

Year ends with a resource increase

Endomines updated its mineral resource estimate for Korvilansuo. While the resource increase and current strong gold prices support the investment case, significant uncertainties persist.

Korvilansuo resources increased by 307%

Endomines reported updated mineral resource estimate for its Korvilansuo deposit situated in the Karelian Gold Line, roughly 20 kilometers south of Pampalo mine. The updated mineral resources include 838 kt @2.49 g/t Au for 67,200 ounces of contained gold. Previously, Korvilansuo deposit hosted 256 kt @ 2.00 g/t Au for 16,500 ounces. The updated resource estimate therefore increases ore tonnes by 227% and gold ounces by 307% as the grade of the new findings exceeds that of the old resources.

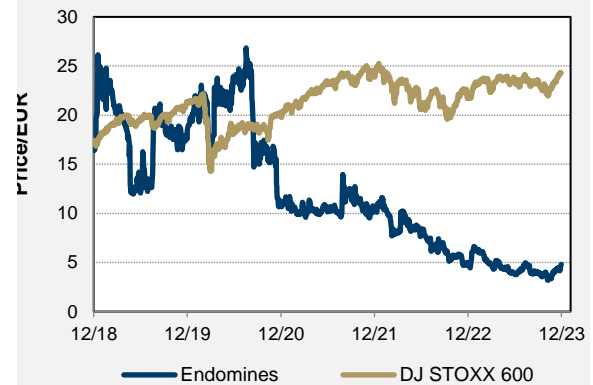
Multiple adjustments into our estimates and SOTP model

The estimate update represents a notable increase to the company's resource base in the Karelian gold line. We have included the new resources into our real option model for the Karelian Gold Line satellite deposits. One of the company's operational goals is to have a partnership agreement in the US by the end of 2023, as there has been no news on the subject, we have revised our estimate for the value downwards. Our current estimate for the US asset value is roughly in line with the current balance sheet value (Idaho 24m USD, Montana 12m USD). Additionally, we made updates to our operational estimates. With the changes, we now estimate revenue of EUR 21.3m (prev. EUR 20.8m) and EBITDA of EUR 1.1m (EUR 0.9m) for FY 2023. We have also increased Pampalo's production forecasts for the coming years as financing for initiating production from Hosko deposit has been secured.

HOLD with a TP of EUR 4.7

We maintain our valuation at the lower end of our SOTP-based valuation range. The positive adjustments for Pampalo and Karelian Gold Line are offset by negative adjustments to the value of the company's US assets. We also see that the company may require further financing for exploration activities in 2024 depending on the planned scale. We keep our rating and TP unchanged at HOLD with a TP of EUR 4.7.

Rating HOLD



Share price, EUR (Last trading day's closing price) **4.80**
Target price, EUR **4.7**

Latest change in recommendation **18-Aug-23**
Latest report on company **18-Aug-23**
Research paid by issuer: **YES**
No. of shares outstanding, '000's **9,598**
No. of shares fully diluted, '000's **9,598**
Market cap, EURm **46**
Free float, %
Exchange rate EUR **1.000**
Reuters code **ENDOM.HE**
Bloomberg code **ENDOM FH**
Average daily volume, EURm **0.2**
Next interim report **15-Feb-24**
Web site **endomines.com/investor**

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BUY HOLD SELL

KEY FIGURES

	Sales EURm	EBIT EURm	EBIT %	FCF EURm	EPS EUR	P/E (x)	EV/Sales (x)	EV/EBIT (x)	FCF yield %	DPS EUR
2021	0.5	-25.1	-5,102.0%	-16.6	-4.73	-2.1	144.2	-2.8	-29.4	0.00
2022	13.5	-15.5	-114.8%	-8.0	-1.92	-2.6	4.0	-3.5	-17.1	0.00
2023E	21.3	-1.3	-6.0%	-5.7	-0.36	-13.3	2.7	-46.1	-12.4	0.00
2024E	27.3	2.6	9.4%	0.1	0.06	83.1	2.1	22.9	0.1	0.00
2025E	30.8	4.0	13.1%	1.1	0.21	22.8	1.9	14.3	2.4	0.00

