NORNE securities

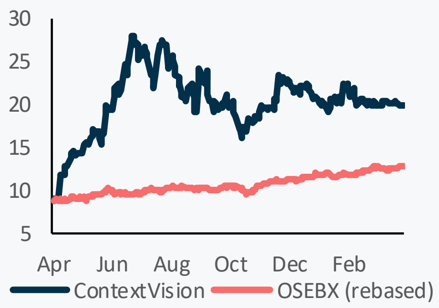
1Q21 Preview (report due April 22nd)
April 16th 2021
Share price: NOK 19.81
Target: NOK 25.00 (unchanged)
Risk: Medium

ContextVision

BUY

Key share data	
Sector	Health Care
Reuters	COVI.OL
Bloomberg	COV NO
Market Cap (NOKm)	1,533
Net debt (NOKm)	-46
EV (NOKm)	1,487
Net debt / equity	-58%
Issued shares (m)	77.4

Share price



Performance	1m	3m	12m
CONTX	0%	-5%	135%
OSEBX	1%	7%	42%

Upcoming events	
1Q21 report	April 22, 2021
AGM	May 5, 2021
2Q21 report	August 12, 2021
3Q21 report	October 21, 2021

Norne Securities AS is a market maker in the shares of ContextVision

Analyst

Tomas Skeivys, CFA
+370 676 35 144
tomas.skeivys@norne.no

Expecting more action post pandemic

We stay positive on ContextVision share ahead of 1Q report next week. The company is a clear market leader in the existing Medical Imaging business that allowed them to venture into very exciting Digital Pathology field, where they are at the forefront with the first commercial product INIFY Prostate. Thus, as the pandemic ebbs INIFY Prostate commercialization efforts will start yielding tangible results, which should also be reflected in the share price.

Unimpressive and seasonally weaker 1Q expected with continuous pandemic effect
ContextVision is scheduled to release its 1Q21 report on April 22nd. The figures will not likely be impressive due to the continuous impact of the pandemic. We estimate sales of SEK 22m vs SEK 29m a year ago and SEK 24m in the previous quarter. Notably, 1Q20 was an unusually strong quarter, while regular seasonality should explain the QoQ decline. Despite modest revenues, we still expect positive EBITDA of SEK 3.9m, which is in line with the previous quarter. Bottom line should also be just above zero.

1Q/21 results SEKm	1Q/20	4Q/20	1Q/21E Norne
Revenues	**29.2**	**23.5**	**21.8**
EBITDA	**13.8**	**3.0**	**3.9**
EBITDA margin	*47%*	*13%*	*18%*
EBIT	11.8	0.1	1.0
Pre-tax profit	11.8	0.1	0.9
Net earnings	9.1	0.3	0.7
EPS reported (SEK)*	0.12	0.00	0.01
EPS adjusted (SEK)*	**0.12**	**0.00**	**0.01**

** Adj. for share split of 10 for 1 effective August 19th, 2020*

Digital Pathology slowly moving forward, more speed post pandemic
Naturally, new business development is slowed down by the pandemic and 1Q is no exception. Thus, we do not expect any breakthroughs commercially within Digital Pathology to be announced in the report. Still, the slow and steady progress towards commercialization of INIFY Prostate should be reported. The key now is to prove the product works in a clinical setup and as the pandemic ebbs, the company is ready for a full-scale commercialization effort in the market that could reach USD 1bn in not too distant future.

Investment case unchanged – Buy @ NOK 25/sh target price
Our Buy recommendation and NOK 25/sh target price is reiterated ahead of 1Q report. We are impressed by how the company's existing Medical Imaging business managed to pay for an extensive development of Digital Pathology products. The company is a clear market and technology leader in Medical Imaging software, which we also believe makes them a prime candidate to succeed within Digital Pathology field. The quarters and years ahead are going to be exciting and we stay positive on the share.

