

Should deliver profitable growth in H2

Despite Pampalo's profitability not meeting our expectations in H1, we anticipate substantial volume growth in H2 to enhance profitability, supported by sustained high gold prices.

Net sales met expectations, yet profitability fell short

Given the disclosed production volume of 7,019 oz for the first half of the year, our net sales prediction of EUR 13.3m was close to the actual figure of EUR 13.1m. In terms of profitability, we expected group EBITDA of EUR 3.3m, which was clearly higher than the actual figure of EUR 1.9m. The miss was mainly the result of higher-than-expected Pampalo cash cost. The ramp-up of Hosko and some preparatory work in the Pampalo open-pit affected the cash cost negatively. Overhead costs were only slightly higher than we estimated at EUR 2.1m (Evli est. EUR 1.8m).

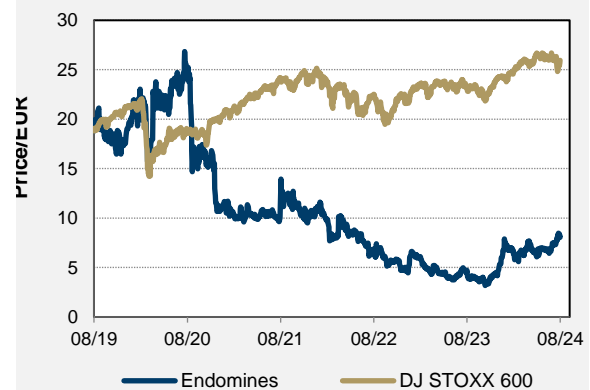
Profitability should improve in H2 driven by volume growth

For the second half, we estimate y/y volume growth of nearly 50% to 8,903 ounces. For the full year, we expect production of 15,922 ounces, with a growth of 24% y/y. Endomines kept its guidance unchanged and estimates that the gold production will increase by 15-35%, therefore our current estimate is at the middle point of the guidance range. As our estimate for Pampalo's profitability proved too optimistic for H1, we have increased our estimate for Pampalo cash cost for H2. Our FY 2024 net sales estimate is now at EUR 30.9m and group EBITDA at EUR 6.7m. In the Karelian gold line, we expect that the company is able to increase its resource base considerably in the Southern gold line as the results in Korvilansuo and Kuittila deposits have showed positive results, and the company continues resource growth drilling during the second half.

HOLD with a TP of EUR 7.3 (prev. EUR 7.5)

Driven by the slight net negative adjustments to our model, we decrease our TP to EUR 7.3 while keeping the rating at HOLD. We expect profitable production growth for H2 whilst the resource update should increase resources in the Karelian Gold Line. The destiny of the company's assets in the United States remain unknown while the partnership negotiations remain an important priority during the second half.

Rating 🟡 HOLD



Share price, EUR (Last trading day's closing price) 8.04

Target price, EUR 7.3

Latest change in recommendation 27-May-24

Latest report on company 13-Aug-24

Research paid by issuer: YES

No. of shares outstanding, '000's 9,795

No. of shares fully diluted, '000's 9,795

Market cap, EURm 79

Free float, % 42.9

Exchange rate EUR 1.000

Reuters code ENDOM.HE

Bloomberg code ENDOM FH

Average daily volume, EURm

Next interim report

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🟢 BUY 🟡 HOLD 🟠 SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2022	13.5	-14.7	-108.9%	-8.0	-1.87	-2.7	4.0	-3.6	-17.1	0.00
2023	19.7	-3.0	-15.2%	-10.7	-0.55	-12.3	4.1	-26.8	-16.3	0.00
2024E	30.9	3.3	10.5%	1.2	0.11	74.2	3.0	28.3	1.5	0.00
2025E	38.0	9.5	24.9%	5.0	0.76	10.6	2.3	9.3	6.3	0.00
2026E	39.8	10.2	25.5%	5.4	0.72	11.2	2.1	8.1	6.8	0.00
Market cap, EURm	79		Gearing 2024E, %	-13.0		CAGR EPS 2023-26, %		0.0		0.0
Net debt 2024E, EURm	14		Price/book 2024E	2.4		CAGR sales 2023-26, %		26.4		26.4
Enterprise value, EURm	92		Dividend yield 2024E, %	0.0		ROE 2024E, %		3.2		3.2
Total assets 2024E, EURm	66		Tax rate 2024E, %	0.0		ROCE 2024E, %		6.4		6.4
Goodwill 2024E, EURm	0		Equity ratio 2024E, %	81.7		PEG, P/E 24/CAGR		0.8		0.8

All the important disclosures can be found on the last pages of this report.

