

Downgrade to Hold with new TP of EUR 200 (EUR 190)



Last week Hypoport reported final Q1 results which were in line with our estimates. While revenues increased by strong 30% yoy to EUR 78m, EBIT was up by only 6% yoy to EUR 8.0m, mainly due to the fact that the transaction volume with the institutional housing industry was down yoy and the retail segment was negatively impacted from increased investment costs. Hypoport confirmed its guidance and we see the company well on track to reach our EPS estimates. After a share price performance of more than 30% year-to-date we downgrade the shares to Hold with a new target price of EUR 200 (EUR 190). While we have left our earnings estimates unchanged we have rolled our DCF-based valuation forward which resulted in the increase of the target price. We continue to like the story and see strong earnings growth ahead for Hypoport (2018-2020e EPS CAGR: 26%) but think that this is adequately reflected in the current valuation with a 2020e PER of 35x.

Q1 results

EBIT margin was down by 230 bps yoy to 10.3% in Q1. While both the Insurance and Credit platform showed a good performance, the two other units reported EBIT declines despite higher revenues.

Valuation and Recommendation

Our valuation is based upon a DCF model which we have rolled forward by one year. Hence, we have increased our target price from EUR 190 to EUR 200. As there is no share price upside left we downgrade the shares from Buy to Hold. The growth story remains intact, but we see the shares fairly valued at the moment with a 2020e PER of 35x.

EURm	2016	2017	2018	2019e	2020e
Revenues	157	195	266	332	369
EBITDA	28	30	39	56	64
EBIT	23	23	29	40	48
EPS	3.02	3.10	3.69	4.77	5.80
EPS adj	3.02	3.10	3.69	4.77	5.80
DPS	-	-	-	-	-
EV/EBITDA	15.7	28.3	23.1	21.7	18.1
EV/EBIT	19.1	36.6	30.9	30.4	24.4
P/E adj	25.8	46.9	40.2	42.0	34.5
P/B	7.24	10.46	6.04	6.84	5.71
ROE (%)	31.1	25.2	19.1	17.7	18.0
Div yield (%)	-	-	-	-	-
Net debt	(18)	(11)	(22)	(44)	(84)

Source: Pareto

Target price (EUR)	200
Share price (EUR)	200

Ticker	HYQGN.DE, HYQ GR
Sector	Diversified Financials
Shares fully diluted (m)	6.2
Market cap (EURm)	1,249
Net debt (EURm)	-44
Minority interests (EURm)	0
Enterprise value 19e (EURm)	1,206

Performance



Source: Factset

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Exhibit 1: Q1 2019

EUR m	Q1 2019	Q1 2019e	Q1 2018	yoy	Cons.	delta
Revenues	78.0	75.1	60.1	29.8%	na	na
EBIT	8.0	8.0	7.5	6.1%	na	na
EBIT Margin	10.3%	10.7%	12.5%	-228 BP	na	na
Net Profit	na	6.3	5.9	na	na	na

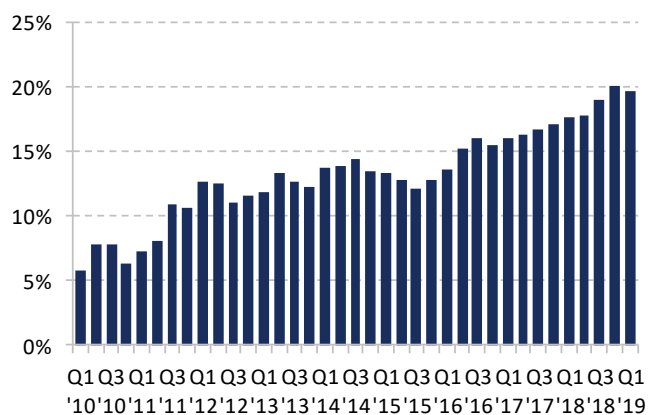
Source: Pareto Securities Research, Hypoport

