

Progress made but delays seen

Endomines met new challenges at Friday, with ore body irregularities mandating further underground drilling. We see renewed ramp-up efforts in mid-2022.

Limited production with new challenges at Friday

Endomines reported weaker than expected results. At the company's only producing site (in Q4/21), Friday, mining operations were halted due to irregularities in the ore bodies. Gold production as such was limited, at 460oz, with earlier guidance of ~1,200oz. Revenue amounted to SEK 3.2m (Evli SEK 17.3m) and EBITDA to SEK -41.6m (Evli SEK -28.0m). Due to the developments at Friday Endomines carried out impairments of SEK 73.8m and EBIT was thus also clearly below expectations, at SEK -121m (Evli SEK -33.7m).

Assuming renewed ramp-up at Friday in mid-2022

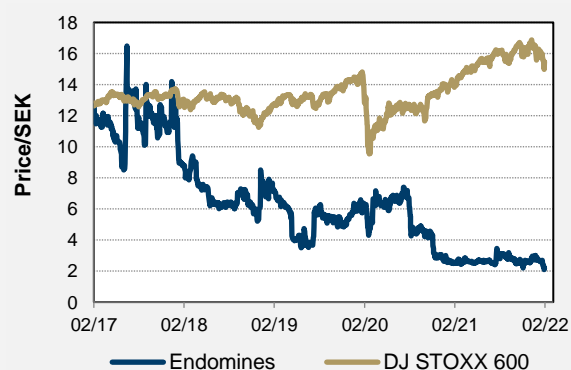
The halting of mining operations at Friday is unfortunately timed, as most preparations for achieving full production capacity has been set in place. With the needed underground drilling and analysis we for now assume a six month delay, seeing renewed ramp-up efforts during the summer. News on Pampalo were far more encouraging, with development so far essentially on schedule and budget and first gold concentrate deliveries in January. The Pampalo mine and mill are expected to achieve full production capacity during Q1/2022. When in full production, the annual gold production is estimated to be between 10,000-11,500oz. Endomines has considerably strengthened its financial position through several transactions after Q4. Cash flows from Pampalo will also begin to support financial development, with gold prices at renewed higher levels. In our view additional financing needs are however still on the table, as the company on the longer run will seek to bring more assets to production.

HOLD with a target price of SEK 2.3 (2.7)

Following adjustments to our SOTP-model and the delay at Friday we adjust our target price to SEK 2.3 (2.7) and retain our HOLD-rating. With the challenges at Friday, upside potential from bringing other assets to production is still distant.

Rating

■ HOLD



Share price, SEK (Last trading day's closing price) 2.20

Target price, SEK 2.3

Latest change in recommendation 20-Aug-21

Latest report on company 12-Nov-21

Research paid by issuer: YES

No. of shares outstanding, '000's 259,948

No. of shares fully diluted, '000's 259,948

Market cap, SEKm 572

Free float, % 0.0

Exchange rate EUR/SEK 10.150

Reuters code ENDO.ST

Bloomberg code ENDO SS

Average daily volume, SEKm 0.2

Next interim report 18-Aug-22

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■ BUY ■ HOLD ■ SELL

KEY FIGURES

	Sales SEKm	EBIT SEKm	EBIT %	FCF SEKm	EPS SEK	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS SEK
2020	13.1	-184.7	-1,410.0%	-103.5	-1.50	-1.9	38.8	-2.8	-28.2	0.00
2021	5.0	-255.1	-5,102.0%	-236.4	-1.20	-2.1	144.4	-2.8	-41.2	0.00
2022E	160.5	-140.3	-87.4%	-323.8	-0.61	-3.6	6.5	-7.4	-56.6	0.00
2023E	435.5	-8.3	-1.9%	-205.0	-0.16	-13.4	2.9	-150.7	-35.9	0.00
2024E	505.9	53.6	10.6%	59.7	0.06	39.0	2.4	22.2	10.4	0.02
Market cap, SEKm		572	Gearing 2022E, %			312.7	CAGR EPS 2021-24, %			0.0
Net debt 2022E, SEKm		472	Price/book 2022E			3.8	CAGR sales 2021-24, %			366.0
Enterprise value, SEKm		1,044	Dividend yield 2022E, %			0.0	ROE 2022E, %			-69.0
Total assets 2022E, SEKm		742	Tax rate 2022E, %			-0.1	ROCE 2022E, %			-25.1
Goodwill 2022E, SEKm		0	Equity ratio 2022E, %			20.3	PEG, P/E 22/CAGR			0.0

