

## Having a record year

Endomines delivered a strong performance in H1, despite a slight shortfall relative to our profitability estimate. We anticipate continued strong results in H2 and beyond, while pricing remains elevated.

### Pampalo cash cost was slightly higher than expected in H1

With production growth of near 26% and some 39% higher average gold price, the company's sales grew expectedly 64% to EUR 21.5m (Evli est. EUR 22.4m). Group EBITDA came close to our estimate yet fell short as Pampalo's cash cost did not scale down according to our estimate (group EBITDA act. EUR 7.7m, Evli est. EUR 9.1m). According to our understanding, despite higher volumes, the cash cost was negatively affected by lower head grade. Due to higher gold price levels, the company has been able to utilize the lower grade ore which has slightly increased the cash cost per ounce. The overhead expenses were in line with our estimates. The company continues seeking solutions for its US deposits. The US assets incur annual costs of about EUR 0.7m, mostly from Idaho, making the divestment of Idaho assets the top priority in the US.

### Power Mining should drive lower cash cost from 2026

We keep our estimates unchanged for H2 volumes, as we estimate gold production of some 19,300 ounces for the full year. We expect production growth to be faster in H2 in line with the company's guidance. Faster production growth coupled with higher gold prices should continue to drive rapid net sales growth also in H2. We have increased our estimate for Pampalo cash cost slightly for H2 due to the company's selective mining approach seen in H1 and possible hiccups to production related to the Power Mining acquisition in Q3. Despite this, profitability should improve over H1 as a product of higher gold price. On the other hand, we have further decreased our estimate for cash cost for the coming years. Going forward, Endomines expects Power Mining acquisition to reduce cash cost by some EUR 90–120 per ounce starting from 2026. We also expect the average gold price in 2026 to be higher than in 2025. Given these components and increased production, we model improving profitability also going forward. The main negative driver remains EUR/USD as the dollar has further depreciated from the levels seen in H1.

### SELL with a TP of EUR 24.5

After slight updates to our estimates and market parameters, we retain TP at EUR 24.5 and rating at SELL. The current share price remains above the fair value derived from our SOTP-model. In addition, the pricing looks elevated compared to peers on both resource and earnings-based multiples.

## Rating

■ ■ SELL



Share price, EUR (Last trading day's closing price) **27.45**  
Target price, EUR 24.5

Latest change in recommendation 12-Aug-25

Latest report on company 15-Aug-25

Research paid by issuer: YES

No. of shares outstanding, '000's 11 128

No. of shares fully diluted, '000's 11 128

Market cap, EURm 305

Free float, % 42.9 %

Exchange rate 1.0

Reuters code ENDOM.HE

Bloomberg code ENDOM FH

Average daily volume, EURm 0.2

Next interim report

Web site [endomines.com/en/for-investors/](https://endomines.com/en/for-investors/)

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■ ■ BUY ■ ■ ACCUMULATE ■ ■ REDUCE ■ ■ 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
2023	19.7	-3.0	-15.2%	-10.7	-0.55	-12.3	4.1	-26.8	-16.3%	
2024	28.7	2.6	9.1%	-11.6	0.03	293.9	3.7	40.1	-12.6%	
2025E	49.0	15.0	30.6%	2.9	0.90	30.5	6.4	21.1	1.0%	
2026E	57.4	23.8	41.5%	14.8	1.79	15.3	5.2	12.6	4.9%	
2027E	63.0	27.9	44.2%	20.0	2.12	12.9	4.5	10.1	6.6%	
Market cap, EURm	305		Gearing 2025E, %		-7.2 %		CAGR EPS 2024-27, %		318.5 %	
Net debt 2025E, EURm	10		Price/book 2025E		6.0		CAGR Sales 2024-27, %		30.0 %	
Enterprise value, EURm	316		Dividend yield 2025E, %		0.0 %		ROE 2025E, %		21.7 %	
Total assets 2025E, EURm	89		Tax rate 2025E, %		4.8 %		ROCE 2025E, %		24.4 %	
Goodwill 2025E, EURm	0		Equity ratio 2025E, %		74.4 %		PEG, P/E 25/CAGR		0.8	

