



Roadshow insights suggest profit recovery to come in the coming years

We accompanied management on a roadshow to Frankfurt-based investors and with this update we flag the main discussion points arising. We see the group as on the right path in addressing the loss-making UK operations, which should trigger a good profit recovery over the next 2 years. Our Buy rating is confirmed with EUR 9.5 TP.

Q3 German revenues just compensate for the international drop

Group revenues increased by 1.4% in Q3-19, in line with Pareto forecasts. Within that, domestic business was better than modelled, increasing 12% and indicates that the hoped-for second half recovery is now well underway. On the other hand, UK operations slumped more than feared, down 34%, with other segments down 20%.

The UK continues to burden profitability, but the worse has passed

Q3-19 EBIT of EUR 1.4m (-23%) made for a margin of 8.4% (from 11.1% in Q3-18). German EBIT at EUR 1.8m (+1% for 14.1% margin) is viewed as reasonable. As foreseen with the recent forecast reduction, there was a sizeable loss in the UK (EUR 0.9m at 9M) although this includes maybe EUR 0.5m one-off in nature which will yield future savings and support good profit recovery over the next two years.

Price target at EUR 9.5 and Buy rating confirmed

We continue to refer to the DCF model is setting our EUR 9.5 TP. We prefer to err on the side of caution with respect to sales development and margin recovery and this may be conservative. The shares are seen as cheap but lacking a near-term trigger.

EURm	2017	2018	2019e	2020e	2021e
Revenues	61	66	65	69	75
EBITDA	6	8	10	12	13
EBIT	4	6	5	6	7
EPS	0.39	0.35	0.28	0.34	0.39
EPS adj	0.39	0.35	0.28	0.34	0.39
DPS	0.38	0.39	0.25	0.30	0.35
EV/EBITDA	25.5	12.6	12.8	11.3	10.1
EV/EBIT	38.5	16.9	25.0	20.6	17.5
P/E adj	29.2	22.9	28.1	23.2	20.1
P/B	2.70	2.00	2.04	2.05	2.07
ROE (%)	9.4	8.5	7.1	8.8	10.2
Div yield (%)	3.4	4.9	3.1	3.8	4.3
Net debt	6	(5)	26	25	22

Source: Pareto

Target price (EUR)	9.5
Share price (EUR)	7.9

Forecast changes			
%	2019e	2020e	2021e
Revenues	(1)	(3)	(3)
EBITDA	(3)	(1)	(2)
EBIT adj	(5)	(3)	(3)
EPS reported	(6)	(2)	(3)
EPS adj	(6)	(2)	(3)

Source: Pareto

Ticker	SYZG.DE, SYZ GY
Sector	Media
Shares fully diluted (m)	13.5
Market cap (EURm)	107
Net debt (EURm)	26
Minority interests (EURm)	0
Enterprise value 19e (EURm)	133
Free float (%)	49

Performance



Source: Factset

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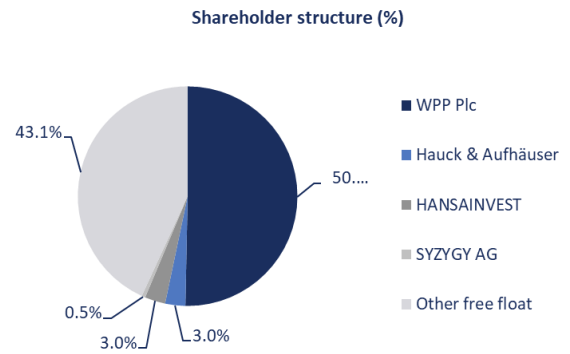
Investment case in six charts