Estimate changes (SEKm)	1Q21E		2021E		2022E		2023E	
	New	Old	New	Old	New	Old	New	Old
Operating revenues	**21.8**	**22.8**	**99.0**	**100.6**	**133.9**	**134.0**	**227.8**	**225.8**
EBITDA adj.	**3.9**	**4.9**	**19.7**	**21.3**	**44.8**	**44.9**	**128.2**	**126.3**
EBITDA adj. margin	*18%*	*22%*	*20%*	*21%*	*33%*	*34%*	*56%*	*56%*
EBIT (adj)	1.0	2.0	7.8	9.3	31.1	31.2	111.6	109.7
EBIT adj. margin	*5%*	*9%*	*8%*	*9%*	*23%*	*23%*	*49%*	*49%*
Non-recurring items	-	-	-	-	-	-	-	-
EBIT	1.0	2.0	7.8	9.3	31.1	31.2	111.6	109.7
Pre-tax profit	0.9	1.9	7.6	9.1	30.8	30.9	111.3	109.4
Tax	-0.2	-0.4	-1.6	-1.9	-6.4	-6.4	-22.9	-22.5
Tax rate	21%	21%	21%	21%	21%	21%	21%	21%
Profit after tax	**0.7**	**1.5**	**6.0**	**7.2**	**24.5**	**24.6**	**88.4**	**86.9**
Revenue split by segment								
Medical Imaging	**21.8**	**22.8**	**98.5**	**100.0**	**107.4**	**108.1**	**112.2**	**113.0**
X-ray	5.1	5.4	25.1	25.4	28.6	28.6	30.1	30.1
Ultrasound 2D	12.5	13.2	55.2	56.7	58.0	59.5	60.9	62.5
Ultrasound 3D	2.0	2.2	9.8	9.6	12.4	11.6	12.9	12.0
Magnetic Resonance Imaging	1.6	1.6	6.3	6.3	6.2	6.2	6.2	6.2
Others (iRV, CT, Mammo)	0.5	0.5	2.1	2.1	2.2	2.2	2.2	2.2
Digital Pathology	-	-	**0.5**	**0.5**	**26.6**	**25.9**	**115.6**	**112.8**
Total	**21.8**	**22.8**	**99.0**	**100.6**	**133.9**	**134.0**	**227.8**	**225.8**

DCF model

SEKm	2021E	2022E	2023E	2024E	2025E
Revenues	**99**	**134**	**228**	**403**	**447**
EBIT*	6	31	112	271	303
Tax on EBIT	-1	-6	-23	-56	-62
NOPLAT (+)	5	25	89	215	240
Depreciation & amortization (+)	12	14	17	20	25
Capital expenditure (-)	-4	-19	-28	-30	-32
Change in working capital (- or +)	-4	-13	-30	-46	-10
Free Cash Flow to the Firm	**8**	**6**	**48**	**160**	**224**
NPV of FCFF	8	5	35	105	133

** Includes office leasing agreements*

WACC calculation	
Debt ratio	0%
Cost of debt (after tax)	nm
Risk free rate	2.0%
Beta	1.5
Market risk premium	6.0%
Cost of equity	11.0%
WACC	**11.0%**

Valuation, SEKm	
Net debt	-46
Minority interest	0
NPV cash flow	
2021-2025E	286
2026E-	1,602
Total NPV cash flow	1,888
Equity value	1,934
Value per share, SEK	**25.00**
Value per share, NOK	**25.00**

Assumptions	
L.t. growth	2.5%
Tax rate	20.6%
SEK/NOK	1.00
# shares, m	77.4

Sensitivity analysis

		L.t. growth				
		1.5%	**2.0%**	**2.5%**	**3.5%**	**4.0%**
WACC	**9%**	30.0	32.0	34.2	40.0	43.7
	10%	25.9	27.3	29.0	33.0	35.6
	11%	22.6	23.8	**25.0**	28.0	29.8
	12%	20.0	20.9	21.9	24.1	25.5
	13%	17.9	18.6	19.4	21.1	22.2

