

Metals & Mining/Sweden, August 31, 2020 Company update

Funding still a key issue

Endomines commenced gold concentrate sales at its Friday mine but COVID-19 related challenges have pushed back ramp up to design capacity further. The attractive gold price level unfortunately remains overshadowed by cash burn and lack of more permanent financing solutions. We retain our SELL-rating with a target price of SEK 5.5.

Sales commenced but head grades still low

Endomines Q2 results were slightly below our estimates, with revenue of SEK 7.5m (Evli 9.0m), EBITDA of SEK -17.5m (Evli 20.6m) and EBIT of SEK -27.7m (Evli -24.5m). The first concentrate sales at the Friday mine were made, but with preproduction development material being milled head grades were low and with the still low capacity revenue was not yet significant. COVID-19 related challenges to supply chains and recruitment have further pushed back the ramp up timetable of the processing facility and design capacity will unlikely be reached in 2020.

Friday ramp-up delayed due to COVID-19

We have clearly lowered our 2020 estimates post-Q2 following the ramp-up delays and update on the stockpiled pre-production development material. We expect 80% of design capacity to have been reached in Q4 and atypical head grades throughout the year due to stockpiled development material. We now expect revenue of SEK 41.0m (prev. 77.1m) and EBITDA of SEK -68.9m (prev. -38.3m). Endomines reported that plans are being made for a possible re-opening of Pampalo given the current gold price, which in our view could provide a production boost somewhere towards H1/21 if initiated.

SELL with a target price of SEK 5.5

Despite production and sales having recommenced, the unfortunate side of the Q2 report was the cash burn rate, with liquid assets again largely depleted and some exploration activities having been put on hold. Gold price levels are clearly attractive but with the expected cash burn rate during H2/20 and so far lack of more permanent financing solutions risks are still substantial. We retain our TP of SEK 5.5 and SELL-rating.



Share price, SEK (Last trading day's closing price) Target price, SEK	6.10 5.5
Latest change in recommendation	13-Feb-20
Latest report on company	31-May-20
Research paid by issuer:	YES
No. of shares outstanding, '000's	115,913
No. of shares fully diluted, '000's	115,913
Market cap, SEKm	707
Free float, %	-
Exchange rate EUR/SEK	10.660
Reuters code	ENDO.ST
Bloomberg code	ENDO SS
Average daily volume, SEKm	0.2
Next interim report	12-Nov-20
Web site Analyst E-mail	endomines.com/investors Jerker Salokivi jerker.salokivi@evli.com

■ BUY □ HOLD ■ SELL

+358 9 4766 9149

KEY FIGU	RES									
	Sales SEKm	EBIT SEKm	EBIT %	FCF SEKm	EPS SEK	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS SEK
2018	104.0	-48.5	-46.6%	-166.5	-1.06	-5.6	3.9	-8.4	-79.0	0.00
2019	5.8	-52.4	-903.4%	-159.8	-0.75	-7.5	112.7	-12.5	-35.7	0.00
2020E	40.9	-102.8	-251.1%	-216.6	-1.03	-5.9	21.7	-8.6	-30.6	0.00
2021E	209.9	16.1	7.6%	-186.2	0.03	174.7	5.1	67.0	-26.3	0.00
2022E	465.7	152.4	32.7%	26.0	1.21	5.0	2.3	6.9	3.7	0.00
Market cap	o, SEKm		707 G	earing 2020E,	0/0		2, %	0.0		
Net debt 2	020E, SEKm		182 Pr	rice/book 2020	E		1.5 CAGR	sales 2019-	22, %	331.4
Enterprise	value, SEKm		889 D	ividend yield 2	0.0 ROE 2020E, %				-30.2	
Total asset	s 2020E, SEKm	1	677 Ta	ıx rate 2020E,	0/0		0.1 ROCE	2020E, %		-17.1
Goodwill 2	020E, SEKm		0 Ed	quity ratio 202	OE, %		67.5 PEG, P	P/E 20/CAGR		0.0

Telephone

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



Metals & Mining/Sweden, August 31, 2020 Company update

Endomines (SEKm)	2018	Q1/'19	Q2/'19	Q3/'19	Q4/'19	2019	Q1/'20	Q2/'20	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Net sales	105.3	2.1	1.4	1.6	0.7	5.8	3.0	7.5	11.1	19.4	41.0	209.9	465.7
sales growth %	-13.9%	<i>-92.9%</i>	-96.7%	-93.8%	-91.5%	-94.5%	42.9%	>100%	>100%	>100%	>100%	>100%	>100%
EBITDA	-5.5	-11.5	-9.3	-12.9	-15.1	-48.8	-26.3	-17.5	-15.3	-8.2	-68.9	60.3	232.5
EBIT	-48.5	-13.3	-9.0	-16.4	-13.7	-52.4	-29.2	-27.7	-26.5	-19.4	-103.1	16.1	152.4
EBIT margin	-46.0%	<-100% <	<-100% <	<-100% <	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	<-100%	7.6%	32.7%
Gold production (Oz)	10 552	0	0	0	0	0	0	326	660	1 157	2 143	12 527	27 796
Pampalo	2018	Q1/'19	02/'19	Q3/'19	Q4/'19	2019	Q1/'20	02/'20*	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Net sales	105.3	2.1	1.4	1.6	0.7	5.8	3.0	2.5	0.0	0.0	5.5	0.0	0.0
Gold production (Oz)	10552	0	0	0	0	0	0	0	0	0	0.0	0.0	0.0
Idaho	2018	Q1/'19	02/'19	Q3/'19	Q4/'19	2019	Q1/'20	02/'20*	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Net sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0	5.0	11.1	19.4	35.5	209.9	465.7
Gold production (Oz)	0	0	0	0	0	0	0	326	660	1 157	2143	12527	27796
Assumptions	2018	Q1/'19	02/'19	Q3/'19	Q4/'19	2019	Q1/'20	02/'20	Q3/'20E	Q4/'20E	2020E	2021E	2022E
Gold price USD/Oz	1269	1304	1310	1473	1481	1393	1582	1711	1900	1900	1773	1900	1900
Gold price EUR/Oz	1073	1148	1170	1325	1338	1245	1437	1555	1727	1727	1612	1727	1727
USD/SEK	8.67	9.18	9.47	9.59	9.61	9.46	9.67	9.69	9.69	9.69	9.69	9.69	9.69
EUR/SEK	10.26	10.42	10.61	10.66	10.64	10.58	10.66	10.66	10.66	10.66	10.66	10.66	10.66
EUR/USD	1.18	1.14	1.12	1.11	1.11	1.12	1.10	1.10	1.10	1.10	1.10	1.10	1.10

^{*}Net sales split Evli estimate (not reported)

