



Strong 2020 results well above our forecast: Buy, TP EUR 14.50

Merkur Privatbank has reported strong 2020 results which came in well above our forecast. Due to lower than forecasted costs EPS was with EUR 1.05 well above our forecast of EUR 0.72. Revenues, in particularly net interest income, have developed in line with our forecasts. A dividend has not yet been announced, we expect Merkur Privatbank to pay a dividend of EUR 0.36 for 2020 which would be below its pay-out ratio of 50% of past years but once again an increase yoy. Despite the challenging market environment, 2020 has been a very good year for the bank and we expect the positive earnings development to continue in 2021e. Hence, we stick to our Buy recommendation with a new TP of EUR 14.5 (EUR 13.0).

P&L development in more detail

Net interest income in 2020 has increased by 24% yoy to EUR 52.8m which was slightly above our forecast of EUR 52.1m. Commission income has increased by even 251% due to the acquisition of Bank Schilling and was with EUR 20.4m also above our forecast of EUR 18.8m. Trading profit was with EUR 3.6m also above our estimate (EUR 3.0m). Total revenues were up by 53% yoy to EUR 75.3m (PAsE: EUR 75.9m). Total expenses have increased by 56% yoy to EUR 49.2m, which was below our forecast of EUR 51.6m. Both risk provisions (EUR 5.6m vs. our forecast of EUR 6.2m) and provisions for general banking risks (EUR 2.8m vs. our forecast of EUR 4.0m) were lower than expected.

EURm	2018	2019	2020p	2021e	2022e
M.cap.	46	75	79	91	91
NII	29	42	53	54	55
Other inc.	1	1	2	2	2
Op.costs	(24)	(37)	(49)	(52)	(53)
L.losses	(0)	(1)	(6)	(5)	(4)
Net profit	4	0	8	9	9
EPS	0.64	3.25	1.05	1.11	1.14
EPS adj	0.64	0.03	1.05	1.11	1.14
P/E	12.7	3.0	9.7	10.5	10.3
P/B	0.94	0.80	0.81	0.89	0.84
Yield (%)	3.9	3.3	3.6	3.4	3.8
ROE (%)	7.5	0.3	8.5	8.6	8.4

Source: Pareto

Target price (EUR)	14.5
Share price (EUR)	11.7

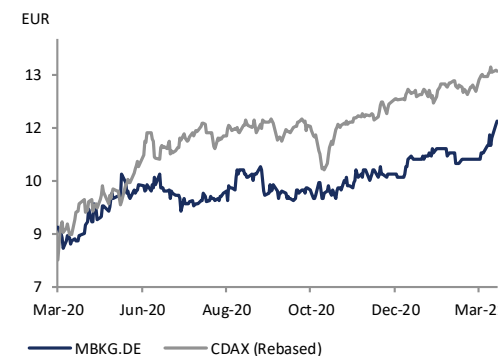
Forecast changes

%	2021e	2022e	2023e
NII	1	0	-
Operating income	1	1	-
PBLL	19	16	-
EPS	48	44	-

Source: Pareto

Ticker	MBKG.DE, MBK GY
Sector	Banks
Shares fully diluted (m)	7.8
Market cap (EURm)	91

Performance



Source: Factset

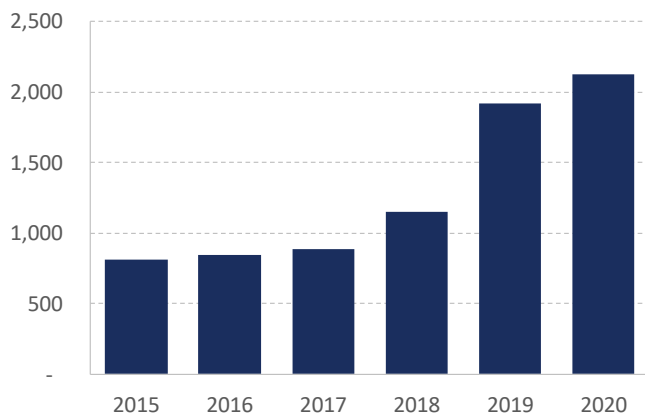
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Development of KPIs