Market cap, EURm	46	Gearing 2023E, %	38.6	CAGR EPS 2022-25, %	0.0
Net debt 2023E, EURm	13	Price/book 2023E	1.4	CAGR sales 2022-25, %	31.6
Enterprise value, EURm	59	Dividend yield 2023E, %	0.0	ROE 2023E, %	-10.2
Total assets 2023E, EURm	57	Tax rate 2023E, %	0.0	ROCE 2023E, %	-2.7
Goodwill 2023E, EURm	0	Equity ratio 2023E, %	57.0	PEG, P/E 23/CAGR	0.0

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

Notable increase to the company's resources in the Karelian Gold Line

The updated mineral resources include 838 kt @2.49 g/t Au for 67,200 ounces of contained gold. Previously, Korvilansuo deposit hosted 256 kt @ 2.00 g/t Au for 16,500 ounces. The updated resource estimate therefore increases ore tonnes by 227% and gold ounces by 307% as the grade of the new findings exceeds that of the old resources. Previously, according to a release from March 2023, Karelian Gold Line hosted M+I+I resources of 103,700 ounces, therefore, after the resource increase the Karelian Gold Line resources (excl. historic) stand at roughly 154 400 ounces of gold. The estimate update represents a notable increase to the company's resource base in the Karelian gold line. Mineral resources are not ore reserves and do not have demonstrated economic viability and there is no guarantee that mineral resources will be converted to ore reserves. The Korvilansuo resources are classified as inferred where the geological knowledge and confidence is still rather low. The Korvilansuo mineralization is still open to the north and east and Endomines plans for further drilling in 2024. In addition to Korvilansuo, the company is currently updating its resource estimate for Kuittila.

Taking a more conservative approach in valuing the US assets

One of the company's operational goals is to have a partnership agreement in the US by the end of 2023, as there has been no news on the subject, we have revised our estimate for the value in our SOTP model downwards. In our updated valuation for the US assets, we consider the price paid for the deposits, the current balance sheet value and the valuation based on EV/Resources multiple both for the recent transactions and peer companies trading multiples. The majority of the company's resources in the US are classified as historic, therefore, we have considered only the peers in early development phase i.e. exploration and feasibility study phases. The median EV/Resources multiple for the relevant peer companies and transactions (only considering transactions during the last two years, tier-1 jurisdictions) stands at EUR 24-28/oz (considerably lower multiple when compared to peers in advanced development and production phases).

Table 1: US asset portfolio valuation

	Value (EUR m)	Estimate basis
Purchase price	40	Total consideration of USD 44m during 2018-2022
EV/Resources (trading)	26	Peers in development and explorations stage
EV/Resources (transaction)	32	Transactions in Tier-1 jurisdictions 2022-2023 (development and exploration)
Balance sheet	33	USD 24m Idaho, USD 12m Montana
Average	33	

Source: Evli Research

Table 2: Sum of the parts model

	Evli est.	Spot	Estimate basis
US assets	33	47	See Table 1 for Evli est. basis
Pampalo	24	32	DCF LOM 6 years (current known reserves & resources Pampalo + Hosko)
Karelian gold line	14	23	Real option value for other Karelian Gold Line resources (excl. Pampalo + Hosko)
Overhead	(12)	(12)	Discounted overhead costs
Net cash	(12)	(12)	H1/2023
Fair Value	46	77	
Long-term gold price (USD/oz)	1 800		Evli est.
Spot price (USD/oz)		2 020	
Shares outstanding (m)	9.8	9.8	
Fair value per share	4.7	7.9	