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

Record H1 was driven by production growth and gold market tailwind

Revenue in H1 amounted to EUR 21.5m (EUR 13.1m H1/2024), roughly in line with our estimate of EUR 22.4m as the production figures were already reported. The production growth rate of 25.8%, combined with an average gold price of 3,072 USD per ounce (2,205 per ounce H1/24), contributed to the overall growth. The group EBITDA in H1 was at EUR 7.7m (1.9m H1 2024), falling short of our estimate of EUR 9.1m. Cash cost of Pampalo operation exceeded our estimates at EUR 1,325 per ounce. EBITDA from Pampalo production was at EUR 10.0m, up from EUR 4.0m during the first half of 2024. We had estimated EBITDA of EUR 11.4m for Pampalo. EBITDA from the company's other functions (Karelian gold line operations, USA operations and common functions) was at EUR -2.4m (EUR -2.3m Evli est.). EPS was at EUR 0.2 per share yet was negatively affected by changes in the EUR/USD rate leading to FX losses of EUR 1.8m. Cash flow from operating activities was up to EUR 5.1m (H1/24 EUR -0.1m) driven by the improved profitability while cash flow after investments was at EUR -1.6m. The company invested EUR 6.8m in intangible assets and PP&E during the first half, roughly in pace with our estimate. On the exploration front, the company updated its exploration plan after the early promising results from Ukkolanvaara published earlier this summer. Endomines will double its drilling volume in Q3/25 from one rig to two. One of the drilling rigs will be operating in the Ukkolanvaara prospect while the other one is for resource definition and other exploration targets.

Strong performance expected to continue

We have made only slight estimate adjustments after the H1 report. We have increased our estimate for H2/2025 cash cost after the slightly higher than expected cash cost during the first half. We keep our gold price forecast unchanged for the coming years. Our gold price forecast is based on a blend of consensus median estimates and gold forward prices. For 2025E, we estimate average gold price of approximately 3200 USD/oz. In terms of production, Endomines continues to expect production of 16 000 – 22 000 ounces of gold in 2025 and the production growth is expected to be more rapid during the second half of the year. In line with the guidance, we expect production to increase in H2 as we expect production growth of 44% y/y to some 10,500 ounces or 19,300 ounces for the full year. We forecast steady overhead costs for H2 compared to H1 as the company expects costs related to the US assets to be some EUR 0.7m for the year. We model net sales of EUR 49m and group EBITDA of EUR 19.5m for the full year. We also included Power Mining acquisition to our estimates prior to the release of the report. Endomines anticipates that the Power Mining acquisition will lower cash costs by approximately EUR 90–120 per ounce beginning in 2026. We project that the cash cost reduction in 2026 will be toward the lower end of this range.

SOTP range relatively unchanged

After the changes to operative and market parameter estimates, the fair value range derived from the SOTP-model stays relatively unchanged at EUR 23.9 – 25.2 per share. We continue to base our TP in the middle of the fair value range. Based on EV/Resources multiple (excl. historical resources), the company is priced roughly two times higher than the peer group average. We do not consider earnings-based valuation multiples relevant in valuation of Endomines. For reference, based on our estimates, Endomines is trading at an EV/EBITDA multiple of 16–9x for 2025–2027E. In comparison, mid-tier gold miners are valued at 4–3x EV/EBITDA for the same period.