Source: Evli Research

Valuation	Evli est. MSEK	Spot MSEK	Estimate basis
Friday	280	303	LOM 8 years, avg. CC 830 USD/oz, ~92,000oz concentrate produced
Idaho other assets	498	515	Purchase price and in-situ value analysis
Pampalo	67	80	Real option model, assuming profitability above 1,550-1,600 USD/oz gold price
Karelia other	89	92	In-situ value for assets. Exploration ~200usd/m, mainly recent drillings
US Grant and Kearsarge	96	96	Investment cost
Corporate/other	-156	-156	DCF estimate assuming active operations between 2020-2030
Net cash (debt)	-129	-129	Q2/20 + Transatlantic payments
Total	745	801	
Per share	5.8	6.3	
Long-term gold price (USD/Oz) Spot price (USD/Oz)	1900	1964	Evli
Shares (m)	127.6	127.6	Q1/20 + Transatlantic deal dilution estimate (28.8.2020 closing price)

Metals & Mining/Sweden, August 31, 2020 Company update

NIT	LED	I A A	EIGI	IRFS

2019Q1	2019Q2	2019Q3	2019Q4	2019	2020Q1	2020Q2	2020Q3E	2020Q4E	2020E	2021E	2022E
2.1	1.4	1.6	0.7	5.8	3.0	7.5	11.1	19.4	40.9	209.9	465.7
-11.5	-9.3	-12.9	-15.1	-48.8	-27.8	-17.5	-15.6	-8.5	-69.3	54.5	226.5
-547.6	-663.0	-806.2	-2,157.1	-841.1	<i>-926.7</i>	-232.8	-141.0	-43.6	-169.3	25.9	48.6
-13.3	-9.0	-16.4	-13.7	-52.4	-29.2	-27.7	-26.5	-19.4	-102.8	16.1	152.4
-633.3	-642.9	-1,025.0	-1,957.1	-903.4	-973.3	-369.3	-240.0	-100.0	-251.1	7.6	32.7
0.0	-7.8	2.1	-2.0	-7.7	-15.1	3.9	-3.0	-3.0	-17.2	-12.0	-12.2
-13.3	-16.8	-14.3	-15.7	-60.1	-44.3	-23.8	-29.5	-22.4	-120.0	4.1	140.3
0.3	-0.3	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0	-0.2
2.3	-1.8	0.0	0.0	0.0	0.0	0.7	0.0	0.0	0.1	0.1	0.1
-13.0	-17.1	-14.3	-15.7	-60.1	-44.3	-23.6	-29.5	-22.4	-119.9	4.0	140.1
-0.16	-0.21	-0.18	-0.20	-0.75	-0.38	-0.20	-0.25	-0.19	-1.03	0.03	1.21
-0.16	-0.21	-0.18	-0.20	-0.75	-0.38	-0.20	-0.25	-0.19	-1.03	0.03	1.21
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2.1	1.4	1.6	0.7	5.8	3.0	7.5	11.1	19.4	40.9	209.9	465.7
2.1	1.4	1.6	0.7	5.8	3.0	7.5	11.1	19.4	40.9	209.9	465.7
-92.9	<i>-96.7</i>	-93.4	-91.5	-94.4	42.9	<i>435.7</i>	590.9	2,670.5	606.0	412.6	121.9
-92.9	-96.7	-93.4	-91.5	-94.4	42.9	435.7	590.9	2,670.5	606.0	412.6	121.9
									·		
-13.3	-9.0	-16.4	-13.7	-52.4	-29.2	-27.7	-26.5	-19.4	-102.8	16.1	152.4
-13.3	-9.0	-16.4	-13.7	-52.4	-29.2	-27.7	-26.5	-19.4	-102.8	16.1	152.4
-633.3	-642.9	-1,025.0	-1,957.1	-903.4	-973.3	-369.3	-240.0	-100.0	-251.1	7.6	32.7
-633.3	-642.9	-1,025.0	- 1,957.1	-903.4	-973.3	-369.3	-240.0	-100.0	-251.1	7.6	32.7
	2.1 -11.5 -547.6 -13.3 -633.3 0.0 -13.3 0.3 2.3 -13.0 -0.16 -0.16 -0.00 2.1 2.1 -92.9 -92.9 -13.3 -13.3	2.1 1.4 -11.5 -9.3 -547.6 -663.0 -13.3 -9.0 -633.3 -642.9 0.0 -7.8 -13.3 -16.8 0.3 -0.3 2.3 -1.8 -13.0 -17.1 -0.16 -0.21 -0.16 -0.21 0.00 0.00 2.1 1.4 2.1 1.4 -92.9 -96.7 -92.9 -96.7 -13.3 -9.0 -13.3 -9.0 -633.3 -642.9	2.1 1.4 1.6 -11.5 -9.3 -12.9 -547.6 -663.0 -806.2 -13.3 -9.0 -16.4 -633.3 -642.9 -1,025.0 0.0 -7.8 2.1 -13.3 -16.8 -14.3 0.3 -0.3 0.0 2.3 -1.8 0.0 -13.0 -17.1 -14.3 -0.16 -0.21 -0.18 -0.00 0.00 0.00 2.1 1.4 1.6 2.1 1.4 1.6 -92.9 -96.7 -93.4 -92.9 -96.7 -93.4 -13.3 -9.0 -16.4 -13.3 -9.0 -16.4	2.1 1.4 1.6 0.7 -11.5 -9.3 -12.9 -15.1 -547.6 -663.0 -806.2 -2,157.1 -13.3 -9.0 -16.4 -13.7 -633.3 -642.9 -1,025.0 -1,957.1 0.0 -7.8 2.1 -2.0 -13.3 -16.8 -14.3 -15.7 0.3 -0.3 0.0 0.0 2.3 -1.8 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -0.16 -0.21 -0.18 -0.20 -0.16 -0.21 -0.18 -0.20 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 2.1 1.4 1.6 0.7 2.1 1.4 1.6 0.7 -92.9 -96.7 -93.4 -91.5 -92.9 -96.7 -93.4 -91.5 -13.3 -9.0 -16.4 <	2.1 1.4 1.6 0.7 5.8 -11.5 -9.3 -12.9 -15.1 -48.8 -547.6 -663.0 -806.2 -2,157.1 -841.1 -13.3 -9.0 -16.4 -13.7 -52.4 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 0.0 -7.8 2.1 -2.0 -7.7 -13.3 -16.8 -14.3 -15.7 -60.1 0.3 -0.3 0.0 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -0.16 -0.21 -0.18 -0.20 -0.75 -0.06 -0.21 -0.18 -0.20 -0.75 0.00 0.00 0.00 0.00 0.00 2.1 1.4 1.6 0.7 5.8 2.1 1.4 1.6 0.7 5.8 -92.9 -96.7 -93.4 -91.5 -94.4 -92.9 -96.7 -93.4 -91.5 -94.4 -13.3 -9.0 -16.4 -13.7 -52.4 -13.3 -9.0 -16.4 -13.7 -52.4	2.1 1.4 1.6 0.7 5.8 3.0 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 0.0 -7.8 2.1 -2.0 -7.7 -15.1 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 0.3 -0.3 0.0 0.0 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.06 -0.21 -0.18 -0.20 -0.75 -0.38 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.00 2.1 1.4 1.6 0.7 5.8 3.0 2.1 1.4 1.6 0.7 5.8 3.0 2.9 -96.7 -93.4 -91.5 </td <td>2.1 1.4 1.6 0.7 5.8 3.0 7.5 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 0.3 -0.3 0.0 0.0 0.0 0.0 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.0 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 <</td> <td>2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 0.3 -0.3 0.0 0.0 0.0 0.0 0.2 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.2 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -29.5 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 -0.25</td> <td>2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 0.3 -0.3 0.0 0.0 0.0 0.0 0.2 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.7 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -29.5 -22.4 <</td> <td>2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 40.9 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -69.3 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -169.3 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -102.8 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 -251.1 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -17.2 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 -120.0 0.3 -0.3 0.0 0.0 0.0 0.0 0.7 0.0 0.0 0.2 2.3 -1.8 0.0 0.0 0.0 0.7 0.0 0.0 0.0 -13.0</td> <td>2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 40.9 209.9 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -69.3 54.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -169.3 25.9 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -102.8 16.1 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 -251.1 7.6 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -17.2 -12.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 -120.0 4.1 0.3 -0.3 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0</td>	2.1 1.4 1.6 0.7 5.8 3.0 7.5 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 0.3 -0.3 0.0 0.0 0.0 0.0 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.0 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 <	2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 0.3 -0.3 0.0 0.0 0.0 0.0 0.2 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.2 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -29.5 -0.16 -0.21 -0.18 -0.20 -0.75 -0.38 -0.20 -0.25	2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 0.3 -0.3 0.0 0.0 0.0 0.0 0.2 0.0 0.0 2.3 -1.8 0.0 0.0 0.0 0.0 0.7 0.0 0.0 -13.0 -17.1 -14.3 -15.7 -60.1 -44.3 -23.6 -29.5 -22.4 <	2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 40.9 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -69.3 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -169.3 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -102.8 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 -251.1 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -17.2 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 -120.0 0.3 -0.3 0.0 0.0 0.0 0.0 0.7 0.0 0.0 0.2 2.3 -1.8 0.0 0.0 0.0 0.7 0.0 0.0 0.0 -13.0	2.1 1.4 1.6 0.7 5.8 3.0 7.5 11.1 19.4 40.9 209.9 -11.5 -9.3 -12.9 -15.1 -48.8 -27.8 -17.5 -15.6 -8.5 -69.3 54.5 -547.6 -663.0 -806.2 -2,157.1 -841.1 -926.7 -232.8 -141.0 -43.6 -169.3 25.9 -13.3 -9.0 -16.4 -13.7 -52.4 -29.2 -27.7 -26.5 -19.4 -102.8 16.1 -633.3 -642.9 -1,025.0 -1,957.1 -903.4 -973.3 -369.3 -240.0 -100.0 -251.1 7.6 0.0 -7.8 2.1 -2.0 -7.7 -15.1 3.9 -3.0 -3.0 -17.2 -12.0 -13.3 -16.8 -14.3 -15.7 -60.1 -44.3 -23.8 -29.5 -22.4 -120.0 4.1 0.3 -0.3 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0

