

## Eyes turn to potential takeover - Buy

**SMT reported solid results for Q1 and the decent order intake points to a continuation of this development. However, we believe that the possible takeover of SMT should rather be in the foreground and the main driver for the share price. We continue to believe, that a strategic investor from a coal relevant region with the takeover of the majority could be the perfect fit for SMT. Taking into account the jump in the coal price and the increasing Capex in coal mining, which should remain at elevated levels in the mid-term, the timing for the acquisition of SMT is favourable, in our view. With a new TP of EUR 17 (c.21% share price upside and c.45% premium to three months VWAP), we continue to rate the shares a Buy.**

### Waiting for the takeover of SMT

The market outlook for the coal business brightens. A potential buyer with a strong presence in a coal relevant market should be able to leverage its position with the technological knowhow of SMT. We therefore believe that the timing to buy the company is favourable. In our base case scenario for a potential takeover of SMT, we assume a strategic buyer from a coal relevant market with the intention to take the majority and thus the control of the company. In order to determine the strategic direction of the company and take full advantage of potential synergies, we believe a domination and profit and loss agreement (75% of the voting rights required) should be the minimum level that a potential strategic investor will strive for. Consequently, taking into account the free float of ~44%, a premium on the current share price or on the three months VWAP (EUR 11.75) would be necessary to reach the corresponding threshold with a high degree of certainty.

### Still no guidance for FY 2022e

Due to the increased uncertainties, resulting from the war in the Ukraine and the overall general economic environment, SMT remains restrained with a guidance for 2022e. However, the management stated several times, that it expects an overall positive business development in 2022. With an unchanged revenue estimate of EUR 82.6m (-4% yoy), we now forecast an EBIT of EUR 10.7m.

EURm	2020	2021	2022e	2023e	2024e
Revenues	50	86	83	89	96
EBITDA	(1)	14	13	12	13
EBIT	(6)	15	12	10	11
EPS	(1.79)	2.46	1.45	1.20	1.31
EPS adj	(0.78)	2.46	1.45	1.20	1.31
DPS	-	-	-	-	-
EV/EBITDA	-	6.7	5.5	6.1	5.3
EV/EBIT	-	6.2	6.2	7.2	6.2
P/E adj	-	5.8	9.5	11.5	10.5
P/B	0.84	1.11	0.96	0.89	0.82
ROE (%)	-	21.4	10.7	8.0	8.1
Div yield (%)	-	-	-	-	-
Net debt	10	11	(7)	(9)	(14)

Source: Pareto Securities

Target price (EUR)	17.0	▲	BUY
Share price (EUR)	13.8	-	HOLD
		▼	SELL

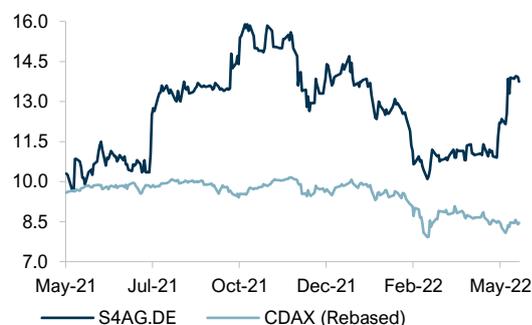
### Forecast changes

%	2022e	2023e	2024e
Revenues	-	-	NM
EBITDA	20	(3)	NM
EBIT adj	31	NM	NM
EPS reported	30	-	NM
EPS adj	30	-	NM

Source: Pareto Securities

Ticker	S4AG.DE, S4A GY
Sector	Industrials
Shares fully diluted (m)	5.5
Market cap (EURm)	75
Net debt (EURm)	-4
Minority interests (EURm)	2
Enterprise value 22e (EURm)	73
Free float (%)	92

### Performance



Source: FactSet

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## Review Q1 2022

Adjusted by the positive one-time effect (EUR 4.2m) in conjunction with the release of provisions, Q1 numbers are broadly in line.

Backed by a decent order backlog per end of 2021, group revenues were up by 36% yoy to EUR 14.7m (PAsE: EUR 14.8m), compared to a rather weak Q1 2021. As expected, the coal related business (~74% of Q1 revenues) remains the predominant business of SMT.

The Q1 EBIT of EUR 5.5m looks very impressive at first glance. However, SMT has benefited here from the release of provisions in the amount of EUR 4.2m, which were formed in conjunction with the delayed China III approval and were no longer needed. The adj. EBIT of EUR 1.3m is broadly in line with our expectation.

