

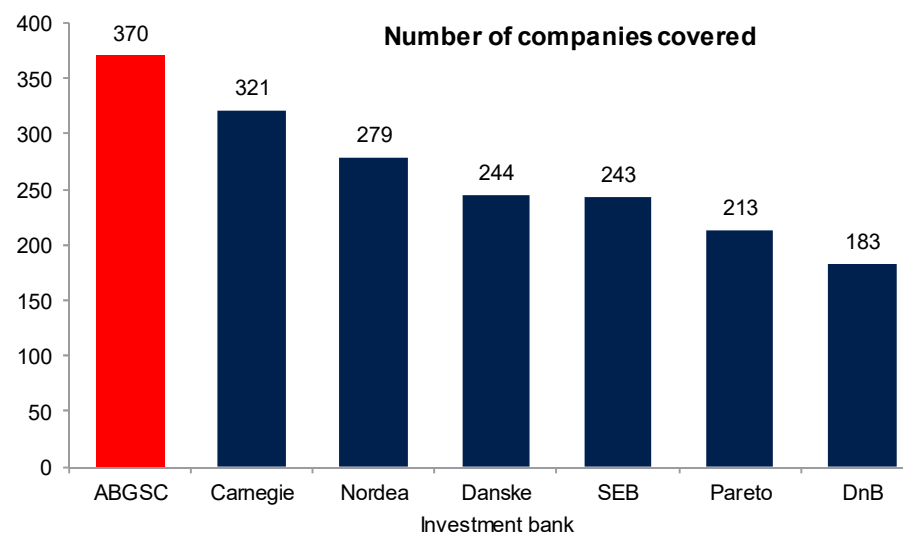
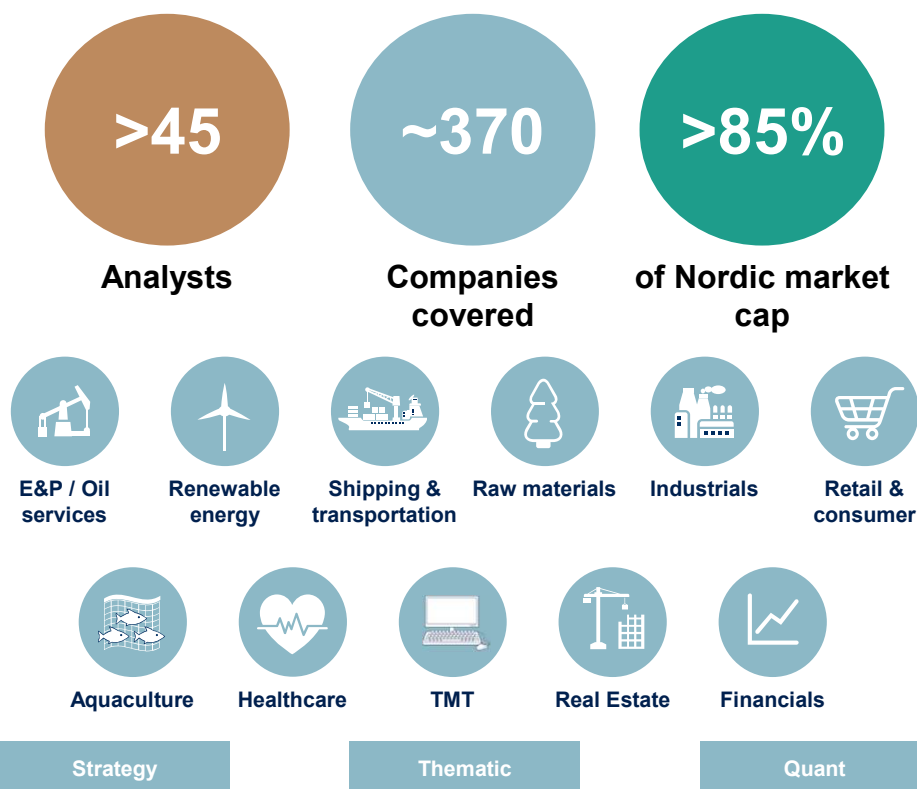
ABG Sundal Collier research coverage

45 analysts covering ~370 Nordic companies

Research coverage of 370 companies listed on the Nordic exchanges (~85% of total market cap)