Credit Platform

GENOPACE and FINMAS with impressive growth rates

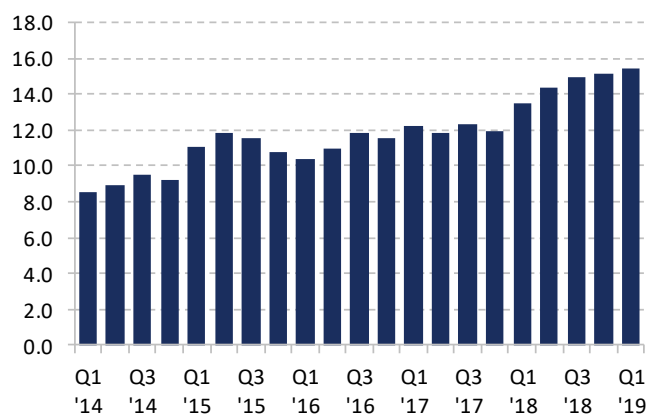
Transaction figures of Europace in Q1 2019 were good once again with an increase by 14% yoy, but the growth rate was somewhat weaker than in previous quarters (Q4 '18: +27% yoy) which can be partially seen as a base effect as Q1 2018 had been a good quarter. Another reason is the decline in consumer loan volume which fell by 10% yoy. Mortgage loan volumes increased by 16% yoy to EUR 12.1bn. Market share was up by 2%-pts. yoy to 19.60% but slightly down by 40 bp's qoq (measured by new business figures published by the Bundesbank). An important growth driver was clearly the strong growth among savings and mutual banks. While FINMAS (JV with the savings banks) managed to increase the transaction volume by 56% yoy to EUR 1.3bn, GENOPACE even increased the transaction volume by 82% yoy to EUR 0.7bn, a very strong performance. This development is particularly pleasing in our view as GENOPACE has always been lagging behind FINMAS in recent quarters regarding growth rates.

Exhibit 2: Market share of Europace in mortgage loans*



Source: Pareto Securities Research, Bundesbank, Hypoport; * based upon new business figures published by Europace and Bundesbank (market volumes)

Exhibit 3: Transaction volume dev. at Europace (EUR bn)



Source: Pareto Securities Research, Europace

Revenues of the unit were up by 19% yoy to EUR 30.8m, EBIT even increased by 25% yoy to EUR 6.5m. EBIT margin improved by 100 bps yoy to 21.1% showing once again the scalability of the business model. Given the continued growth of the GENOPACE and FINMAS partners in Q1 2019 we expect the credit platform to remain the group's key EBIT driver in 2019.

Private Clients

Private Clients managed to increase the number of consultants by 60 yoy to 621 (26 new consultants were won in Q1 2019), the transaction volume was up by 9% yoy to EUR 1.7bn. While revenues increased by 13% yoy to EUR 25.3m, EBIT declined by 35% yoy to EUR 2.2m due to higher investments into digitalization of processes, into personal capacity and connecting additional product partners which required e.g. extra training and/or software updates. This should be not a one-time effect in Q1 2019 but should continue to burden profitability in the next

quarters. We see this short-term dip in profitability not negatively as these investments should lead to higher revenues and profitability in the mid-term.

Real Estate Platform

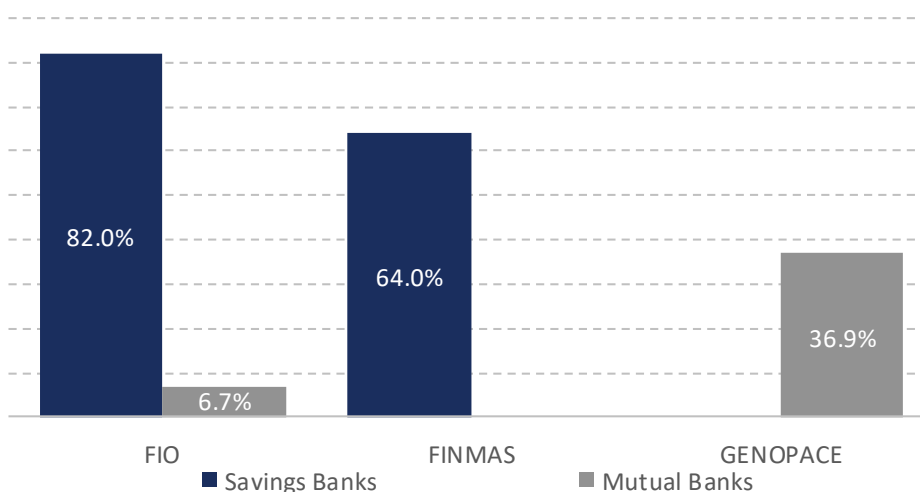
*Lower transaction volumes
burden profitability*

Despite the acquisition of various companies recently and the creation of new sub-segments (valuation, administration and sales platform) the Real Estate Platform's profitability still depends to a large extent on the brokerage of loans to the institutional housing industry. This business is characterized by a high profitability and a high lumpiness, i.e. one or two large tickets can have a significant EBIT impact. Due to the interest rate environment (continuous decline of rates in Q1) the housing industry was not very active in Q1 but rather remained in a "wait and see" mode. Hence, the brokerage volume declined by 37% yoy to EUR 0.3bn, related revenues were down by 26% yoy to EUR 3.5m. This revenues decline was offset by the other sub-segments. Thus total revenues of the segment increased by 46% yoy to EUR 9.7m. EBIT declined however by 59% yoy to EUR 0.9m as the "new" businesses are characterized by a lower profitability in general and as these business still require investments to further expand the business.

