b>	<b>(2.1)</b>	<b>0.3</b>	<b>nm</b>	<b>(0.7)</b>	<b>nm</b>	
	<i>margin</i>	%	nm	3.5%	0 BP	nm	
<b>Other cloud-related KPI</b>							
	Incoming cloud orders	EURm	1.3	4.0	206.2	2.0	99.0
	ARR from cloud	"	5.5	7.0	27.8	6.7	5.7
	New ARR	"	0.4	0.4	-10.8	0.40	-11.3
	Net new ARR	"	0.4	0.3	-0.3	(0.15)	nm
	Implied churn	"	0.0	0.1	nm	0.55	-84.5

Source: Pareto, Company data

Intershop reported Q1 numbers that were in almost every aspect significantly better than expected. Mainly driven by higher license revenues, group revenues increased by 15%. Incoming cloud orders more than tripled, which bodes well for the coming quarters. Although new ARR (annual recurring revenues) remained slightly below our forecast, ARR beat our expectations as Intershop could keep down the churn to a record low of 4% of last quarter's ARR, according to our calculations. Most importantly, Intershop realized a positive EBIT of EUR 0.3m, as the cost reduction program completed in 2019 obviously bore fruit. This is the first quarter with a positive operating result since 2017.

The strong result from licenses was due to the fact that some digital sales channels of certain customers boomed, which triggered additional license orders. The strong cloud order entry was attributed to a more effective marketing strategy, by and large. Intershop could win 6 new cloud customers in Q1. The largest order (EUR 1.8m out of EUR 4m total order entry) was received from Musgrave, an Irish food retail, wholesale and foodservice company. Intershop was able to lower the churn rate to only 4% from 10% in 2019 as there were no customer insolvencies and no major client terminations during Q1. Most of the cloud order entry were signed at the end of the quarter and will therefore materialize only in Q2 and Q3, which was the reason that "new ARR" was only ~10% of incoming cloud orders in Q1.

The Q1 results made clear that the coronavirus crisis is both a blessing and curse for Intershop. Positively, many existing and potential customers feel the need to digitize their sales channels more rigorously. Also cloud solutions are still prioritized over on-premise solutions, as they mean more flexibility regarding costs and infrastructure. On the other hand, the crisis increases the cost pressure on the customers' side and therefore could also lead to delays of some contract closings. 104 out of 308 Intershop employees are on short-time work at present, most of which in the Service Team, but also some developers, we understand. Intershop has just reduced the number of full-time employees down from 341 in 2019 to now 308, most of which in technical areas, which turned out to be a lucky timing in hindsight.

All in, Intershop remains confident despite the corona crisis and re-iterates its full year guidance: It continues to expect slightly positive EBIT in 2020 after a loss of EUR 6.5m in 2019 and slightly increasing revenues.

## Valuation update

We revised our model inputs, assuming that the very positive tendency witnessed in Q1 is no outlier:

First, we now expect a cloud order entry of EUR 14m in 2020 (was EUR 13m before), which is still below the current run-rate of EUR 16m. Second, we lower the expected churn rate from 10% to 5% annually, given that Intershop was able to realize 4% of previous quarter's ARR in Q1. These changes result in the following scenario for Intershop's cloud business:

### Exhibit 2: Our scenario for Intershop's cloud business

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

For the license / maintenance and services business, we left our revenue assumptions largely untouched and still expect a slight decline of all categories going forward as the respective businesses will in our view be "cannibalized" by Intershop's cloud business. Regarding earnings, Intershop exhibited very good cost control in Q1 after the recent restructuring program and increased the gross margin to 45% of revenues from 35% for the full year 2019. We had so far expected a gross margin of slightly above 40% of revenues and now change this estimate accordingly.

These adjustments result in the estimate changes as depicted below. Most importantly, we expect Intershop now to break even already in 2020 instead of 2022 previously and to achieve a net result of EUR 2.2m by 2022.