### Review Q1 2022

EUR m	Actual			PAsE		PAsE		
	Q1 2022	Q1 2021	% yoy	Q1 2022e	Delta	FY 2022e	FY 2023e	FY 2024e
Revenues	14.7	10.8	36.3%	14.8	-0.5%	82.6	89.2	96.3
EBIT	5.5	2.0	175.9%	1.8	211.8%	10.7	8.9	9.7
EBIT margin	37.2%	18.4%	1881 BP	11.9%	nm	12.9%	9.9%	10.1%

Source: SMT Scharf, Pareto Securities

SMT remains restrained and does not give a guidance for FY 2022e, due to the increased uncertainties, resulting from the war in the Ukraine and the overall general economic environment. However, Q1 order intake of EUR 21.7m (-4% yoy, book-to-bill: 1.5x) and the order backlog per end of March of EUR 34m should provide some certainty for the quarters to come.

We did minor adjustments to our earnings estimates for FY 2022e and now take into account the positive one-off impact from the provisions release. Even though it looks like SMT will be able to manage the current difficulties well and get through without major damage, we remain cautious with our expectations. Bear in mind, that revenues in Russia of EUR 5.5m more than doubled compared to Q1 2021 and account now for 37% of group revenues. It is very obvious, that the management has reacted with foresight early and was able to pull-forward business that is not expected to continue in the second half of the year, following the sanctions against Russia.

From the discussions with the management, we got the impression that the business activities in China, SMT's main market, might turn out to develop better than originally expected. Nevertheless, given the exceptional high level in 2021, revenues in China should not reach the previous year's level.

Leaving our revenue estimate for FY 2022e of EUR 82.6m (-4% yoy), we now forecast an EBIT of EUR 10.7m (prev. EUR 8.2m).

## Who is going to buy SMT Scharf?

Mid December 2021, SMT's major shareholder Shareholder Value informed the company that together with other core shareholders, they are considering the sale of its stake in the company. According to the latest shareholder structure on SMT's website (as of September 2021), the shareholder pool around Shareholder Value has a 36.6% stake in the company. Together, with the funds advised by Shareholder Value (SICAV: 5.62% and Axxion: 5.06%), their total share could be around 50% or even higher.

### Shareholder structure as of September 2021



Source: SMT Scharf

We continue to believe, that a strategic investor from a coal relevant region could be the perfect fit for SMT. Taking into account, that coal production and consumption is losing importance in the Western World, we would not be surprised to see a potential buyer from Asia. While demand for coal in Europe and North America is unsurprisingly expected to decline further, the Asia Pacific region is expected to remain the most important coal market, according to the latest IEA Coal 2021 report.

#### Total coal consumption (Mt) 2019-2024e

Region/country	2019	2020	yoy	2021	yoy	2024e	CAGR 21-24e
<b>Asia Pacific</b>	<b>5,878</b>	<b>5,807</b>	<b>-1.2%</b>	<b>6,110</b>	<b>5.2%</b>	<b>6,430</b>	<b>1.7%</b>
China	3,950	3,971	0.5%	4,130	4.0%	4,266	1.1%
India	1,014	931	-8.2%	1,056	13.4%	1,185	3.9%
Japan	187	185	-1.1%	184	-0.5%	171	-2.4%
Southeast Asia	355	357	0.6%	370	3.6%	420	4.3%
<b>North America</b>	<b>577</b>	<b>466</b>	<b>-19.2%</b>	<b>541</b>	<b>16.1%</b>	<b>462</b>	<b>-5.1%</b>
USA	529	434	-18.0%	508	17.1%	431	-5.3%
Central and South America	54	48	-11.1%	55	14.6%	46	-5.8%
<b>Europe</b>	<b>687</b>	<b>581</b>	<b>-15.4%</b>	<b>632</b>	<b>8.8%</b>	<b>508</b>	<b>-7.0%</b>
European Union	483	380	-21.3%	435	14.5%	334	-8.4%
Middle East	13	12	-7.7%	12	0.0%	8	-12.6%
Eurasia	372	343	-7.8%	347	1.2%	363	1.5%
Russia	238	223	-6.3%	227	1.8%	237	1.4%
Africa	220	198	-10.0%	209	5.6%	214	0.8%
<b>World</b>	<b>7,801</b>	<b>7,456</b>	<b>-4.4%</b>	<b>7,906</b>	<b>6.0%</b>	<b>8,031</b>	<b>0.5%</b>