*FIO and VALUE AG with good
growth potential*

We see good growth potential in particular for FIO, which offers the leading real estate brokerage software. 6 out of 10 real estate brokers in Germany use FIO, which has a particularly strong market position among the savings banks. More than 80% of the German savings banks use FIO. Among the mutual banks the penetration is still rather low with below 10%. This shows however the big growth potential for FIO in our view, as Hypoport should be able to use its good relationship with mutual banks in Germany (almost 40% of the German mutual banks are partners of Europace) to reach higher usage rates among the mutual banks. VALUE AG which has been merged with Hyp Service, which is the valuation expert focusing on real estate properties with a value below EUR 400k, is basically an independent valuation expert of real estate properties. As CEO Slabke has explained in the CC this business is not yet very profitable as the valuation has not yet been really digitalized and thus margins are low because of the high level of manual work which is still required for valuing the real estate properties.

Exhibit 4: Market share of FIO among savings & mutual banks compared to FINMAS and GENOPACE



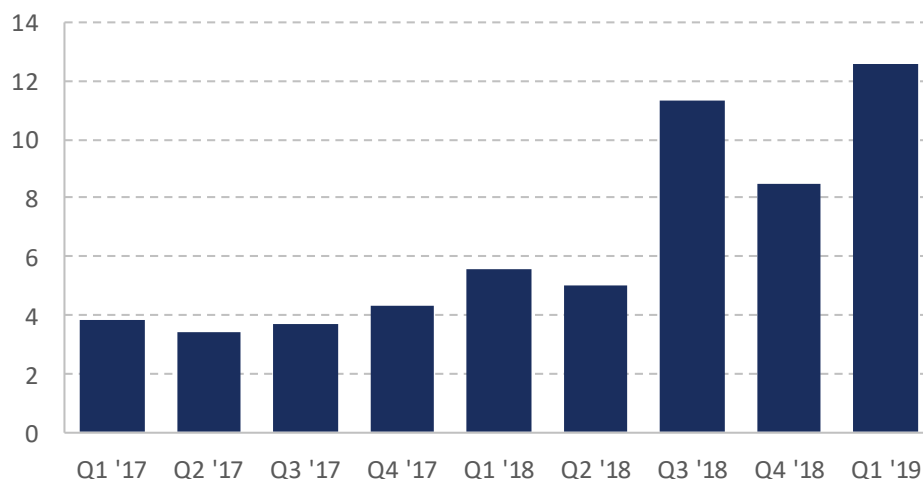
Source: Pareto Securities Research, Hypoport

Insurance Platform

EBIT of EUR 0.6m in Q1

Revenues more than doubled yoy to EUR 12.6m, EBIT increased by EUR 1.4m to EUR 0.6m. This is clearly a good achievement and shows that the Insurance Platform is on track, even if most of the revenues growth should have come from acquisitions. The CEO cautioned in the CC not to extrapolate the Q1 EBIT for the rest of the year.

Exhibit 5: Revenue development Insurance Platform (EUR m)



Source: Pareto Securities Research, Hypoport

Financials

We leave our earnings estimates unchanged. Our full-year EBIT forecast of EUR 39.4m (consensus: EUR 37.7m) looks very bullish at first glance if taking into account that Hypoport has achieved an EBIT of EUR 8.0m in Q1. As we however expect a higher profit contribution from the brokerage of loans to the institutional housing industry and as we expect Europace to continue to perform strongly we see our EBIT forecast as ambitious but reachable.

Valuation

Our valuation is based upon a DCF (WACC: 7.6%, Terminal value at 72% of total value, terminal growth: 2%). Thus we have derived a target price of EUR 200. Shares are trading at a premium to other German financial service companies (HYP 2020e PER: 35x, average of selected German Financial Service companies 2020e PER: 17x) which is however justified in our view as earnings growth rates are higher and we think that Hypoport's earnings stability should be higher. Comparing Hypoport's valuation to that of other platform providers like CTS (2020e PER: 27x) or Scout 24 (2020e PER: 22x) or fast growing software companies like Nemetschek (2020e PER: 51x) or RIB Software (2020e PER: 34x) Hypoport's valuation looks more to be in line, in particular in comparison with the latter two software companies.