Table 1: Estimate summary

Endomines (EURm)	2023	H1/'24	H2/'24	2024	H1/'25	H2/'25E	2025E	2026E	2027E
<b>Gold production (Oz)</b>	<b>12 790</b>	<b>7 019</b>	<b>7 285</b>	<b>14 304</b>	<b>8 832</b>	<b>10 464</b>	<b>19 296</b>	<b>21 777</b>	<b>23 908</b>
<i>Production growth %</i>	49%	4%	21%	12%	26%	44%	35%	13%	10%
<b>Net sales</b>	<b>19.7</b>	<b>13.1</b>	<b>15.6</b>	<b>28.7</b>	<b>21.5</b>	<b>27.5</b>	<b>49.0</b>	<b>57.4</b>	<b>63.0</b>
<i>Sales growth %</i>	46%	23%	73%	46%	64%	76%	71%	17%	10%
<b>Pampalo EBITDA</b>	<b>3.3</b>	<b>4.0</b>	<b>6.3</b>	<b>10.3</b>	<b>10.0</b>	<b>14.2</b>	<b>24.2</b>	<b>31.0</b>	<b>35.1</b>
<b>Group EBITDA</b>	<b>-0.7</b>	<b>1.9</b>	<b>3.9</b>	<b>5.8</b>	<b>7.7</b>	<b>11.8</b>	<b>19.5</b>	<b>27.0</b>	<b>31.1</b>
<i>EBITDA margin</i>	-3%	14%	25%	20%	36%	43%	40 %	47%	49%
<b>EBIT</b>	<b>-3.0</b>	<b>0.1</b>	<b>2.5</b>	<b>2.6</b>	<b>5.4</b>	<b>9.6</b>	<b>15.0</b>	<b>23.8</b>	<b>27.9</b>
<i>EBIT margin</i>	-15%	1%	16%	9%	25%	35%	31%	42%	44%
Assumptions	2023	H1/'24	H2/'24	2024	H1/'25	H2/'25E	2025E	2026E	2027E
Gold price USD/Oz	1942	2208	2570	2389	3072	3396	3221	3395	3399
Gold price EUR/Oz	1790	2045	2383	2214	2822	2915	2868	2927	2930
EUR/USD	1.09	1.08	1.08	1.08	1.09	1.17	1.13	1.16	1.16

Source: Endomines, Factset, Evli Research

Table 2: Sum of the parts model

	Evli est.	Spot	Estimate basis
US asset portfolio	27	35	Evli est. based on peer valuation of resources, Spot est. based on balance sheet value
Pampalo	143	147	DCF based on reserves & resources for Pampalo OP & UG, Hosko
Karelian gold line	165	171	Real option value for the Southern Gold Line + other satellites
Overhead	(20)	(20)	Discounted overhead costs
Net cash (debt)	1	1	2025E adjusted for theoretical conversion + accrued interest
<b>Fair Value</b>	<b>317</b>	<b>335</b>	
Long-term gold price (USD/oz)	3 300		Evli est.
Spot price (USD/oz)		3 350	
Diluted shares outstanding (m)	13.3	13.3	Incl. theoretical conversion of notes available for conversion during FY 2025
<b>Fair value per share</b>	<b>23.9</b>	<b>25.2</b>	

Source: Evli Research

Table 3: Peer group summary, companies in different development stages operating in tier–1 jurisdictions, enterprise value to reserves and resources (incl. 2P & M+I+I)