### Exhibit 3: Estimate changes

Intershop		2020e			2021e			2022e		
		Old	New	Chg.	Old	New	Chg.	Old	New	Chg.
<b>Revenues</b>	EURm	31.8	32.3	2%	34.0	35.3	4%	37.9	40.1	6%
<b>EBIT</b>	"	-1.0	0.5	nm	-0.4	0.9	nm	1.1	2.2	90%
<b>Net result</b>	"	-1.1	0.4	nm	-0.4	0.8	nm	1.1	2.2	93%
<b>EPS</b>	EUR	-0.08	0.03	nm	-0.03	0.06	nm	0.08	0.15	93%

Source: Pareto Securities Research

## Exhibit 4: DCF

EUR m	Phase I					Phase II					Phase III
	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	
<b>Revenues</b>	<b>32</b>	<b>35</b>	<b>40</b>	<b>48</b>	<b>60</b>	<b>72</b>	<b>85</b>	<b>97</b>	<b>107</b>	<b>114</b>	
<i>growth rate</i>	2.1%	9.1%	13.7%	19.1%	24.9%	21.3%	17.6%	14.0%	10.3%	6.7%	
<b>EBIT</b>	<b>0.5</b>	<b>0.9</b>	<b>2.2</b>	<b>2.6</b>	<b>4.7</b>	<b>5.6</b>	<b>6.4</b>	<b>7.2</b>	<b>7.7</b>	<b>8.0</b>	
<i>EBIT margin</i>	1.6%	2.4%	5.4%	5.4%	8.0%	7.8%	7.6%	7.4%	7.2%	7.0%	
<b>Tax</b>	<b>0.0</b>	<b>(0.3)</b>	<b>(0.7)</b>	<b>(0.8)</b>	<b>(1.5)</b>	<b>(1.8)</b>	<b>(2.0)</b>	<b>(2.3)</b>	<b>(2.4)</b>	<b>(2.5)</b>	
<i>Tax rate</i>	32%	32%	32%	32%	32%	32%	32%	32%	32%	32%	
<b>Depr. &amp; Amort.</b>	<b>2.5</b>	<b>2.4</b>	<b>2.3</b>	<b>2.3</b>	<b>2.4</b>	<b>2.8</b>	<b>3.3</b>	<b>3.7</b>	<b>4.1</b>	<b>4.3</b>	
<i>% of sales</i>	8%	7%	6%	5%	4%	4%	4%	4%	4%	4%	
<b>Capex</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.2)</b>	<b>(2.6)</b>	<b>(3.3)</b>	<b>(3.4)</b>	<b>(3.7)</b>	<b>(4.1)</b>	<b>(4.4)</b>	<b>(4.6)</b>	
<i>% of sales</i>	6.8%	6.3%	5.5%	5.5%	5.5%	4.8%	4.4%	4.2%	4.1%	4.0%	
<b>Change in NWC</b>	<b>(0.1)</b>	<b>(0.4)</b>	<b>(0.6)</b>	<b>(0.9)</b>	<b>(1.5)</b>	<b>(1.5)</b>	<b>(1.4)</b>	<b>(1.2)</b>	<b>(1.0)</b>	<b>(0.6)</b>	
<i>% of sales</i>	0.3%	1.0%	1.5%	2.0%	2.5%	2.1%	1.7%	1.3%	0.9%	0.5%	
<b>Free Cash Flow</b>	<b>0.7</b>	<b>0.4</b>	<b>1.0</b>	<b>0.5</b>	<b>0.9</b>	<b>1.8</b>	<b>2.6</b>	<b>3.3</b>	<b>4.0</b>	<b>4.7</b>	<b>70.0</b>
<i>growth rate</i>		(51)%	nm	(53)%	nm	91%	45%	30%	21%	16%	3%
<b>Present Value FCF</b>	<b>0.7</b>	<b>0.3</b>	<b>0.8</b>	<b>0.3</b>	<b>0.6</b>	<b>1.0</b>	<b>1.4</b>	<b>1.6</b>	<b>1.8</b>	<b>1.9</b>	<b>28.1</b>

<b>PV Phase I</b>	<b>2.7</b>	<b>Risk free rate</b>	3.5%	<b>Targ. equity ratio</b>	95%
<b>PV Phase II</b>	<b>7.7</b>	<b>Premium Equity</b>	5.0%	<b>Beta</b>	1.3
<b>PV Phase III</b>	<b>28.1</b>	<b>Premium Debt</b>	5.0%	<b>WACC</b>	9.9%





