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|  | Background Information |  |  |
|  | Recommendation structure as of 10 October 2017  Large Corporations & Institutions’ recommendation structure consists of three recommendations: Buy, Neutral (Hold), Reduce. The recommendations are based on an absolute return for the security 12 months forward. The absolute return includes share price appreciation and dividend yield combined.  The recommendations for the securities mentioned in this report are based on risk and return considerations. The higher the risk category of the investment, the higher the required return. For equity investments, returns are defined as capital appreciation and dividends received over the investment horizon of 12 months forward. The expected capital appreciation is the ratio of a stock’s target price over the current price. A company risk rating depends on its stock price volatility, liquidity and business outlook. The target price depends on a company’s fundamentals as well as the market valuation of peer stocks, and can be changed at any time if the relevant changes occur within a company/market perception of the peer group. “Buy”, “Neutral (Hold)” and “Reduce” recommendations may be used in this report. The table below presents the relationship between recommendations and target prices compared to risk level of the stock. These are indicative ranges and actual recommendations may deviate from the indications if other relevant issues are considered.  **Buy**: The minimum expected upside is 10% over next 12 months (the minimum required upside could be higher in light of the company’s risk profile).  **Neutral** (Hold): The expected upside is below 10% (the expected upside could be higher in light of the company’s risk profile).  **Reduce**: There is an expected downside.  **No Reco:** The stock is not covered. A recommendation, target price and/or financial forecast is not disclosed further to compliance and/or other regulatory considerations.  Swedbank Large Corporates & Institutions Equity Research department bases the recommendation on a variety of standard valuation models. For example: the DCF value that discounts future cash flow at present value; the relative valuation of the share versus others peers (international or national); news that can have a positive or negative effect on the share price; and relative and absolute multiples such as EV/EBITDA, EV/EBIT, PE, PEG and Net Asset models for companies with liquid markets for their assets. Break-up valuation models are also sometimes considered.  For Swedbank’s previous recommendations please follow the link: <https://research.swedbank.se/files/RecoTrackList/RecoTrackListBaltic.pdf>  Old recommendation structure  Large Corporations & Institutions’ old recommendation structure (prior to 10 Oct. 2017) consisted of five recommendations: Strong Buy, Buy, Neutral, Reduce and Sell.. The recommendations were based on an absolute return for the security 12 months forward. | |  |
|  | |  |  | | --- | --- | | Strong buy | The absolute return is estimated to be in excess of 15% | | Buy (B) | The absolute return is estimated to be between 5% and 25% | | Neutral (N) | The absolute return is estimated to be between 0% and 10% | | Reduce (R) | The absolute return is estimated to be between 5% and -10% | | Sell (S) | The absolute return is estimated to be less than -5% | | |  |
|  | Recommendation by the 29.08.2022 |  |  |
|  |  | Baltic Company Research team recommendations |  |
|  | Apranga performance, recommendation history and target value | |  |
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|  | The graph “Performance, recommendation history and target value” shows how our Recommendation and Target Price have changed over the last two years. The date for the recommendation changes are also indicated above the colored fields. The colors indicate our three recommendations: | |  |
|  | |  |  | | --- | --- | | Buy |  | | Neutral |  | | Reduce |  | | |  |
|  | The Target Price is shown as a black line and the steps indicate changes in the Target Price and when they occurred. The orange line shows how the stock price has fluctuated during this period.  *Source: Swedbank LC&I (recommendations, target prices) and Factset (prices)* | |  |

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|  | Information to the customer | |  |  |  | |  |
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