						000's Oz					
	Ticker	Company name	Location of assets	Mine type	Development stage	Reserves	M&I	Inferred	Total	EV EURm	EV/R&R
Junior & mid-tier producers	BGL–AU	Bellevue Gold Limited	Australia	OP / UG	Producing	1 290	710	1 100	3 100	742	239
	OMM–AU	Capricorn Metals Ltd	Australia	OP / UG	Producing	4 019	1 236	1 495	6 750	1 940	287
	GOR–AU	Gold Road Resources Ltd	Australia	OP	Producing	1 920	790	2 100	4 810	1 979	412
	WDO–CA	Wesdome Gold Mines Ltd.	Canada	UG	Producing	1 131	327	928	2 386	1 438	603
	WGX–AU	Westgold Resources Ltd	Australia	OP / UG	Producing	3 304	4 831	4 026	12 161	1 590	131
	AGI–CA	Alamos Gold	North America, Mexico, Turkey	OP / UG	Producing	16 008	6 892	4 670	27 570	9 148	332
	RRL–AU	Regis Resources	Australia	OP / UG	Producing	1 661	4 219	1 660	7 540	1 787	237
	ELD–CA	Eldorado Gold Corporation	Europe, Canada	OP / UG	Producing	11 900	10 100	6 800	28 800	4 065	141
Advanced developers	ARTG–CA	Artemis Gold Inc	Canada	OP	Plant commissioning	8 000	4 406	288	12 694	4 482	353
	MAE–CA	Maritime Resources Corp.	Canada	OP / UG	Plant commissioning	272	129	32	433	68	156
	NG–CA	Novagold Resources Inc	United States	OP	FS completed	20 309	3 298	3 596	27 203	1 661	61
	PPTA–US	Perpetua Resources Corp.	United States	OP	FS completed	4 819	1 215	1 246	7 280	787	108
	SKE–CA	Skeena Resources Limited	Canada	OP / UG	DFS completed	4 600	900	30	5 530	1 371	248
Emerging developers & advanced exploration	BTR–CA	Bonterra Resources, Inc.	Canada	OP / UG	PFS ongoing	1 242	1 781	3 023	19	6	
	LGD–CA	Liberty Gold Corp	United States	OP	PFS completed	3 110	1 053	712	86	121	
	FURY–CA	Fury Gold Mines Limited	Canada	OP / UG	PEA completed	1 160	512	1 672	82	37	
	RUP–CA	Rupert Resources Ltd.	Europe	OP / UG	PEA completed	4 087	136	4 223	686	162	
	RDS–CA	Radisson Mining Resources Inc.	Canada	OP / UG	PEA completed	501	446	947	98	104	
Excl. historic resources	PAMPALO–FI	Endomines	Finland, United States	OP / UG	Producing	47	274	457	777	316	406
1st quartile total group						1 661	818	328	1 851	89	107
3rd quartile total group						11 900	4 359	3 222	12 561	1 931	298
Median total group						4 600	2 176	1 150	5 170	1 404	159
Mean total group						6 720	2 950	1 831	9 186	1 833	208
Median producers						2 612	4 525	3 063	9 851	1 883	263
Mean producers						5 987	4 527	3 364	13 878	3 335	298
Median advanced developer						4 819	1 215	288	7 280	1 371	156
Mean advanced developer						7 600	1 990	1 038	10 628	1 674	185
Median emerging developer & advanced exploration						1 242	512	1 672	86	104	
Mean total group emerging developer & advanced exploration						2 020	786	2 115	190	86	

Source: Factset, company presentations, Evli Research

## INTERIM FIGURES

<b>EVLI ESTIMATES, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Net sales	0.0	13.1	0.0	15.6	28.7	0.0	21.5	0.0	27.5	49.0	57.4	63.0
EBITDA		1.9		3.9	5.8		7.7		11.8	19.5	28.3	31.1
<i>EBITDA margin (%)</i>		14.5%		25.1%	20.3%		35.9%		42.9%	39.8%	49.4%	49.3%
EBIT		0.1		2.5	2.6		5.4		9.6	15.0	23.8	27.9
<i>EBIT margin (%)</i>		0.8%		16.2%	9.1%		25.1%		34.8%	30.6%	41.5%	44.2%
Net financial items		-1.1		-1.1	-2.2		-3.1		-1.3	-4.4	-1.7	-1.7
Pre-tax profit		-1.0		1.4	0.4		2.3		8.3	10.5	22.1	26.2
Tax				-0.1	-0.1				-0.5	-0.5	-2.2	-2.6
<i>Tax rate (%)</i>				7.1%	24.2%				6.1%	4.8%	10.0%	10.0%
Net profit		-1.0		1.3	0.3		2.3		7.8	10.0	19.9	23.6
EPS		-0.09		0.12	0.03		0.20		0.70	0.90	1.79	2.12
EPS adj. (diluted)		-0.09		0.12	0.03		0.20		0.70	0.90	1.65	1.74
Dividend per share												
<b>SALES, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Endomines		13.1		15.6	28.7		21.5		27.5	49.0	57.4	63.0
Total	0.0	13.1	0.0	15.6	28.7	0.0	21.5	0.0	27.5	49.0	57.4	63.0
<b>SALES GROWTH, Y/Y%</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Endomines		22.7%		72.9%	45.7%		63.7%		76.4%	70.6%	17.2%	9.9%
Total		22.7%		72.9%	45.7%		63.7%		76.4%	70.6%	17.2%	9.9%
<b>EBIT, EURm</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Endomines		0.1		2.5	2.6		5.4		9.6	15.0	23.8	27.9
Total		0.1		2.5	2.6		5.4		9.6	15.0	23.8	27.9
<b>EBIT margin %</b>	2024Q1	2024Q2	2024Q3	2024Q4	2024	2025Q1E	2025Q2	2025Q3E	2025Q4E	2025E	2026E	2027E
Endomines		0.8%		16.2%	9.1%		25.1%		34.8%	30.6%	41.5%	44.2%
Total		0.8%		16.2%	9.1%		25.1%		34.8%	30.6%	41.5%	44.2%