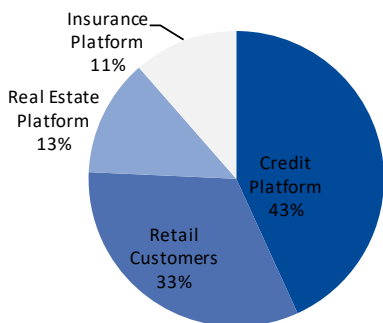
Exhibit 6: DCF Model

Expectations in EUR m	Phase I				Phase II					Phase III	
	2019	2020	2021	2022	2023	2024	2025	2026	2027		2028
Revenues	332	369	410	455	500	550	603	662	725	794	
<i>growth rate</i>	25.0%	11.0%	11.0%	11.0%	10.0%	9.9%	9.8%	9.7%	9.6%	9.5%	
EBIT	39	47	55	63	73	82	94	106	120	131	
<i>EBIT Margin</i>	11.8%	12.9%	13.3%	13.9%	14.5%	15.0%	15.5%	16.0%	16.5%	16.5%	
Tax	-8	-10	-11	-13	-16	-18	-21	-23	-26	-29	
<i>Tax rate</i>	21.0%	21.0%	21.0%	21.0%	22.0%	22.0%	22.0%	22.0%	22.0%	22.0%	
Depreciation	11	12	12	12	17	18	20	22	24	26	
<i>% of revenue</i>	3.3%	3.1%	3.0%	2.7%	3.3%	3.3%	3.3%	3.3%	3.3%	3.3%	
Capex	-12	-14	-14	-14	-16	-18	-19	-21	-23	-25	
<i>% of revenue</i>	3.6%	3.8%	3.4%	3.1%	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%	
Change in Working Capital	-7	-2	-2	-2	-2	-2	-3	-3	-3	-3	
<i>% of revenue</i>	2.2%	0.5%	0.5%	0.4%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	-1.0%	
Free Cash Flow	23	33	40	47	55	62	71	80	91	100	1,829
<i>growth rate</i>	nm	46.0%	19.1%	17.3%	17.6%	13.8%	13.6%	13.3%	13.1%	9.5%	2.0%
Present Value CF	22	30	33	36	39	41	44	46	49	49	907
PV Phase I		120			Market Cap		874		Target equity ratio		80%
PV Phase II		268			Risk premium		5.00%		Beta		1.0
PV Phase III		907			Risk-free rate		3.50%		WACC		7.6%
Enterprise value		1,296			Sensitivity				Growth in Phase III		
+ Cash		32			Analysis		1.0%	1.5%	2.0%	2.5%	3.0%
- Debt		81				6.80%	204	219	237	259	287
Equity Value		1,247				7.17%	189	202	217	235	258
Number of shares		6			WACC	7.55%	176	187	200	215	233
						7.93%	165	174	185	198	213
Value per share		200				8.31%	154	162	172	182	195

Source: Pareto Securities Research

Investment Case in Charts

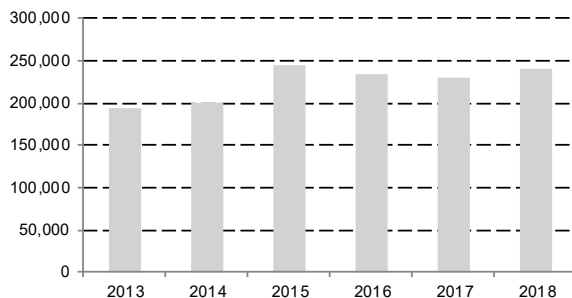
Revenues split (2018)



Credit Platform (Europace) & Retail Cust. (Dr. Klein) are the key revenue pillars, the Ins. Platf. should be the growth engine in the mid-term.

Source: Hypoport, Pareto Sec. Research

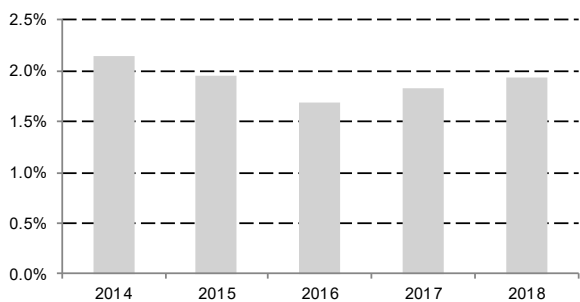
Market development (new mortgage loans in EUR m)



While the overall market development has been rather sluggish in recent years, HYP managed to increase its market share to 20%.