Exhibit 1: A three pillar business model in digital



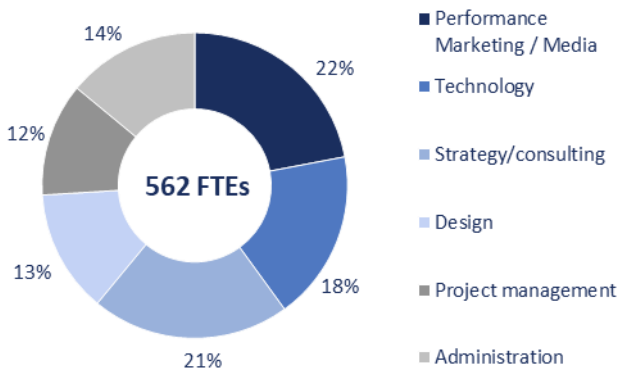
Source: Company data; Pareto

Exhibit 2: With a large and stable parent investor



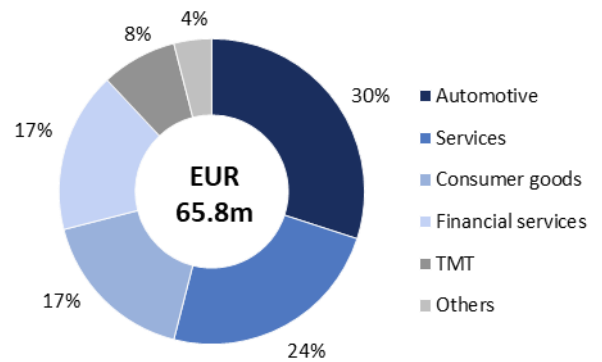
Source: Statista; Pareto

Exhibit 3: Employees: 562 FTEs plus 48 freelancers



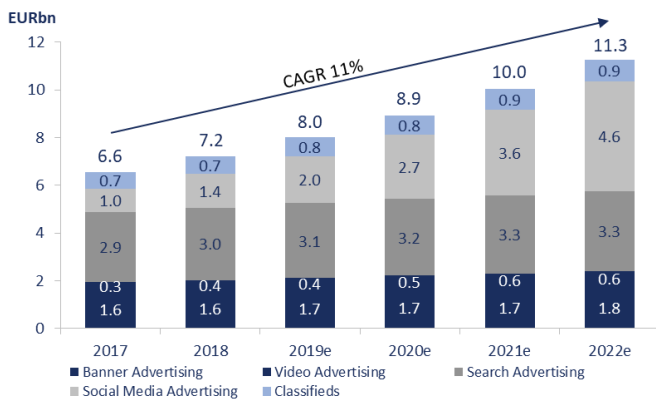
Source: Pareto

Exhibit 4: With a broad spread of client interests



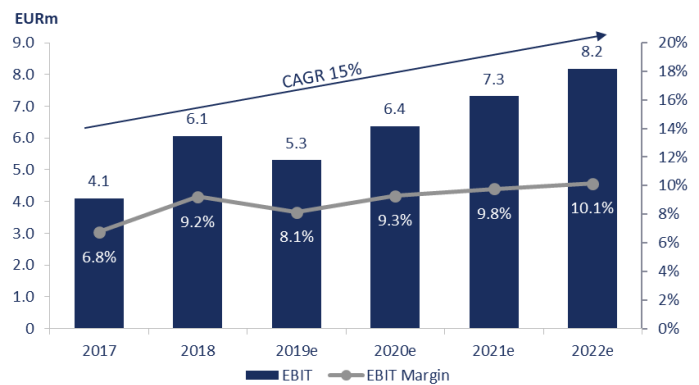
Source: Pareto

Exhibit 5: A growing digital advertising market



Source: Pareto

Exhibit 6: But Syzygy itself needs to recover margin



Source: Pareto

Key discussion issues for investors

Following the announcement of Q3 results, we accompanied management on a roadshow to Frankfurt-based investors. In this update we flag the main discussion points arising. In our view the two Board members presented well, were pretty honest with respect to questions put to them and did not shy away from addressing so-called points with the investors seen.

The search for new CEO of SYZYG AG has just started

It was recently announced that CEO Lars Lehne, who has been Chief Executive Officer of Syzygy since 2016, will leave the group by mutual agreement in March 2020. During his tenure, Mr. Lehne has successfully integrated strategically important acquisitions and aligned the group for its future development. However, across these three years sales and EBIT have tracked sideways, with margins under pressure and net income declined in a background environment which should have been supportive for the group's development.

Until his departure, the Executive Board, consisting of Lars Lehne, Frank Ladner and Erwin Greiner, will continue to manage the business together with the local management. The Supervisory Board will use this time to find a successor for the CEO position. Both Greiner (Chief Financial Officer) and Ladner (Chief Technical Officer) were present during our Frankfurt roadshow and were able to reassure that the main subsidiary operations will continue to function successfully during the period whilst the search for a new CEO progresses.

The direct search for suitable CEO candidates is likely to extend well into 2020. It was stressed that Syzygy is not anticipating any loss of business following the departure of Lehne, with no major contract up for renewal in the near-term, indeed the recent winning of Lufthansa as a new account could develop into a major client for the group. Nonetheless it was stressed that the new CEO should have a marketing bias, demonstrating the ability to win new clients for the group.