Source: Evli Research

Table 3: Estimate overview

Endomines (EURm)	H1/'22	H2/'22	2022	H1/'23	H2/'23E	2023E	2024E	2025E
Gold production (Oz)	3 478	5 123	8 601	6 753	6 513	13 266	17 397	20 524
Net sales	5.6	7.9	13.5	10.7	10.6	21.3	27.3	30.8
<i>sales growth %</i>	>100%	61%	>100%	91%	35%	58%	28%	13%
Pampalo EBITDA	0.2	0.4	0.6	2.4	2.8	5.2	7.3	8.7
Group EBITDA	-3.5	-3.0	-6.4	0.4	0.7	1.1	4.3	5.7
<i>EBITDA margin</i>	<-100%	<-100%	-47%	4%	7%	5%	16%	19%
EBIT	-10.1	-5.4	-15.5	-0.8	-0.5	-1.3	2.6	4.0
<i>EBIT margin</i>	<-100%	<-100%	-115%	-7%	-4%	-6%	9%	13%
Assumptions	H1/'22	H2/'22	2022	H1/'23	H2/'23E	2023E	2024E	2025E
Gold price USD/Oz	1874	1722	1798	1934	1943	1938	1950	1900
Gold price EUR/Oz	1712	1649	1681	1774	1816	1795	1741	1667
EUR/USD	1.10	1.05	1.07	1.09	1.07	1.08	1.12	1.14

Source: Endomines, Evli Research

INTERIM FIGURES

EVLI ESTIMATES, EURm	2022Q1	2022Q2	2022Q3	2022Q4	2022	2023Q1E	2023Q2E	2023Q3E	2023Q4E	2023E	2024E	2025E
Net sales	0.0	5.6	-5.6	13.5	13.5	0.0	10.7	0.0	10.6	21.3	27.3	30.8
EBITDA	0.0	-3.6	3.6	-6.4	-6.4	0.0	0.4	0.0	0.7	1.1	4.3	7.2
<i>EBITDA margin (%)</i>	<i>0.0</i>	<i>-64.4</i>	<i>-64.4</i>	<i>-47.4</i>	<i>-47.4</i>	<i>0.0</i>	<i>3.7</i>	<i>0.0</i>	<i>6.8</i>	<i>5.3</i>	<i>15.6</i>	<i>23.3</i>
EBIT	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.5	-1.3	2.6	4.0
<i>EBIT margin (%)</i>	<i>0.0</i>	<i>-181.3</i>	<i>-181.3</i>	<i>-114.8</i>	<i>-114.8</i>	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-4.4</i>	<i>-6.0</i>	<i>9.4</i>	<i>13.1</i>
Net financial items	0.0	5.1	-5.1	-2.4	-2.4	0.0	-1.1	0.0	-1.1	-2.2	-2.0	-2.0
Pre-tax profit	0.0	-5.1	5.1	-17.9	-17.9	0.0	-1.9	0.0	-1.6	-3.5	0.6	2.0
Tax	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<i>Tax rate (%)</i>	<i>0.0</i>	<i>0.3</i>	<i>0.4</i>	<i>-0.1</i>	<i>-0.2</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>
Net profit	0.0	-5.1	5.1	-17.9	-17.9	0.0	-1.9	0.0	-1.6	-3.5	0.6	2.0
EPS	0.00	-0.54	0.54	-1.91	-1.92	0.00	-0.20	0.00	-0.16	-0.36	0.06	0.21
EPS adjusted (diluted no. of shares)	0.00	-0.54	0.54	-1.91	-1.92	0.00	-0.20	0.00	-0.16	-0.36	0.06	0.21
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SALES, EURm												
Endomines	0.0	5.6	-5.6	13.5	13.5	0.0	10.7	0.0	10.6	21.3	27.3	30.8
Total	0.0	5.6	-5.6	13.5	13.5	0.0	10.7	0.0	10.6	21.3	27.3	30.8
SALES GROWTH, Y/Y %												
Endomines	<i>0.0</i>	<i>57,045.8</i>	<i>57,043.8</i>	<i>2,643.3</i>	<i>2,643.4</i>	<i>0.0</i>	<i>89.7</i>	<i>-100.0</i>	<i>-21.1</i>	<i>58.1</i>	<i>27.7</i>	<i>12.9</i>
Total	<i>0.0</i>	<i>57,036.7</i>	<i>57,016.5</i>	<i>2,642.8</i>	<i>2,643.4</i>	<i>0.0</i>	<i>89.7</i>	<i>-100.0</i>	<i>-21.1</i>	<i>58.1</i>	<i>27.7</i>	<i>12.9</i>
EBIT, EURm												
Endomines	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.5	-1.3	2.6	4.0
Total	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.5	-1.3	2.6	4.0
EBIT margin, %												
Endomines	<i>0.0</i>	<i>-181.2</i>	<i>-181.2</i>	<i>-114.8</i>	<i>-114.8</i>	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-4.4</i>	<i>-6.0</i>	<i>9.4</i>	<i>13.1</i>
Total	<i>0.0</i>	<i>-181.3</i>	<i>-181.3</i>	<i>-114.8</i>	<i>-114.8</i>	<i>0.0</i>	<i>-7.5</i>	<i>0.0</i>	<i>-4.4</i>	<i>-6.0</i>	<i>9.4</i>	<i>13.1</i>