Profit & Loss (SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Operating revenues	**81.9**	**80.5**	**90.9**	**95.3**	**94.7**	**99.0**	**133.9**	**227.8**
Operating expenses	-71.3	-78.9	-86.1	-67.1	-69.3	-79.3	-89.1	-99.6
EBITDA	**10.6**	**1.6**	**4.8**	**28.2**	**25.5**	**19.7**	**44.8**	**128.2**
Depreciation & Amortisation	-4.8	-4.9	-5.0	-8.2	-9.9	-12.0	-13.8	-16.7
EBIT (adj)	**5.8**	**-3.3**	**-0.2**	**20.1**	**15.6**	**7.8**	**31.1**	**111.6**
Non-recurring items	-	1.3	-1.1	-10.0	-0.1	-	-	-
EBIT	5.8	-2.0	-1.3	10.1	15.5	7.8	31.1	111.6
Net interest & other financial effects	-0.0	-0.0	0.0	-0.3	-0.2	-0.2	-0.2	-0.2
Pre-tax profit	**5.8**	**-2.0**	**-1.3**	**9.8**	**15.2**	**7.6**	**30.8**	**111.3**
Minority interests	-	-	-	-	-	-	-	-
Taxes	-1.5	0.3	0.1	-2.4	-3.2	-1.6	-6.4	-22.9
Profit after tax	**4.3**	**-1.7**	**-1.2**	**7.4**	**12.1**	**6.0**	**24.5**	**88.4**
EPS rep. (SEK)	**0.05**	**-0.02**	**-0.02**	**0.10**	**0.16**	**0.08**	**0.32**	**1.14**
EPS adj. (SEK)	**0.06**	**-0.03**	**-0.00**	**0.20**	**0.16**	**0.08**	**0.32**	**1.14**
Margins								
Operating margin	7%	-4%	0%	21%	16%	8%	23%	49%
ROE	8%	-4%	0%	25%	17%	7%	25%	57%
ROCE	10%	-5%	0%	30%	20%	9%	31%	71%
Tax rate	26%	14%	9%	24%	21%	21%	21%	21%
Growth rates (YoY)								
Operating revenues	13%	-2%	13%	5%	-1%	4%	35%	70%
EBIT (adj)	-8%	nm	nm	nm	-22%	-50%	>100%	>100%
EPS (adj)	-8%	nm	nm	nm	-22%	-50%	>100%	>100%

** Adj. for share split effective August 19th, 2020*

Cash flow (SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Pre-tax profit	5.8	-2.0	-1.3	7.9	15.2	7.6	30.8	111.3
Depreciation and amortisation	6.2	5.0	6.7	18.2	10.0	12.0	13.8	16.7
Unrealized g/l on current investments	-0.0	-0.2	0.3	0.1	1.7	-	-	-
Paid taxes	-3.5	-3.4	0.4	1.8	-2.8	-1.6	-6.4	-22.9
Other	-	-	-	-	-	-	-	-
Change in working capital	1.1	2.6	-1.0	-3.0	-1.8	-4.3	-13.0	-30.1
Operating cash flow (OCF)	**9.5**	**1.9**	**5.1**	**25.1**	**22.3**	**13.6**	**25.2**	**75.0**
Capital expenditures	-2.2	-4.5	-7.5	-22.8	-8.6	-4.2	-19.0	-27.7
Other cash flow from investments	-0.1	-	-	-0.2	-0.2	-	-	-
Free Cash Flow (FCF)	**7.3**	**-2.6**	**-2.4**	**2.0**	**13.6**	**9.5**	**6.3**	**47.3**
Cash flow from financing activities	-	-	-	-3.7	-3.6	-1.6	-	-
Change in cash	**7.3**	**-2.6**	**-2.4**	**-1.6**	**10.0**	**7.9**	**6.3**	**47.3**

Balance sheet (SEKm)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Goodwill	-	-	-	-	-	-	-	-
Deferred tax asset	-	-	-	-	-	-	-	-
Licences, property, plant & equipment	15.2	14.5	15.0	23.5	25.9	18.2	23.4	34.4
Other intangible assets	0.3	0.4	0.3	10.0	6.3	6.3	6.3	6.3
Non-current Assets	**15.5**	**14.9**	**15.4**	**33.5**	**32.2**	**24.4**	**29.7**	**40.7**
Inventory	0.3	0.6	0.7	0.9	0.8	1.1	1.6	2.7
Receivables	20.6	23.3	22.8	23.4	26.7	30.6	43.2	72.1
Other current assets	-	-	-	-	-	-	-	-
Cash and cash equivalents	42.9	40.3	37.9	36.3	46.4	54.2	60.5	107.8
Current Assets	**63.8**	**64.2**	**61.5**	**60.6**	**73.8**	**86.0**	**105.3**	**182.6**
Total assets	**79.3**	**79.1**	**76.8**	**94.1**	**106.0**	**110.4**	**134.9**	**223.3**
Shareholders equity	61.4	59.3	58.6	66.1	79.8	85.8	110.3	198.7
Non-controlling interests	-	-	-	-	-	-	-	-
Total equity	**61.4**	**59.3**	**58.6**	**66.1**	**79.8**	**85.8**	**110.3**	**198.7**
Deferred tax liability	-	-	1.0	1.6	2.9	2.9	2.9	2.9
Long-term interest bearing debt	-	-	-	-	-	-	-	-
Other long-term liabilities	1.5	1.1	-	4.7	1.6	-	-	-
Non-current liabilities	**1.5**	**1.1**	**1.0**	**6.3**	**4.5**	**2.9**	**2.9**	**2.9**
Current interest bearing debt	-	-	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-	-	-
Other current liabilities	16.4	18.6	17.3	21.7	21.8	21.8	21.8	21.8
Current liabilities	**16.4**	**18.6**	**17.3**	**21.7**	**21.8**	**21.8**	**21.8**	**21.8**
Total liabilities	**17.9**	**19.7**	**18.3**	**28.0**	**26.2**	**24.6**	**24.6**	**24.6**
Total liabilities and equity	**79.3**	**79.1**	**76.8**	**94.1**	**106.0**	**110.4**	**134.9**	**223.3**
Working capital	20.9	23.8	23.5	24.3	27.5	31.8	44.8	74.8
Net IB debt	-42.9	-40.3	-37.9	-36.3	-46.4	-54.2	-60.5	-107.8
Capital employed	62.9	60.5	59.5	72.4	84.3	88.7	113.1	201.5
Net IB debt / equity	-70%	-68%	-65%	-55%	-58%	-63%	-55%	-54%
Equity / total assets	77%	75%	76%	70%	75%	78%	82%	89%