Does WPP need Syzygy?

The parent shareholder was a discussion in all meetings. In 2015 UK-listed WPP, then with near-30% stake in Syzygy AG, offered EUR 9 per share for outstanding shares and narrowly secured majority control. Subsequently, there has been a couple of periods of heavy speculation suggesting that WPP will increase its shareholding, but it remains four years later with a 50.3% stake.

Many investors have been surprised that WPP has not invested further and taken control of Syzygy. WPP is a global media conglomerate with numerous investments in German companies, but Syzygy is far its largest digital services asset in Germany – the largest media market in Europe. Other WPP businesses located in Germany include the local offices of several of its global brands including Group M, Hogarth, Ogilvy, VMLY&R, or Wunderman Thompson.

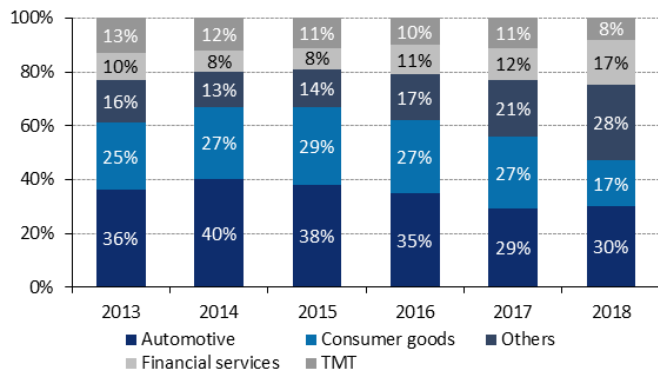
WPP is currently in the multi-year process of streamlining its operations (merging agencies, integrating product offerings) which has recently impacted competitors of Syzygy (Wunderman merged with J. Walther Thompson and VML merged with Y&R) but has so far left Syzygy untouched. The WPP 2018 Report suggests that the group will continue to simplify group structures. Meanwhile Publicis Deutschland appears to undertake a similar process with its German assets.

Still too reliant on the automotive branch

In recent years, Syzygy's biggest exposure has been to the automotive branch with several global brands having multiple contracts with different group companies. This peaked at 40% in 2014 and was as low as 29% in 2017, rising again to 30% last year. Another key branch is consumer goods (e.g. Nestle, O2,

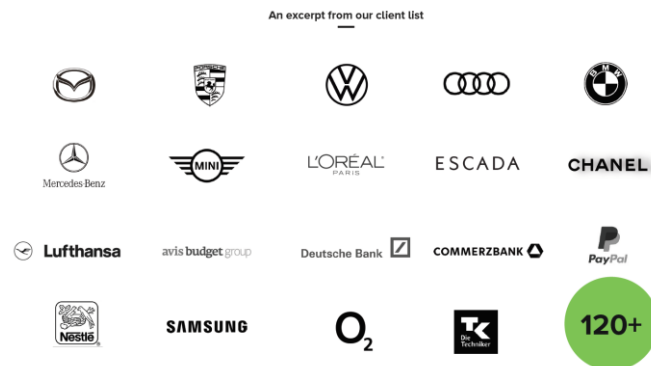
Samsung), but this has slipped from accounting for 29% in 2015 to just 17% last year. By contrast clients from financial services (Commerzbank, Deutsche Bank, PayPal) have increased from 8% to 17% over the same period.

Exhibit 7: Syzygy: clients by sector, 2013-18



Source: Pareto

Exhibit 8: Syzygy: 2018 client importance by sector



Source: Company presentation

There was the fear by some investors that the group could be adversely by its exposure to automotive groups, particularly in the light of the marked slowdown that the industry is facing today. During the meetings it was disclosed that the exposure to automotive actually increased in the 9-months to September 2019 to 32% (from 29% at 9M-18), which by our calculation indicates EUR 1.3m additional revenues from this client segment in the current year to date.

In a ranking by Nielsen of the industries with the highest advertising expenditures in Germany in H1-18, the auto sector had the second highest spend at EUR 825m. Over the same period data from OVK indicated that online advertising for the automobile sector amounted to EUR 147m. It is the latter sub-segment on which Syzygy tends to focus which its EUR 20m of annual revenues attributable to automobile clients.