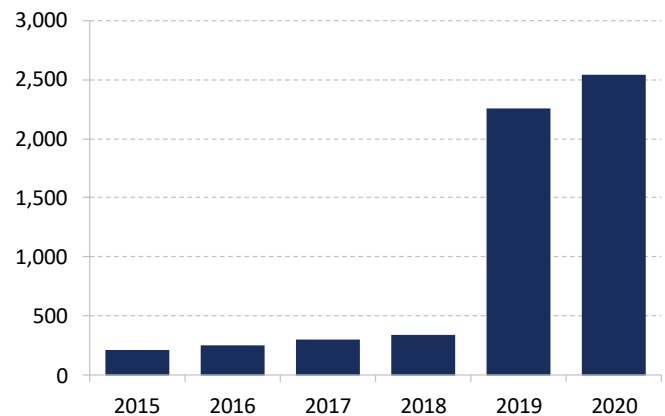
Assets under Management have increased by 13% yoy during 2020 to EUR 2.54bn, a very good development given the turbulent capital market environment in 2020. New loan business has increased by 12% yoy to EUR 1.55bn, the total loan portfolio has increased by 13% yoy to EUR 2.16bn. The positive development of the bank's KPIs underlines also that 2020 has been a successful year for Merkur Privatbank.

Exhibit 1: Development of customer loans (EUR m)



Source: Pareto Securities Research, Merkur Privatbank

Exhibit 2: Development of new AuC/AuM (EUR m)



Source: Pareto Securities Research, Merkur Privatbank

Outlook 2021

The bank has not provided any earnings guidance for 2021. All in all, we see Merkur Privatbank well positioned to further increase EPS in 2021e. Following the acquisition of Bank Schilling it has reduced its dependence on the residential real estate developer market in Munich, which we see positively as it led to an improved revenue and risk diversification. In 2020 the net interest income contributed "only" 50% to total revenues, which is well below the figure from 2018 (80%), the last full fiscal year without Bank Schilling. As the residential real estate market in Munich has continued to develop positively in 2020 and should continue to do so in 2021e, we see the bank's real estate developer risks manageable. We see the biggest risk of rising NPLs in the bank's SME loan book; so far, the different state measures have supported SMEs in Germany, but insolvencies are likely to rise in the coming months, unless the government provides additional support measures. Thus, we see it positively, that the bank has increased its risk provisions in 2020. We see this however mainly as a precautionary measure to be prepared for a possible increase in NPLs in 2021e. We see the bank well capitalized to overcome the current challenging market environment.

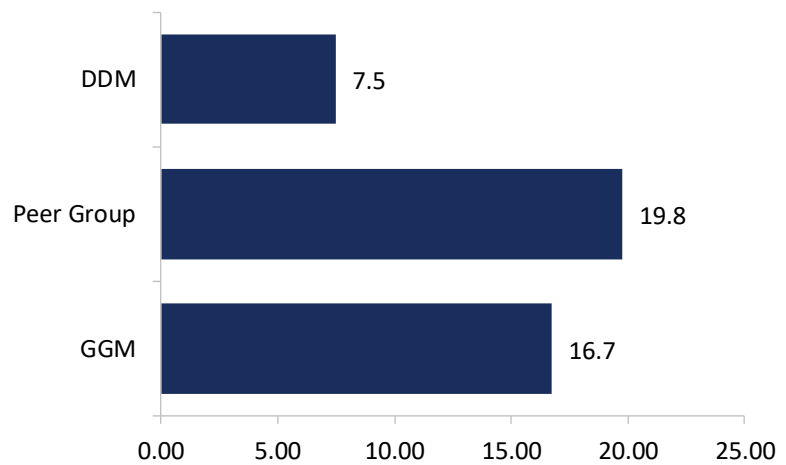
Financials

We have significantly increased our EPS estimates from EUR 0.75 to EUR 1.11 and from EUR 0.79 to EUR 1.14 for 2021e and 2022e, respectively, taking into the account the much better than expected performance in 2020. In particular the positive cost development in 2020 should continue in 2021e/2022e. Main risk factor remains the development of risk provisions which may however also surprise on the positive side. It clearly depends on the further development of the pandemic.