H1/2024 softer than expected, yet stronger volumes in H2 expected to drive profitability

Revenue in H1 amounted to EUR 13.1m (EUR 10.7m H1/23), only slightly below our estimate of EUR 13.3m. The group EBITDA in H1 was at EUR 1.9 m (0.4m H1 2023), lower than our estimate of EUR 3.3m. The profitability of Pampalo's operations fell short of our estimates, in addition, the company's overhead costs were slightly higher than expected (EUR 2.1m vs. EUR 1.9m Evli est.). Pampalo's cash cost was negatively affected by the ramp-up of Hosko deposit and preparatory work in Pampalo open-pit deposit. Depreciation was higher than expected and therefore EBIT came in at EUR 0.1m, significantly lower than our estimate of EUR 2.1m. While H1/24 was operationally below our estimates, we expect improvement for H2/24 as volumes should grow significantly vs. H1 while the gold price is expected to stay at the current roughly USD 2400/oz levels coupled with slightly improving cash cost level. In addition to the Pampalo production, the company should be able to increase its resource base quite significantly in the Karelian gold line as the exploration results in both Korvilansuo and Kuittila have showed rather positive results. In addition, the company's plan is to focus on the Southern gold line during H2/24 with resource growth drilling at Kuittila. Earlier the company has indicated that it aims to grow Kuittila's mineralization footprint by 300-400% from the current levels of approximately 50k inferred resource ounces. The company's cash position was at EUR 3.0m at the end of H1/24. Given the current cash reserves and the anticipated profitable growth generating cash flows in the latter half of the year, we do not foresee an immediate requirement for external financing.

Table 1: Estimate summary

Endomines (EURm)	2022	H1/'23	H2/'23	2023	H1/'24	H2/'24	2024E	2025E	2026E
Gold production (Oz)	8 601	6 753	6 037	12 790	7 019	8 903	15 922	19 668	22 299
Net sales	13.5	10.7	9.0	19.7	13.1	17.8	30.9	38.0	39.8
sales growth %	>100%	91%	14%	46%	23%	98%	57%	23%	5%
Pampalo EBITDA	0.6	2.4	0.9	3.3	4.0	6.7	10.7	15.4	16.4
Group EBITDA	-6.4	0.4	-1.0	-0.7	1.9	4.8	6.7	12.7	13.7
EBITDA margin	-47%	4%	-11%	-3%	14%	27%	22%	33%	34%
EBIT	-14.7	-0.8	-2.2	-3.0	0.1	3.2	3.3	9.5	10.2
EBIT margin	-109%	-7%	-24%	-15%	1%	18%	11%	25%	26%
Assumptions	2022	H1/'23	H2/'23	2023	H1/'24	H2/'24	2024E	2025E	2026E
Gold price USD/Oz	1798	1934	1950	1942	2205	2409	2307	2360	2200
Gold price EUR/Oz	1681	1774	1805	1790	2045	2220	2133	2145	1982
EUR/USD	1.07	1.09	1.08	1.09	1.08	1.08	1.08	1.10	1.11

Source: Endomines, Evli Research

Table 2: Sum of the parts model

	Evli est.	Spot	Estimate basis
US asset portfolio	34	41	Evli est. based on average of different valuation methods, Spot est. based on historic purchase price
Pampalo	44	53	DCF based on reserves & M+I resources Pampalo OP & UG + Hosko
Karelian gold line	26	45	Real option value for the Southern Gold Line + other satellites
Overhead	(10)	(10)	Discounted overhead costs
Net cash (debt)	(4)	(4)	2024E adjusted for theoretical conversion + accrued interest
Fair Value	90	125	
Long-term gold price (USD/oz)	2 000		Evli est.
Spot price (USD/oz)		2 450	
Diluted shares outstanding (m)	12.2	12.2	Incl. theoretical conversion of notes available for conversion during FY 2024
Fair value per share	7.3	10.2	