INCOME STATEMENT, EURm	2018	2019	2020	2021	2022	2023E	2024E	2025E
Sales	10.1	0.5	1.3	0.5	13.5	21.3	27.3	30.8
<i>Sales growth (%)</i>	<i>-20.5</i>	<i>-94.6</i>	<i>134.3</i>	<i>-61.4</i>	<i>2,643.4</i>	<i>58.1</i>	<i>27.7</i>	<i>12.9</i>
EBITDA	-0.5	-4.6	-10.5	-11.6	-6.4	1.1	4.3	7.2
<i>EBITDA margin (%)</i>	<i>-5.3</i>	<i>-841.1</i>	<i>-824.5</i>	<i>-2,362.0</i>	<i>-47.4</i>	<i>5.3</i>	<i>15.6</i>	<i>23.3</i>
Depreciation	-4.2	-0.3	-7.5	-13.5	-9.1	-2.4	-1.7	-3.1
EBITA	-4.7	-4.9	-18.0	-25.1	-15.5	-1.3	2.6	4.0
Goodwill amortization / writedown	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	-4.7	-4.9	-18.0	-25.1	-15.5	-1.3	2.6	4.0
<i>EBIT margin (%)</i>	<i>-46.6</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-114.8</i>	<i>-6.0</i>	<i>9.4</i>	<i>13.1</i>
Reported EBIT	-4.7	-4.9	-18.0	-25.1	-15.5	-1.3	2.6	4.0
<i>EBIT margin (reported) (%)</i>	<i>-46.6</i>	<i>-903.4</i>	<i>-1,410.0</i>	<i>-5,102.0</i>	<i>-114.8</i>	<i>-6.0</i>	<i>9.4</i>	<i>13.1</i>
Net financials	1.1	-0.7	-1.2	-1.6	-2.4	-2.2	-2.0	-2.0
Pre-tax profit	-3.6	-5.6	-19.2	-26.7	-17.9	-3.5	0.6	2.0
Taxes	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minority shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net profit	-3.6	-5.6	-19.2	-26.7	-17.9	-3.5	0.6	2.0
Cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Non-cash NRIs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
BALANCE SHEET, EURm								
Assets								
Fixed assets	47	55	57	51	49	51	52	52
Goodwill	0	0	0	0	0	0	0	0
Right of use assets	0	0	0	0	0	0	0	0
Inventory	0	0	0	1	0	1	1	1
Receivables	0	0	0	2	2	3	4	5
Liquid funds	2	2	1	1	4	2	3	3
Total assets	49	56	58	55	55	57	59	61
Liabilities								
Shareholder's equity	25	32	33	30	36	32	33	35
Minority interest	0	0	0	0	0	0	0	0
Convertibles	17	17	0	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	4	4	15	16	11	15	15	14
Non-interest bearing current liabilities	0	0	0	0	0	0	0	0
Other interest-free debt	4	3	10	9	9	10	11	11
Total liabilities	49	56	58	55	55	57	59	61
CASH FLOW, EURm								
+ EBITDA	-1	-5	-11	-12	-6	1	4	7
- Net financial items	1	-1	-1	-2	-2	-2	-2	-2
- Taxes	0	0	0	0	0	0	0	0
- Increase in Net Working Capital	1	-1	0	0	3	0	0	-1
+/- Other	-2	-2	4	1	1	0	0	0
= Cash flow from operations	-1	-7	-7	-12	-4	-1	3	5
- Capex	-10	-8	-3	-5	-4	-5	-3	-3
- Acquisitions	-6	0	0	0	0	0	0	0
+ Divestments	0	0	0	0	0	0	0	0
= Free cash flow	-16	-15	-10	-17	-8	-6	0	1
+/- New issues/buybacks	24	13	20	24	24	0	0	0
- Paid dividend	0	0	0	0	0	0	0	0
+/- Other	-7	2	-11	-7	-13	4	1	-1
Change in cash	0	0	0	0	3	-2	1	0