Valuation and recommendation

Our valuation is based upon a Dividend Discount Model, a Gordon Growth Model and a Peer Group Analysis. For the Peer Group Analysis we have taken into account other German banks; as some of these banks are significantly bigger than Merkur Privatbank the peer group comparison must be seen in combination with the two other valuation approaches, which we regard as more appropriate. From the weighted average of the three calculated fair values we have derived a new target price of EUR 14.50 (EUR 13); our calculated fair value has increased because of higher earnings estimates. As we have not increased our dividend estimates to the same extent our target price has however risen only moderately. Given a share price upside of around 20% we recommend buying the shares.

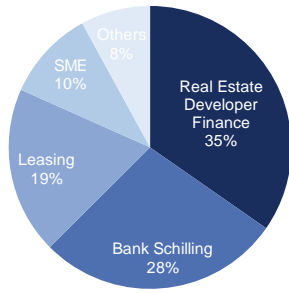
Exhibit 3: Target price of EUR 14.50 derived from three different valuation approaches



Source: Pareto

Exhibit 4: Investment Case in Charts

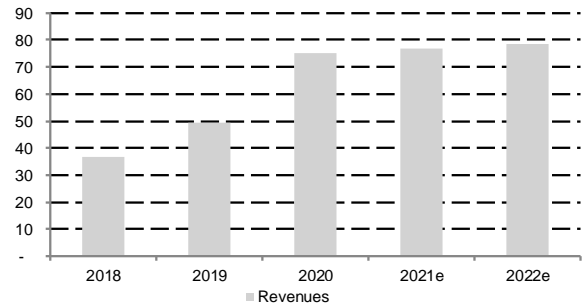
Loan portfolio split by business unit (12 2019)



Following the acquisition of Bank Schilling Commercial Real Estate Developer Financing has lost in importance.

Source: Merkur Privatbank, Pareto Research

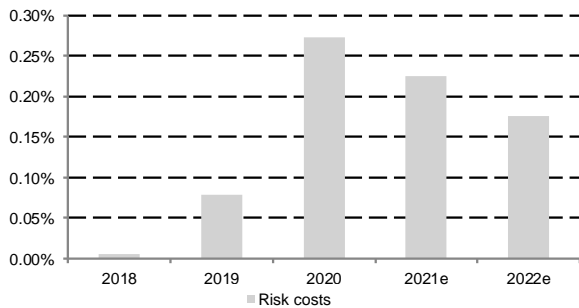
Revenues should continue to grow ...



We forecast revenues to continue growing in 2021e but at a lower pace than in 2020 which benefited from the takeover of Bank Schilling.

Source: Merkur Privatbank, Pareto Research

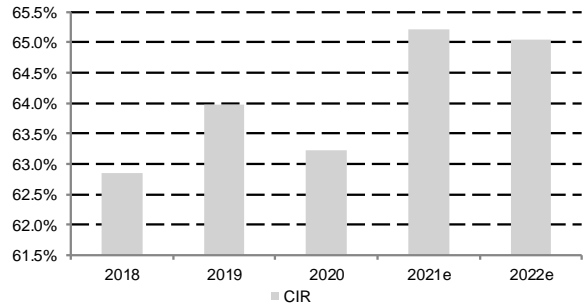
... while risk costs should remain elevated



Risk costs should remain on an elevated level because of Covid-19.

Source: Merkur Privatbank, Pareto Research

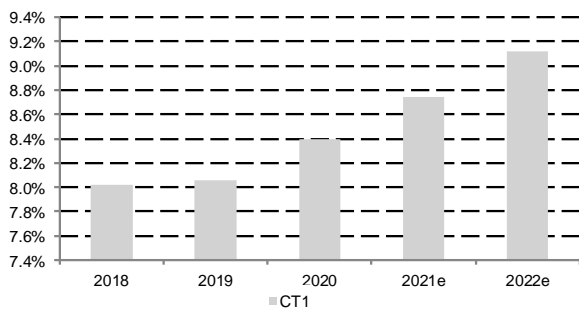
Efficiency is solid with a CIR of below 70%



CIR is at relatively low level. We see only limited room for further improvement as Merkur Privatbank is already operating quite efficiently.