The point made by management is that different companies from the automotive industry are clients of all three of Syzygy's business segments (Strategy, Product and Activation – see Exhibit 1) and several of these clients are serviced by teams in different Syzygy offices. For example, there are different contracts for Mazda UK, Mazda Europe, Mazda Japan, etc. Thus, many of the contracts are negotiated on a local basis and not globally sourced by the large OEMs. In sum, management view the group's exposure to the automotive sector as likely to remain an important pillar of the group's future development.

The UK profitability drag should turn significantly in 2020e

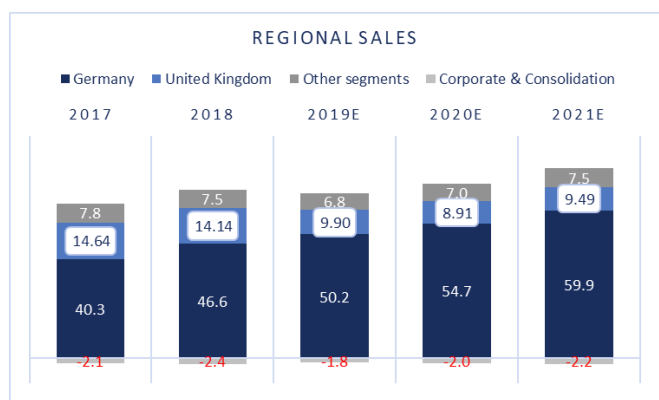
With respect to the operational segments, the UK peaked in terms of group importance in 2014 when it generated EUR 16.3m sales, at the time close to 35% of the group total. In the same year it contributed EUR 2.4m EBIT, representing 14.9% margin and accounting for 63% of reported EBIT.

The loss of a couple of major clients has meant that UK sales have declined substantially, albeit that some of this business was transferred to Syzygy subsidiaries in Germany and in Poland. As a result, UK accounted for EUR 14.1m sales in 2018 (21% of the group total) and made a small loss (EUR 41k) at the EBIT level.

Perhaps the most disappointing news with the 9-months results was the disclosure that sales in the UK had dropped 27% (equivalent to EUR 2.7m and thus the primary reason for the slight decline in group sales). More worryingly, there was an EBIT loss of EUR 923k accruing to the UK operations, some of which

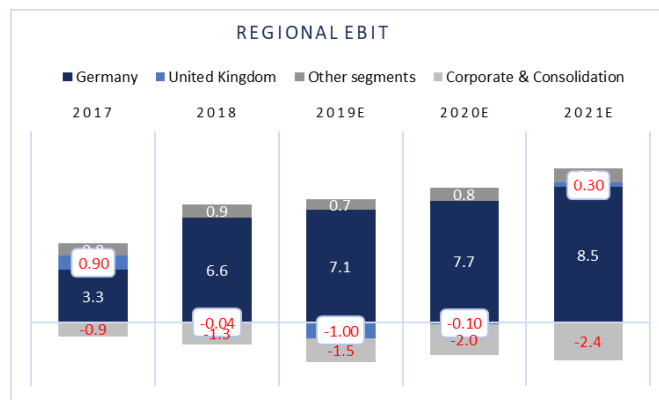
was one-off in nature. There has therefore been a downsizing of the UK operations, with 35 FTE leaving over the past year, most in the last six months. It is also planned to sublet London office space no longer required.

Exhibit 9: UK might account for 15% 2019e sales



Source: Pareto

Exhibit 10: UK could lose EUR 1m in 2019e



Source: Pareto

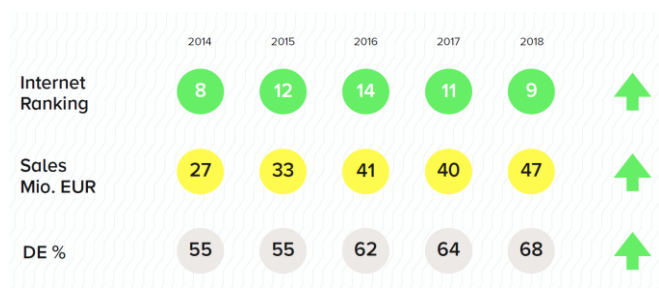
The view from management is that the worse has passed. Yes, there is likely to be a small loss in Q4-19e and probably also in Q1-20e, but thereafter the reduced costs base (employment costs and office rental) should be sufficient to bring the segment back to break-even. Importantly the costs of implementing these measures have already been charged against the group’s accounts and thus we would anticipate EUR 1m turnaround on a 12-months view. Any future client wins would then help the UK segment to grow profitability.