Metals & Mining/Sweden, August 31, 2020 Company update

Seles	INCOME STATEMENT, SEKm	2015	2016	2017	2018	2019	2020E	2021E	2022E
EBITO	Sales	113.0	101.1	122.2	104.0	5.8	40.9	209.9	465.7
	Sales growth (%)	-34.3	-10.5	21.0	-14.9	-94.4	606.0	412.6	121.9
Depreciation	EBITDA	-67.8	-7.7	-5.7	-5.5	-48.8	-69.3	54.5	226.5
BEITA	EBITDA margin (%)	-60.0	-7.6	-4.7	-5.3	-841.1	-169.3	25.9	48.6
Board	Depreciation	-84.9	-95.4	-59.1	-43.0	-3.6	-33.5	-38.4	-74.0
EBIT -156.6 -103.1 -64.8 -48.5 -52.4 -10.2 52.6 2.27.2 -52.0 -46.6 -80.24 -12.5 6.2 2.27.1 6.5 3.27 Reported EBIT -156.6 -103.1 -64.8 -48.5 -52.4 -102.8 161.1 152.4 EBIT margin (ingrared) (%) -138.6 -102.7 -53.0 -46.6 -98.34 -257.7 7.6 3.27 Fre-tax priorit -162.7 -104.7 -69.3 -37.5 -50.1 -100.0 4.1 140.3 Taxes -2.3 -00.0 0.0 <td>EBITA</td> <td>-152.7</td> <td>-103.1</td> <td>-64.8</td> <td>-48.5</td> <td>-52.4</td> <td>-102.8</td> <td>16.1</td> <td>152.4</td>	EBITA	-152.7	-103.1	-64.8	-48.5	-52.4	-102.8	16.1	152.4
EBIT margin (hel) -1.28 6 -1.02.1 -5.80 -4.66 -9.02.4 -25.11 7.6 3.22 Reported BBT -15.68 -102.1 -64.8 -45.50 -52.4 -12.21 16.1 15.4 BBT margin (paperded) (hel) -13.86 -10.27 -45.0 -46.6 -90.34 -27.11 7.6 2.22 Net financials -6.1 -15.7 -46.3 -11.00 -7.7 -12.2 -12.0 -12.2 Pre-tax profit -16.0 0.0	Goodwill amortization / writedown	-3.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Report of ERIT	EBIT	-156.6	-103.1	-64.8	-48.5	-52.4	-102.8	16.1	152.4
EBIT margin (reported) (Re) -3.3B -7.02 1 -5.5D -4.6B -9.03 4 -25.17 7.6 3.227 Pre-tax profif -16.27 -10.47 -89.3 -3.75 -60.1 -17.20 -12.0 -14.1 140.3 Taxes 2.3 -20.3 0.0 0.1 0.0	EBIT margin (%)	-138.6	-102.1	-53.0	-46.6	-903.4	-251.1	7.6	32.7
Net finencials	Reported EBIT	-156.6	-103.1	-64.8	-48.5	-52.4	-102.8	16.1	152.4
Pe-tax profit	EBIT margin (reported) (%)	-138.6	-102.1	-53.0	-46.6	-903.4	-251.1	7.6	32.7
Taxes 2,3 2,03 0,0 0,1 0,0<	Net financials	-6.1	-1.5	-4.5	11.0	-7.7	-17.2	-12.0	-12.2
Minority shares	Pre-tax profit	-162.7	-104.7	-69.3	-37.5	-60.1	-120.0	4.1	140.3
Net profit	Taxes	-2.3	-20.3	0.0	0.1	0.0	0.2	0.0	-0.2
Cash NRIs 0.0 0	Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-each NRIS 0.0	Net profit	-165.0	-125.0	-69.3	-37.4	-60.1	-119.9	4.0	140.1
BALANCE SHEET, SEKM	Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Assets		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fixed assets 221 171 130 476 573 660 807 855 Goodwill 0	BALANCE SHEET, SEKm								
Goodwill 0<	Assets								
Right of use assets 0 0 0 0 0 0 0 0 0 10 10 10 10 10 14 14 14 14 19 48 106 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 14 16 17 16 17 16 17 10	Fixed assets	221	171	130	476	573	660	807	855
Inventory	Goodwill	0	0	0	0	0	0	0	0
Receivables	Right of use assets	0	0	0	0	0	0	0	0
Liquid funds 20 29 16 19 16 6 31 70 Total assets 274 222 161 501 590 677 892 1,045 Liabilities 87 169 115 45 252 336 457 461 601 Minority interest 0	Inventory	2	1	2	2	0	1	6	14
Total assets 274 222 161 501 590 677 892 1,045 Liabilities 115 45 252 336 457 461 601 Minority interest 60 <	Receivables	12	21	12	4	1	9	48	106
Liabilities Chareholder's equity 169 115 45 252 336 457 461 601 Minority interest 0	Liquid funds	20	29	16	19	16	6	31	70
Shareholder's equity 169 115 45 252 336 457 461 601 Minority interest 0 <	Total assets	274	222	161	501	590	677	892	1,045
Minority interest 0	Liabilities								
Convertibles 0 0 169 175 0 0 0 Lease liabilities 0 <	Shareholder's equity	169	115	45	252	336	457	461	601
Lease liabilities 0	Minority interest	0	0	0	0	0	0	0	0
Deferred taxes 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 1188 400 412 12 12 12 12 14 0 </td <td>Convertibles</td> <td>0</td> <td>0</td> <td>0</td> <td>169</td> <td>175</td> <td>0</td> <td>0</td> <td>0</td>	Convertibles	0	0	0	169	175	0	0	0
Interest bearing debt	Lease liabilities	0	0	0	0	0	0	0	0
Non-interest bearing current liabilities 14 0	Deferred taxes	0	0	0	0	0	0	0	0
Other interest-free debt 8 24 32 36 32 32 32 32 104 104 501 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 590 677 892 1,045 504 504 504 504 504 504 504 504 504 504 504 504 504 504 504 504 504 504 604 <t< td=""><td>Interest bearing debt</td><td>83</td><td>84</td><td>84</td><td>44</td><td>46</td><td>188</td><td>400</td><td>412</td></t<>	Interest bearing debt	83	84	84	44	46	188	400	412
Total liabilities 274 222 161 501 590 677 892 1,045 CASH FLOW, SEKm + EBITDA -68 -8 -6 -5 -49 -69 54 226 - Net financial items -6 -2 -4 11 -8 -17 -12 -12 - Taxes 6 -1 0 0 0 0 0 0 - Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Caspx -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 0 0 0 0 0 - Free cash flow -105 -52<	Non-interest bearing current liabilities	14	0	0	0	0	0	0	0
CASH FLOW, SEKM + EBITDA -68 -8 -6 -5 -49 -69 54 226 - Net financial items -6 -2 -4 11 -8 -17 -12 -12 - Taxes 6 -1 0 0 0 0 0 0 - Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0 0 0 0 0 0 0 0 0 0 - Free cas	Other interest-free debt	8	24	32	36	32	32	32	32
+ EBITDA -68 -8 -6 -5 -49 -69 54 226 - Net financial items -6 -2 -4 11 -8 -17 -12 -12 - Taxes 6 -1 0 0 0 0 0 0 - Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0 0 0 0 0 0 0 0 0 = Free cash flow -105 -52 -13	Total liabilities	274	222	161	501	590	677	892	1,045
- Net financial items -6 -2 -4 11 -8 -17 -12 -12 - Taxes 6 -1 0 0 0 0 0 0 - Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0 0 0 0 0 0 0 0 0 Free cash flow -105 -52 -13 -167 -160 -217 -186 26 +/- New issues/buybacks 16 71 <t< td=""><td>CASH FLOW, SEKm</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></t<>	CASH FLOW, SEKm								
- Taxes 6 -1 0 0 0 0 0 0 - Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 0 + Divestments 0	+ EBITDA	-68		-6	-5	-49	-69	54	226
- Increase in Net Working Capital -23 0 9 8 -4 -9 -44 -66 +/- Other 13 -3 2 -22 0 0 0 0 E Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0 0 0 0 0 0 0 0 0 = Free cash flow -105 -52 -13 -167 -160 -217 -186 26 +/- New issues/buybacks 16 71 0 244 144 240 0 0 - Paid dividend 0 0 0 0 0 0 0 0 0 0 0 +/- Other	- Net financial items	-6	-2	-4	11	-8	-17	-12	-12
+/- Other 13 -3 2 -22 0 0 0 0 = Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 0 + Divestments 0 <td< td=""><td>- Taxes</td><td>6</td><td>-1</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></td<>	- Taxes	6	-1	0	0	0	0	0	0
= Cash flow from operations -77 -14 1 -8 -60 -96 -1 148 - Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0	- Increase in Net Working Capital	-23	0	9	8	-4	-9	-44	-66
- Capex -28 -38 -14 -100 -100 -121 -185 -122 - Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0	+/- Other	13	-3	2	-22	0	0	0	0
- Acquisitions 0 0 0 -59 0 0 0 0 + Divestments 0 0 0 0 0 0 0 0 0 = Free cash flow -105 -52 -13 -167 -160 -217 -186 26 +/- New issues/buybacks 16 71 0 244 144 240 0 0 - Paid dividend 0 0 0 0 0 0 0 0 +/- Other -5 -10 -1 -74 12 -34 212 12	= Cash flow from operations	-77	-14	1	-8	-60	-96	-1	148
+ Divestments 0 26 +/- 160 -217 -186 26 +/- 26 +/- 24 144 240 0	- Capex	-28	-38	-14	-100	-100	-121	-185	-122
= Free cash flow	- Acquisitions	0	0	0	-59	0	0	0	0
+/- New issues/buybacks 16 71 0 244 144 240 0 0 0 - Paid dividend 0 0 0 0 0 0 0 0 0 0 0 0 +/- Other -5 -10 -1 -74 12 -34 212 12	+ Divestments	0	0	0	0	0	0	0	0
- Paid dividend 0 0 0 0 0 0 0 0 0 0 0 +/- Other -5 -10 -1 -74 12 -34 212 12	= Free cash flow	-105	-52	-13	-167	-160	-217	-186	26
+/- Other -5 -10 -1 -74 12 -34 212 12	+/- New issues/buybacks	16	71	0	244	144	240	0	0
	- Paid dividend	0	0	0	0	0	0	0	0
Change in cash -94 9 -14 3 -3 -10 25 38	+/- Other	-5	-10	-1	-74	12	-34	212	12
	Change in cash	-94	9	-14	3	-3	-10	25	38