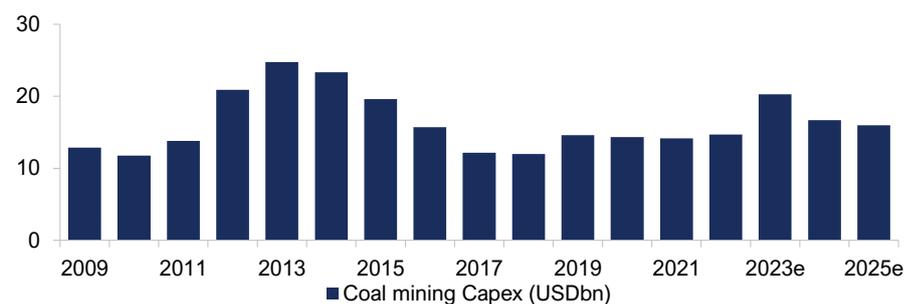
Source: IEA Coal 2021 and Pareto Securities

For an investor from Asia, the acquisition of SMT would have advantages in several respects at once. Beside the access to the technological know-how of SMT, the location in Germany/Europe might also be important for an Asian company. Even if we assume that a strategic investor with a majority stake in SMT would scale down its presence in Germany, the location could be significant due to the existing skilled workforce.

We also believe that the stock market listing of SMT could also be of importance for an Asian buyer. We therefore assume that a squeeze out does not necessarily have to occur, if there would be a majority takeover.

The IEA forecast has shown that the coal business will not lose importance in certain regions and demand is even expected to increase. In line with this, it is also expected that coal mining Capex will increase again and stay at higher levels in the mid-term, according to Bloomberg consensus numbers.

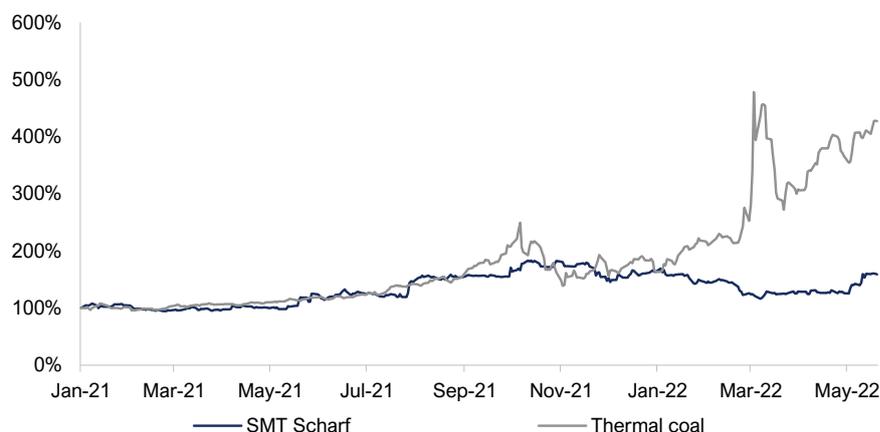
#### Coal mining Capex (USDbn) is picking up



Source: Bloomberg and Pareto Securities

The market outlook for the coal business brightens. A potential buyer with a strong presence in a coal relevant market should be able to leverage its position with the technological know-how of SMT. We therefore believe that the timing to buy the company is favourable. The recent surge in coal price and other raw materials means that mining operators have increased cash flows and improved margins.

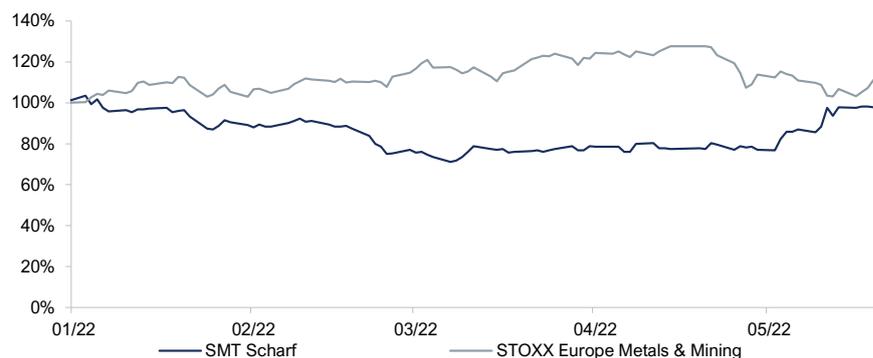
**SMT's shares lag behind the coal price surge**



Source: Bloomberg and Pareto Securities

In the recent months, the positive correlation of the share price development to the coal price has weakened. Given an ytd share price performance of only -3% (DAX: -12%) and the broadly in line development with the STOXX Europe Metals & Mining index, we do not believe, that the underperformance against the coal price is a company-specific phenomenon. We think that it has rather to do with the general uncertainty of investors. At first glance, SMT's high coal exposure, c.15% of revenues related to Russia and general economic fears are the major burdening factors.