INCOME STATEMENT, EURm	2020	2021	2022	2023	2024	2025E	2026E	2027E
Sales	1.3	0.5	13.5	19.7	28.7	49.0	57.4	63.0
Sales growth (%)	134.3%	-61.5%	2 643.4%	45.9%	45.7%	70.6%	17.2%	9.9%
EBITDA	-10.5	-11.6	-6.4	-0.6	5.8	19.5	28.3	31.1
EBITDA margin (%)	-824.5%	-2	-47.1%	-3.1%	20.3%	39.8%	49.4%	49.3%
		362.0%						
Depreciation	-7.5	-13.5	-8.3	-2.4	-3.2	-4.5	-4.5	-3.2
EBITA	-18.0	-25.1	-14.7	-3.0	2.6	15.0	23.8	27.9
Goodwill amortization / writedown								
EBIT	-18.0	-25.1	-14.7	-3.0	2.6	15.0	23.8	27.9
EBIT margin (%)	-1 410.0%	-5	-108.9%	-15.2%	9.1%	30.6%	41.5%	44.2%
		102.0%						
Reported EBIT	-18.0	-25.1	-14.7	-3.0	2.6	15.0	23.8	27.9
EBIT margin (reported) (%)	-1 410.0%	-5	-108.9%	-15.2%	9.1%	30.6%	41.5%	44.2%
		102.0%						
Net financials	-1.2	-1.6	-2.7	-2.3	-2.2	-4.4	-1.7	-1.7
Pre-tax profit	-19.2	-26.7	-17.4	-5.3	0.4	10.5	22.1	26.2
Taxes	0.0	0.0	0.0		-0.1	-0.5	-2.2	-2.6
Minority shares								
Net profit	-19.2	-26.7	-17.5	-5.3	0.3	10.0	19.9	23.6
Cash NRIs								
Non-cash NRIs								
BALANCE SHEET, EURm								
Assets								
Fixed assets	57	51	49	55	70	78	84	87
Goodwill								
Right of use assets								
Inventory	0	1	0	0	0	1	1	1
Receivables	0	2	2	2	3	5	6	7
Liquid funds	1	1	4	1	2	5	20	40
Total assets	58	55	55	59	76	89	110	135
Liabilities								
Shareholders' equity	33	30	36	32	41	51	71	95
Minority interest								
Convertibles				16	15	15	15	15
Lease liabilities								
Deferred taxes								
Interest bearing debt	15	16	11			0		
Non-interest bearing current liabilities					5	8	10	11
Other interest-free debt	10	9	9	11	15	15	15	15
Total liabilities	58	55	55	59	75	89	110	135
CASH FLOW, EURm								
+ EBITDA	-11	-12	-6	-1	6	19	28	31
- Net financial items	-1	-2	-3	-2	-2	-4	-2	-2
- Taxes	0	0	0		0	-1	-2	-3
- Increase in Net Working Capital	0	0	3	1	3	1	0	0
+/- Other	4	1	2					
= Cash flow from operations	-7	-12	-4	-2	6	15	25	27
- Capex	-3	-5	-4	-9	-18	-13	-10	-7
- Acquisitions								
+ Divestments								
= Free cash flow	-10	-17	-8	-11	-12	3	15	20
+/- New issues/buybacks	20	24	23	2	9			
- Paid dividend								
+/- Other	-11	-7	-13	6	4	0	0	
Change in cash	0	0	3	-3	1	3	15	20