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



ENDOMINES

Metals & Mining/Sweden, February 28, 2022
Company update

Endomines (SEKm)	2020	Q1/'21	Q2/'21	Q3/'21	Q4/'21	2021	Q1/'22E	Q2/'22E	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Net sales	13.1	0.1	0.0	1.7	3.2	5.0	8.3	40.7	48.7	62.9	160.5	435.5	505.9
sales growth %	>100%	-96.7%	-100.0%	-10.5%	>100%	-61.8%	>100%	-	>100%	>100%	>100%	>100%	16 %
EBITDA	-108.0	-14.5	-25.8	-36.3	-41.6	-116.8	-39.2	-8.8	-2.8	0.5	-50.3	130.4	195.8
EBIT	-184.7	-18.6	-76.9	-38.3	-121.5	-253.9	-57.2	-27.8	-26.8	-28.5	-140.3	-8.3	53.6
EBIT margin	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	-87.4%	-1.9%	10.6%
Gold production (Oz)	538	0	0	0	460	460	540	2,647	3,167	4,093	10,448	28,343	32,931
Finland	2020	Q1/'21	Q2/'21	Q3/'21**	Q4/'21	2021	Q1/'22E	Q2/'22E	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Net sales*	5.5	0.0	0.0	0.0	0.0	0.0	8.3	40.7	40.7	40.7	130.3	162.7	92.9
Gold production (Oz)	0	0	0	0	0	0	540	2,647	2,647	2,647	8480	10587	6049
United States	2020	Q1/'21	Q2/'21	Q3/'21**	Q4/'21	2021	Q1/'22E	Q2/'22E	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Net sales*	7.6	0.1	0.0	1.7	3.2	5.0	0.0	0.0	8.0	22.2	30.2	272.8	413.0
Gold production (Oz)	538	0	0	0	460	460	0	0	521	1,447	1968	17757	26881
Assumptions	2020	Q1/'21	Q2/'21	Q3/'21	Q4/'21	2021	Q1/'22E	Q2/'22E	Q3/'22E	Q4/'22E	2022E	2023E	2024E
Gold price USD/Oz	1769	1794	1817	1789	1795	1799	1900	1900	1900	1900	1900	1900	1900
Gold price EUR/Oz	1552	1489	1509	1516	1570	1521	1667	1667	1667	1667	1667	1667	1667
USD/SEK	9.20	8.40	8.42	8.65	8.86	8.89	8.89	8.89	8.89	8.89	8.89	8.89	8.89
EUR/SEK	10.49	10.12	10.15	10.19	10.13	10.13	10.13	10.13	10.13	10.13	10.13	10.13	10.13
EUR/USD	1.14	1.21	1.20	1.18	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14	1.14

*Net sales split Evli estimate (not reported)

**Production figures not reported

Source: Endomines, Evli Research

Valuation	Evli est. MSEK	Spot MSEK	Estimate basis
Friday	156	157	LOM 7 years, avg. CC 830 USD/oz, ~70,000oz concentrate produced
Other assets (US)	545	550	Purchase price and in-situ value analysis
Pampalo	101	101	Real option model, assuming profitability above 1,500 USD/oz gold price
Karelia other	89	89	In-situ value for assets. Exploration ~200USD/m
Corporate/other	-212	-212	DCF estimate assuming active operations until 2030
Net cash (debt)	-74	-74	Q4/2021 + known Q1/2022 transactions
Total	605	610	
Per share	2.3	2.3	
Long-term gold price (USD/Oz)	1900		Evli
Spot price (USD/Oz)		1908	
Shares (m)	259.9	259.9	Q4/2021 + known Q1/2022 transactions