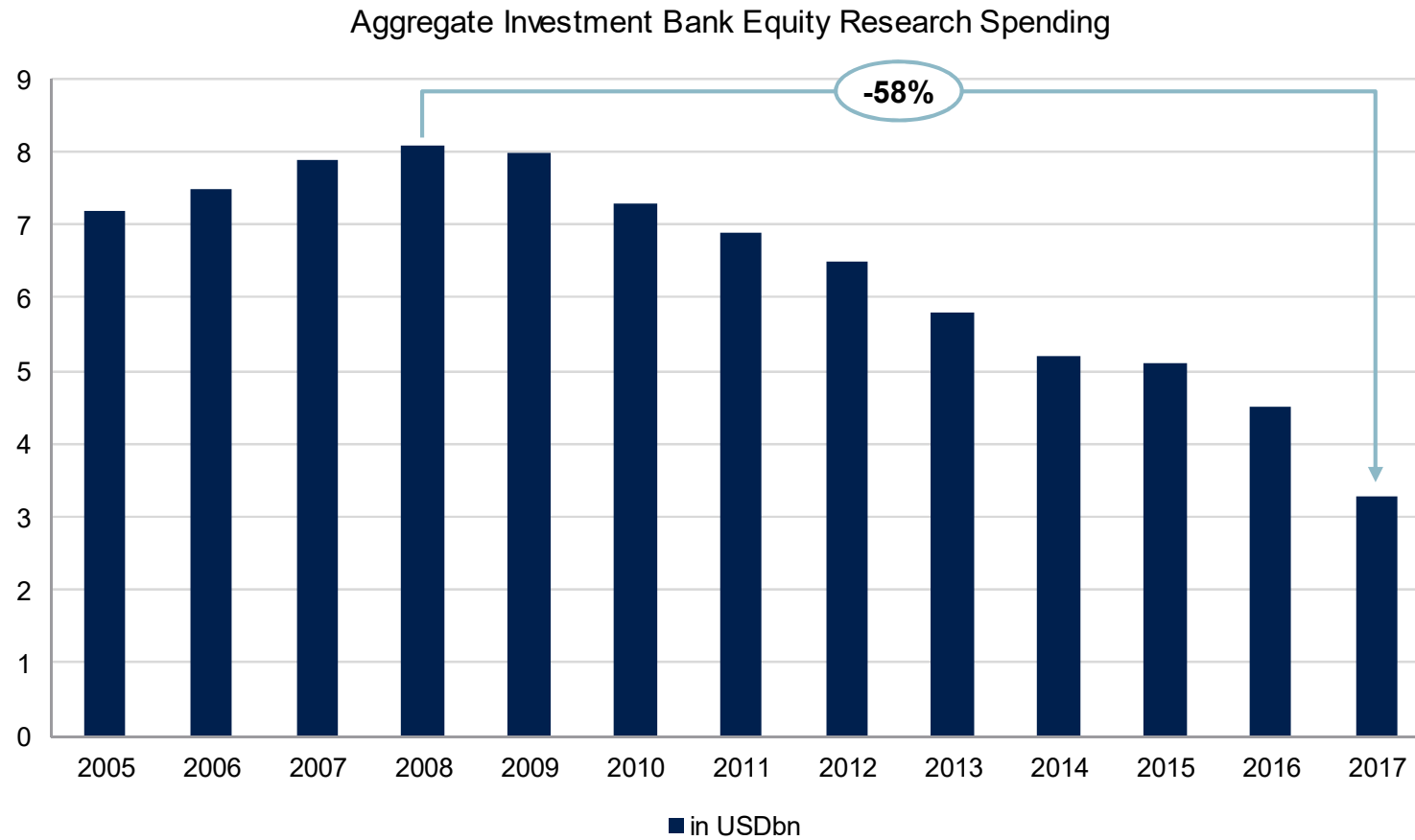
Broader coverage than any other

Research coverage of 370 companies listed on the Nordic exchanges (~85% of total market cap)



The big picture on research spending - a structural trend

Research budgets



The buy side is undergoing massive change

Revenue pressure due to increased competition

E.g. passive funds (index funds, ETFs have taken 70-110% of net inflows last 10 years!)

Asset management

First negative-fee investment fund highlights battle for clients' money

OWEN WALKER

The US markets regulator has backed a fund that pays customers to invest in it, highlighting a ferocious war for clients being waged among asset managers.

The arrival of so-called "negative fees" is a sign of the difficulties for new players trying to break into a market that is dominated by a handful of large index fund managers that have the economies of scale to offer ever-cheaper funds.

Salt Financial, a New York boutique manager, has introduced a new charging structure for its recently launched Salt Low truBeta US Market exchange-traded fund, after receiving approval from the Securities and Exchange Commission late last week. The structure applies a 34 basis-point fee waiver to the fund's 29 bps management charge.