Source: Merkur Privatbank, Pareto Research

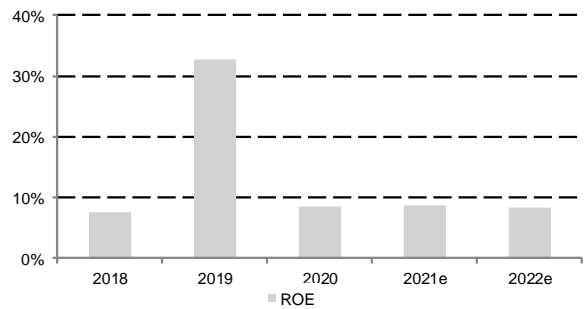
Capitalization on sufficient level



With an estimated CT1 ratio of above 8% in 2020 we see Merkur Privatbank sufficiently capitalized.

Source: Merkur Privatbank, Pareto Research

Solid Profitability




2019 ROE was impacted from a positive one-off; we expect profitability to return to a normalized level of close to 9% in 2021e.

Source: Merkur Privatbank, Pareto Research

Source: Pareto Securities Research

Exhibit 5: Investment Case in Charts

Business Areas	Corporate Banking	Retail / Private Banking									
Company Profile	 <p>MERKUR Privatbank is a private bank, located in Munich, focusing on corporate and retail banking. While it has expanded its retail banking activities in recent years, residential real estate developer finance remains its most important business. Following the takeover of Bank Schilling it has however increased its wealth management business quite significantly. MERKUR Privatbank has the legal status of a KGaA and is listed on the Munich stock exchange.</p>										
Business Focus	MERKUR Privatbank offers residential real estate developer finance, leasing and classical loans to its customers with a clear focus on developer loans. Total corporate loans amount to around EUR 1.15bn.	In Retail / Private Banking MERKUR Privatbank offers retail banking services both online and through its four branches to its customers. Following the takeover of Bank Schilling it is also active in private wealth management. It has more than EUR 2bn assets under custody/mangement.									
Customers	MERKUR Privatbank's customer are SME customers. While in real estate financing they comprise different real estate investors, they include traditional SME in the other segments.	MERKUR Privatbank's customers are classical retail customers which should be somewhat more affluent than the average retail customer. Bank Schilling's customers should be more affluent.									
Regional Focus	Regional Focus in real estate developer finance is Munich and to a lesser extent Stuttgart and Nuremberg.	Regional Focus is Bavaria, Hesse, Thuringia and Saxony.									
Market share/ positioning	MERKUR Privatbank's market share should be insignificant overall but in its core market Munich MERKUR Bank should be among the established players in its niche.	MERKUR Privatbank's market share in the German retail banking market insignificant.									