Source: Evli Research

INTERIM FIGURES

EVLI ESTIMATES, EURm	2023Q1	2023Q2	2023Q3	2023Q4	2023	2024Q1E	2024Q2E	2024Q3E	2024Q4E	2024E	2025E	2026E
Net sales	0.0	10.7	0.0	9.0	19.7	0.0	13.1	0.0	17.8	30.9	38.0	39.8
EBITDA	0.0	0.4	0.0	-1.0	-0.6	0.0	1.9	0.0	4.8	6.7	12.9	13.4
<i>EBITDA margin (%)</i>	<i>0.0</i>	<i>3.7</i>	<i>0.0</i>	<i>-11.1</i>	<i>-3.0</i>	<i>0.0</i>	<i>14.5</i>	<i>0.0</i>	<i>26.8</i>	<i>21.5</i>	<i>33.8</i>	<i>33.6</i>
EBIT	0.0	-0.8	0.0	-2.2	-3.0	0.0	0.1	0.0	3.2	3.3	9.5	10.2
<i>EBIT margin (%)</i>	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-24.4</i>	<i>-15.2</i>	<i>0.0</i>	<i>0.8</i>	<i>0.0</i>	<i>17.8</i>	<i>10.5</i>	<i>24.9</i>	<i>25.5</i>
Net financial items	0.0	-1.1	0.0	-1.2	-2.3	0.0	-1.1	0.0	-1.1	-2.2	-2.0	-2.1
Pre-tax profit	0.0	-1.9	0.0	-3.4	-5.3	0.0	-1.0	0.0	2.1	1.1	7.5	8.1
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Tax rate (%)</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Net profit	0.0	-1.9	0.0	-3.4	-5.3	0.0	-1.0	0.0	2.1	1.1	7.5	8.1
EPS	0.00	-0.19	0.00	-0.35	-0.55	0.00	-0.10	0.00	0.21	0.11	0.76	0.72
EPS adjusted (diluted no. of shares)	0.00	-0.19	0.00	-0.35	-0.55	0.00	-0.10	0.00	0.21	0.11	0.76	0.72
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SALES, EURm												
Endomines	0.0	10.7	0.0	9.0	19.7	0.0	13.1	0.0	17.8	30.9	38.0	39.8
Total	0.0	10.7	0.0	9.0	19.7	0.0	13.1	0.0	17.8	30.9	38.0	39.8
SALES GROWTH, Y/Y %												
Endomines	<i>0.0</i>	<i>89.7</i>	<i>-100.0</i>	<i>-33.3</i>	<i>45.9</i>	<i>0.0</i>	<i>22.7</i>	<i>0.0</i>	<i>97.7</i>	<i>57.0</i>	<i>22.8</i>	<i>4.8</i>
Total	<i>0.0</i>	<i>89.7</i>	<i>-100.0</i>	<i>-33.3</i>	<i>45.9</i>	<i>0.0</i>	<i>22.7</i>	<i>0.0</i>	<i>97.7</i>	<i>57.0</i>	<i>22.8</i>	<i>4.8</i>
EBIT, EURm												
Endomines	0.0	-0.8	0.0	-2.2	-3.0	0.0	0.1	0.0	3.2	3.3	9.5	10.2
Total	0.0	-0.8	0.0	-2.2	-3.0	0.0	0.1	0.0	3.2	3.3	9.5	10.2
EBIT margin, %												
Endomines	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-24.4</i>	<i>-15.2</i>	<i>0.0</i>	<i>0.8</i>	<i>0.0</i>	<i>17.8</i>	<i>10.5</i>	<i>24.9</i>	<i>25.5</i>
Total	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-24.4</i>	<i>-15.2</i>	<i>0.0</i>	<i>0.8</i>	<i>0.0</i>	<i>17.8</i>	<i>10.5</i>	<i>24.9</i>	<i>25.5</i>