VALUATION RESULTS	BASE CASE DETAILS	VALUATION ASSUMPTIONS	ASSUMPTIONS FOR WACC
Current share price	2.20 PV of Free Cash Flow	338 Long-term growth, %	-100.0 Risk-free interest rate, %
DCF share value	0.73 PV of Horizon value	0 WACC, %	8.7 Market risk premium, %
Share price potential, %	-66.8 Unconsolidated equity	0 Spread, %	0.5 Debt risk premium, %
Maximum value	0.8 Marketable securities	12 Minimum WACC, %	8.2 Equity beta coefficient
Minimum value	0.7 Debt - dividend	-161 Maximum WACC, %	9.2 Target debt ratio, %
Horizon value, %	0.0 Value of stock	190 Nr of shares, Mn	259.9 Effective tax rate, %

DCF valuation, SEKm	2021	2022E	2023E	2024E	2025E	2026E	2027E	2028E	2029E	2030E	2031E	Horizon
Net sales	5	161	435	506	492	546	546	463	221	0	0	0
<i>Sales growth, %</i>	<i>-61.8</i>	<i>3,110</i>	<i>171.3</i>	<i>16.2</i>	<i>-2.8</i>	<i>11.0</i>	<i>0.0</i>	<i>-15.2</i>	<i>-52.2</i>	<i>-100.0</i>	<i>-100.0</i>	<i>0.0</i>
Operating income (EBIT)	-255	-140	-8	54	76	109	132	104	24	0	0	0
<i>Operating income margin, %</i>	<i>-5,102</i>	<i>-87.4</i>	<i>-1.9</i>	<i>10.6</i>	<i>15.5</i>	<i>19.9</i>	<i>24.2</i>	<i>22.4</i>	<i>11.0</i>	<i>14.0</i>	<i>14.0</i>	<i>0.0</i>
+ Depreciation+amort.	137	90	139	142	142	141	131	127	70	0	0	
EBITDA	-118	-50	130	196	218	250	263	231	95	0	0	
- Paid taxes	0	0	0	0	0	0	0	0	0	0	0	
- Change in NWC	-6	-38	-110	-28	6	-22	0	33	97	8	0	
<i>NWC / Sales, %</i>	<i>-1,075</i>	<i>-10.0</i>	<i>21.6</i>	<i>24.1</i>	<i>23.7</i>	<i>25.3</i>	<i>25.3</i>	<i>22.7</i>	<i>3.7</i>	<i>0.0</i>	<i>0.0</i>	
+ Change in other liabs	-20	0	0	0	0	0	0	0	0	-15	0	
- Operative CAPEX	-96	-217	-191	-69	-70	-70	-70	-23	-21	276	0	
<i>opCAPEX / Sales, %</i>	<i>1,924</i>	<i>135.2</i>	<i>43.9</i>	<i>13.6</i>	<i>14.2</i>	<i>12.8</i>	<i>12.8</i>	<i>5.0</i>	<i>9.5</i>	<i>0.0</i>	<i>0.0</i>	
- Acquisitions	0	0	0	0	0	0	0	0	0	0	0	
+ Divestments	0	0	0	0	0	0	0	0	0	0	0	
- Other items	0	0	0	0	0	0	0	0	0	0	0	
= FCFF	-240	-305	-171	99	153	158	193	241	170	269	0	0
= Discounted FCFF		-285	-146	78	112	106	119	137	89	129	0	0
= DFCF min WACC		-286	-148	79	114	108	122	141	92	134	0	0
= DFCF max WACC		-283	-145	77	110	104	116	133	86	124	0	0