Source: Hypoport, Pareto Sec. Research

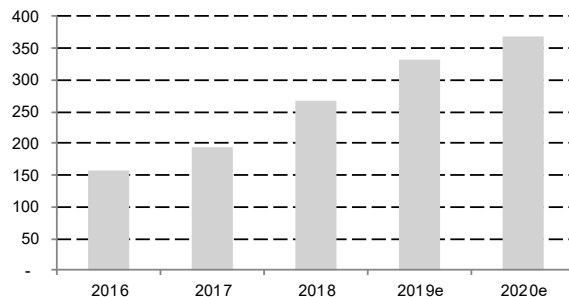
10YR Mortgage Rate development



10YR Mortgage rates on record low levels; we do not expect a sharp increase in the short term.

Source: Hypoport, Pareto Sec. Research

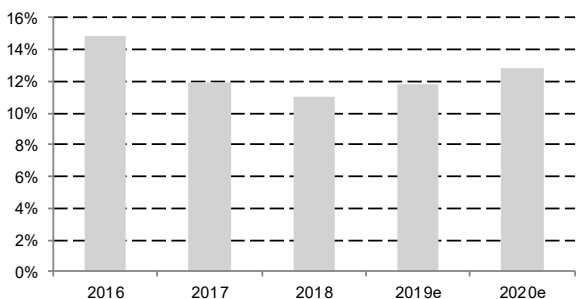
Revenues development (in EUR m)



The recent acquisitions together with a growing market share of Europace/Dr. Klein should be the main revenue drivers.

Source: Hypoport, Pareto Sec. Research

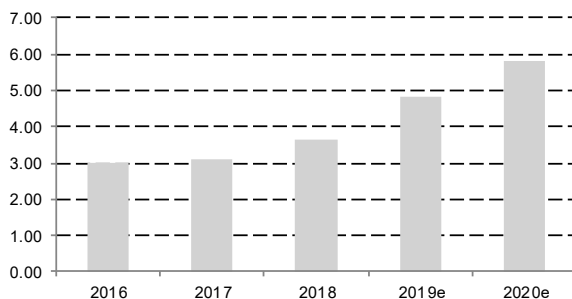
EBIT margin development



We forecast EBIT margin to slightly increase in 2019e, driven by higher revenues.

Source: Hypoport, Pareto Sec. Research

EPS development (in EUR)



We forecast EPS CAGR of 26% (2018e-'20e).