The current focus is to strengthen the group’s position in Germany

Partly representing the other side of the UK coin, the domestic operations increased sales in 9M-19 by 6% or EUR 2m, representing 79% of the group total. We estimate that around of the increase was organic for the German operations, with about EUR 1m of revenues stemming from the transfer of operations out of the UK.

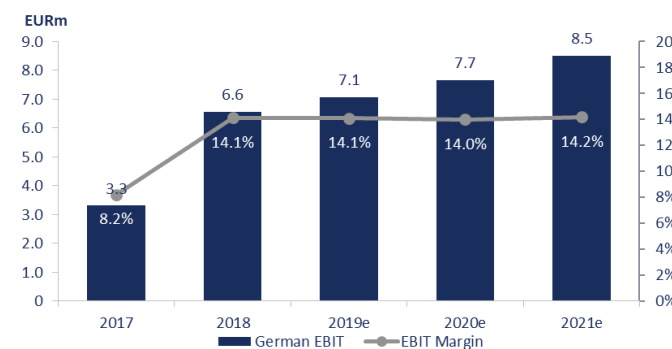
From a low of EUR 3.3m in 2017 (8.2% EBIT margin), domestic profitability doubled last year and continues to develop positively in 2019. During the meetings management was clear that German operations will continue to be a key focus over the coming years. Here, we model slightly improving margins on rising sales.

Exhibit 11: Focus Germany for digital media



Source: Company presentation

Exhibit 12: German margins have recovered well



Source: Pareto

Pareto model with only minor amendments: TP at EUR 9.50

Although the 9M-19 results were largely in line with our estimates (and management's own expectations) we have edged our full year estimates down fractionally to reflect a slowing ad market in Germany in recent weeks. We run this into 2020e and lower our sales estimates by 3%.

However, we continue to model a good improvement in EBIT margin in 2020e. The key assumption here is a stable margin in Germany, but a significant reduction in UK losses, reflecting the cost reduction program that has been under-taken in recent months. The UK alone could add EUR 1m to EBIT over a 12-month period running into 2021e.

We continue to refer to the DCF model in setting our EUR 9.5 TP. Within our model, we assume that the UK operations continue to depress group sales next year before growing again thereafter. Given likely developments in the digital communications market, it could be that our sales estimates are a little conservative. Likewise, with our assumption of modest margin growth towards the mid-term target of 10.5%.

Exhibit 13: DCF model points to EUR 9.50 target price for Syzygy

EUR m	Phase I					Phase II					Phase III
	2019e	2020e	2021e	2022e	2023e	2024e	2025e	2026e	2027e	2028e	
Revenues	65.1	68.7	74.8	80.7	86.7	92.8	99.0	105.4	114.1	121.3	
<i>growth rate</i>	-1.1%	5.5%	8.9%	7.9%	7.5%	6.8%	6.2%	5.7%	5.2%	4.8%	
EBIT	5.3	6.4	7.3	8.2	8.9	9.7	10.4	11.2	12.2	13.1	
<i>EBIT margin</i>	8.1%	9.3%	9.8%	10.1%	10.3%	10.4%	10.5%	10.6%	10.7%	10.5%	
Tax	-1.3	-1.7	-2.0	-2.3	-2.4	-2.7	-2.9	-3.2	-3.4	-3.6	
<i>Tax rate</i>	26%	27%	27%	27%	27%	27%	27%	27%	27%	27%	
Depr. & Amort.	5.1	5.3	5.4	5.6	5.7	5.8	5.8	5.9	5.9	6.0	
<i>% of sales</i>	7.8%	7.6%	7.2%	6.9%	6.6%	6.2%	5.9%	5.5%	5.2%	4.9%	
Capex	-2.0	-1.9	-2.0	-2.2	-2.3	-2.5	-2.6	-2.8	-3.0	-3.2	
<i>% of sales</i>	3.1%	2.7%	2.7%	2.7%	2.7%	2.6%	2.6%	2.6%	2.6%	2.6%	
Change in WC	-2.5	0.8	1.0	-0.3	-0.8	-1.2	-1.5	-1.8	-2.2	-2.7	
<i>% of sales</i>	3.8%	-1.1%	-1.3%	0.3%	0.9%	1.2%	1.5%	1.7%	1.9%	2.2%	
Free Cash Flow	4.6	8.8	9.7	9.1	9.1	9.1	9.2	9.4	9.5	9.6	163
<i>growth rate</i>	nm	93.1%	9.9%	-6.6%	0.6%	-0.1%	1.5%	1.8%	0.8%	1.3%	2.0%
Present Value FCF	4.5	8.1	8.2	7.1	6.6	6.1	5.8	5.4	5.1	4.8	81
PV Phase I		35				Risk free rate	3.50%		Targ. equity ratio		80%
PV Phase II		27				Premium Equity	5.00%		Beta		1.1
PV Phase III		81				Premium Debt	2.00%		WACC		8.0%
Enterprise value		143									
- Net Debt (Cash)		-5									
- Pension Provisions		0				Sensitivity			Growth in phase III		
- Minorities & Peripherals		0									
+ MV of financial assets		11									
- Paid-out dividends for last FY		-5									
+/- Other EV items		-25									
Equity value		128									
Number of shares		13.5									
Value per share (€)		9.5									
Current Price (€)		7.8									
Upside		22.3%									