Metals & Mining/Sweden, August 31, 2020 Company update

M-age 192 216 211 448 770 770 73	KEY FIGURES	2016	2017	2018	2019	2020E	2021E	2022E
Enterprise value	M-cap	192	126	211	448	707	707	707
Sales 101 122 104 6 41 210 466 225 226 230 247 240 140 140 226 226 230 457 240 140 140 226 230 246 140 240 240 240 240 240 240 240 240 240 240 240 240 273 214 212 250 66 670 69 240 240 240 240 240 240 242 240 240 242 240 240 242 242 240 240 242 242 242 242 242	Net debt (excl. convertibles)	54	68	25	30	182	368	342
BITIDA -88 -68 -55 -48 -52 -183 158 225 Pre-tax -105 -68 -37 -60 -120 4 140 Earnings -125 -69 -37 -60 -120 44 140 Earnings -125 -49 -37 -60 -120 44 140 Earnings -125 -49 -327 -38 127 741 160 Wolland -124 -30 -84 -125 -88 670 68 EV/EBIT -24 -30 -84 -125 -86 670 68 EV/EBIT -24 -30 -84 -125 -86 670 68 EV/EBIT -24 -30 -84 -125 -86 670 69 EV/EBIT -24 -30 -84 -125 -86 670 69 EV/EBIT -25 -18 -13	Enterprise value	246	194	405	654	889	1,075	1,049
ENT -103 -65 -48 -52 -103 16 122 Pre-tax -105 -68 -37 -60 -120 4 140 Entrings -125 -68 -37 -60 -120 4 140 Equity box value (excl minorities) 115 45 525 338 457 461 601 EVISITO 13 15 45 252 338 457 461 601 EVISITO 14 16 39 1127 217 51 23 EVISITO -24 -30 -84 -125 -86 670 69 EVISITO -47 -48 -30	Sales	101	122	104	6	41	210	466
Pe-tax	EBITDA	-8	-6	-5	-49	-69	54	226
Entrings	EBIT	-103	-65	-48	-52	-103	16	152
	Pre-tax	-105	-69	-37	-60	-120	4	140
Purpose	Earnings	-125	-69	-37	-60	-120	4	140
Elystes	Equity book value (excl. minorities)	115	45	252	336	457	461	601
	•							
EV/EBITA -32.0 -34.0 -73.7 -13.4 -12.8 19.7 4.6 EV/EBITA -2.4 -3.0 -8.4 -12.5 -8.6 67.0 6.9 EV/DCF -18.1 198.3 -52.2 -10.9 -9.93 -90.90 7.1 EV/DCF -18.1 198.3 -52.2 -10.9 -9.3 -90.90 7.1 EV/DCF -18.1 198.3 -52.2 -10.9 -9.3 -90.90 7.1 EV/DCF -5.4 -13.9 -1.3 -2.8 -5.3 -5.8 -7.7 PIC -5.5 -1.8 -5.6 -7.5 -5.9 17.47 5.0 PIE -1.5 -1.8 -1.3 -2.8 -3.3 15.2 12.2 PIE -1.5 -1.8 -1.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 </td <td>•</td> <td>2.4</td> <td>1.6</td> <td>3.9</td> <td>112.7</td> <td>21.7</td> <td>5.1</td> <td>2.3</td>	•	2.4	1.6	3.9	112.7	21.7	5.1	2.3
EV/EBITA 2-24 -3.0 -8.4 -12.5 -8.6 6.70 6.9 EV/EBIT -24 -3.0 -8.4 -12.5 -8.6 67.0 6.9 EV/FCF -18.1 198.3 -8.2 -19.9 9.83 90.90 7.1 EV/FCF -4.7 -28.6 -2.3 -4.4 -4.5 -6.2 27.5 PICE -1.5 -1.8 -5.6 -7.5 -5.9 17.4 5.0 PIR -1.7 2.8 0.8 1.3 1.5 1.5 1.2 PIR -1.7 2.8 0.8 0.7 -1.0 1.6 4.3 Target EV/EBITOA 0.0 0.0 0.0 0.0 0.0 -1.0 1.1 1.1 1.5 1.2 Target EV/EBIT 0.0 0.0 0.0 0.0 0.0 0.0 0.0 1.0 0.0 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 1.1 </td <td></td> <td>-32.0</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>		-32.0						
EV/EBIT 2-24 -3.0 -8.4 -1.25 -8.6 6.70 6.9 EV/OCF -18.1 1983 -5.2 -10.9 -9.3 -90.90 7.7 EV/PCF -4.7 -28.6 -2.2 -1.4 -4.5 -6.2 27.5 P/FCF -5.4 -1.3 -1.8 -8.8 -3.3 -3.8 27.2 P/F -1.5 -1.8 -8.6 -5.5 -5.9 17.4 5.0 P/B 1.7 -2.8 0.8 1.3 1.5 1.5 1.2 Target EV/EBITA 0.0 0.0 0.0 0.0 -7.1 18.5 4.3 Target EV/EBIT 0.0 0.0 0.0 0.0 -3.8 -5.4 3.7.7 Target EV/EBT 0.0 0.0 0.0 0.0 -3.8 -5.4 3.7.7 Target EV/EBT 0.0 0.0 0.0 0.0 0.0 -3.8 -5.4 3.7.7 Target EV/EBT								
EV/IDCE -18.1 198.3 -53.2 -10.9 -9.3 -9.90.0 7.1 EV/IPCEF -4.7 -28.6 -2.3 -4.4 -4.5 -6.2 27.5 P/EC -5.4 -1.39 -1.3 -2.8 -3.3 -3.8 27.2 P/E -1.5 -1.8 -5.6 -7.5 -5.9 174.7 5.0 P/B -1.7 2.8 0.8 1.3 1.5 1.5 1.2 Target EV/EBITDA 0.0 0.0 0.0 0.0 -8.0 62.6 6.4 Target EV/EBITDA 0.0 0.0 0.0 0.0 -8.0 62.6 6.4 Target EV/EBT 0.0 0.0 0.0 0.0 1.1 1.1 1.1 Target EV/EBT 0.0 0.0 0.0 0.0 0.0 1.6 6.2 Target EV/EBT 0.0 0.0 0.0 0.0 0.0 1.5 9.2 Target EV/EBT 0.0	·							