Source: Hypoport, Pareto Sec. Research

Source: Pareto Securities Research

At a Glance

Business Units	Credit Platform	Private Clients	Real Estate Platform	Insurance Platform
		 DIE PARTNER FÜR IHRE FINANZEN		
Products/ applications	Through its credit platform Europace the company is enabling banks to distribute loans of more than 600 banks to its customers. Banks can also use Europace to solely process their own loan business.	Dr. Klein is the brand through which Hypoport is servicing retail customers. Dr. Klein's more than 600 IFAs advise customers on different financial products, the focus being clearly on mortgage loans.	Hypoport is brokering real estate loans to institutional customers via Dr. Klein Inst. Clients. Following the transactions of Value and FIO Hypoport offers also real estate valuation and different software (e.g. for brokering real estate) solutions.	Hypoport's youngest business unit targets the insurance market. Idea is to build an Europace for the insurance industry, i.e. an online insurance market place which comprises products comparison, advice tools and processing of the policies and claims management.
Customers	Customers range from mortgage brokers via Postbank to savings and mutual banks. Savings and mutual banks are serviced via two separate joint ventures. Although we do not have any figures we do not see Europace being dependent on a few single customers.	Customers are normal retail customers with average financing needs. Mortgage customers should be above average incomes. Very diversified customer base, no dependence on single customers at all.	Customers of Dr. Klein are professional real estate investors, mainly public housing investors. Customers of FIO and Value are mainly banks. We do not have any figures, but the dependence on single customers may be somewhat higher for Dr. Klein.	Potential customers include insurance brokers, IFAs and insurance companies. At the moment HYP has only customers which use certain parts of the software. Revenues are still on low level, i.e. customer dependence not an issue yet.
Market share/ positioning	Overall market share of Europace in GER in mortgage loans is around 20%. Market share of around 50% among mortgage brokers, market share of only 4% among savings/ 2% with mutual banks.	No figures available, we estimate that Dr. Klein has a market share of around 10%.	No figures available, but Dr. Klein's market share should be around 20%. FIO has a market share of above 80% among the savings banks with its real estate brokerage software.	Market share not yet meaningful as this unit is still in the ramp-up phase.
Drivers	Main driver is the demand for mortgage loans which is impacted by level of interest rates and demand for apartments/housing.	Main driver is the demand for mortgage loans which is impacted by level of interest rates and demand for apartments/housing.	High dependence on the public hand; even if the need for more public housing is high, the process until construction starts and a loan is needed may take long. Winning market share of FIO & Value among banks.	Overall growth of insurance premiums and growing need for insurers and brokers to increase efficiency.
Main competitors	Interhyp is the only competitor offering a comparable solution.	Main competitors are mortgage brokers like Interhyp, Swiss Life Select and Planet Home. IFAs like MLP, OVB or DVAG focus more on insurance/investment products.	Mainly savings banks, but also mutual and private banks for the brokerage business. FIO's competitors are other software companies.	At the moment similar software solutions are offered by Acturis and Finanzsoft/softair.
Entry barriers/ competitive advantage	Entry barriers depend on the different business units. Highest entry barriers exist in our view in Hypoport's strongest growing unit, Europace. With the underlying technology and the extensive customer relationships HYP has a decisive competitive advantage compared to other players.			
Strategy & Guidance	Strategy: (I) Winning more customers for Europace to realize economies of scale. (II) Build-up of an insurance marketplace in the mid-to-long term. (III) Developing Private and Institutional Clients further which should continue to benefit from the housing boom in Germany		Guidance 2019: Revenue: EUR 310m-340m EBIT EUR 32m-40m	Pareto Estimates Revenue: 332 y/y EBIT 39.7 Consensus 197 -26.0% 37.7
2018	Sales (EURm) 266.0 y/y 36.5%	EBITDA (EURm) 39.1 Margin 14.7%	EBIT (EURm) 29.3 Margin 11.0%	EPS 3Y hist. CAGR 11.9%
Sales & EBIT Split				
Shareholder structure & management	CEO Ronald Slabke Major shareholder and CEO (since 2010) • With Hypoport since 2002 • >20 years experience in the banking industry • prior to becoming CEO he was board member of Hypoport (since 2002). He joined Dr. Klein & Co GmbH & Co. KG in 1996, he became a board member in 2000.		Stephan Gawarecki Board Member (since 2010) • With Dr. Klein since 2004 • almost 20 years experience in the banking/insurance industry • Prior to his career at Dr. Klein Mr. Gawarecki worked for FinanceScout24 and Deutscher Ring • Mr. Gawarecki is responsible for the segments Private Clients and Insurance Platform.	
# of employees FY	1,500			
Shareholder structure				