Source: Pareto

PROFIT & LOSS (fiscal year) (EURm)	2014	2015	2016	2017	2018	2019e	2020e	2021e
Revenues	47	57	64	61	66	65	69	75
EBITDA	5	7	7	6	8	10	12	13
Depreciation & amortisation	(1)	(2)	(2)	(2)	(2)	(5)	(5)	(5)
EBIT	4	5	6	4	6	5	6	7
Net interest	1	2	1	1	0	(0)	0	0
Other financial items	1	1	1	1	0	-	-	-
Profit before taxes	6	7	7	6	7	5	6	7
Taxes	(1)	(2)	(2)	(1)	(2)	(1)	(2)	(2)
Minority interest	0	(0)	(0)	1	(0)	(0)	(0)	(0)
Net profit	4	5	5	5	5	4	5	5
EPS reported	0.35	0.37	0.39	0.39	0.35	0.28	0.34	0.39
EPS adjusted	0.35	0.37	0.39	0.39	0.35	0.28	0.34	0.39
DPS	0.28	0.37	0.38	0.38	0.39	0.25	0.30	0.35
BALANCE SHEET (EURm)	2014	2015	2016	2017	2018	2019e	2020e	2021e
Tangible non current assets	3	3	3	8	7	34	33	30
Other non-current assets	26	27	35	59	59	58	58	58
Other current assets	42	43	36	31	32	23	24	23
Cash & equivalents	13	4	7	7	12	15	14	16
Total assets	83	102	81	105	110	130	129	128
Total equity	51	51	50	56	54	52	51	50
Interest-bearing non-current debt	7	2	7	22	17	44	43	43
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	26	49	24	27	39	34	35	35
Total liabilities & equity	83	102	81	105	110	130	129	128
CASH FLOW (EURm)	2014	2015	2016	2017	2018	2019e	2020e	2021e
Cash earnings	10	7	5	2	6	7	8	9
Change in working capital	4	(9)	1	3	11	(3)	1	1
Cash flow from investments	(5)	(3)	2	(4)	(5)	5	(5)	(3)
Cash flow from financing	(4)	(4)	(5)	(0)	(7)	(7)	(5)	(5)
Net cash flow	6	(9)	3	0	5	3	(1)	3
CAPITALIZATION & VALUATION (EURm)	2014	2015	2016	2017	2018	2019e	2020e	2021e
Share price (EUR end)	6.4	8.8	11.6	11.3	8.0	7.9	7.9	7.9
Number of shares end period	13	13	13	14	14	14	14	14
Net interest bearing debt	(10)	(20)	(15)	6	(5)	26	25	22
Enterprise value	71	92	132	158	103	133	131	128
EV/Sales	1.5	1.6	2.1	2.6	1.6	2.0	1.9	1.7
EV/EBITDA	14.1	12.5	18.0	25.5	12.6	12.8	11.3	10.1
EV/EBIT	18.5	17.5	23.7	38.5	16.9	25.0	20.6	17.5
P/E reported	18.3	24.1	29.7	29.2	22.9	28.1	23.2	20.1
P/E adjusted	18.3	24.1	29.7	29.2	22.9	28.1	23.2	20.1
P/B	1.6	2.2	3.0	2.7	2.0	2.0	2.1	2.1
FINANCIAL ANALYSIS & CREDIT METRICS	2014	2015	2016	2017	2018	2019e	2020e	2021e
ROE adjusted (%)	8.8	9.1	9.9	9.4	8.6	7.1	8.9	10.4
Dividend yield (%)	4.4	4.2	3.3	3.4	4.9	3.1	3.8	4.3
EBITDA margin (%)	10.8	12.9	11.5	10.2	12.4	16.0	16.9	17.0
EBIT margin (%)	8.2	9.2	8.7	6.8	9.2	8.1	9.3	9.8
NIBD/EBITDA	(1.90)	(2.72)	(2.07)	0.95	(0.66)	2.48	2.15	1.74
EBITDA/Net interest	-	-	-	-	-	-	-	-