INCOME STATEMENT, EURm	2019	2020	2021	2022	2023	2024E	2025E	2026E
Sales	0.5	1.3	0.5	13.5	19.7	30.9	38.0	39.8
<i>Sales growth (%)</i>	<i>-94.6</i>	<i>134.3</i>	<i>-61.4</i>	<i>2,643.4</i>	<i>45.9</i>	<i>57.0</i>	<i>22.8</i>	<i>4.8</i>
EBITDA	-4.6	-10.5	-11.6	-6.4	-0.6	6.7	12.9	13.4
<i>EBITDA margin (%)</i>	<i>-841.1</i>	<i>-824.5</i>	<i>-2,362.0</i>	<i>-47.1</i>	<i>-3.0</i>	<i>21.5</i>	<i>33.8</i>	<i>33.6</i>
Depreciation	-0.3	-7.5	-13.5	-8.3	-2.4	-3.4	-3.4	-3.2
EBITA	-4.9	-18.0	-25.1	-14.7	-3.0	3.3	9.5	10.2
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-4.9	-18.0	-25.1	-14.7	-3.0	3.3	9.5	10.2
<i>EBIT margin (%)</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-108.9</i>	<i>-15.2</i>	<i>10.5</i>	<i>24.9</i>	<i>25.5</i>
Reported EBIT	-4.9	-18.0	-25.1	-14.7	-3.0	3.3	9.5	10.2
<i>EBIT margin (reported) (%)</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-108.9</i>	<i>-15.2</i>	<i>10.5</i>	<i>24.9</i>	<i>25.5</i>
Net financials	-0.7	-1.2	-1.6	-2.7	-2.3	-2.2	-2.0	-2.1
Pre-tax profit	-5.6	-19.2	-26.7	-17.4	-5.3	1.1	7.5	8.1
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	-5.6	-19.2	-26.7	-17.5	-5.3	1.1	7.5	8.1
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	55	57	51	49	55	55	57	59
Goodwill	0	0	0	0	0	0	0	0
Right of use assets	0	0	0	0	0	0	0	0
Inventory	0	0	1	0	0	1	1	1
Receivables	0	0	2	2	2	3	4	4
Liquid funds	2	1	1	4	1	7	12	11
Total assets	56	58	55	55	59	66	74	75
Liabilities								
Shareholder's equity	32	33	30	36	32	33	41	49
Minority interest	0	0	0	0	0	0	0	0
Convertibles	17	0	0	0	16	21	21	14
Lease liabilities	0	0	0	0	0	0	0	0
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	4	15	16	11	0	0	0	0
Non-interest bearing current liabilities	0	0	0	0	0	0	0	0
Other interest-free debt	3	10	9	9	11	12	12	12
Total liabilities	56	58	55	55	59	66	74	75
CASH FLOW, EURm								
+ EBITDA	-5	-11	-12	-6	-1	7	13	13
- Net financial items	-1	-1	-2	-3	-2	-2	-2	-2
- Taxes	0	0	0	0	0	0	0	0
- Increase in Net Working Capital	-1	0	0	3	1	0	-1	0
+/- Other	-2	4	1	2	0	0	0	0
= Cash flow from operations	-7	-7	-12	-4	-2	5	10	11
- Capex	-8	-3	-5	-4	-9	-3	-5	-6
- Acquisitions	0	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-15	-10	-17	-8	-11	1	5	5
+/- New issues/buybacks	13	20	24	23	2	0	0	0
- Paid dividend	0	0	0	0	0	0	0	0
+/- Other	2	-11	-7	-13	6	5	0	-7
Change in cash	0	0	0	3	-2	6	5	-1