**SMT's shares vs. mining shares**



Source: FactSet and Pareto Securities

**12m fwd EBITDA at long-term average**

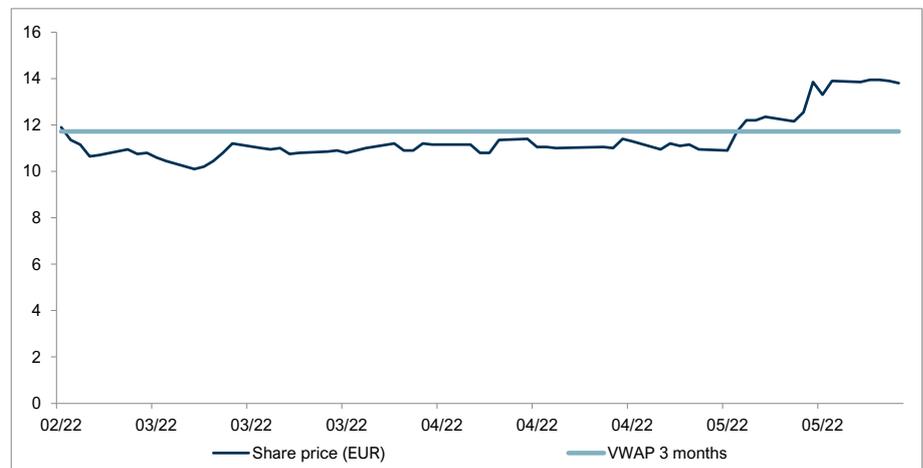


Source: FactSet and Pareto Securities

If we look at the historical comparison, the shares are currently trading with an 12m fwd EV/EBITDA of 8.2x, almost exactly at its long-term average of 8.6x. We acknowledge, that the shares are no longer considered by some investors due to their high coal exposure. Nevertheless, given the brightening market environment and the operational improvements achieved over the past years, we believe a premium to the historical average is justified. SMT has significantly improved its footprint in the Chinese coal market compared to the past. The management makes efforts to reduce the dependence from the coal business, e.g. through solutions for the tunnel business. More important, compared to FY 2015 the EBIT margin has significantly improved and more than doubled to >10%.

In our base case scenario for a potential takeover of SMT, we assume a strategic buyer with the intention to take the majority and thus the control of the company. Given the fact, that the shares are listed in the Regulated Unofficial Market (Freiverkehr) there is no requirement for a mandatory offer for outstanding shareholders, once a shareholder surpassed the 30% threshold. Nevertheless, to determine the strategic direction of the company and take full advantage of potential synergies, we believe a domination and profit and loss agreement (75% of the voting rights required) should be the minimum level that a potential strategic investor will strive for. Consequently, taking into account the free float of ~44%, a premium on the current share price or on the three months VWAP (EUR 11.75) would be necessary to reach the corresponding threshold with a high degree of certainty.

### Share price development and 3 months VWAP



Source: FactSet and Pareto Securities

## Valuation

We continue to value the shares based on our DCF and peer group models. As a result of the declined peer group multiples, we derive a new TP of EUR 17 (prev. EUR 19). Our new TP of EUR 17 implies a FY 2023e EV/EBITDA of 7.5x, noticeable lower than the long-term average of 8.6x.

### Peer group model

Company	PE 2022e	PE 2023e	EV/EBITDA 2022e	EV/EBITDA 2023e	EBITDA margin 2023e
Atlas Copco AB Class A	20.0	17.9	14.8	13.1	27%
Caterpillar Inc.	15.9	13.5	10.7	9.1	19%
FLSmidth & Co. A/S	17.7	12.8	6.8	5.4	9%
Metso Outotec Oyj	14.8	12.4	9.0	7.5	16%
Sandvik AB	14.6	13.6	9.9	8.7	25%
<b>Median</b>	<b>15.9</b>	<b>13.5</b>	<b>9.9</b>	<b>8.7</b>	<b>19.0%</b>
<b>SMT Scharf AG</b>	<b>9.5</b>	<b>11.5</b>	<b>4.5</b>	<b>5.0</b>	<b>12.9%</b>
relative	59.6%	84.9%	45.3%	57.1%	
<b>Fair value per share at peer median</b>	<b>23.1</b>	<b>16.2</b>	<b>24.7</b>	<b>19.6</b>	
<b>Fair value / share (av.)</b>	<b>20.87</b>				
<b>Target price including 10% discount</b>	<b>18.79</b>				