Source: Pareto Securities Research, Hypoport

PROFIT & LOSS (fiscal year) (EURm)	2013	2014	2015	2016	2017	2018	2019e	2020e
Revenues	101	112	139	157	195	266	332	369
EBITDA	8	13	25	28	30	39	56	64
Depreciation & amortisation	(4)	(5)	(6)	(5)	(7)	(10)	(16)	(17)
EBIT	4	8	19	23	23	29	40	48
Net interest	0	0	0	0	1	1	1	1
Other financial items	(1)	(1)	(1)	(1)	(1)	(2)	(3)	(3)
Profit before taxes	3	7	19	23	23	28	38	46
Taxes	(0)	(1)	(3)	(5)	(5)	(6)	(8)	(10)
Minority interest	-	-	-	-	-	-	-	-
Net profit	3	6	16	18	18	22	30	36
EPS reported	0.49	0.97	2.63	3.02	3.10	3.69	4.77	5.80
EPS adjusted	0.49	0.97	2.63	3.02	3.10	3.69	4.77	5.80
DPS	-	-	-	-	-	-	-	-
BALANCE SHEET (EURm)	2013	2014	2015	2016	2017	2018	2019e	2020e
Tangible non current assets	2	2	3	3	4	10	29	25
Other non-current assets	35	37	38	52	68	211	207	206
Other current assets	25	29	31	35	54	53	53	55
Cash & equivalents	12	12	25	22	14	32	55	90
Total assets	74	80	96	112	141	306	343	377
Total equity	33	39	53	64	83	153	183	219
Interest-bearing non-current debt	12	11	7	6	13	71	93	95
Interest-bearing current debt	5	5	4	4	3	10	10	5
Other Debt	25	26	32	37	42	71	58	58
Total liabilities & equity	74	80	96	112	141	306	343	377
CASH FLOW (EURm)	2013	2014	2015	2016	2017	2018	2019e	2020e
Cash earnings	5	11	24	26	24	35	40	53
Change in working capital	4	(2)	3	(8)	(16)	6	(5)	(2)
Cash flow from investments	(6)	(6)	(7)	(13)	(21)	(86)	(34)	(12)
Cash flow from financing	(1)	(1)	(7)	(7)	5	63	22	(3)
Net cash flow	2	1	13	(2)	(8)	19	23	36
CAPITALIZATION & VALUATION (EURm)	2013	2014	2015	2016	2017	2018	2019e	2020e
Share price (EUR end)	9.7	12.2	80.5	77.8	145.4	148.2	200.0	200.0
Number of shares end period	6	6	6	6	6	6	6	6
Net interest bearing debt	(7)	(7)	(20)	(18)	(11)	(22)	(44)	(84)
Enterprise value	53	68	466	444	853	904	1,206	1,165
EV/Sales	0.5	0.6	3.4	2.8	4.4	3.4	3.6	3.2
EV/EBITDA	6.5	5.3	18.6	15.7	28.3	23.1	21.7	18.1
EV/EBIT	13.5	8.5	24.2	19.1	36.6	30.9	30.4	24.4
P/E reported	19.9	12.6	30.6	25.8	46.9	40.2	42.0	34.5
P/E adjusted	19.9	12.6	30.6	25.8	46.9	40.2	42.0	34.5
P/B	1.8	1.9	9.3	7.2	10.5	6.0	6.8	5.7
FINANCIAL ANALYSIS & CREDIT METRICS	2013	2014	2015	2016	2017	2018	2019e	2020e
ROE adjusted (%)	18.2	16.5	34.7	31.0	25.1	19.0	17.7	18.0
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	8.1	11.3	18.0	18.1	15.5	14.7	16.7	17.5
EBIT margin (%)	3.9	7.1	13.9	14.8	12.0	11.0	11.9	13.0
NIBD/EBITDA	(0.82)	(0.57)	(0.81)	(0.63)	(0.38)	(0.56)	(0.78)	(1.31)
EBITDA/Net interest	-	-	-	-	-	-	-	-

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	"Hold"	Pareto Securities Research expects this financial instrument's total return to be between -10% and 10% over the next 12 months
	"Sell"	Pareto Securities Research expects this financial instrument's total return to be negative by more than 10% over the next 12 months

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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	2,010,785	9.63%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Pareto Bank ASA	10,846,900	18.50%	Sparebanken Vest	4,507,960	7.64%

Pareto Securities AS or its affiliates own as determined in accordance with Section 13(d) of the US Exchange Act, 1% or more of the equity securities of:

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
Helgeland Sparebank	2,010,785	9.63%	SpareBank 1SMN	1,879,292	1.45%
NHST Media Group AS	21,475	1.85%	SpareBank 1Østfold Akersl	1,140,010	9.20%
Pareto Bank ASA	10,846,900	18.50%	Sparebanken Møre	311,739	3.15%
Selvaag Bolig ASA	2,174,147	2.32%	Sparebanken Sør	460,589	2.94%
SpareBank 1BV	1,557,140	2.48%	Sparebanken Vest	4,507,960	7.64%
SpareBank 1Nord-Norge	1,530,795	1.52%	Totens Sparebank	79,246	1.29%