This means the fund will have a negative fee of 5 bps, meaning customers will receive \$5 for every \$10,000 they invest.

The structure will be in place until the fund reaches \$100m of assets – seen as a crucial size for a new ETF to reach. The offer will run until the end of next May.

Last week, before the company had received a nod from the regulator, Salt's

president and chief operating officer Alfred Eskandar said the company had devised the fee structure after struggling to attract assets to its first ETF, which it launched last year.

"David needed a slingshot to take down Goliath – we need a negative-fee model to force our way into this anti-competitive market," he said.

Asset managers gave up more than \$3.5bn in income through fee cuts last year – and nearly \$16bn since 2014 –

'David needed a slingshot to take down Goliath – we need a negative-fee model to force our way in'

according to Flowspring, a fund management research company. It found that products with expense ratios below 5 bps grew 20 times faster than those above 20bp over the past five years.

Fund giants including BlackRock, Vanguard, JPMorgan Asset Management, Fidelity Investments and Charles Schwab have been especially aggressive fee-slashers.

The race to the bottom appeared to reach its natural conclusion last year when Fidelity Investments, the \$2.4tn US asset manager, offered the first free mutual funds.

This was seen as a watershed and sparked share price falls at several of its biggest listed competitors, including BlackRock, Franklin Templeton and Invesco.

But industry commentators do not expect the large investment groups that have spearheaded the cut-throat price war to offer negative fees, despite the high levels of income they can generate through securities lending, which allows them to keep charges low.

Mr Eskandar conceded that Salt Financial's negative-fee model was designed to generate interest in a new product.

He said \$100m was an arbitrary threshold used for inclusion on brokerage and advisory platforms.

"New ETF issuers have two choices – they can do their best to survive for the six years it takes on average to get to \$100m, or they can do something more drastic that gets them there quicker," he added.

Cost pressure due to increased back office requirements

E.g. increased compliance requirements, technology costs, cyber security, MiFIDII



Sbanken kutter prisen på fond

● Sbanken «fjerner» returprovisjonen på over 400 fond, og tar heller en fast lav avgift.

↓ Oversikt over gammel og ny pris (årlig forvaltningshonorar) for et utvalg populære fond.

Fond	Gammel pris	Ny pris
DnB Teknologi	1,50 %	1,05 %
DnB Global Indeks	0,20 %	0,20 %
KLP Aksje Global Indeks V	0,20 %	0,17 %
KLP AksjeNorden Indeks	0,20 %	0,16 %
Holberg Global	1,50 %	1,05 %
Alfred Berg Gambak	2,00 %	1,50 %
DnB Miljøinvest	1,75 %	1,18 %
ODIN Global	1,50 %	1,05 %
Holberg Rurik	2,00 %	1,30 %
Delphi Nordic	2,00 %	1,30 %

Consequences of the trends

For institutional investors

- Size becoming even more important
- There will be fewer, but bigger institutional investors

When institutional investors invest

- Market cap becoming more important
- Liquidity becoming more important

For listed companies

- Poorer research coverage
- Getting attention will become more difficult

For sell side (investment banks) investors

- “The winner takes it all society”
- There will be fewer Nordic investment banks – 2-4 will dominate
- Fewer broker houses and fewer analysts

Introduce.se/no: An open platform where the main product is our ABGSC Sponsored Research

The screenshot displays the Introduce.se website interface. At the top, navigation links include EQUITY RESEARCH, SUBSCRIPTION, SCREENER, KAMED, and ABOUT INTRODUCE. The main header features the Introduce logo and a search bar. A left sidebar lists various sectors and companies, including Addtech, Alcadon, Allgon, Arise, Artificial Solutions, Avensia, Bergs Timber, Biovica, Boule Diagnostics, Bredband2, Briox, Capacent, Catella, Catena, Cavotec, Concordia Maritime, Crown Energy, CTT Systems, DistIT, Diös, Dome Energy, Doro, Elanders, Elos Medtech, Embracer Group, and Empir Group.

The main content area is titled "Latest Sponsored Research from ABG Sundal Collier" and features three research articles:

- Proact - ABGSC Investor Days feedback**: 4 December 2019, 10:50, Proact, Company Fast Comment.
- North Media - Leading print ad distributor plans to digitalise**: 4 December 2019, 06:46, North Media, Initiating coverage.
- FastPartner - In a club that has outperformed the sector**: 4 December 2019, 06:32, FastPartner, In-depth research.