Source: FactSet and Pareto Securities

DCF model

EUR m	Phase I					Phase II					Phase III
	2022e	2023e	2024e	2025e	2026e	2027e	2028e	2029e	2030e	2031e	
<b>Revenues</b>	<b>82.6</b>	<b>89.2</b>	<b>96.3</b>	<b>103.1</b>	<b>109.9</b>	<b>116.8</b>	<b>123.7</b>	<b>130.7</b>	<b>137.6</b>	<b>144.5</b>	
growth rate	-3.8%	8.0%	8.0%	7.0%	6.6%	6.3%	6.0%	5.6%	5.3%	5.0%	
<b>EBIT</b>	<b>10.7</b>	<b>8.9</b>	<b>9.7</b>	<b>10.6</b>	<b>11.3</b>	<b>11.8</b>	<b>12.3</b>	<b>12.8</b>	<b>13.3</b>	<b>13.7</b>	
EBIT margin	12.9%	9.9%	10.1%	10.3%	10.3%	10.1%	10.0%	9.8%	9.7%	9.5%	
<b>Tax</b>	<b>-2.9</b>	<b>-2.4</b>	<b>-2.6</b>	<b>-2.9</b>	<b>-3.0</b>	<b>-3.2</b>	<b>-3.3</b>	<b>-3.5</b>	<b>-3.6</b>	<b>-3.7</b>	
Tax rate	27%	27%	27%	27%	27%	27%	27%	27%	27%	27%	
<b>Depr. &amp; Amort.</b>	<b>2.5</b>	<b>2.7</b>	<b>2.9</b>	<b>3.1</b>	<b>3.2</b>	<b>3.4</b>	<b>3.6</b>	<b>3.8</b>	<b>4.0</b>	<b>4.2</b>	
% of sales	3.1%	3.0%	3.0%	3.0%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	
<b>Capex</b>	<b>-2.7</b>	<b>-2.9</b>	<b>-3.1</b>	<b>-3.3</b>	<b>-3.5</b>	<b>-3.6</b>	<b>-3.8</b>	<b>-3.9</b>	<b>-4.1</b>	<b>-4.3</b>	
% of sales	3.3%	3.3%	3.2%	3.2%	3.2%	3.1%	3.0%	3.0%	3.0%	3.0%	
<b>Change in WC &amp; P</b>	<b>14.7</b>	<b>-4.4</b>	<b>-2.8</b>	<b>-3.3</b>	<b>-2.1</b>	<b>-2.3</b>	<b>-2.4</b>	<b>-2.5</b>	<b>-2.7</b>	<b>-2.8</b>	
% of sales	-17.8%	4.9%	2.9%	3.2%	1.9%	1.9%	1.9%	1.9%	1.9%	1.9%	
<b>Free Cash Flow</b>	<b>22.3</b>	<b>1.8</b>	<b>4.1</b>	<b>4.2</b>	<b>5.9</b>	<b>6.2</b>	<b>6.4</b>	<b>6.7</b>	<b>6.9</b>	<b>7.1</b>	<b>108.5</b>
growth rate		-91.8%	nm	2.8%	40.5%	5.4%	4.4%	3.7%	3.2%	2.9%	2.0%
<b>Present Value FCF</b>	<b>21.2</b>	<b>1.6</b>	<b>3.3</b>	<b>3.1</b>	<b>4.0</b>	<b>3.9</b>	<b>3.7</b>	<b>3.6</b>	<b>3.4</b>	<b>3.2</b>	<b>48.8</b>

<b>PV Phase I</b>	<b>33</b>	<b>Risk free rate</b>	3.50%	<b>Equity ratio</b>	85%
<b>PV Phase II</b>	<b>18</b>	<b>Premium Equity</b>	5.00%	<b>Beta</b>	1.2
<b>PV Phase III</b>	<b>49</b>	<b>Premium Debt</b>	2.00%	<b>WACC</b>	8.68%