INTERIM FIGURES

EVLI ESTIMATES, SEKm	2021Q1	2021Q2	2021Q3	2021Q4	2021	2022Q1E	2022Q2E	2022Q3E	2022Q4E	2022E	2023E	2024E
Net sales	0.1	0.0	1.7	3.2	5.0	8.3	40.7	48.7	62.9	160.5	435.5	505.9
EBITDA	-14.5	-25.8	-36.3	-41.5	-118.1	-39.2	-8.8	-2.8	0.5	-50.3	130.4	195.8
<i>EBITDA margin (%)</i>	<i>-14,500.0</i>	<i>-2,580</i>	<i>-2,136.6</i>	<i>-1,296.9</i>	<i>-2,362.0</i>	<i>-472.4</i>	<i>-21.7</i>	<i>-5.8</i>	<i>0.8</i>	<i>-31.4</i>	<i>29.9</i>	<i>38.7</i>
EBIT	-18.6	-76.9	-38.2	-121.4	-255.1	-57.2	-27.8	-26.8	-28.5	-140.3	-8.3	53.6
<i>EBIT margin (%)</i>	<i>-18,600.0</i>	<i>-7,690</i>	<i>-2,248.4</i>	<i>-3,793.7</i>	<i>-5,102.0</i>	<i>-689.3</i>	<i>-68.5</i>	<i>-55.1</i>	<i>-45.3</i>	<i>-87.4</i>	<i>-1.9</i>	<i>10.6</i>
Net financial items	-21.8	-3.6	12.3	-2.9	-16.0	-3.6	-5.0	-5.0	-5.0	-18.6	-34.5	-38.9
Pre-tax profit	-40.4	-80.5	-25.9	-124.3	-271.1	-60.8	-32.8	-31.8	-33.5	-158.9	-42.7	14.7
Tax	0.0	0.0	0.0	-0.1	-0.1	0.0	0.0	0.0	0.0	-0.1	0.0	0.0
<i>Tax rate (%)</i>	<i>0.0</i>	<i>0.0</i>	<i>0.1</i>	<i>-0.1</i>	<i>0.0</i>	<i>0.0</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>	<i>-0.1</i>
Net profit	-40.4	-80.5	-25.9	-124.4	-271.2	-60.8	-32.9	-31.9	-33.5	-159.0	-42.8	14.7
EPS	-0.18	-0.36	-0.11	-0.55	-1.20	-0.23	-0.13	-0.12	-0.13	-0.61	-0.16	0.06
EPS adjusted (diluted no. of shares)	-0.18	-0.36	-0.11	-0.55	-1.20	-0.23	-0.13	-0.12	-0.13	-0.61	-0.16	0.06
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	0.02
SALES, SEKm												
Endomines	0.1	0.0	1.7	3.2	5.0	8.3	40.7	48.7	62.9	160.5	435.5	505.9
Total	0.1	0.0	1.7	3.2	5.0	8.3	40.7	48.7	62.9	160.5	435.5	505.9
SALES GROWTH, Y/Y %												
Endomines	-96.7	-100.0	-10.5	357.1	-61.8	8,198.5		2,762.8	1,865.3	3,110.3	171.3	16.2
Total	-96.7	-100.0	-10.6	357.1	-61.8	8,198.5	4,066,165	2,764.3	1,865.3	3,110.3	171.3	16.2
EBIT, SEKm												
Endomines	-18.6	-76.9	-38.2	-121.4	-255.1	-57.2	-27.8	-26.8	-28.5	-140.3	-8.3	53.6
Total	-18.6	-76.9	-38.2	-121.4	-255.1	-57.2	-27.8	-26.8	-28.5	-140.3	-8.3	53.6
EBIT margin, %												
Endomines	-18,600.0		-2,247.2	-3,793.7	-5,102.0	-689.3	-68.5	-55.1	-45.3	-87.4	-1.9	10.6
Total	-18,600.0	-	-2,248.4	-3,793.7	-5,102.0	-689.3	-68.5	-55.1	-45.3	-87.4	-1.9	10.6
		7,690,000										

