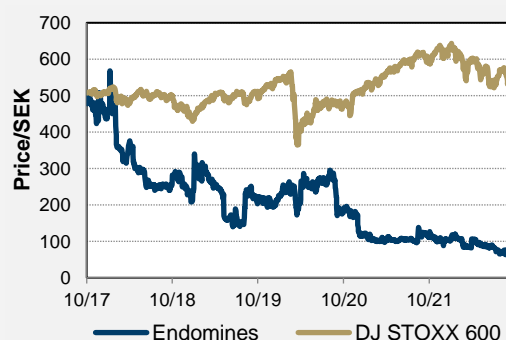


Reverse share split

Endomines EGM was held on 26 September 2022 which resolved on a reverse share split through which forty existing shares will be consolidated into one share. We update our TP to SEK 64.0 (1.6) due to the reverse split. HOLD-rating intact.

- Following the reverse share split, the number of shares will decrease from 267,198,378 to 6,679,959
- From today, 30 September 2022, the share price will reflect the effect of the reverse share split
- In addition to the reverse share split, the EGM resolved to approve the planned cross-border downstream merger
 - As a result of the merger, Endomines Finland will be the new parent company of the group
 - Shareholders of the company will receive one new share in Endomines Finland for each share owned in the company
 - Final conditions of the merger are expected to be fulfilled on or about 16 December 2022
- We have updated our models regarding the number of shares, there are no changes to our estimates. We update our TP to SEK 64.0 (1.6) due to the reverse split. HOLD-rating intact.
 - The gold price has stayed roughly at the levels seen during our last update
 - No updates to other assumptions regarding the company's financials
 - Therefore, the target price change is purely driven by the change in number of shares

Rating HOLD



Share price, SEK (Last trading day's closing price) 67.44

Target price, SEK 64.0

Latest change in recommendation 11-Nov-21

Latest report on company 22-Sep-22

Research paid by issuer: YES

No. of shares outstanding, '000's 6,680

No. of shares fully diluted, '000's 6,680

Market cap, SEKm 450

Free float, % 86.3

Exchange rate EUR/SEK 10.880

Reuters code ENDO.ST

Bloomberg code ENDO SS

Average daily volume, SEKm 0.2

Next interim report

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BUY HOLD SELL

PRE-REPORT 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	-59.97	-1.9	38.8	-2.8	-28.2	0.00
2021	5.0	-255.1	-5,102.0%	-168.8	-48.04	-2.1	144.4	-2.8	-29.4	0.00
2022E	150.2	-114.9	-76.5%	-72.1	-10.44	-6.5	3.9	-5.1	-16.0	0.00
2023E	206.7	-13.8	-6.7%	-46.3	-4.85	-13.9	3.1	-46.3	-10.3	0.00
2024E	202.6	-13.8	-6.8%	-10.3	-5.21	-12.9	3.2	-46.9	-2.3	0.00
Market cap, SEKm			450	BV per share 2022E, SEK		44.0	CAGR EPS 2021-24, %			-52.3
Net debt 2022E, SEKm			141	Price/book 2022E		1.4	CAGR sales 2021-24, %			243.5
Enterprise value, SEKm			591	Dividend yield 2022E, %		0.0	ROE 2022E, %			-22.1
Total assets 2022E, SEKm			579	Tax rate 2022E, %		-0.1	ROCE 2022E, %			-9.1
Goodwill 2022E, SEKm			0	Equity ratio 2022E, %		55.3	PEG, P/E 22/CAGR			0.1

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

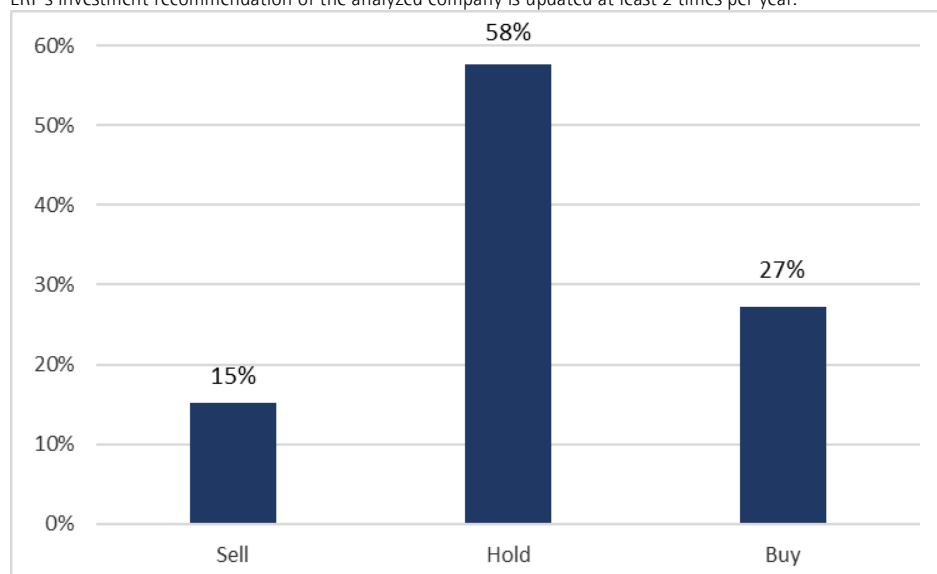
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Investment recommendations are defined as follows:

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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