<b>Enterprise value</b>	<b>100</b>	<b>Sensitivity</b>	<b>Growth in phase III</b>				
- Net Debt	10.6		<b>1.0%</b>	<b>1.5%</b>	<b>2.0%</b>	<b>2.5%</b>	<b>3.0%</b>
- Pension Provisions	3.1	<b>7.8%</b>	16.2	17.0	17.9	19.0	20.3
- Minorities & Peripherals	1.4	<b>8.2%</b>	15.1	15.8	16.6	17.5	18.6
- Paid-out dividends for last FY	0.0	<b>WACC 8.7%</b>	14.2	14.8	<b>15.5</b>	16.2	17.1
		<b>9.1%</b>	13.4	13.9	14.5	15.1	15.9
		<b>9.5%</b>	12.7	13.1	13.6	14.1	14.8
<b>Equity value</b>	<b>85</b>						
Number of shares	5.5						
<b>Value per share (€)</b>	<b>15.5</b>						
<b>Current Price (€)</b>	<b>14.1</b>						
<b>Upside</b>	<b>10%</b>						

Source: Pareto Securities

<b>PROFIT &amp; LOSS (fiscal year) (EURm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022e</b>	<b>2023e</b>	<b>2024e</b>
<b>Revenues</b>	<b>52</b>	<b>71</b>	<b>75</b>	<b>50</b>	<b>86</b>	<b>83</b>	<b>89</b>	<b>96</b>
<b>EBITDA</b>	<b>5</b>	<b>7</b>	<b>10</b>	<b>(1)</b>	<b>14</b>	<b>13</b>	<b>12</b>	<b>13</b>
Depreciation & amortisation	(1)	(2)	(3)	(7)	(3)	(3)	(3)	(3)
<b>EBIT</b>	<b>4</b>	<b>7</b>	<b>8</b>	<b>(6)</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>11</b>
Net interest	0	(0)	(0)	(1)	(1)	(1)	(1)	(1)
Other financial items	-	-	-	-	-	-	-	-
<b>Profit before taxes</b>	<b>4</b>	<b>6</b>	<b>7</b>	<b>(7)</b>	<b>14</b>	<b>11</b>	<b>9</b>	<b>10</b>
Taxes	(1)	(2)	(1)	(1)	(2)	(3)	(3)	(3)
Minority interest	-	-	(0)	(0)	(0)	(0)	(0)	(0)
<b>Net profit</b>	<b>3</b>	<b>5</b>	<b>5</b>	<b>(8)</b>	<b>13</b>	<b>8</b>	<b>7</b>	<b>7</b>
EPS reported	0.71	1.01	1.20	(1.79)	2.46	1.45	1.20	1.31
<b>EPS adjusted</b>	<b>0.71</b>	<b>1.01</b>	<b>1.20</b>	<b>(0.78)</b>	<b>2.46</b>	<b>1.45</b>	<b>1.20</b>	<b>1.31</b>
DPS	-	-	-	-	-	-	-	-
<b>BALANCE SHEET (EURm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022e</b>	<b>2023e</b>	<b>2024e</b>
Tangible non current assets	5	7	10	9	8	8	8	8
Other non-current assets	7	11	13	13	20	21	21	21
Other current assets	47	60	68	57	84	73	78	82
Cash & equivalents	13	5	5	4	10	22	23	22
<b>Total assets</b>	<b>72</b>	<b>83</b>	<b>96</b>	<b>84</b>	<b>121</b>	<b>123</b>	<b>129</b>	<b>132</b>
Total equity	49	52	61	48	72	80	87	94
Interest-bearing non-current debt	7	12	12	15	20	15	13	8
Interest-bearing current debt	-	-	-	-	-	-	-	-
Other Debt	14	16	20	17	26	25	26	27
<b>Total liabilities &amp; equity</b>	<b>72</b>	<b>83</b>	<b>96</b>	<b>84</b>	<b>121</b>	<b>123</b>	<b>129</b>	<b>132</b>
<b>CASH FLOW (EURm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022e</b>	<b>2023e</b>	<b>2024e</b>
Cash earnings	3	8	9	(5)	20	6	9	10
Change in working capital	(2)	(11)	(6)	8	(26)	15	(4)	(3)
Cash flow from investments	(3)	(8)	(4)	(5)	(3)	(3)	(3)	(3)
Cash flow from financing	8	7	(1)	3	13	(5)	(2)	(5)
Net cash flow	6	(4)	(0)	(1)	5	13	0	(1)
<b>VALUATION (EURm)</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022e</b>	<b>2023e</b>	<b>2024e</b>
<b>Share price (EUR end)</b>	<b>14.9</b>	<b>11.8</b>	<b>10.0</b>	<b>8.7</b>	<b>14.2</b>	<b>13.8</b>	<b>13.8</b>	<b>13.8</b>
Number of shares end period	5	5	5	5	5	5	5	5
Net interest bearing debt	(6)	7	6	10	11	(7)	(9)	(14)
<b>Enterprise value</b>	<b>65</b>	<b>64</b>	<b>57</b>	<b>55</b>	<b>93</b>	<b>73</b>	<b>71</b>	<b>67</b>
EV/Sales	1.2	0.9	0.8	1.1	1.1	0.9	0.8	0.7
<b>EV/EBITDA</b>	<b>13.3</b>	<b>9.1</b>	<b>5.9</b>	-	<b>6.7</b>	<b>5.5</b>	<b>6.1</b>	<b>5.3</b>
EV/EBIT	15.6	9.7	7.4	-	6.2	6.2	7.2	6.2
P/E reported	20.9	11.6	8.3	-	5.8	9.5	11.5	10.5
<b>P/E adjusted</b>	<b>20.9</b>	<b>11.6</b>	<b>8.3</b>	-	<b>5.8</b>	<b>9.5</b>	<b>11.5</b>	<b>10.5</b>
P/B	1.4	1.0	0.8	0.8	1.1	1.0	0.9	0.8
<b>FINANCIAL ANALYSIS</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022e</b>	<b>2023e</b>	<b>2024e</b>
ROE adjusted (%)	6.8	9.2	9.8	-	20.9	10.5	7.9	7.9
Dividend yield (%)	-	-	-	-	-	-	-	-
EBITDA margin (%)	9.3	9.9	12.8	-	16.2	16.0	12.9	13.1
EBIT margin (%)	8.0	9.2	10.2	-	17.3	14.2	11.0	11.2
NIBD/EBITDA	(1.30)	0.96	0.66	(7.19)	0.76	(0.56)	(0.82)	(1.08)
EBITDA/Net interest	-	21.50	21.26	-	17.76	26.43	23.10	25.26