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
AF Gruppen	0	1,675	Grieg Seafood	0	970	REC Silicon	0	357,742
Aker	0	702	Helgeland Sparebank	0	4,282	SailMar	0	280
Aker BP	0	6,980	Høegh LNG	0	6,085	Sandnes Sparebank	0	22,082
Aker Solutions	0	1,825	Jæren Sparebank	0	500	Scatec Solar	0	35,635
AKVA Group	0	1,500	Komplett Bank	0	104,934	Schibsted ASA B Aksjer	0	314
Archer	0	95,770	Kongsberg Gruppen	0	5,901	Seadrill	0	8,661
Atea	0	450	KWS	75	75	Selvaag Bolig	0	5,000
Atlantic Sapphire	0	1,105	Lerøy Seafood	0	34,795	SpareBank 1BV	0	17,700
Austevoll Seafood	0	5,780	Magseis Fairfield	0	12,379	SpareBank 1Nord-Norge	0	25,000
Avance Gas	0	6,645	Mono bank	0	1,371,000	SpareBank 1Ringerike Hadr	0	500
Axactor	0	19,724	Mowi	0	2,639	SpareBank 1SMN	0	16,590
BASF	270	270	NEXT Biometrics	0	10,976	SpareBank 1SR-Bank	0	29,391
B2Holding	0	5,500	Nordic Semiconductor	0	6,000	Sparebank 1Østfold Akersl	0	450
Bonheur	0	56,709	Norsk Hydro	0	126,295	SpareBank 1Østlandet	0	4,042
Borr Drilling	0	4,685	Northern Drilling	0	6,060	Sparebanken Møre	0	6,550
BWLPG	0	5,569	Norwegian Air Shuttle	0	59,532	Sparebanken Sør	0	43,280
DNB	0	35,132	Norwegian Energy Compan	0	350	Sparebanken Vest	0	1,900
DNO	0	29,377	Norwegian Property	0	150,000	Sparebanken Øst	0	1,500
Entra	0	14,362	Ocean Yield	0	32,967	Stolt-Nielsen	0	900
Equinor	0	10,201	Odffjell Drilling	0	8,649	Storebrand	0	5,005
Europris	0	10,850	Okeanis Eco Tankers	0	1,886	Subsea 7	0	5,884
Fjord1	0	50,000	Orkla	0	24,176	Telenor	0	2,311
Fjordkraft Holding	0	4,132	Panoro Energy	0	5,670	TGS-NOPEC	0	2,050
Flex LNG	0	1,032	Pareto Bank	0	971,027	XXL	0	10,115
Frontline	0	13,003	Pioneer Property	0	2,050	Yara International	0	19,516
Gjensidige Forsikring	0	8,651	Protector Forsikring	0	15,385	Zenterio	0	78,865
Golden Ocean Group	0	1,824						

This overview is updated monthly (last updated 15.05.2019).

*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:

African Petroleum Corporation	Gfinity Plc	OkeanisEco Tankers
Akva Group	Gulf Keystone Petroleum	Panoro Energy
American Tanker	Hertha BSC GmbH	Pareto Bank
Andfjord Salmon	HKN Energy Ltd	Petro Matad Limited
APC Forsikringsmægler A/S	Hunter Group	Petroleum Geo-Services
Arnarlax	Ice Group	Pioneer Public Properties Finland Oy
Avida Holding AB	Instabank	Point Resources AS
Bank Norwegian	Jactel AS	Quant AB
Bluewater Holding	Klavness Ship Holding	Questerre Energy Corporation
DNO ASA	Lundin Petroleum	Rødovre Port Holding A/S
DOF ASA	Magseis	SAS
Dof Subsea AS	Monobank ASA	Scatec Solar
Echo Energy	Navig8	Scorpio Tankers
Eco Atlantic Oil and Gas	Nemaska Lithium	Shamaran
Eland Oil & Gas	NGEX Resources	Shamaran Petroleum
FFS Bidco	Northern Drilling	Sparebank 1 Østlandet
Flex LNG	Northmill Group AB	SpareBank1 Buskerud-Vestfold
Floatel	Norwegian Air Shuttle	Sparebanken Vest
Fortum	Odfjell	Union Martime Limited
Genel Energy	Okea AS	Vantage Drilling

This overview is updated monthly (this overview is for the period 30.04.2018 – 30.04.2019).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	65%
Hold	31%
Sell	4%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	92%
Hold	8%
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 15.05.2019).

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	Green Landscaping Holding	Sedana Medical	Vostok New Ventures
Climeon	Jetpak Top Holding AB	ShaM aran Petroleum	

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 universes:

Cavotec	Saltängen Property Invest	Sedana Medical	Tethys Oil
Cibus Nordic Real Estate	SciBase Holding	ShaM aran Petroleum	Vostok Emerging Finance
Isofol Medical			

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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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Baywa	Gigaset *	MOBOTIX AG	SMT Scharf AG *
Biotest *	Heidelberg Pharma *	OVB Holding AG	Surteco Group *
Brenntag	Hypoport AG	Procredit Holding *	Szygy AG *
CORESTATE Capital Holding S.A.	init*	PSI SOFTWARE AG *	TAKKT AG
Demire	Intershop Communications AG	PWO *	Vapiano
Epigenomics AG*	Leifheit *	RIB Software *	va-Q-tec *
Euromicron AG *	Logwin *	S&T AG *	Viscom *
Eyemaxx Real Estate	Manz AG *	Schaltbau Holding AG	windeln.de
Freenet	MAX Automation SE *		

* 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

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Baywa	Eyemaxx Real Estate	Merkur Bank	Schaltbau Holding AG
BB Biotech	First Sensor	MOBOTIX AG	Siegfried Holding AG
comdirect	Hypoport AG	OHB SE	Vapiano

This overview is updated monthly (last updated 16.05.2019).