INCOME STATEMENT, SEKm	2017	2018	2019	2020	2021	2022E	2023E	2024E
Sales	122.2	104.0	5.8	13.1	5.0	160.5	435.5	505.9
<i>Sales growth (%)</i>	<i>21.0</i>	<i>-14.9</i>	<i>-94.4</i>	<i>125.9</i>	<i>-61.8</i>	<i>3,110.3</i>	<i>171.3</i>	<i>16.2</i>
EBITDA	-5.7	-5.5	-48.8	-108.0	-118.1	-50.3	130.4	195.8
<i>EBITDA margin (%)</i>	<i>-4.7</i>	<i>-5.3</i>	<i>-841.1</i>	<i>-824.5</i>	<i>-2,362.0</i>	<i>-31.4</i>	<i>29.9</i>	<i>38.7</i>
Depreciation	-59.1	-43.0	-3.6	-76.7	-137.0	-90.0	-138.7	-142.3
EBITA	-64.8	-48.5	-52.4	-184.7	-255.1	-140.3	-8.3	53.6
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-64.8	-48.5	-52.4	-184.7	-255.1	-140.3	-8.3	53.6
<i>EBIT margin (%)</i>	<i>-53.0</i>	<i>-46.6</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-87.4</i>	<i>-1.9</i>	<i>10.6</i>
Reported EBIT	-64.8	-48.5	-52.4	-184.7	-255.1	-140.3	-8.3	53.6
<i>EBIT margin (reported) (%)</i>	<i>-53.0</i>	<i>-46.6</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-87.4</i>	<i>-1.9</i>	<i>10.6</i>
Net financials	-4.5	11.0	-7.7	-12.3	-16.0	-18.6	-34.5	-38.9
Pre-tax profit	-69.3	-37.5	-60.1	-197.0	-271.1	-158.9	-42.7	14.7
Taxes	0.0	0.1	0.0	0.1	-0.1	-0.1	0.0	0.0
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	-69.3	-37.4	-60.1	-196.9	-271.2	-159.0	-42.8	14.7
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, SEKm								
Assets								
Fixed assets	130	476	573	568	527	654	706	633
Goodwill	0	0	0	0	0	0	0	0
Right of use assets	0	0	0	0	0	0	0	0
Inventory	2	2	0	2	8	32	87	101
Receivables	12	4	1	3	18	32	87	101
Liquid funds	16	19	16	11	12	24	44	35
Total assets	161	501	590	585	566	742	924	871
Liabilities								
Shareholder's equity	45	252	336	331	310	151	108	123
Minority interest	0	0	0	0	0	0	0	0
Convertibles	0	169	175	0	0	0	0	0
Lease liabilities	0	0	0	0	0	0	0	0
Deferred taxes	0	0	0	0	0	0	0	0
Interest bearing debt	84	44	46	154	161	496	721	653
Non-interest bearing current liabilities	0	0	0	0	0	0	0	0
Other interest-free debt	32	36	32	100	95	95	95	95
Total liabilities	161	501	590	585	566	742	924	871
CASH FLOW, SEKm								
+ EBITDA	-6	-5	-49	-108	-118	-50	130	196
- Net financial items	-4	11	-8	-12	-16	-19	-34	-39
- Taxes	0	0	0	0	0	0	0	0
- Increase in Net Working Capital	9	8	-5	4	-6	-38	-110	-28
+/- Other	2	-22	-17	40	0	0	0	0
= Cash flow from operations	1	-8	-79	-77	-140	-107	-14	129
- Capex	-14	-100	-82	-27	-96	-217	-191	-69
- Acquisitions	0	-59	0	0	0	0	0	0
+ Divestments	0	0	2	0	0	0	0	0
= Free cash flow	-13	-167	-159	-103	-236	-324	-205	60
+/- New issues/buybacks	0	244	144	192	250	0	0	0
- Paid dividend	0	0	0	0	0	0	0	0
+/- Other	-1	-74	12	-93	-13	336	225	-68
Change in cash	-14	3	-3	-4	1	12	19	-8