EV/FCFF -4.7 -2.8.6 -2.3 -4.4 -4.5 -6.2 27.5 P/FCFF -5.4 -1.39 -1.3 -2.8 -3.3 -3.8 27.2 P/B -1.5 -1.8 -5.6 -7.5 -5.9 13.7 2.8 P/B 1.7 -2.8 0.8 1.3 1.5 1.5 1.2 Proget EV/EBITA 0.0 0.0 0.0 0.0 0.0 0.0 -6.2 6.64 Araget EV/EGF 0.0 0.0 0.0 0.0 0.0 -3.8 -5.4 37.7 Target P/B 0.0 0.0 0.0 0.0 -3.8 -5.4 37.7 Target P/B 0.0 0.0 0.0 0.0 0.0 -5.3 15.78 37.7 Arget EV/EGF 0.0 0.0 0.0 0.0 0.0 0.0 -5.3 15.78 37.7 Target P/B 0.0 0.0 0.0 0.0 0.0 5.3	·							
F/FCFE -5.4 -1.3 -1.3 -2.8 -3.3 -3.8 27.2 P/E -1.5 -1.8 -5.6 -7.5 -5.9 174.7 5.0 P/B 1.7 2.8 0.8 0.3 1.5 1.5 1.5 Target EV/EBITA 0.0 0.0 0.0 0.0 0.0 -8.0 6.26 6.4 Target EV/EBITA 0.0 0.0 0.0 0.0 0.0 -8.0 6.26 6.4 Target EV/EBITA 0.0 0.0 0.0 0.0 0.0 1.6 4.7 7.								
P/E -1.5 -1.8 -5.6 -7.5 -5.9 17.4 5.0 P/B 1.7 2.8 0.8 1.3 1.5 1.5 1.2 Target EV/EBITDA 0.0 0.0 0.0 0.0 -11.8 18.5 4.3 Target EV/EBIT 0.0 0.0 0.0 0.0 -2.8 6.26 6.4 Target EV/ERF 0.0 0.0 0.0 0.0 1.4 1.4 1.7 Target P/B 0.0 0.0 0.0 0.0 1.4 1.4 1.7 Target P/B 0.0 0.0 0.0 1.4 1.4 1.7 Target P/B 0.0 0.0 0.0 0.0 1.5 3.7 4.6 Per share measures 152.80 152.80 35,148 79.957 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 115,913 <td< td=""><td>·</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></td<>	·							
P/B 1.7 2.8 0.8 1.3 1.5 1.5 1.2 Target EV/EBIT/A 0.0 0.0 0.0 0.0 0.0 0.0 2.1 8.75 4.3 Target EV/FCF 0.0 0.0 0.0 0.0 0.0 1.4 1.4 1.7 Target P/P 0.0 0.0 0.0 0.0 0.0 1.5 1.5 3.7 Target P/P 0.0 0.0 0.0 0.0 0.0 1.5 1.5 4.6 Per share 15,280 15,280 35,148 79,957 115,913								
Target EV/EBITDA								
Target EV/EBIT 0.0 0.0 0.0 0.0 -8.0 6.26 6.4 Target EV/FCF 0.0 0.0 0.0 0.0 -3.8 -5.4 37.7 Target F/B 0.0 0.0 0.0 0.0 1.4 1.4 1.7 Target P/E 0.0 0.0 0.0 0.0 -5.3 15.75 4.6 Per share measures 0.0 15,280 15,280 35,148 79,957 115,913 115,280 120	•							
Target EV/FCF 0.0 0.0 0.0 0.0 -5.4 3.7.7 Target P/B 0.0 0.0 0.0 0.0 1.4 1.4 1.1 Target P/E 0.0 0.0 0.0 0.0 5.3 15.75 4.6 Per share measures 15.280 15,280 35,148 79,957 115,913	9 .							
Per share measures 15,280 15,280 15,280 35,148 79,957 115,913	3 ·							
Target P/E 0.0 0.0 0.0 0.0 -5.3 15.75 4.6 Per shar measures 15,280 15,280 35,148 79,957 115,913	3 ,							
Per share measures 15,280 15,280 35,148 79,957 115,913								
Number of shares 15,280 15,280 35,148 79,957 115,913								
Number of shares (diluted) 15,280 15,280 35,148 79,957 115,913 121 Proper stare	Number of shares	15,280	15,280	35,148	79,957	115,913	115,913	115,913
EPS -8.18 -4.53 -1.06 -0.75 -1.03 0.03 1.21 Operating cash flow per share -0.89 0.06 -0.22 -0.75 -0.82 -0.01 1.28 Free cash flow per share 7.50 -0.86 -4.74 -2.00 -1.87 -1.61 0.22 Book value per share 7.50 2.97 7.16 4.20 3.94 3.97 5.18 Dividend per share 0.00	Number of shares (diluted)	15,280	15,280	35,148	79,957	115,913	115,913	115,913
Free cash flow per share -3.40 -0.86 -4.74 -2.00 -1.87 -1.61 0.22 Book value per share 7.50 2.97 7.16 4.20 3.94 3.97 5.18 Dividend per share 0.00 3.00 3.00 3.00 3.00 3.00 3.00 3.00 3.00	EPS	-8.18	-4.53	-1.06	-0.75	-1.03	0.03	1.21
Book value per share 7.50 2.97 7.16 4.20 3.94 3.97 5.18 Dividend per share 0.00	Operating cash flow per share	-0.89	0.06	-0.22	-0.75	-0.82	-0.01	1.28
Dividend per share 0.00 <td>Free cash flow per share</td> <td>-3.40</td> <td>-0.86</td> <td>-4.74</td> <td>-2.00</td> <td>-1.87</td> <td>-1.61</td> <td>0.22</td>	Free cash flow per share	-3.40	-0.86	-4.74	-2.00	-1.87	-1.61	0.22
Dividend per share 0.00 <td>Book value per share</td> <td>7.50</td> <td>2.97</td> <td>7.16</td> <td>4.20</td> <td>3.94</td> <td>3.97</td> <td>5.18</td>	Book value per share	7.50	2.97	7.16	4.20	3.94	3.97	5.18