KEY FIGURES	2019	2020	2021	2022	2023E	2024E	2025E
M-cap	42	35	57	47	46	46	46
Net debt (excl. convertibles)	3	14	14	7	13	12	11
Enterprise value	62	49	71	54	59	59	57
Sales	1	1	0	14	21	27	31
EBITDA	-5	-11	-12	-6	1	4	7
EBIT	-5	-18	-25	-15	-1	3	4
Pre-tax	-6	-19	-27	-18	-3	1	2
Earnings	-6	-19	-27	-18	-3	1	2
Equity book value (excl. minorities)	32	33	30	36	32	33	35
Valuation multiples							
EV/sales	113.7	38.5	144.2	4.0	2.7	2.1	1.9
EV/EBITDA	-13.5	-4.7	-6.1	-8.4	51.9	13.8	8.0
EV/EBITA	-12.6	-2.7	-2.8	-3.5	-46.1	22.9	14.3
EV/EBIT	-12.6	-2.7	-2.8	-3.5	-46.1	22.9	14.3
EV/OCF	-8.3	-6.7	-6.1	-13.1	-50.3	22.5	12.6
EV/FCFF	-4.3	-5.7	-4.7	-9.6	-16.7	28.4	18.5
P/FCFE	-0.1	-0.1	-0.1	-5.9	-8.1	791.3	42.0
P/E	-7.5	-1.8	-2.1	-2.6	-13.3	83.1	22.8
P/B	1.3	1.1	1.9	1.3	1.4	1.4	1.3
Target EV/EBITDA	0.0	0.0	0.0	0.0	51.0	13.5	7.9
Target EV/EBIT	0.0	0.0	0.0	0.0	-45.3	22.5	14.0
Target EV/FCF	0.0	0.0	0.0	0.0	-10.1	988.7	51.5
Target P/B	0.0	0.0	0.0	0.0	1.4	1.4	1.3
Target P/E	0.0	0.0	0.0	0.0	-13.0	81.3	22.3
Per share measures							
Number of shares	1,999	3,283	5,645	9,370	9,598	9,598	9,598
Number of shares (diluted)	1,999	3,283	5,645	9,370	9,598	9,598	9,598
EPS	-2.82	-5.84	-4.73	-1.92	-0.36	0.06	0.21
Operating cash flow per share	-3.73	-2.23	-2.07	-0.44	-0.12	0.27	0.47
Free cash flow per share	-7.53	-3.01	-2.95	-0.85	-0.59	0.01	0.11
Book value per share	16.03	10.03	5.34	3.83	3.38	3.44	3.65
Dividend per share	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend payout ratio, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Dividend yield, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
FCF yield, %	-35.6	-28.2	-29.4	-17.1	-12.4	0.1	2.4
Efficiency measures							
ROE	-19.9	-59.0	-84.6	-54.3	-10.2	1.7	6.0
ROCE	-10.0	-35.5	-53.4	-33.6	-2.7	5.4	8.2
Financial ratios							
Inventories as % of sales	0.6	19.2	162.0	3.0	3.0	3.0	3.0
Receivables as % of sales	23.2	25.9	360.9	14.8	14.8	14.8	14.8
Non-interest bearing liabilities as % of sales	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NWC/sales, %	-315.3	-466.5	-1,062.8	-30.4	-18.8	-16.0	-12.1
Operative CAPEX/sales, %	1,422.9	198.5	1,001.1	28.9	21.3	9.3	11.2
CAPEX/sales (incl. acquisitions), %	1,422.9	198.5	1,001.1	28.9	21.3	9.3	11.2
FCFF/EBITDA	3.1	0.8	1.3	0.9	-3.1	0.5	0.4
Net debt/EBITDA, book-weighted	-0.6	-1.3	-1.2	-1.1	11.1	2.9	1.6
Debt/equity, market-weighted	0.1	0.4	0.3	0.2	0.3	0.3	0.3
Equity ratio, book-weighted	86.7	56.5	54.8	65.4	57.0	55.6	57.7
Gearing, %	6.0	43.1	47.9	18.9	38.6	37.8	32.4