PROFIT & LOSS (fiscal year) (EURm)	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19e
Revenues	15	17	16	18	16	16	16	17
EBITDA	1	2	2	2	3	3	3	3
Depreciation & amortisation	(0)	(1)	(0)	(1)	(1)	(1)	(1)	(1)
EBIT	1	2	2	2	1	1	1	1
Net interest	0	0	0	0	(0)	(0)	(0)	0
Other financial items	-	-	-	0	-	-	-	-
Profit before taxes	1	2	2	2	1	1	1	1
Taxes	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Minority interest	(0)	(0)	(0)	(0)	(0)	(0)	(0)	0
Net profit	1	1	1	1	1	1	1	1
EPS reported	0.07	0.10	0.10	0.09	0.08	0.07	0.06	0.06
EPS adjusted	0.07	0.10	0.10	0.09	0.08	0.07	0.06	0.06
DPS	-	0.38	-	-	-	0.39	-	-
BALANCE SHEET (EURm)	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19e
Tangible non current assets	8	7	7	7	27	32	35	34
Other non-current assets	59	58	59	59	59	58	58	58
Other current assets	30	32	34	32	37	27	25	23
Cash & equivalents	9	5	8	12	0	5	4	15
Total assets	105	102	107	110	123	122	122	130
Total equity	57	51	53	54	56	51	51	52
Interest-bearing non-current debt	21	20	19	17	39	42	44	44
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	27	31	35	39	29	30	27	34
Total liabilities & equity	105	102	107	110	123	122	122	130
CASH FLOW (EURm)	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19e
Cash earnings	2	1	2	2	2	1	2	2
Change in working capital	2	0	3	5	(11)	2	(2)	9
Cash flow from investments	(2)	2	(1)	(3)	(2)	8	(0)	(1)
Cash flow from financing	-	(6)	(0)	(1)	(0)	(6)	(1)	-
Net cash flow	2	(4)	3	4	(11)	5	(1)	11
CAPITALIZATION & VALUATION (EURm)	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19e
Share price (EUR end)	10.8	10.0	8.8	8.0	9.1	9.7	9.4	7.9
Number of shares end period	13	13	13	13	13	13	13	13
Net interest bearing debt	2	6	2	(5)	26	34	36	26
P/E reported	29.3	28.3	25.6	22.9	25.0	28.6	31.0	28.1
P/E adjusted	29.3	28.3	25.6	22.9	25.0	28.6	31.0	28.1
P/B	2.5	2.6	2.2	2.0	2.2	2.5	2.4	2.0
FINANCIAL ANALYSIS & CREDIT METRICS	1Q'18	2Q'18	3Q'18	4Q'18	1Q'19	2Q'19	3Q'19	4Q'19e
Dividend yield (%)	3.4	3.8	4.3	4.7	4.2	4.0	4.1	4.9
EBITDA margin (%)	9.6	14.4	13.9	11.5	16.9	16.5	17.0	17.2
EBIT margin (%)	7.2	10.1	11.1	8.6	9.2	8.6	8.4	6.5
NIBD/EBITDA	0.46	0.53	0.48	0.12	0.77	1.49	2.27	2.78
EBITDA/Net interest	-	-	-	-	-	-	-	-

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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

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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	13,685,885	19.59%	Sparebanken Vest	4,507,960	7.64%

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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	13,685,885	19.59%	Sparebanken Møre	305,239	3.09%
Selvaag Bolig ASA	2,172,147	2.32%	Sparebanken Sør	433,149	2.77%
SpareBank 1BV	1,650,920	2.62%	Sparebanken Vest	4,507,960	7.64%
SpareBank 1Nord-Norge	3,240,880	3.23%	Totens Sparebank	79,246	12.9%
SpareBank 1SMN	1,878,192	1.45%			