Share data	2016	2017	2018	2019	2020	2021E	2022E	2023E
Shares outstanding, year end (mill.)	**77.368**	**77.368**	**77.368**	**77.368**	**77.368**	**77.368**	**77.368**	**77.368**
Share price, year end (NOK)	4.95	5.75	5.52	10.40	22.10	19.81	19.81	19.81
Market cap (NOKm)	383	445	427	805	1,710	1,533	1,533	1,533
Enterprise value (NOKm)	343	405	392	770	1,661	1,479	1,472	1,425
EPS rep. (SEK)	0.05	-0.02	-0.02	0.10	0.16	0.08	0.32	1.14
EPS adj. (SEK)	0.06	-0.03	-0.00	0.20	0.16	0.08	0.32	1.14
DPS. (SEK)	-	-	-	-	-	-	-	-

Valuation	2016	2017	2018	2019	2020	2021E	2022E	2023E
EV/Sales	4.5	5.1	4.6	8.5	16.7	14.9	11.0	6.3
EV/EBITDA	34.8	>100	87.8	28.8	62.2	74.9	32.9	11.1
EV/EBIT (adj)	63.9	neg	neg	40.5	>100	>100	47.4	12.8
P/E (adj)	91.5	neg	neg	54.7	>100	>100	62.6	17.3
P/B (excl. goodwill)	6.7	7.6	7.8	12.8	20.4	17.9	13.9	7.7

Growth (YoY)	2016	2017	2018	2019	2020	2021E	2022E	2023E
Revenues	13%	-2%	13%	5%	-1%	4%	35%	70%
EBITDA	1%	-85%	199%	489%	-10%	-23%	127%	186%
EBIT (adj)	-8%	nm	nm	nm	-22%	-50%	299%	259%
Pre-tax profit (rep)	-17%	nm	nm	nm	56%	-50%	308%	261%
Net profit (rep)	-20%	nm	nm	nm	63%	-50%	308%	261%
EPS (rep)	-20%	nm	nm	nm	63%	-50%	308%	261%
EPS (adj)	-8%	nm	nm	nm	-22%	-50%	308%	261%

Margins	2016	2017	2018	2019	2020	2021E	2022E	2023E
EBITDA	12.9 %	2.0 %	5.3 %	29.6 %	26.9 %	19.9 %	33.5 %	56.3 %
EBIT (adj)	7.0 %	-4.1 %	-0.3 %	21.1 %	16.4 %	7.9 %	23.2 %	49.0 %
Pre-tax profit	7.0 %	-2.5 %	-1.4 %	10.2 %	16.1 %	7.6 %	23.0 %	48.9 %
Net profit	5.2 %	-2.1 %	-1.3 %	7.8 %	12.8 %	6.1 %	18.3 %	38.8 %

Profitability	2016	2017	2018	2019	2020	2021E	2022E	2023E
ROE	7.6 %	-4.2 %	-0.3 %	24.9 %	16.5 %	7.2 %	25.0 %	57.2 %
ROCE	9.5 %	-5.3 %	-0.4 %	30.4 %	19.9 %	9.0 %	30.8 %	70.9 %
Dividend yield	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