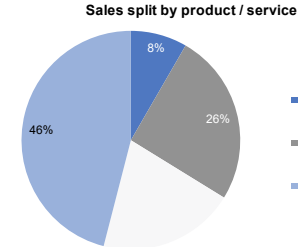
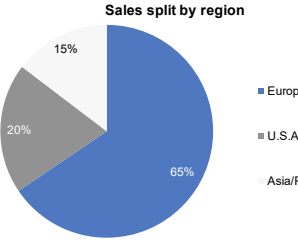
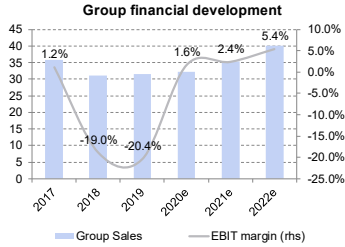
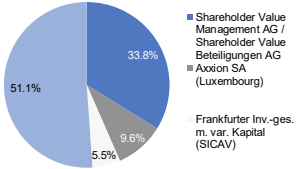
<b>Enterprise value</b>	<b>38.5</b>	<b>Sensitivity</b>	<b>Growth in phase III</b>				
- Net Debt (Cash)	(6.2)		<b>2.0%</b>	<b>2.5%</b>	<b>3.0%</b>	<b>3.5%</b>	<b>4.0%</b>
- Leasing Liabilities	1.8	<b>8.9%</b>	3.9	4.1	4.3	4.5	4.8
- Minorities & Peripherals	0.0	<b>9.4%</b>	3.6	3.8	4.0	4.2	4.4
+ MV of financial assets	0.0	<b>WACC 9.9%</b>	3.4	3.5	<b>3.7</b>	3.9	4.0
- Paid-out dividends for last FY	0.0	<b>10.4%</b>	3.2	3.3	3.5	3.6	3.8
+/- Other EV items	9.5	<b>10.9%</b>	3.1	3.2	3.3	3.4	3.5
<b>Equity value</b>	<b>52.3</b>						
Number of shares	14.2						
Value per share (€)	3.70						
Current Price (€)	3.16						
Upside	17%						

Source: Pareto Securities Research

All in, we arrive at a fair value per share of EUR 3.70 per share (was EUR 2.50 before) on the grounds of our DCF model. Thus, we stick to our "Buy" recommendation. Notwithstanding, Intershop remains a risky stock for investors with appetite for a binary investment case and enough confidence in the sustainable success of Intershop's cloud solutions.

# At a glance

Exhibit 5: 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	<b>Strategy:</b> (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		<b>Guidance</b> Revenue slight increase  EBIT slightly positive		<b>Pareto</b> Revenue yoy EUR 32m 2.1%  EBIT EUR 0.5m 1.6%	<b>Consensus</b> EUR 32m 1.1%  EUR -0.8m -2.5%		
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	<b>Sales split by product / service</b> 		<b>Sales split by region</b> 		<b>Group financial development</b> 			
Management & shareholder structure	<b>Dr. Jochen Wiechen</b> Chief Executive Officer (since 2015)  <ul style="list-style-type: none"> <li>With Intershop since 2013 (first as CTO)</li> <li>&gt;20 years experience in the software industry and at venture capital funds</li> <li>Prior to joining Intershop, Dr. Wiechen was Vice President at SAP and held board roles at datango AG and Martlet Venture Management Ltd.</li> <li>Dr. Wiechen started his career in 1994 at PSI Software AG (Berlin)</li> </ul>		<b>Markus Klahn</b> Chief Sales Officer (since 2018)  <ul style="list-style-type: none"> <li>With Intershop since 2018</li> <li>&gt;20 years experience in the software industry</li> <li>Responsibilities: service portfolio</li> <li>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.</li> </ul>		<b>Shareholder structure</b> 			
# of employees FY 2019	304							