A "Read earlier research" button is located below these articles. Below the research articles is a section titled "Recent media selection from our coverage" featuring two video thumbnails: "Ovzon - Interview with VP Per Wahlberg" and "Stendörren - Sitdown Intro...".

On the right side, there is a "LIVE EVENT" section with the following details:

- Watch live broadcast from ABGSC Investor Days, 4 December 2019 (9.00-15.30)
- Salon 1: Video thumbnail for "ABGSC Investor Days..."
- Salon 2: Video thumbnail for "ABGSC Investor Days..."
- A "Livestream & schedule" button.

Below the live event section is a "Latest company news" section with two items:

- Elos Medtech**: Finansinspektionen: Flagningsmeddelande i Elos Medtech AB. 09:31 December 2019.
- Livestream from ABGSC Investor Days - 4 December**: 09:00 December 2019.
- New company at Introduce - North Media**: 07:53 December 2019.

ABGSC Investor Days 4-5 December 2019
Stockholm, 450 investors

ABGSC's approach to company-sponsored research

1

- ABGSC believes that research coverage increases transparency and should thereby support investor interest and valuation

2

- There are a large number of Nordic small- and mid-cap companies currently lacking or having insufficient research coverage, and investors are not willing to compensate the cost related to providing such coverage

3

- The recently implemented MiFID II regulations have put significant constraints on the distribution of research to institutional investors in general, and accelerated the reduction of research providers and research capacity

4

- ABGSC offers, via its Introduce platform, independent research coverage in combination with other investor relations services

5

- We make it clear to our investor clients that the sponsored research product differs from our traditional independent research service. We do not include BUY/SELL recommendations on our sponsored research, but we provide estimates and indicate a fair long-term value

!

- **Subscribing to corporate sponsored research is not the same as buying a perpetually positive view on estimates and valuation – we strongly believe in maintaining our independence and integrity in order to provide a credible and relevant product to the benefit of all parties**

Research for both institutions and retail investors

Full distribution capacity, both local and global



Appendix

ABGSC Investor Days 4-5 December 2019

450 attendees @ Haymarket by Scandic, Stockholm (retail investors & institutional clients)

ABGSC INVESTOR DAYS

WEDNESDAY 4 - THURSDAY 5 DECEMBER
Haymarket by Scandic, Hötorget 13-15, Stockholm

PROGRAMME

ABGSC Investor Days is a quarterly recurring seminar that provides an opportunity for investors to learn more about some of the companies covered by ABG Sundal Collier through its sponsored research. We have also included additional non-covered companies that we believe will be of interest to investors. The companies will present their business and visions. Each presentation is 20 minutes, followed by a short Q&A from the moderator.



INFO

Date & time
Wednesday 4 December 09:00 - 15:30
Thursday 5 December 09:00 - 15:30

Venue
Haymarket by Scandic Hötorget 13-15

RSVP
Please contact your local Sales representative or Corporate Access Group invitations@abgsc.se

1-1 meetings is available upon request, deadline 20 November. Most presentations will be held in English. This event is open for both Private & Institutional investors.

COMPANIES CONFIRMED:

Alcadon	Eolus Vind	Oboya Horticulture
Allgon	Fastpartner	Poolia
Arise	Ferroamp	Proact
Avensia	Funcom	Pricer
BerGenBio	Garo	Safature
Bergs Timber	GHP	Saniona
Biovica	OIG	SinerCast
Björn Borg	Intervaac	Siltvind
Bygghemma	Invisio Communications	SoftTech Energy
Catena Fastigheter	Kameo	Stendörren
Concordia Maritime	Litium	Surgical Science
Doro	MedCap	Swedish Stirling
Elos Medtech	Midsona	Tethys Oil
Enlabs	Napatech	24SevenOffice
Enzymatica	Net Insight	

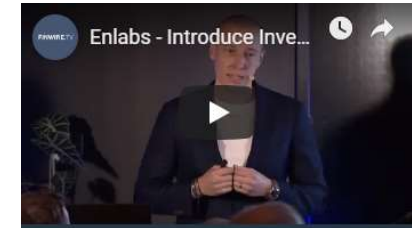
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This event will also be livestreamed at introduce.se.