** Adj. for share split effective August 19th, 2020*

Recommendation, valuation, risk and sources

Recommendation and target price

Recommendation history for ContextVision's share during the last 12 months:

Date	Recommendation	Target price (NOK)*
16/04/2021	BUY	25.00
24/02/2021	BUY	25.00
09/02/2021	BUY	25.00
23/10/2020	BUY	27.00
12/10/2020	BUY	26.00
19/08/2020	HOLD	26.00
31/07/2020	HOLD	25.00
29/04/2020	HOLD	13.00
20/04/2020	BUY	12.00
25/02/2020	BUY	14.00

** Adj. for share 10:1 share split effective August 19th, 2020*

Valuation

To arrive at our share price target, we have used a rounded result from our DCF valuation.

Risks

The main risks to our target price on ContextVision are the following:

- Slower sales growth in the operating areas of the existing Medical Imaging business, particularly in the Ultrasound/X-Ray segments;
- Failure to successfully complete R&D and market the new products in the portfolio, i.e. within Digital Pathology field;
- The company invests heavily in R&D and being able to capitalize on these investments, not to incur significant cost overruns etc. in the future is the key for the company's long-term growth;
- Digital Pathology is a rapidly developing field and relevant market for ContextVision is expected to grow from USD 20m in 2020 to USD 700m by 2024 (company's estimates). Our estimates are based on company achieving certain market share of the Digital Pathology market and failure for the market to develop according to expectations would impact estimates and valuation negatively.
- Currency risk – our long-term estimates for the Digital Pathology market are based on USD, the company reports in SEK and the share is traded in NOK.

Sources

The sources used in the preparation of this report were: ContextVision, Oslo Stock Exchange, Bloomberg and Infront.

DISCLOSURES AND DISCLAIMER

STANDARDS AND SUPERVISORY AUTHORITY

This report has been prepared by Norne Securities AS, which is supervised by The Financial Supervisory Authority of Norway (Finanstilsynet). Industry standards issued by The Norwegian Securities Dealers Association (Verdipapirforetakenes Forbund) (www.vpff.no) have been used in preparing this report.

DISCLAIMER

This report is provided for information purposes only. It should not be used or considered as an offer to sell or a solicitation of an offer to buy any securities. This report is prepared for general circulation and general information only. It does not take into account the specific investment objectives, investment knowledge and experience and financial situation of any recipient. Investors seeking to buy or sell any securities discussed or recommended in this report, should seek independent financial advice relating thereto and make his/her own appraisal of the tax or other financial merits of the investment. Any opinions expressed are subject to change without prior notice. This report is based on information from various sources believed to be reliable. Although all reasonable care has been taken to ensure that the information herein is not misleading, Norne Securities AS makes no guarantee, representation or warranty, expressed or implied as to its accuracy, adequacy or completeness. Neither Norne Securities AS, its employees, nor any other person connected with it, accepts any liability whatsoever for any direct, indirect or incidental, special or consequential loss of any kind arising out of the use or reliance on the information in this report.

This report is intended for use only by those persons to whom it is made available by Norne Securities AS. This report may not be distributed, quoted from or reproduced, in full or in part, in any manner without written approval by Norne Securities AS.

RECOMMENDATION STRUCTURE

Norne Securities' general recommendations – Buy, Hold and Sell – are based on the expected absolute return on the financial instrument within the next 12 months, which equals to an upside to the target price, in combination with a risk profile. The target price represents the price level which the analyst expects the financial instrument to trade at within the coming 12 months. The table below shows the ranges of returns under different risk levels, based on which the recommendation is being determined:

	Total return next 12 months (upside to target price)		
Risk	Buy	Hold	Sell
Low	> 10%	2% - 10%	< 2%
Medium	> 15%	3% - 15%	< 3%
High	> 25%	5% - 25%	< 5%

Our risk assessments range from "high risk" to "medium risk" and "low risk" and are based on a subjective assessment of the following factors: 1) volatility in the share price, 2) liquidity in the share, 3) strength of the balance sheet, 4) absolute earnings level and trend and 5) estimate risk.

Share prices used in the report are as of market close on the last trading day if the report is being published before the stock market opening, or market price within 15 min. before the publication if the report is published during the trading hours of the Oslo Stock Exchange.