KEY FIGURES	2021	2022	2023	2024	2025E	2026E	2027E
M-cap	57	47	66	92	305	305	305
Net debt (excl. convertibles)	14	7	-1	-2	-5	-20	-40
Enterprise value	71	54	81	105	316	301	281
Sales	0	14	20	29	49	57	63
EBITDA	-12	-6	-1	6	19	28	31
EBIT	-25	-15	-3	3	15	24	28
Pre-tax	-27	-17	-5	0	11	22	26
Earnings	-27	-17	-5	0	10	20	24
Equity book value (excl. minorities)	30	36	32	41	51	71	95

Valuation multiple	2021	2022	2023	2024	2025E	2026E	2027E
EV/Sales	144.2	4.0	4.1	3.7	6.4	5.2	4.5
EV/EBITDA	-6.1	-8.4	-134.2	18.0	16.2	10.6	9.0
EV/EBITA	-2.8	-3.6	-26.8	40.1	21.1	12.6	10.1
EV/EBIT	-2.8	-3.6	-26.8	40.1	21.1	12.6	10.1
EV/OCF	-6.1	-13.1	-42.6	16.2	20.5	12.1	10.4
EV/FCF	-4.7	-10.2	-10.8	-19.9	44.3	18.5	13.1
P/FCFR	-0.1	-5.9	-6.1	-7.9	105.5	20.6	15.2
P/E	-2.1	-2.7	-12.3	293.9	30.5	15.3	12.9
P/BV	1.9	1.3	2.0	2.2	6.0	4.3	3.2
Target EV/EBITDA					14.5	9.5	8.0
Target EV/EBIT					18.9	11.3	8.9
Target EV/FCFF					97.7	18.1	12.4
Target P/BV					5.3	3.8	2.9
Target P/E, diluted	-3.0	-8.0	-14.5	-1560.3	27.2	14.8	14.1

Per share measures	2021	2022	2023	2024	2025E	2026E	2027E
Number of shares (million)	5.64	9.37	9.80	10.83	11.13	11.13	11.13
Number of shares (diluted, million)	5.64	9.37	9.80	10.83	11.13	12.07	13.58
EPS	-4.73	-1.87	-0.55	0.03	0.90	1.79	2.12
Operating cash flow per share	-2.07	-0.44	-0.19	0.60	1.38	2.23	2.43
Free cash flow per share	-2.95	-0.85	-1.09	-1.07	0.26	1.33	1.80
Book value per share	5.34	3.83	3.30	3.80	4.60	6.39	8.51
Dividend per share							
Dividend payout ratio, %							
Dividend yield, %							
FCF yield, %	-29.4%	-17.1%	-16.3%	-12.6%	1.0%	4.9%	6.6%

Efficiency measures	2021	2022	2023	2024	2025E	2026E	2027E
ROE	-84.6%	-52.9%	-15.7%	0.9%	21.7%	32.6%	28.4%
ROCE	-53.4%	-31.9%	-6.3%	5.0%	24.4%	31.2%	28.4%

Financial ratios	2021	2022	2023	2024	2025E	2026E	2027E
Inventories as % of sales	162.0%	3.0%	2.0%	1.4%	1.4%	1.4%	1.4%
Receivables as % of sales	360.9%	14.8%	10.4%	11.2%	11.2%	11.2%	11.2%
Non-int. bearing liabilities as % of sales				16.7%	16.7%	16.7%	16.7%
NWC/sales, %	-1062.8%	-30.4%	-26.1%	-28.2%	-18.3%	-16.2%	-15.1%
Operative CAPEX/Sales, %	1001.1%	28.9%	44.7%	63.1%	25.5%	17.4%	11.1%
CAPEX/sales (incl. acquisitions), %	1001.1%	28.9%	44.7%	63.1%	25.5%	17.4%	11.1%
FCFF/EBITDA	1.3	0.8	12.4	-0.9	0.4	0.6	0.7
Net Debt/EBITDA, book-weighted	-1.2	-1.1	2.0	-0.4	-0.2	-0.7	-1.3
Debt/equity, market-weighted	0.3	0.2			0.0		
Equity ratio, book-weighted	0.5	0.7	0.8	0.7	0.7	0.8	0.8
Gearing, %	47.9%	18.9%	-2.5%	-3.7%	-7.2%	-22.7%	-36.1%