Drivers	Apart from the general macroeconomic development in Germany, the overall demand for housing in Munich and thus new construction activity is the key driver for MERKUR Privatbank's revenues.	We see two developments which should be beneficial for MERKUR Privatbank: 1) The ongoing branch closures of the market leaders (savings and mutual banks) should continue to be beneficial for MERKUR Privatbank as it should help it to further grow its assets under custody. 2) The low interest rate environment forces people to invest its assets into riskier assets which should be beneficial for banks/asset managers offering asset management services.									
Asset Quality	We do not have any NPL figures for MERKUR Privatbank but based upon the current very favorable housing market in Munich, particularly the high demand for new housing, and the company's statement we assume that NPLs are currently on low levels. Clearly, a deterioration of the housing market in Munich should lead to rising NPLs.										
Capitalization	With a CT1 ratio of 10% (2018; Pareto estimate) and total capital ratio of 15.3% MERKUR Bank fulfills the regulatory requirements but capitalization, unlike in the years before the CT1 ratio, is not a weak spot anymore for MERKUR Bank, i.e. the bank should be able to take advantage of future growth opportunities.										
Strategy & Guidance	<p>Strategy:</p> <p>(I) MERKUR Privatbank intends to further increase its AuC to increase revenues in retail/private banking to become less dependent from the real estate business</p> <p>(II) Further improve its capitalization to be able to make use of the business opportunities in the housing market in Munich</p>	<p>Guidance 2021:</p> <p>no concrete earnings guidance published</p> <table border="1"> <thead> <tr> <th>EPS y/y</th> <th>Pareto Estimates</th> <th>Consensus</th> </tr> </thead> <tbody> <tr> <td></td> <td>1.11</td> <td>na</td> </tr> <tr> <td></td> <td>6.3%</td> <td>na</td> </tr> </tbody> </table>	EPS y/y	Pareto Estimates	Consensus		1.11	na		6.3%	na
EPS y/y	Pareto Estimates	Consensus									
	1.11	na									
	6.3%	na									
2020	<p>Revenues (EURm) 75.3</p> <p>y/y 53.0%</p>	<p>CIR 63.2%</p>	<p>Net Profit (EURm) 8.1</p> <p>ROE 8.5%</p>	<p>EPS 5Y hist. CAGR (2015-2020) 15.5%</p>							
New bus. & Portfolio Split											
Shareholder structure & management	<p>CEO Dr. Marcus Lingel</p> <p>CEO & personal liability partner</p> <p>Dr. Lingel joined MERKUR Bank's management board in 2005</p> <ul style="list-style-type: none"> He joined MERKUR Bank in 2000 after having finished his studies and having worked for a large private bank in the corporate banking unit 	<p>Board member Claus Herrmann</p> <p>Mr. Herrmann joined MERKUR Bank in 1999 and became a board member in 2002</p> <p>Mr. Herrmann has gained bank experience in different savings banks and other mid-sized banks</p>	<p>Shareholder structure</p>								
# of employees FY 2019	414										