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: Endomines new strategy focuses on development of the company's Finnish assets, the US assets are developed through partnership models. The company has proceeded well with reinitiating production at the Pampalo site, Endomines produced 8 601 ounces of gold during 2022. The company's focus in the near term is on Pampalo underground and East open pit production and on gold exploration activities in Karelian gold line.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Joensuun Kauppa ja Kone	1,763,013	8.462	18.4%
Clearstream Banking S.A.	783,264	3.760	8.2%
Mariatorp Oy	771,875	3.705	8.0%
Wipunen Varainhallinta Oy	771,875	3.705	8.0%
Skandinaviska Enskilda Banken	520,063	2.496	5.4%
K22 Finance Oy	346,029	1.661	3.6%
Taloustieto Incrementum Oy	317,159	1.522	3.3%
Transatlantic Mining Corporation	207,541	0.996	2.2%
Vakuutusosakeyhtiö Henki-Fennia	196,657	0.944	2.0%
Eyemaker's Finland Oy	180,552	0.867	1.9%
Ten largest	5,858,028	28.119	61%
Residual	3,740,149	17.953	39%
Total	9,598,177	46.071	100%

EARNINGS CALENDAR

February 15, 2024

FY 2023 Results

August 15, 2024

Q2 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

CEO: Kari Vyhtinen

Ahventie 4 A, FI-02170 Espoo

CFO: Minni Lempinen

Tel:

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

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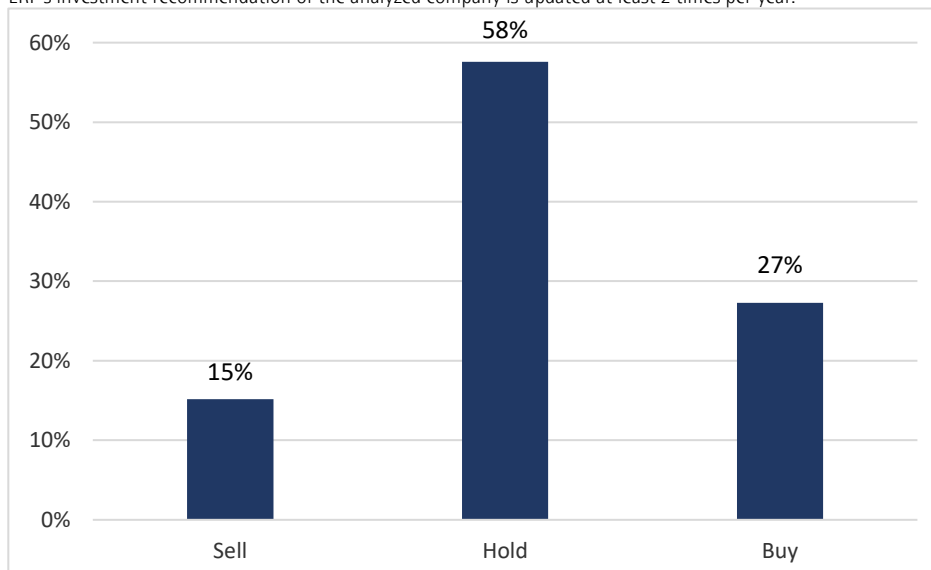
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Investment recommendations are defined as follows:

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

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



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

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