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## Appendix A

Disclosure requirements in accordance with Commission Delegated Regulation (EU) 2016/958 and the FINRA Rule 2241

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Companies	No. of shares	Holdings in %
Bonheur	240,958	0.57%
Pareto Bank	15,310,160	21.92%
Selvaag Bolig	4,314,865	4.60%
Sparebank 1 Nord-Norge	4,420,827	4.40%
Sparebank 1 SMN	2,144,655	1.65%
Sparebank 1 SR-Bank	2,063,265	0.81%
SpareBank 1 Østfold Aker shus	1,232,229	9.95%
SpareBank 1 Østlandet	3,833,163	3.61%
Sparebanken Møre	817,307	1.65%
Sparebanken Sør	433,744	2.77%
Sparebanken Vest	6,862,344	6.39%
NEXT Biometrics	710,901	0.78%
SpareBank 1 Sør-Øst-Norge	1,771,308	2.81%

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
AF Gruppen	0	1,825
Aker ASA	500	2,694
Aker BP	0	30,574
Aker Carbon Capture	0	4,926
Aker Clean Hydrogen	0	140,540
Aker Horizons	0	125,848
Aker Offshore Wind	0	165,118
Aprilia Bank ASA	0	22,875
B2Holding AS	0	10,940
Bonheur	0	32,088
Borregaard ASA	0	650
Bouvet	0	940
BRABank	0	31,499
BW Energy	0	112,160
BW Offshore	0	17,976
Cloudberry Clean Energy	0	101,750
Desert Control	0	31,500
DNB	0	50,245
DNO	0	70,258
Elkem	0	72,067
Elmeria Group ASA	0	30,503
ELOP	0	140,000
Equinor	0	2,623
Europris	0	16,608
Flex LNG	0	717
Frontline	0	12,190
Gaming Innovation Group	0	25,912
Gjensidige Forsikring	0	7,846
Greg Seafood	0	8,889
Hafnia Ltd.	0	90,530