Source: Pareto Securities Research

PROFIT & LOSS (fiscal year) (EURm)	2015	2016	2017	2018	2019	2020p	2021e	2022e
Net interest income	22	23	23	29	42	53	54	55
Net fee and commission income	10	10	12	7	6	20	21	21
Operating income	33	35	36	37	49	75	77	78
Staff costs	(13)	(13)	(13)	(14)	(19)	(31)	(31)	(32)
Other expenses	(9)	(9)	(10)	(10)	(18)	(18)	(20)	(21)
Depr.	(1)	(1)	(1)	(1)	(1)	-	-	-
Operating expenses	(23)	(23)	(24)	(24)	(37)	(49)	(52)	(53)
Operating profit before losses	10	11	12	12	12	26	25	26
Net loan losses	(2)	2	(0)	(0)	(1)	(6)	(5)	(4)
Pre-tax profit	8	13	12	12	11	20	20	22
Tax expense	(3)	(4)	(4)	(5)	(5)	(10)	(8)	(9)
Net profit	4	9	7	7	6	11	12	13
Minority interests	(2)	(6)	(4)	(3)	(6)	(3)	(3)	(4)
Net profit attributable	3	3	3	4	0	8	9	9
BALANCE SHEET (EURm)	2015	2016	2017	2018	2019	2020p	2021e	2022e
Current assets	72	121	141	98	192	341	225	233
Gross loans	813	847	888	1,152	1,920	2,122	2,165	2,208
Other assets and accruals	87	65	64	103	196	208	152	152
Total assets	973	1,033	1,094	1,353	2,308	2,671	2,542	2,593
Deposits from credit institutions	84	74	62	68	169	225	60	60
Deposits from the public	800	846	905	1,152	1,912	2,204	2,246	2,289
Certificates and bond loans	-	-	-	-	-	-	-	-
Other liabilities accruals and allocat.	19	26	32	37	50	58	40	38
Subordinated loan capital	31	41	47	46	82	87	92	97
Equity	39	46	48	49	94	97	103	108
Total debt and equity	973	1,033	1,094	1,353	2,308	2,671	2,542	2,593
Average total assets		1,003	1,063	1,223	1,830	2,490	2,607	2,567
PER SHARE DATA & VALUATION (EUR)	2015	2016	2017	2018	2019	2020p	2021e	2022e
Avg. no. of shares	5	5	6	6	7	8	8	8
End. no. of shares	5	6	6	6	8	8	8	8
Price	5.9	6.7	7.9	8.2	9.7	10.1	11.7	11.7
Market cap.	31	38	45	46	75	79	91	91
EPS reported	0.51	0.61	0.60	0.64	3.25	1.05	1.11	1.14
EPS adj.	0.51	0.61	0.60	0.64	0.03	1.05	1.11	1.14
BVPS	7.5	8.0	8.4	8.7	12.1	12.5	13.2	13.9
DPS	0.22	0.26	0.30	0.32	0.32	0.36	0.40	0.44
P/E	11.6	10.9	13.0	12.7	3.0	9.7	10.5	10.3
P/E adj.	11.6	10.9	13.0	12.7	-	9.7	10.5	10.3
P/B	0.8	0.8	0.9	0.9	0.8	0.8	0.9	0.8
Dividend Yield	3.7%	3.9%	3.8%	3.9%	3.3%	3.6%	3.4%	3.8%
KEY RATIOS	2015	2016	2017	2018	2019	2020p	2021e	2022e
Net interest margin	2.39%	2.30%	2.16%	2.39%	2.32%	2.12%	2.06%	2.14%
Net interest margin (int.-bearing assets)	2.63%	2.62%	2.53%	2.71%	2.59%	2.45%	2.40%	2.44%
Cost/Income	67%	64%	63%	63%	64%	63%	65%	65%
Loan losses (bps annualised)	26	(46)	3	5	8	27	22	18
ROE		7.5%	7.4%	7.5%	0.3%	8.5%	8.6%	8.4%
ROA	0.3%	0.3%	0.3%	0.3%	1.3%	0.3%	0.3%	0.3%
RORWA	0.3%	0.4%	0.4%	0.4%	1.8%	0.5%	0.5%	0.5%

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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 lists 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	2,015,935	9.66%	SpareBank 1 Østfold Akershus	1,139,560	9.20%
Pareto Bank ASA	16,234,886	23.24%	Sparebanken Vest	6,803,873	6.34%

Pareto Securities AS or its affiliates own as determined in accordance with FINRA Rule 2241, 1 % or more of the equity securities of:

Companies	No. of shares	Holdings in %	Companies	No. of shares	Holdings in %
DOF ASA	3,712,491	1.27%	SpareBank 1 Østfold Akershus	1,139,560	9.20%
Helgeland Sparebank	2,015,935	9.66%	SpareBank 1 Østlandet	3,432,736	3.20%
Pareto Bank ASA	16,234,886	23.24%	Sparebanken Møre	305,239	3.09%
Selvaag Bolig ASA	2,893,099	3.09%	Sparebanken Sør	433,544	2.77%
SpareBank 1 BV	1,633,220	2.59%	Sparebanken Vest	6,803,873	6.34%
SpareBank 1 Nord-Norge	3,984,132	3.97%	Totens Sparebank	78,246	1.28%
SpareBank 1 SMN	1,875,442	1.44%			