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Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings	Company	Analyst holdings*	Total holdings
AF Gruppen	0	18,475	Høegh LNG	0	3,890	Sandnes Sparebank	0	24,251
Aker	0	1,021	Jæren Sparebank	0	500	Scatec Solar	0	35,675
Aker BP	0	7,829	Komplett Bank	0	106,656	Schibsted ASA B Aksjer	0	453
AKVA Group	0	2,100	Kongsberg Gruppen	0	34,051	Seadrill	0	9,819
Atlantic Sapphire	0	3,805	KWS	75	75	Selvaag Bolig	0	3,000
Avance Gas	0	4,580	Lerøy Seafood	0	4,880	SpareBank 1BV	0	17,700
Axactor	0	8,709	Mowi	0	2,619	SpareBank 1Nord-Norge	0	26,500
BASF	270	270	NORBIT	0	18,864	SpareBank 1Ringerike Had	0	500
Bonheur	0	49,085	Nordic Semiconductor	0	6,000	SpareBank 1SMN	0	15,490
BRABank	0	1,371,000	Norsk Hydro	0	96,051	SpareBank 1SR-Bank	0	29,573
DNB	0	31,285	Northern Drilling	0	5,060	Sparebank 1Østfold Akersl	0	450
DNO	0	400,998	Norwegian Air Shuttle	0	40,447	SpareBank 1Østlandet	0	2,891
DNO Bull ETN	0	7,000	Norwegian Energy Compan	0	300	Sparebanken Sør	0	15,840
Entra	0	31,627	Ocean Yield	0	34,967	Sparebanken Vest	0	1,900
Equinor	0	6,431	Odjell Drilling	0	2,244	Sparebanken Øst	0	1,500
Europris	0	14,750	Okeanis Eco Tankers	0	2,228	Stolt-Nielsen	0	41,277
Fjord1	0	51,250	Orkla	0	19,148	Storebrand	0	5,565
Fjordkraft Holding	0	8,000	Panoro Energy	0	6,170	Subsea 7	0	1,162
Flex LNG	0	1,032	Pareto Bank	0	1,196,275	Telenor	0	1,911
Frontline	0	11,730	Pioneer Property	0	2,050	TGS-NOPEC	0	2,000
Gjensidige Forsikring	0	6,712	Protector Forsikring	0	14,385	XXL	0	8,879
Golden Ocean Group	0	1,744	REC Silicon	0	32,776	Yara International	0	13,545
Grieg Seafood	0	970	SalMar	0	280	Zenterio	0	78,865
Helgeland Sparebank	0	4,127						

This overview is updated monthly (last updated 18.11.2019).

*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	Genel Energy	Nouveau Monde Graphite
Avanzia Bank	Gfinity Plc	Ocean Yield
African Petroleum	GG. St. Kongensgade 100 og 106	OKEA
Agder Energi	Hafslund E-CO	OkeanisEco Tankers
American Tanker	HKN Energy Ltd	Otiga Group
Andfjord Salmon	Hunter Group ASA	Panoro Energy
APC Forsikringsmæglere A/S	Hörmann Industries	Pareto Bank
BelshipsASA	Ice Group	Petroleum Geo-Services
Bluewater Holding	Jactel AS	PetroTal
BRAbank	KlavenessShip Holding	Pioneer Property Group
CentralNic Group	LifeFit	Point ResourcesAS
DNO	Lundin Petroleum	Questerre Energy
Dof Subsea	Magseis	Rødovre Port Holding A/S
Eco Atlantic Oil and Gas	Monobank ASA	Shamran Petroleum
Euromicron AG	Navig8	Sparebank 1Østlandet
Exmar NV	Navigator Holdings	Stolt Nilsen
Filo Mining Corp	NGEx Resources	TEMPTON Dienstleistungen
Flex LNG	Norbit ASA	Vantage Drilling
Floatel	Norwegian Air Shuttle	

This overview is updated monthly (this overview is for the period 31.10.2018 – 31.10.2019).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	62%
Hold	33%
Sell	4%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	84%
Hold	11%
Sell	5%

* 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		

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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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Demire	ISRA Vision	PWO *	va-Q-tec *
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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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B.R.A.I.N.	Hypoport AG	Merkur Bank	Stegfried Holding AG
comdirect	init	MOBOTIX AG	Vapiano

This overview is updated monthly (last updated 18.11.2019).