Dividend yield, % 0.0	Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend yield, % 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 0.0 PCF yield, % -26.3 -27.1 -10.5 -79.0 -35.7 -30.6 -26.3 3.7 3.7 -25.2 -30.2 -30.2 0.9 26.4 8.0 8.0 -9.9 -10.3 -17.1 2.1 16.3 16.3 16.3 -9.9 -10.3 -17.1 2.1 16.3 16.3 16.3 -9.9 -10.3 -17.1 2.1 16.3 16.3 16.3 -10.3 -17.1 2.1 16.3 16.3 16.3 16.3 16.3 16.3 16.3 16.3 3.0	Dividend payout ratio, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Efficiency measures ROE -88.3 -86.6 -25.2 -20.5 -30.2 0.9 26.4 ROCE -45.8 -39.6 -9.9 -10.3 -17.1 2.1 16.3 Financial ratios Inventories as % of sales 0.9 1.8 1.7 0.6 3.0 3.0 3.0 Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0 <td< td=""><td></td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td><td>0.0</td></td<>		0.0	0.0	0.0	0.0	0.0	0.0	0.0
ROE -88.3 -86.6 -25.2 -20.5 -30.2 0.9 26.4 ROCE -45.8 -39.6 -9.9 -10.3 -17.1 2.1 16.3 Financial ratios Inventories as % of sales 0.9 1.8 1.7 0.6 3.0 3.0 3.0 Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0<	FCF yield, %	-27.1	-10.5	-79.0	-35.7	-30.6	-26.3	3.7
ROCE -45.8 -39.6 -9.9 -10.3 -17.1 2.1 16.3 Financial ratios Inventories as % of sales 0.9 1.8 1.7 0.6 3.0 3.0 3.0 Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0<	Efficiency measures							
Financial ratios Inventories as % of sales 0.9 1.8 1.7 0.6 3.0 3.0 3.0 Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0 0	ROE	-88.3	-86.6	-25.2	-20.5	-30.2	0.9	26.4
Inventories as % of sales 0.9 1.8 1.7 0.6 3.0 3.0 3.0 Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0 0.2	ROCE	-45.8	-39.6	-9.9	-10.3	-17.1	2.1	16.3
Receivables as % of sales 20.6 9.9 3.6 22.8 22.8 22.8 Non-interest bearing liabilities as % of sales 0.0	Financial ratios							
Non-interest bearing liabilities as % of sales 0.0 <td>Inventories as % of sales</td> <td>0.9</td> <td>1.8</td> <td>1.7</td> <td>0.6</td> <td>3.0</td> <td>3.0</td> <td>3.0</td>	Inventories as % of sales	0.9	1.8	1.7	0.6	3.0	3.0	3.0
NWC/sales, % -0.1 -7.9 -20.8 -310.5 -21.5 16.6 21.7 Operative CAPEX/sales, % 38.0 11.6 95.9 1,719.3 295.5 88.1 26.2 CAPEX/sales (incl. acquisitions), % 38.0 11.6 39.0 1,719.3 295.5 88.1 26.2 FCFF/EBITDA 6.8 1.2 32.3 3.0 2.9 -3.2 0.2 Net debt/EBITDA, book-weighted -7.0 -11.9 -4.6 -0.6 -2.6 6.8 1.5 Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	Receivables as % of sales	20.6	9.9	3.6	22.8	22.8	22.8	22.8
Operative CAPEX/sales, % 38.0 11.6 95.9 1,719.3 295.5 88.1 26.2 CAPEX/sales (incl. acquisitions), % 38.0 11.6 39.0 1,719.3 295.5 88.1 26.2 FCFF/EBITDA 6.8 1.2 32.3 3.0 2.9 -3.2 0.2 Net debt/EBITDA, book-weighted -7.0 -11.9 -4.6 -0.6 -2.6 6.8 1.5 Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	Non-interest bearing liabilities as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
CAPEX/sales (incl. acquisitions), % 38.0 11.6 39.0 1,719.3 295.5 88.1 26.2 FCFF/EBITDA 6.8 1.2 32.3 3.0 2.9 -3.2 0.2 Net debt/EBITDA, book-weighted -7.0 -11.9 -4.6 -0.6 -2.6 6.8 1.5 Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	NWC/sales, %	-0.1	-7.9	-20.8	-310.5	-21.5	16.6	21.7
FCFF/EBITDA 6.8 1.2 32.3 3.0 2.9 -3.2 0.2 Net debt/EBITDA, book-weighted -7.0 -11.9 -4.6 -0.6 -2.6 6.8 1.5 Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	Operative CAPEX/sales, %	38.0	11.6	95.9	1,719.3	295.5	88.1	26.2
Net debt/EBITDA, book-weighted -7.0 -11.9 -4.6 -0.6 -2.6 6.8 1.5 Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	CAPEX/sales (incl. acquisitions), %	38.0	11.6	39.0	1,719.3	295.5	88.1	26.2
Debt/equity, market-weighted 0.4 0.7 0.2 0.1 0.3 0.6 0.6 Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	FCFF/EBITDA	6.8	1.2	32.3	3.0	2.9	-3.2	0.2
Equity ratio, book-weighted 51.6 28.3 84.0 86.7 67.5 51.6 57.5	Net debt/EBITDA, book-weighted	-7.0	-11.9	-4.6	-0.6	-2.6	6.8	1.5
	Debt/equity, market-weighted	0.4	0.7	0.2	0.1	0.3	0.6	0.6
Gearing, % 47.3 149.3 6.0 6.0 39.8 79.9 56.9								
	Equity ratio, book-weighted	51.6	28.3	84.0	86.7	67.5	51.6	57.5