Source: Pareto Securities Research

<b>PROFIT &amp; LOSS (fiscal year) (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
<b>Revenues</b>	<b>43</b>	<b>34</b>	<b>36</b>	<b>31</b>	<b>32</b>	<b>32</b>	<b>35</b>	<b>40</b>
<b>EBITDA</b>	<b>3</b>	<b>0</b>	<b>3</b>	<b>(4)</b>	<b>(2)</b>	<b>5</b>	<b>5</b>	<b>7</b>
Depreciation & amortisation	(3)	(2)	(2)	(2)	(4)	(4)	(4)	(4)
<b>EBIT</b>	<b>0</b>	<b>(2)</b>	<b>0</b>	<b>(6)</b>	<b>(6)</b>	<b>1</b>	<b>1</b>	<b>2</b>
Net interest	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Other financial items	-	-	-	-	-	-	-	-
<b>Profit before taxes</b>	<b>0</b>	<b>(3)</b>	<b>0</b>	<b>(6)</b>	<b>(7)</b>	<b>0</b>	<b>1</b>	<b>2</b>
Taxes	(0)	(0)	(1)	(1)	(0)	(0)	(0)	0
Minority interest	-	-	-	-	-	-	-	-
<b>Net profit</b>	<b>0</b>	<b>(3)</b>	<b>(1)</b>	<b>(7)</b>	<b>(7)</b>	<b>0</b>	<b>1</b>	<b>2</b>
EPS reported	0.00	(0.28)	(0.06)	(0.20)	(0.48)	0.03	0.06	0.15
<b>EPS adjusted</b>	<b>0.00</b>	<b>(0.21)</b>	<b>(0.06)</b>	<b>(0.19)</b>	<b>(0.44)</b>	<b>0.03</b>	<b>0.06</b>	<b>0.15</b>
DPS	-	-	-	-	-	-	-	-
<b>BALANCE SHEET (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
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
<b>Total assets</b>	<b>33</b>	<b>27</b>	<b>25</b>	<b>23</b>	<b>28</b>	<b>27</b>	<b>28</b>	<b>30</b>
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
<b>Total liabilities &amp; equity</b>	<b>33</b>	<b>27</b>	<b>25</b>	<b>23</b>	<b>28</b>	<b>27</b>	<b>28</b>	<b>30</b>
<b>CASH FLOW (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
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
<b>CAPITALIZATION &amp; VALUATION (EURm)</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
<b>Share price (EUR end)</b>	<b>3.63</b>	<b>3.21</b>	<b>5.2</b>	<b>3.94</b>	<b>3.00</b>	<b>3.16</b>	<b>3.16</b>	<b>3.16</b>
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)
<b>Enterprise value</b>	<b>29</b>	<b>28</b>	<b>50</b>	<b>133</b>	<b>36</b>	<b>38</b>	<b>37</b>	<b>36</b>
EV/Sales	0.7	0.8	1.4	4.3	1.2	1.2	1.1	0.9
<b>EV/EBITDA</b>	<b>8.3</b>	-	<b>17.7</b>	-	-	<b>8.1</b>	<b>7.4</b>	<b>5.5</b>
EV/EBIT	-	-	-	-	-	72.0	43.6	16.4
P/E reported	-	-	-	-	-	-	53.0	20.5
<b>P/E adjusted</b>	-	-	-	-	-	-	<b>53.0</b>	<b>20.5</b>
P/B	2.0	2.2	3.7	10.1	2.7	2.8	2.6	2.3
<b>FINANCIAL ANALYSIS &amp; CREDIT METRICS</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020e</b>	<b>2021e</b>	<b>2022e</b>
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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Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,010,630	9.63%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Pareto Bank ASA	14,902,985	2134%	Sparebanken Vest	6,111,796	5.69%

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Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
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Pareto Bank ASA	14,902,985	2134%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Selvaag Bolig ASA	2,171,147	2.32%	Sparebanken Møre	305,239	3.09%
SpareBank 1BV	1,655,920	2.63%	Sparebanken Sør	433,149	2.77%
SpareBank 1Nord-Norge	3,246,880	3.23%	Sparebanken Vest	6,111,796	5.69%