**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 strategy focuses on development of the company's Finnish assets. The company has made solid progress in restarting production at the Pampalo site, with gold output reaching 14,300 ounces in 2024. By 2030, Endomines targets annual production of 70,000–100,000 ounces of gold, with the majority expected to come from the Southern Gold Line prospect. Consequently, the investment case will primarily be driven by the future developments in the Southern Gold Line.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Joensuun Kauppa ja Kone Oy	2 381 691	65.377	21.4 %
Mariatorp OY	1 490 000	40.901	13.4 %
Wipunen varainhallinta Oy	1 485 000	40.763	13.3 %
K22 Finance Oy	407 204	11.178	3.7 %
Kakkonen Kari Heikki Ilmari	307 704	8.446	2.8 %
Taloustieto Incrementum Oy	296 907	8.150	2.7 %
Vakuutusosakeyhtiö Henki–Fennia	265 000	7.274	2.4 %
Hietamoor Oy	199 327	5.472	1.8 %
Eyemaker's Finland Oy	187 407	5.144	1.7 %
Ehrnrooth Helene Margareta	150 000	4.118	1.3 %
Ten largest	7 170 240	196.823	64.4 %
Residual	3 958 220	108.653	35.6 %
Total	11 128 460	305.476	100%

## EARNINGS CALENDAR

## OTHER EVENTS

## COMPANY MISCELLANEOUS

CEO: Kari Vyhtinen  
CFO: Minni Lempinen  
IR: Anni Turpeinen

Ahventie 4 A, FI-02170 Espoo  
Tel:



## DEFINITIONS

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

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Investment recommendations are defined as follows:

Target price compared to share price

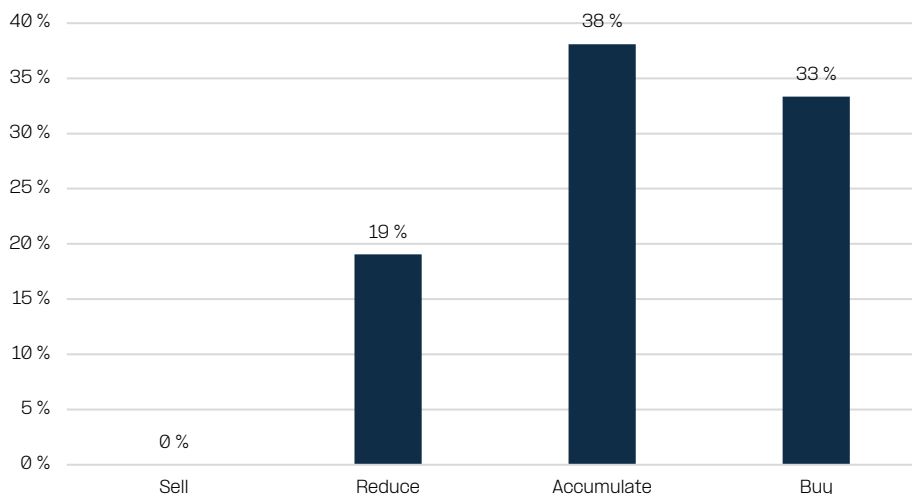
< -10 %  
-10 - 0 %  
0 - (+10) %  
> 10 %

Recommendation

SELL  
REDUCE  
ACCUMULATE  
BUY

ERP may temporarily suspend the rating and, if applicable, the target price to comply with regulations and/or firm policies, in which case a NOT RATED classification is used.

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

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