Metals & Mining/Sweden, August 31, 2020 Company update

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 year 2019 saw the start-up of operations at the Friday-mine being delayed due to reparations of damages to the tailings pond and delays in commissioning of the mill. With notable resources and exploration potential, Endomines should seek to increase cash flows and possibly seek additional financing to bring more assets to production. Supportive development in gold prices offer additional potential for increased revenue and could see previously economically non-feasible assets in Finland being brought to production.

OWNERSHIP STRUCTURE	SHARES	SEKm	0/0
Clearstream Banking S.A.	32,937,183	200.917	28.4%
Joensuun Kauppa ja Kone	11,143,913	67.978	9.6%
Nordea Bank Abp (Publ)	8,663,315	52.846	7.5%
Handelsbanken Finland Standard Client A/C	8,590,000	52.399	7.4%
Mariatorp Oy	6,800,000	41.480	5.9%
Wipunen Varainhallinta	6,700,000	40.870	5.8%
Aktia Bank Abp	3,070,050	18.727	2.6%
Ålandsbanken Abp	1,600,167	9.761	1.4%
Suokas Petri Kristian	1,500,000	9.150	1.3%
Försäkringsaktiebolaget, Avanza Pension	1,153,427	7.036	1.0%
Ten largest	82,158,055	501.164	71%
Residual	33,754,585	205.903	29%
Total	115,912,640	707.067	100%

EARNINGS CALENDAR	
November 12, 2020	Q3 report
OTHER EVENTS	

COMPANY MISCELLANEOUS CEO: Greg Smith Birger Jarlsgatan 41 A 3 fl., SE-11145 Stockholm CFO: Marcus Ahlström Tel: +46 8 611 66 45

Metals & Mining/Sweden, August 31, 2020 Company update

DEFINITIONS

Profit before extraord. items and taxes— income taxes + minority interest Number of shares DPS Dividend for the financial period per share OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments FCF (Free cash flow) Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow Market cap
Dividend for the financial period per share OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments FCF (Free cash flow) Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow
OCF (Operating cash flow) EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments FCF (Free cash flow) Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow
EBITDA – Net financial items – Taxes – Increase in working capital – Cash NRIs ± Other adjustments FCF (Free cash flow) Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow
capital – Cash NRIs ± Other adjustments FCF (Free cash flow) Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow
Operating cash flow – operative CAPEX – acquisitions + divestments FCF yield, % Free cash flow
FCF yield, % Free cash flow
Free cash flow
Free cash flow Market cap
Operative CAPEX/sales
Capital expenditure – divestments – acquisitions Sales
Net working capital
Current assets – current liabilities
Capital employed/Share
Total assets – non-interest bearing debt Number of shares
Gearing
<u>Net debt</u> Equity
Debt/Equity, %
Interest bearing debt Shareholders' equity + minority interest + taxed provisions
Equity ratio, %
Shareholders' equity + minority interest + taxed provisions Total assets – interest-free loans
CAGR, %
Cumulative annual growth rate = Average growth per year
C G

Metals & Mining/Sweden, August 31, 2020 Company update

Important Disclosures

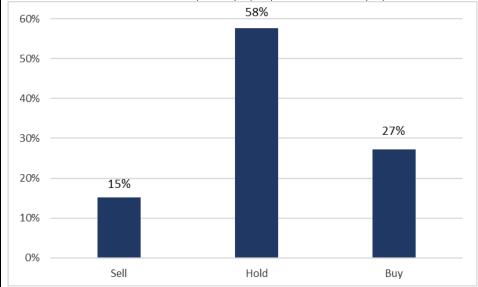
Evli Research Partners Plc ("ERP") uses 12-month target prices. Target prices are defined by utilizing analytical techniques based on financial theory including (but not limited to) discounted cash flow analysis and comparative valuation. The selection of valuation methods depends on different circumstances. Target prices may be altered on the basis of new information coming to light in the underlying company or changes in interest rates, changes in foreign exchange rates, other securities prices or market indices or outlook for the aforementioned factors or other factors that may change the conditions of financial markets. Recommendations and changes by analysts are available at <u>Analysts' recommendations and ratings revisions</u>.