Livestreamed, distributed & uploaded @ Introduce.se



Powerful Feeds to Both Avanza & Nordnet

#1 Nordic Retail Platforms

Eolus Vind B

Köp Sälj ↑ Utv. idag % +3,72% ↑ Utv. idag SEK +2,40 SEK ↑ Köp 66,90 ↑ Sälj 67,00 ↑ Senast 67,00 ↑ Högst 67,10 ↑ Lågst 61,90 ↑ Antal 110 248



Om aktien Om bolaget



Antal	Pris	Köp	Sälj	Pris	Antal
257	66,90			67,00	47
646	66,70			67,10	160
51	66,60			67,20	1 020
61	66,50			67,30	408
455	66,40			67,50	5 143
1 470					6 778

Köpare	Säljare	Antal	Betalt	Tid
GSI	MSE	144	67,00	11:08:38
AVA	MSE	50	67,00	11:08:38
JPM	NON	18	67,10	11:08:26
JPM	MSE	66	67,10	11:08:25
JPM	AVA	40	67,10	11:08:25
GSI	ABC	182	67,00	11:08:07
AVA	ABC	248	67,00	11:08:07
AVA	NON	152	67,00	11:08:07

- Alla Nyheter** Analyser Telegram Pressmeddelanden Övrigt
- Eolus Vind - Minor bump in the road lowers Q3 margins** Introduce 2019-07-05
Slightly lower margins expected for near-term projects... due to higher costs - which affected Q3 figures twofold. Underlying net cash of SEK 600m +
 - Eolus Vind - Ongoing construction to add >90% to Q3 sales** Introduce 2019-07-02
 - Eolus Vind - Interview with CEO Per Witalisson (in Swedish)** Introduce 2019-06-05
 - Eolus Vind - Company presentation with CEO Per Witalisson (in Swedish)** Introduce 2019-05-31
 - Eolus Vind - The answer, my friend, is blowin' in the wind** Introduce 2019-04-30
 - Eolus Vind - Estimate changes due to accounting principles** Introduce 2019-04-15
 - Eolus Vind - I see your true colours shining through** Introduce 2019-01-25

Omsättning SEK: 7 196 373 Se fler avslut
Volymvägt snittpris: 65,27

Rekommendationer

Köp (0)
 Behåll (1)
 Sälj (0)

Visa Kommentarer

Relaterade aktier

Köp/sälj	Ägare av	Andel som även äger EOLU B
Köp Sälj	RAK Petroleum	Andel 37%
	Utveckling 1 år 25,96%	

Medlemmar Aktivitet Grupper Aktier Fonder



Alla kommentarer
Hetast i veckan

ABG Introduce kommenterade Eolus Vind AB ser. B

Eolus Vind - Minor bump in the road lowers Q3 margins
Slightly lower margins expected for near-term projects... due to higher costs - which affected Q3 figures twofold. Underlying net cash of SEK 600m + 3y FCF of SEK 640m

Q3 project margins lower than expected average
Eolus reported Q3 sales of SEK 520,7m and EBIT of SEK 10,9m, beating our sales estimate of SEK 510,8m by 2%. EBIT, however, came in SEK 35m short of our SEK 45,8m estimate. The reason behind the EBIT deviation was due to higher costs in current projects Kraktorpet & Nylandsbergen as construction had not gone completely according to plan (still expected delivery in Q4 & Q1), which lowers the expected margins for the projects. This is adjusted by recognizing the additional cost in Q3 to compensate for the higher project margin recognized in Q2 - in order to stabilize project margin over the full period. We estimate this total cost at around SEK -30m and that it will have a -1% impact on the projects' margin. Other operating expenses came in at SEK -26m, SEK -10m higher than expected, mainly due to revaluation of non-cash FX derivatives of SEK -19m.

Outlook remains intact despite negative estimate revisions
We make estimate revisions following the adjusted revenue recognition of current projects. We increase our costs assumptions and lower the margin expected from the Kraktorpet and Nylandsbergen projects by -1% from an average of 12% to 11%. We also increase our estimated selling price of US project Wind Wall (of which Eolus owns 60%) by SEK 42m. All in all, this lowers expected EBIT going forward. We also update our expected tax rate from 14% to 20%, affecting net profit negatively. However, paid tax could fall short of this, as it has done historically.

Attractive underlying net cash & coming FCF generation
Eolus is expected to generate SEK 640m FCF in the coming three years from end Q3'18/19e, in addition to its underlying net cash position of SEK 600m as of end Q3 - totalling SEK 1,240m. We see potential price triggers in upcoming new project announce

Läs mer på Introduce
Läsaren av innehålllet kan anta att ABG Sundal Collier har erhållit eller kommer att erhålla betalning för utförandet av finansiella företags tjänster från bolaget. Ersättningen är på förhand avtalad och är inte beroende av innehålllet.

Gilla (1) Följ tråd Dela kommentarer Översätt

okthomas gillar det här

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