KEY FIGURES	2020	2021	2022	2023	2024E	2025E	2026E
M-cap	35	57	47	66	79	79	79
Net debt (excl. convertibles)	14	14	7	-1	-7	-12	-11
Enterprise value	49	71	54	81	92	87	82
Sales	1	0	14	20	31	38	40
EBITDA	-11	-12	-6	-1	7	13	13
EBIT	-18	-25	-15	-3	3	9	10
Pre-tax	-19	-27	-17	-5	1	7	8
Earnings	-19	-27	-17	-5	1	7	8
Equity book value (excl. minorities)	33	30	36	32	33	41	49
Valuation multiples							
EV/sales	38.5	144.2	4.0	4.1	3.0	2.3	2.1
EV/EBITDA	-4.7	-6.1	-8.4	-134.2	13.9	6.8	6.1
EV/EBITA	-2.7	-2.8	-3.6	-26.8	28.3	9.3	8.1
EV/EBIT	-2.7	-2.8	-3.6	-26.8	28.3	9.3	8.1
EV/OCF	-6.7	-6.1	-13.1	-42.6	19.8	8.8	7.4
EV/FCFF	-5.7	-4.7	-10.2	-10.8	27.5	12.5	11.0
P/FCFE	-0.1	-0.1	-5.9	-6.1	67.5	15.8	16.9
P/E	-1.8	-2.1	-2.7	-12.3	74.2	10.6	11.2
P/B	1.1	1.9	1.3	2.0	2.4	1.9	1.6
Target EV/EBITDA	0.0	0.0	0.0	0.0	12.8	6.2	6.4
Target EV/EBIT	0.0	0.0	0.0	0.0	26.1	8.5	8.5
Target EV/FCF	0.0	0.0	0.0	0.0	73.1	16.1	16.0
Target P/B	0.0	0.0	0.0	0.0	2.1	1.8	1.7
Target P/E	0.0	0.0	0.0	0.0	67.4	9.6	10.2
Per share measures							
Number of shares	3,283	5,645	9,370	9,795	9,795	9,795	11,312
Number of shares (diluted)	3,283	5,645	9,370	9,795	9,795	9,795	11,312
EPS	-5.84	-4.73	-1.87	-0.55	0.11	0.76	0.72
Operating cash flow per share	-2.23	-2.07	-0.44	-0.19	0.48	1.02	0.98
Free cash flow per share	-3.01	-2.95	-0.85	-1.09	0.12	0.51	0.47
Book value per share	10.03	5.34	3.83	3.30	3.41	4.17	4.32
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend payout ratio, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend yield, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield, %	-28.2	-29.4	-17.1	-16.3	1.5	6.3	6.8
Efficiency measures							
ROE	-59.0	-84.6	-52.9	-15.7	3.2	20.1	18.0
ROCE	-35.5	-53.4	-31.9	-6.3	6.4	16.4	16.3
Financial ratios							
Inventories as % of sales	19.2	162.0	3.0	2.0	2.0	2.0	2.0
Receivables as % of sales	25.9	360.9	14.8	10.4	10.4	10.4	10.4
Non-interest bearing liabilities as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NWC/sales, %	-466.5	-1,062.8	-30.4	-26.1	-17.3	-11.8	-10.7
Operative CAPEX/sales, %	198.5	1,001.1	28.9	44.7	11.3	13.2	14.3
CAPEX/sales (incl. acquisitions), %	198.5	1,001.1	28.9	44.7	11.3	13.2	14.3
FCFF/EBITDA	0.8	1.3	0.8	12.4	0.5	0.5	0.6
Net debt/EBITDA, book-weighted	-1.3	-1.2	-1.1	2.0	-1.1	-0.9	-0.8
Debt/equity, market-weighted	0.4	0.3	0.2	0.0	0.0	0.0	0.0
Equity ratio, book-weighted	56.5	54.8	65.4	82.2	81.7	83.6	83.8
Gearing, %	43.1	47.9	18.9	-2.5	-13.0	-19.5	-16.8

COMPANY DESCRIPTION: Endomines engages in exploration, mining, and extraction of gold deposits. Its sites are found in Eastern Finland along the Karelian Gold line and in Idaho and Montana, USA. The company was founded in 2005 and is headquartered in Espoo, Finland. Endomines focuses its operations to assets in stable jurisdictions that can be brought to production rapidly and with limited investment.

INVESTMENT CASE: Endomines new strategy focuses on development of the company's Finnish assets, the US assets are developed through partnership models. The company has proceeded well with reinitiating production at the Pampalo site, Endomines produced 12 790 ounces of gold during 2023. The company's focus in the near term is on Pampalo underground, East open pit and Hosko production and on gold exploration activities in Karelian gold line.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Joensuun Kauppa ja Kone Oy	2,176,726	17.501	22.2%
Mariatorp OY	920,000	7.397	9.4%
Wipunen varainhallinta Oy	910,000	7.316	9.3%
K22 Finance Oy	389,987	3.135	4.0%
Taloustieto Incrementum Oy	316,376	2.544	3.2%
Kakkonen Kari Heikki Ilmari	295,204	2.373	3.0%
Vakuutusosakeyhtiö Henki-Fennia	239,907	1.929	2.4%
Eyemaker's Finland Oy	177,560	1.428	1.8%
Hietamoor Oy	172,110	1.384	1.8%
Ehnrrooth Helene Margareta	150,000	1.206	1.5%
Ten largest	5,747,870	46.213	59%
Residual	4,047,469	32.542	41%
Total	9,795,339	78.755	100%

EARNINGS CALENDAR

OTHER EVENTS

COMPANY MISCELLANEOUS

CEO: Kari Vyhtinen

Ahventie 4 A, FI-02170 Espoo

CFO: Minni Lempinen

Tel:

IR: Riikka Niemi

DEFINITIONS

P/E	$\frac{\text{Price per share}}{\text{Earnings per share}}$	EPS	$\frac{\text{Profit before extraord. items and taxes} - \text{income taxes} + \text{minority interest}}{\text{Number of shares}}$
P/BV	$\frac{\text{Price per share}}{\text{Shareholders' equity} + \text{taxed provisions per share}}$	DPS	Dividend for the financial period per share
Market cap	Price per share * Number of shares	OCF (Operating cash flow)	EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments
EV (Enterprise value)	Market cap + net debt + minority interest at market value – share of associated companies at market value	FCF (Free cash flow)	Operating cash flow – operative CAPEX – acquisitions + divestments
EV/Sales	$\frac{\text{Enterprise value}}{\text{Sales}}$	FCF yield, %	$\frac{\text{Free cash flow}}{\text{Market cap}}$
EV/EBITDA	$\frac{\text{Enterprise value}}{\text{Earnings before interest, tax, depreciation and amortization}}$	Operative CAPEX/sales	$\frac{\text{Capital expenditure} - \text{divestments} - \text{acquisitions}}{\text{Sales}}$
EV/EBIT	$\frac{\text{Enterprise value}}{\text{Operating profit}}$	Net working capital	Current assets – current liabilities
Net debt	Interest bearing debt – financial assets	Capital employed/Share	$\frac{\text{Total assets} - \text{non-interest bearing debt}}{\text{Number of shares}}$
Total assets	Balance sheet total	Gearing	$\frac{\text{Net debt}}{\text{Equity}}$
Div yield, %	$\frac{\text{Dividend per share}}{\text{Price per share}}$	Debt/Equity, %	$\frac{\text{Interest bearing debt}}{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}$
Payout ratio, %	$\frac{\text{Total dividends}}{\text{Earnings before extraordinary items and taxes} - \text{income taxes} + \text{minority interest}}$	Equity ratio, %	$\frac{\text{Shareholders' equity} + \text{minority interest} + \text{taxed provisions}}{\text{Total assets} - \text{interest-free loans}}$
ROCE, %	$\frac{\text{Profit before extraordinary items} + \text{interest expenses} + \text{other financial costs}}{\text{Balance sheet total} - \text{non-interest bearing debt (average)}}$	CAGR, %	Cumulative annual growth rate = Average growth per year

<p>ROE, %</p> $\frac{\text{Profit before extraordinary items and taxes - income taxes}}{\text{Shareholder's equity + minority interest + taxed provisions (average)}}$	
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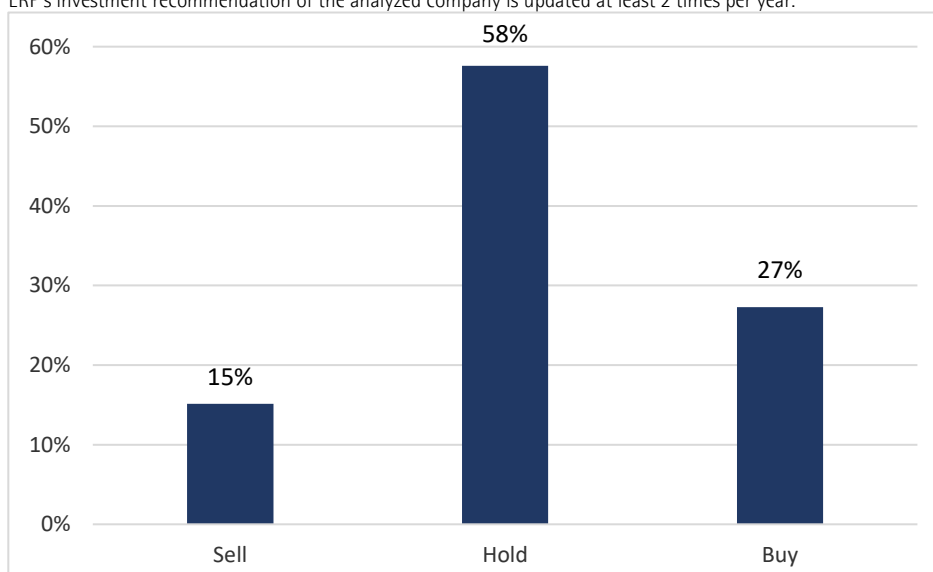
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Investment recommendations are defined as follows:

Target price compared to share price	Recommendation
< -10 %	SELL
-10 – (+10) %	HOLD
> 10 %	BUY

ERP's investment recommendation of the analyzed company is updated at least 2 times per year.



The graph above shows the distribution of ERP's recommendations of companies under coverage in 11th of May 2020. If recommendation is not given, it is not mentioned here.

Name(s) of the analyst(s): Jortikka

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