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): Salokivi

This research report has been prepared by Evli Research Partners Plc ("ERP" or "Evli Research"). ERP is a subsidiary of Evli Bank Plc. Production of the investment recommendation has been concluded on 31.8.2020, 7:15. This report has been published on 31.8.2020, 7:30.

None of the analysts contributing to this report, persons under their guardianship or corporations under their control have a position in the shares of the company or related securities.

The date and time for any price of financial instruments mentioned in the recommendation refer to the previous trading day's closing price(s) unless otherwise stated in the report.

Each analyst responsible for the content of this report assures that the expressed views accurately reflect the personal views of each analyst on the covered companies and securities. Each analyst assures that (s)he has not been, nor are or will be, receiving direct or indirect compensation related to the specific recommendations or views contained in this report.

Companies in the Evli Group, affiliates or staff of companies in the Evli Group, may perform services for, solicit business from, hold long or short positions in, or otherwise be interested in the investments (including derivatives) of any company mentioned in the publication or report.

Evli Corporate Finance has managed or co-managed a public offering of the company's securities during the last 12 months prior to, received compensation for investment banking services from the company during the last 12 months prior to the publication of the research report.

ERP may pursue an assignment from the issuer(s) of the financial instruments mentioned in the recommendation or this report. These assignments may have a limited economic or financial impact on ERP and/or Evli. Under such assignments ERP may perform services including, but not limited to, arranging investor meetings or –events, investor relations communication advisory and production of research material.

ERP has signed an agreement with the issuer of the financial instruments mentioned in the recommendation, which includes production of research reports. This assignment has a limited economic and financial impact on ERP and/or EVIi. Under the assignment ERP performs services including, but not limited to, arranging investor meetings or –events, investor relations communication advisory and production of research material.

EVLI EQUITY RESEARCH

ENDOMINES

Metals & Mining/Sweden, August 31, 2020 Company update

ERP or another company within the Evli Group does not have an agreement with the company to perform market making services.

For the prevention and avoidance of conflicts of interests with respect to this report, there is an information barrier (Chinese wall) between Investment Research and Corporate Finance units concerning unpublished investment banking services to the company. The remuneration of the analyst(s) is not tied directly or indirectly to investment banking transactions performed by Evli Bank Plc or any company within Evli Group.

This report has not been disclosed to the company prior to its dissemination.

This report is provided and intended for informational purposes only and may not be used or considered under any circumstances as an offer to sell or buy any securities or as advice to trade any securities.

This report is based on sources ERP considers to be correct and reliable. The sources include information providers Reuters and Bloomberg, stock-exchange releases from the companies and other company news, Statistics Finland and articles in newspapers and magazines. However, ERP does not guarantee the materialization, correctness, accuracy or completeness of the information, opinions, estimates or forecasts expressed or implied in the report. In addition, circumstantial changes may have an influence on opinions and estimates presented in this report. The opinions and estimates presented are valid at the moment of their publication and they can be changed without a separate announcement. Neither ERP nor any company within the Evli Group are responsible for amending, correcting or updating any information, opinions or estimates contained in this report. Neither ERP nor any company within the Evli Group will compensate any direct or consequential loss caused by or derived from the use of the information represented in this publication.

All information published in this report is for the original recipient's private and internal use only. ERP reserves all rights to the report. No part of this publication may be reproduced or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, or stored in any retrieval system of any nature, without the written permission of ERP.

This report or its copy may not be published or distributed in Australia, Canada, Hong Kong, Japan, New Zealand, Singapore or South Africa. The publication or distribution of this report in certain other jurisdictions may also be restricted by law. Persons into whose possession this report comes are required to inform themselves about and to observe any such restrictions.

Evli Bank Plc is not registered as a broker-dealer with the U. S. Securities and Exchange Commission ("SEC"), and it and its analysts are not subject to SEC rules on securities analysts' certification as to the currency of their views reflected in the research report. Evli Bank is not a member of the Financial Industry Regulatory Authority ("FINRA"). It and its securities analysts are not subject to FINRA's rules on Communications with the Public and Research Analysts and Research Reports and the attendant requirements for fairness, balance and disclosure of potential conflicts of interest. This research report is only being offered in U.S. by Auerbach Grayson & Company, LLC (Auerbach Grayson) to Major U.S. Institutional Investors and is not available to, and should not be used by, any U.S. person or entity that is not a Major U.S. Institutional Investor. Auerbach Grayson is a broker-dealer registered with the U.S. Securities and Exchange Commission and is a member of the FINRA. U.S. entities seeking more information about any of the issuers or securities discussed in this report should contact Auerbach Grayson. The securities of non-U.S. issuers may not be registered with or subject to SEC reporting and other requirements.

ERP is not a supervised entity but its parent company Evli Bank Plc is supervised by the Finnish Financial Supervision Authority.

Metals & Mining/Sweden, August 31, 2020 Company update

Contact information SALES, TRADING AND RESEARCH

Equity Sales		Trading		ETFs and Derivatives	
Ari Laine Lauri Ahokanto Niclas Henelius	+358 9 4766 9115 +358 9 4766 9117 +358 9 4766 9116	Lauri Vehkaluoto (Head) Pasi Väisänen Antti Kässi Miika Ronkanen	+358 9 4766 9120 +358 9 4766 9120 +358 9 4766 9120 +358 9 4766 9120	Joachim Dannberg Kimmo Lilja	+358 9 4766 9123 +358 9 4766 9130
Structured Investments		Equity Research			
Heikki Savijoki Aki Lakkisto	+358 9 4766 9726 +358 9 4766 9123	Jonas Forslund Joonas Ilvonen Jerker Salokivi Anna-Liisa Rissanen	+358 9 4766 9314 +358 44 430 9071 +358 9 4766 9149 +358 40 157 9919		
Evli Investment Solutions					
Johannes Asuja Markku Reinikainen	+358 9 4766 9205 +358 9 4766 9669				



EVLI BANK PLC
Aleksanterinkatu 19 A
P.O. Box 1081
FIN-00101 Helsinki, FINLAND
Phone +358 9 476 690
Fax +358 9 634 382
Internet www.evli.com
E-mail firstname.lastname@evli.com

EVLI BANK PLC, STOCKHOLMSFILIAL Regeringsgatan 67 P.O. Box 16354 SE-103 26 Stockholm Sverige stockholm@evli.com Tel +46 (0)8 407 8000 Fax +46 (0)8 407 8001