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
Aker ASA	500	2,259	Fjordkraft Holding	0	12,605	PGS	0	11,676
Aker BP	0	32,441	Flex LNG	0	14,312	Prolector Forsikring	0	12,000
Aker Carbon Capture	0	240,368	Frontline	0	82,308	Quantafuel	0	1,119,190
Aker Offshore Wind	0	167,028	Gjensidige Forsikring	0	7,400	REC Silicon	0	37,051
American Shipping Company	0	13,300	Golden Ocean Group	0	1,433	SailMar	0	105
Aprila Bank ASA	0	22,675	Grieg Seafood	0	12,753	Sandnes Sparebank	0	126,013
Archer	0	30,170	Hafnia Limited	0	137,330	Sbanken ASA	0	4,520
Arcus	0	2,784	HydrogenPro	0	37,851	Scatec Solar	0	20,000
Atlantic Sapphire	0	10,010	Ice Group ASA	0	200,000	Schibsted ASAB Aksjer	0	155
Austevoll Seafood	0	29,135	Komplett Bank	0	99,300	Selvaag Bolig	0	51,900
Avance Gas	0	3,362	Kongsberg Gruppen	0	35,581	Skitude	0	12,695
Avactor	0	44,376	KWS	75	75	SpareBank 1 Nord-Norge	0	1,850
B2Holding AS	0	14,075	Lerøy Seafood Group	0	18,142	SpareBank 1 SMN	0	12,740
BASF	270	270	Mowi	0	4,600	SpareBank 1 SR-Bank	0	8,343
Bonheur	0	32,275	MPC Container Ships	0	45,944	Sparebank 1 Østfold Akershus	0	1,252
Borregaard ASA	0	650	Nordic Semiconductor	0	5,406	SpareBank 1 Østlandet	0	8,621
Bouvet	0	294	Norsk Hydro	0	106,867	Sparebanken Sør	0	16,235
BRABank	0	74,607	Norske Skog	0	8,225	Sparebanken Vest	0	15,535
BW Energy	0	43,825	Norwegian Energy Company	0	790	Sparebanken Øst	0	1,500
BW LPG	0	10,800	Norwegian Finans Holding	0	3,210	Stolt-Nielsen	0	1,817
BW Offshore	0	11,326	Norwegian Property	0	22,425	Storebrand	0	9,732
DNB	0	29,908	NTS	0	2,272	Subsea 7	0	9,226
DNO	0	155,978	Ocean Yield	0	72,970	Telenor	0	7,454
DOF	0	2,366,346	OHT	0	6,650	TGS-NOPEC	0	1,300
Elkem	0	35,426	Okeanis Eco Tankers	0	22,000	Volue	0	15,148
Entra	0	9,977	Orkla	0	19,542	VOW	0	5,981
Equinor	0	2,552	Panoro Energy	0	10,502	Wallenius Wilhelmsen	0	46,100
Europris	0	11,263	Pareto Bank	0	2,411,276	XXL	0	22,534
Fjord1 ASA	0	50,000	Pexip Holding	0	32,283	Yara	0	14,595

This overview is updated monthly (last updated 15.03.2021).

*Analyst holdings refers 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 rendered publicly known not immaterial investment banking services over the previous 12 months:

24SevenOffice Scandinavia	DOF Subsea AS	Mercell	Talos Energy Inc
2G Energy	Element ASA	Mintra Group	Tise AS
Acconer AB	ELOP	Modex AS	Trønderenergi AS
Africa Energy Corp Corp	Endur ASA	MPC ContainerShips	Watercircles Forsikring ASA
Aker ASA	Fertiberia S.A.R.L.	Mutares SE & Co. KGaA	West Coast Salmon
Aker Horizons	Fjordkraft Holding	Navigator Holdings Ltd.	Wheel.me
Akershus Energi	Flexistore AS	Navios	-
Akva Group	Genel Energy	Next Biometrics Group	-
Alussa Energy Acquisition Corp (Freyr)	Golden Ocean Group	Nordic Halibut	-
American Tanker, Inc.	Goliath Offshore	Norske Skog	-
Aprila Bank ASA	Hafnia Ltd.	Norwegian Block Exchange	-
Arctic Fish	Helgeland Sparebank	Odfjell SE	-
Arendals Fossekompani	HKN Energy Ltd	OHT	-
BioInvent	Hofseth BioCare	Panoro Energy	-
Boreal Holding AS	House of Control	Pelagia Holding AS	-
Borr Drilling Limited	Huddy AS	PetroTal	-
BRABank	HydrogenPro	Pexip Holding	-
Brooge Energy Limited	Ice Group Scandinavia Holdings AS	Pioneer Property Group ASA	-
Bulk Infrastructure Holding	Idavang A/S	Proximar Seafood	-
BW Energy	Instabank ASA	Quantafuel	-
CentralNic Group PLC	Kalera AS	REC Silicon	-
Cibus Nordic Real Estate	Keppel FELS Limited	Saga Robotics	-
Circa Group	Klaveness Combination Carriers ASA	Salmon Evolution	-
Cloudberry Clean Energy	KLP	Scorpio Bulkers	-
CrayoNano AS	Komplett Bank	Seafire AB	-
CRC Holding B.V. ("Pryme")	Kongsberg Automotive	Siccar Point Energy	-
Digiplex	Kraft Bank	Skitude	-
DOF	Meltwater	Sparebanken Vest	-