TARGET PRICE AND UPDATES

Target prices may be based on one or several valuation methods, for instance, the discounted cash flow (DCF) analysis or applying "fair" pricing multiple(s) based on historical valuation or peer pricing level. Target price may not necessarily equal to the "fair value" of the financial instrument – certain discount or premium is possible due to various reasons, depending on the analyst's view of what the price may be within the 12 months period. Norne Securities AS plans to update the recommendation based on the following events: the target price is achieved; new accounting figures are released; any significant news on the company or its industry is announced.

DISCLOSURE OF INTERESTS

Norne Securities AS may at any time perform investment banking or other services or solicit investment banking or other mandates from the company or companies covered in this report. Norne Securities AS may hold positions in securities covered in this report due to its own-account trading that is part of its investment services operations, such as market making. Norne Securities AS has appointed and may at any time appoint tied agents to provide investment services on behalf of Norne Securities AS. Tied agents are listed in the public registry of the Norwegian Financial Supervisory Authority, and an updated overview of appointed tied agents of Norne Securities AS can be found on https://www.norne.no/compliance/.

PREVENTING CONFLICTS OF INTEREST

Norne Securities AS has arrangements in place with the aim of preventing conflicts of interest. As part of these arrangements, Norne Securities AS has established information barriers between different parts of the company to restrict and control the exchange of sensitive information. No direct link exists between remuneration of the Norne Securities AS analysts and investment banking services provided by Norne Securities AS, but analysts may receive a bonus under the firm's general bonus scheme. Under our internal regulations, which have been prepared in accordance with applicable legislation and relevant industry standards, our analysts are not permitted to purchase new securities in the companies they cover.

POTENTIAL CONFLICTS OF INTEREST
Norne Securities AS is a market maker in the shares of ContextVision.

This report has been presented to the issuer before dissemination for a check of factual information. Amendments of factual information have not been made following this.

Share holdings of Norne employees in ContextVision:

Responsible analyst(s)	0
All Norne analysts	0
Other Norne employees	0
Norne Securities AS	0

The overview of share holdings is updated continuously. A list of total share holdings of the Norne Securities' employees and the date of last overview can be found on https://www.norne.no/compliance/. Shareholdings that Norne Securities AS owns as a result of own-account trading that is part of its investment services operations (such as market making) are not included in the table above.

Distribution of Norne Securities' recommendations during three months up till March 31, 2021:

	Buy	Hold	Sell
Total	60	37	3
% of total	60%	37%	3%
Corporate clients*	26	11	1
% of corporate clients*	68%	29%	3%

* Includes publicly disclosed not immaterial investment banking services or issues of financial instruments where Norne Securities AS has been lead manager or co-lead manager, and market making clients during the 12 months prior to the overview date.

CAUTIONARY NOTE REGARDING RISK
An investment in the company involves risk, and several factors could cause the actual results, performance or achievements of the company to be materially different from future results, performance or achievements that may be expressed or implied by statements and information in this presentation. Including, among others, risk or uncertainties associated with the company's business segments, development, growth management, financing, market acceptance and relations with customer, and more generally, general economic and business conditions, changes in domestic and foreign laws and regulations, taxes, changes in competition and pricing environment, fluctuations in currency exchange rates and interest rates and other factors. Should one or more of these risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary materially from those described in this document. Past performance is not a guide to future performance. Investing in securities may result in a loss of all or part of the investment.

DISTRIBUTION RESTRICTIONS
This report is not intended for and must not be distributed to private customers in the UK or US. Norne Securities AS and its employees are not subject to the Rules of the Financial Industry Regulatory Authority (FINRA) governing research analyst conflicts. The research reports are intended for distribution in the United States solely to "major U.S. institutional investors" as defined in Rule 15a-6 under the United States Securities Exchange Act of 1934, as amended and may not be furnished to any other person in the United States. Each major U.S. institutional investor that receives a copy of a Norne Securities AS research report by its acceptance thereof represents and agrees that it shall not distribute or provide copies to any other person. Reports are prepared by Norne Securities AS and distributed to major U.S. institutional investors under Rule 15a-6(a)(2).

THIS REPORT IS SUBJECT TO NORWEGIAN LAW, AND ANY DISPUTE ARISING IN RESPECT OF THIS REPORT IS SUBJECT TO THE EXCLUSIVE JURISDICTION OF NORWEGIAN COURTS.