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Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
AF Gruppen	0	18,535	Helgeland Sparebank	0	4,127	Schibsted ASA B Aksjer	0	597
Aker	0	791	Ice Group	0	96,891	Seadrill	0	8,689
Aker BP	0	14,269	Jæren Sparebank	0	500	Selvaag Bolig	0	2,000
American Shipping Compar	0	3,500	Komplett Bank	0	104,079	SpareBank 1BV	0	22,700
Atlantic Sapphire	0	1,105	Kongsberg Gruppen	0	34,118	SpareBank 1Nord-Norge	0	27,325
Avance Gas	0	4,580	KWS	75	75	SpareBank 1Ringerike Had	0	500
Axactor	0	8,709	Lerøy Seafood	0	2,050	SpareBank 1SMN	0	22,865
BASF	270	270	Mowi	0	1,904	SpareBank 1SR-Bank	0	30,040
Bonheur	0	46,615	Nordic Semiconductor	0	6,000	Sparebank 1Østfold Akersl	0	450
BRABank	0	1,371,000	Norsk Hydro	0	96,736	SpareBank 1Østlandet	0	2,161
DNB	0	29,705	Norwegian Air Shuttle	0	49,491	Sparebanken Sør	0	15,840
DNO	0	457,388	Ocean Yield	0	39,037	Sparebanken Vest	0	5,869
DNO Bull ETN	0	7,000	Okeanis Eco Tankers	0	2,728	Sparebanken Øst	0	1,500
Entra	0	8,837	Orkla	0	18,644	Stolt-Nielsen	0	42,426
Equinor	0	5,002	Pareto Bank	0	1,279,375	Storebrand	0	6,165
Europris	0	14,750	PGS	0	11,656	Subsea 7	0	1,139
Fjord1	0	50,000	Pioneer Property	0	2,050	Telenor	0	2,731
Fjordkraft Holding	0	8,000	Protector Forsikring	0	14,785	TGS-NOPEC	0	2,000
Frontline	0	11,730	REC Silicon	0	32,708	VOWASA	0	4,781
Gjensidige Forsikring	0	7,280	SalMar	0	200	XXL	0	9,279
Golden Ocean Group	0	1,744	Sandnes Sparebank	0	27,532	Yara International	0	14,253
Grieg Seafood	0	770	Scatec Solar	0	35,000	Zenterio	0	78,865
Hafnia Limited	0	10,000						

This overview is updated monthly (last updated 17.03.2020).

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

## Appendix B

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

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

2020Bulkers	GG. St. Kongensgade 100 og 106	Ocean Yield
Avanzia Bank	Hafnia Limited	Odfjell SE
Africa Energy	Hafslund E-CO	OKEA
African Petroleum Corporation	Hunter Group ASA	Olga Group
Agder Energi	Hörmann Industries	Pareto Bank
Aker ASA	Ice Group	Petroleum Geo-Services
American Tanker	ICWHolding	PetroTal
Belships	Kingfish Zeeland	Pinewood Laboratories
BRABank	Klaveness Combination CarriersASA	Pioneer Property Group
BWEnergi	LifeFit	ProvidencesInv. Mngmt Pty
Cabonline Group Holding AB	Luxaviation Holding	Qesterre Energy
CentralNic Group	Monobank ASA	Sandnes Sparebank
DNO	Mutares SE & Co. KGaA	Seadrill
Erwe Immobilien	Navig8	Shamaran Petroleum
Euromicron AG	Navigator Holdings	Sparebanken Vest
Exmar NV	Norbit ASA	Stolt Nilsen
Filo Mining Corp	Northern Ocean	TEMPTON Dienstleistungen
Flex LNG	Norwegian Air Shuttle	United Camping AB
Floatel	Nouveau Monde Graphite	Vantage Drilling
Genel Energy		

*This overview is updated monthly (this overview is for the period 28.02.2019 – 29.02.2020).*

## Appendix C

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

### Distribution of recommendations

Recommendation	% distribution
Buy	56%
Hold	39%
Sell	5%

### 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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Bionvent	IRRAS AB	Pledpharma AB	ShaM aran Petroleum
Climeon	Jetpak Top Holding AB	QleanAir Holding	

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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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comdirect	Hypoport AG	MOBOTIX AG	

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