Company	Analyst holdings*	Total holdings
Huddly	0	995,173
HydrogenPro	0	38,966
Kalera	0	31,752
Kitron	0	19,336
Komplett Bank	0	209,400
Kongsberg Gruppen	0	281
KWS	75	75
Leroy Seafood Group	0	39,363
Meltwater	0	30,700
MerCell	0	24,863
Mowi	0	399
MPC Container Ships	0	21,695
NEXT Biometrics	0	710,901
Nordic Semiconductor	0	8,756
Norco	0	590
Norse Atlantic	0	40,000
Norsk Hydro	0	84,189
Norske Skog	0	107,499
Northern Drilling Ltd.	0	115,919
Odjell Drilling	0	28,581
Okeanis Eco Tankers	0	3,920
Orkla	0	23,648
Panoro Energy	0	29,463
Pareto Bank	0	1,339,814
Pexip Holding	0	156,883
PGS	0	11,676
Protector Forsikring	0	15,300
Pryme	0	5,000
Pyrum Innovations	0	100
REC Silicon	0	34,281
SailMar	0	2,604
Sandnes Sparebank	0	4,013
Scatec	0	31,074
Seadrill Ltd	0	596
Selvaag Bolig	0	3,093
Sparebank 1 Nord-Norge	0	3,350
Sparebank 1 SMN	0	15,884
Sparebank 1 SR-Bank	0	17,404
SpareBank 1 Østfold Aker shus	0	1,252
SpareBank 1 Østlandet	0	9,621
Sparebanken Sør	0	16,435
Sparebanken Vest	0	17,463
Sparebanken Øst	0	1,500
Stolt-Nielsen	0	1,817
Storbrand	0	39,798
Subsea 7	0	23,187
Telenor	0	13,602
TGS	0	600
Vov	0	9,331
Vov Green Metals	0	19,681
Vår Energi	0	84,672
Wallenius Wilhelmsen	0	5,150
XXL	0	20,523
Yara	0	18,537
Zaptec	0	15,610

This overview is updated monthly (last updated 16.05.2022).

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

## Appendix B

Disclosure requirements in accordance with Article 6(1)(c)(iii) of Commission Delegated Regulation (EU) 2016/958

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

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Aker Offshore Wind	Sega Robotics
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Apriila Bank ASA	Sartorius-Herbst
Arcane Crypto	Seagems Norway
Bar Ramsund Group Pte. Ltd.	Seajacks
Biomega Group AS	Shamar Petroleum
Bonheur	Slate European Holdings
Boreal Holding AS	Smart Wireless Inc.
Brooge Petroleum and Gas	Swedencare
BW LPG	TEMP TON GmbH
BW Offshore	Tier klinik Hofheim GbR
Cabonline Group Holding AB	Trander Energi AS
Cavali AS	Vegfinans AS
Cloudberry Clean Energy	Vestby Logistikk Holding
Dampskibsselskabet NORDEN A/S	Viking ACQ 1 AS, SPAC
DNO	Vår Energi
Documaster AS	Waldorf Production UK Ltd
ELOP	Waste Plastic Upcycling wheel.me
Enapter AG	Xeneta AS
Ensurge Micropower	Ymber AS
Enviv AS (Books)	ZTL Payment Solution AS
Esmailzadeh Holding	
First Camp Group AB	
Flex LNG	
FREYR Battery	
Funkwerk AG	
Global Agrarjes (Fertiberia group)	
Golar LNG	
GramCar Carriers	
Green Transition Holding	
Greenfood	
Grøntvedt AS	
Hafslund Eco	
Hagal AS	
Halodi Robotics AS	
HKN Energy Ltd	
HMH Holding	
Ice Group	
Immunopharma	
InoBat Auto	
International Petroleum Corporation	
JP/Politikens Forlag	
Kalera	
Kebony	
Kentech Global Plc	
Keppel FELS Limited	
KMC Properties	
Komplett ASA	
Kruse Smith	
Kvitbjørn Varme	
Lakers Holding AS	
Lerøy Seal Food Group	
Lumina AS	
Malorama Holding AS	
Mathesa Bostadsbolaget AB	
Mer cell	
Mime Petroleum	
Modex AS	
Multitude SE	
Navios Maritime Acquisitions	
Navios Maritime Holdings	
Nordic Hallibut	
Nor eco	
Norlandia Health & Care Group AS	
Norwegian Block Exchange	
Odjell Oceanwind	
Otello Corporation	
Pareto Bank	
PetroNor E&P	
PHM Group	
Ping Petroleum UK Limited	
poLight	
Pronofa AS	
Protector Forsikring	
Pryme	
Pyrum Innovations	

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## Appendix C

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

Distribution of recommendations	% distribution
Buy	77%
Hold	22%
Sell	1%

Distribution of recommendations (transactions*)	% distribution
Buy	89%
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## Appendix E

Disclosure requirements in accordance with Article 6(1)(c)(i) of Commission Delegated Regulation (EU) 2016/958

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Demire	MAX Automation SE	S&T AG *
EpiGenomics AG *	Merkur Bank	SMT Scharf AG *
Gesco *	MLP *	Surteco Group *
Ger ry Weber	Mühl Produkt & Service AG	Szygy AG *
GFT Technologies *	mutares	TAKKT AG
Gigasat *	Northern Data AG	Viscom *
Heidelberg Pharma *		

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Disclosure requirements in accordance with Article 6(1)(c)(iv) of Commission Delegated Regulation (EU) 2016/958

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