KEY FIGURES	2018	2019	2020	2021	2022E	2023E	2024E
M-cap	211	448	366	574	572	572	572
Net debt (excl. convertibles)	25	30	143	148	472	677	618
Enterprise value	405	654	509	722	1,044	1,249	1,189
Sales	104	6	13	5	161	435	506
EBITDA	-5	-49	-108	-118	-50	130	196
EBIT	-48	-52	-185	-255	-140	-8	54
Pre-tax	-37	-60	-197	-271	-159	-43	15
Earnings	-37	-60	-197	-271	-159	-43	15
Equity book value (excl. minorities)	252	336	331	310	151	108	123
Valuation multiples							
EV/sales	3.9	112.7	38.8	144.4	6.5	2.9	2.4
EV/EBITDA	-73.7	-13.4	-4.7	-6.1	-20.7	9.6	6.1
EV/EBITA	-8.4	-12.5	-2.8	-2.8	-7.4	-150.7	22.2
EV/EBIT	-8.4	-12.5	-2.8	-2.8	-7.4	-150.7	22.2
EV/OCF	-53.2	-8.3	-6.6	-5.1	-9.8	-88.9	9.2
EV/FCFF	-2.3	-4.3	-5.6	-3.0	-3.4	-7.3	12.1
P/FCFE	-1.3	-2.8	-3.5	-2.4	-1.8	-2.8	9.6
P/E	-5.6	-7.5	-1.9	-2.1	-3.6	-13.4	39.0
P/B	0.8	1.3	1.1	1.8	3.8	5.3	4.7
Target EV/EBITDA	0.0	0.0	0.0	0.0	-21.3	9.8	6.2
Target EV/EBIT	0.0	0.0	0.0	0.0	-7.6	-153.9	22.7
Target EV/FCF	0.0	0.0	0.0	0.0	-3.3	-6.2	20.3
Target P/B	0.0	0.0	0.0	0.0	4.0	5.5	4.9
Target P/E	0.0	0.0	0.0	0.0	-3.8	-14.0	40.7
Per share measures							
Number of shares	35,148	79,957	131,305	225,794	259,948	259,948	259,948
Number of shares (diluted)	35,148	79,957	131,305	225,794	259,948	259,948	259,948
EPS	-1.06	-0.75	-1.50	-1.20	-0.61	-0.16	0.06
Operating cash flow per share	-0.22	-0.99	-0.59	-0.62	-0.41	-0.05	0.50
Free cash flow per share	-4.74	-1.99	-0.79	-1.05	-1.25	-0.79	0.23
Book value per share	7.16	4.20	2.52	1.37	0.58	0.42	0.47
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.02
Dividend payout ratio, %	0.0	0.0	0.0	0.0	0.0	0.0	30.0
Dividend yield, %	0.0	0.0	0.0	0.0	0.0	0.0	0.8
FCF yield, %	-79.0	-35.6	-28.2	-41.2	-56.6	-35.9	10.4
Efficiency measures							
ROE	-25.2	-20.5	-59.1	-84.6	-69.0	-33.0	12.7
ROCE	-9.9	-10.3	-35.5	-53.4	-25.1	-1.1	6.7
Financial ratios							
Inventories as % of sales	1.7	0.6	18.8	163.9	20.0	20.0	20.0
Receivables as % of sales	3.6	22.8	25.4	365.3	20.0	20.0	20.0
Non-interest bearing liabilities as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NWC/sales, %	-20.8	-310.5	-456.7	-1,075.6	-10.0	21.6	24.1
Operative CAPEX/sales, %	95.9	1,414.7	202.8	1,924.4	135.2	43.9	13.6
CAPEX/sales (incl. acquisitions), %	39.0	1,414.7	202.8	1,924.4	135.2	43.9	13.6
FCFF/EBITDA	32.3	3.1	0.8	2.0	6.1	-1.3	0.5
Net debt/EBITDA, book-weighted	-4.6	-0.6	-1.3	-1.3	-9.4	5.2	3.2
Debt/equity, market-weighted	0.2	0.1	0.4	0.3	0.9	1.3	1.1
Equity ratio, book-weighted	84.0	86.7	56.5	54.8	20.3	11.7	14.1
Gearing, %	6.0	6.0	43.1	47.9	312.7	625.8	502.4

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, USA. The company was founded in 2005 and is headquartered in Stockholm, Sweden. Endomines focuses its operations to assets in stable jurisdictions that can be brought to production rapidly and with limited investment.