This overview is updated monthly (this overview is for the period 31.02.2020 – 31.02.2021).

Appendix C

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

Distribution of recommendations

Recommendation	% distribution
Buy	67%
Hold	29%
Sell	3%

Distribution of recommendations (transactions*)

Recommendation	% distribution
Buy	91%
Hold	9%
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 15.03.2021).

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

24SevenOffice Scandinavia AB	Cibus Nordic Real Estate AB	Isofol Medical AB	Vicore Pharma
Azelio	Climeon AB	Re:NewCell	VNV Global
Bionvent	Egetis Therapeutics	Surgical Science	
Biovica International	Implantica	Swedencare AB	

Members of the Pareto Group provide market making or other liquidity providing services to the following companies included in Pareto Securities AB's research coverage universe:

Africa Energy Corp.	Logistri Fastighets AB	Minesto	Shamaran Petroleum
ByggPartner i Dalarna Holding	Magnolia Bostad	Saltängen Property Invest	Surgical Science
Cibus Nordic Real Estate	Media & Games Invest plc.	SciBase Holding	Tethys Oil
Isofol Medical	Mentice AB	Sedana Medical	Vostok Emerging Finance

Members of the Pareto Group have entered into agreements concerning the inclusion of the company in question in Pareto Securities AB's research coverage universe with the following companies: None

Member of the Pareto Group is providing Business Management services to the following companies:

Bosjö Fastigheter AB	Bråviken Logistik	Halmslätten	Mälåråsen
Bonäsudden	Delarka	Logistri	Sydsvenska Hem

Members of the Pareto Group have entered into agreements concerning the inclusion of the company in question in Pareto Securities AB's research coverage universe with the following companies: None

This overview is updated monthly (last updated 16.03.2021).

Appendix E

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11, letter d, ref the Securities Trading Act Section 3-10

Designated Sponsor

Pareto Securities acts as a designated sponsor for the following companies, including the provision of bid and ask offers. Therefore, we regularly possess shares of the company in our proprietary trading books. Pareto Securities receives a commission from the company for the provision of the designated sponsor services.

2G Energy *	Gigaset *	MLP *	SMT Scharf AG *
Biotest *	Heidelberg Pharma *	mutares	Surteco Group *
CORESTATE Capital Holding S.A.	Intershop Communications AG	OVB Holding AG	Szygy AG *
Daldrup & Söhne	Leifheit	Procredit Holding *	TAKKT AG
Demire	Logwin *	PSI SOFTWARE AG *	Viscom *
Epigenomics AG*	Manz AG *	PWO *	
Gesco *	MAX Automation SE	RIB Software *	
GFT Technologies *	Merkur Bank	S&T AG *	

* The designated sponsor services include a contractually agreed provision of research services.

Appendix F

Disclosure requirements pursuant to the Norwegian Securities Trading Regulation § 3-11, letter g, ref the Securities Trading Act Section 3-10

Sponsored Research

Pareto Securities has entered into an agreement with these companies about the preparation of research reports and –in return – receives compensation.

Adler Modemaerkte	Dermapharm Holding SE	MAX Automation SE	OHB SE
Baywa	Hypoport AG	Merkur Bank	OVB Holding AG
BB Biotech	Intershop Communications AG	mutares	Siegfried Holding AG
Daldrup & Söhne	Leifheit		

This overview is updated monthly (last updated 16.03.2021).