INVESTMENT CASE: The ramp-up of operations at the Friday-mine has been burdened by challenges and mining operations were recently halted due to ore irregularities and a need to conduct underground drilling for mine planning purposes. The company has proceeded with reinitiating production at its Pampalo site, seeing planned production capacity being reached during the first half of 2022. Supportive development in gold prices offer additional potential for increased revenue.

OWNERSHIP STRUCTURE	SHARES	SEKm	%
Clearstream Banking S.A.	31,465,171	69.223	12.1%
Joensuun Kauppa ja Kone	26,023,517	57.252	10.0%
Nordea Bank Abp (Publ)	16,013,414	35.230	6.2%
Skandinaviska Enskilda Banken	12,632,992	27.793	4.9%
Evli Pankki Plc	11,767,885	25.889	4.5%
LDA Capital Limited	5,502,319	12.105	2.1%
Aktia Bank Abp	4,130,050	9.086	1.6%
K22 Finance Oy	3,437,002	7.561	1.3%
Kakkonen Kari Heikki Ilmari	3,085,366	6.788	1.2%
Northern Trust Global Services	2,927,329	6.440	1.1%
Ten largest	116,985,045	257.367	45%
Residual	142,963,333	314.519	55%
Total	259,948,378	571.886	100%

EARNINGS CALENDAR

August 18, 2022

Q2 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

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Birger Jarlsgatan 41 A 3 fl., SE-11145 Stockholm

CFO:

Tel: +46 8 611 66 45

IR:

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
ROE, %	$\frac{\text{Profit before extraordinary items and taxes} - \text{income taxes}}{\text{Shareholder's equity} + \text{minority interest} + \text{taxed provisions (average)}}$		

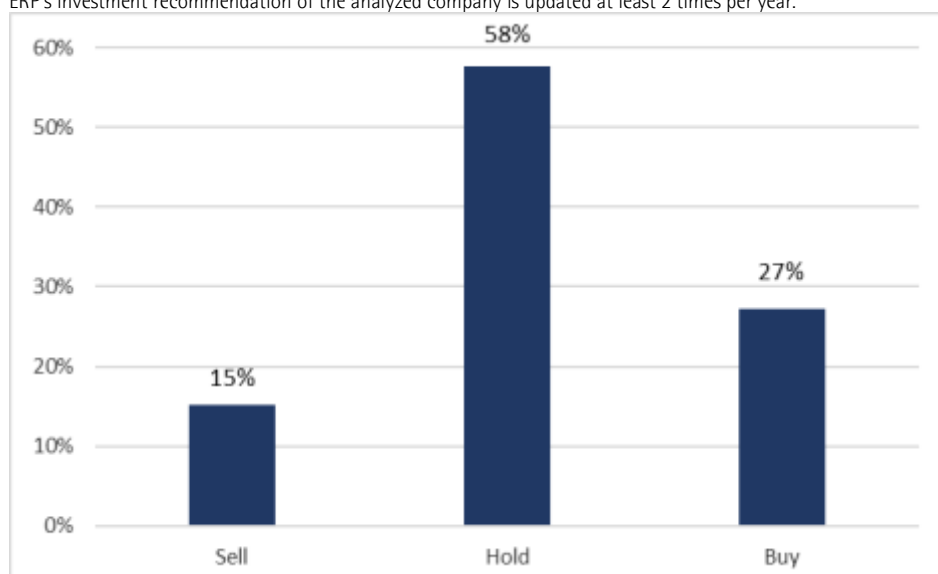
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Investment recommendations are defined as follows:

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

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

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