

Valuation running ahead of things

Endomines will release its H2 2023 figures on February 15th. Our interest in the report lies in Pampalo's profitability, progress and plans for Karelian Gold Line exploration, and update on the US assets. Despite the story developing fairly in line with plans, the valuation has become elevated.

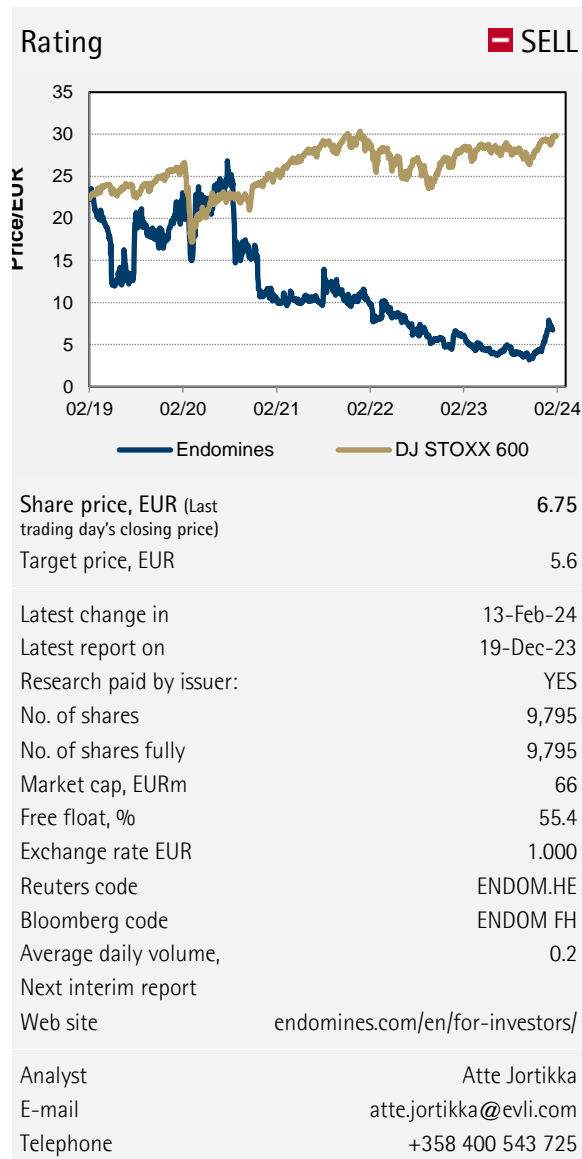
2023 progress was mostly aligned with the strategy and goals. The company's strategy focuses on four key areas: Pampalo production, exploration in the Karelian Gold Line, ESG and US assets promoted through a partnership model. In 2023, Pampalo's production grew according to the company's plan and resources grew in the Karelian Gold Line. The main negative in 2023 was that the company wasn't able to conclude the negotiations regarding the US assets. We also anticipate to hear results from the 2023 drilling program for Karelian Gold Line (Kuittila), and more details on the exploration plans and timeline for 2024.

Aiming to boost volumes in 2024

With the preliminary production figures published for 2023, the main interest operationally is on the cash cost level of the Pampalo mine. We currently estimate EBITDA of EUR 0.8m for FY 2023 (Pampalo EBITDA EUR 4.9m). The y/y profit improvement is driven mainly by higher volumes and gold spot price, in addition, costs in the US are lower. One of the company's medium-term goals is to reach annual gold production of 20,000 ounces at Pampalo by the end of 2024. In early February, Endomines released that it has started production in Hosko. Our current estimate for production in 2024E is at 17,613 ounces, of which roughly 15% is from the Hosko deposit. Profitability wise, we estimate Pampalo EBITDA of EUR 8.9m and group EBITDA of EUR 5.1m for 2024E.

Valuation turns expensive

With an increase to our long-term gold price estimate and adjustments to our models, we revise our TP to EUR 5.6 (prev. EUR 4.7) while downgrading our rating to SELL (HOLD) as the stock has rallied roughly 40% since our last update. Our SOTP based valuation range is currently EUR 5.6-7.9 per share. We continue to base our TP at the lower end of the range driven by the uncertainties.



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	20.4	-1.6	-7.8%	-5.9	-0.39	-17.4	3.9	-49.4	-8.9	0.00
2024E	29.2	2.7	9.4%	0.5	0.08	88.3	2.7	28.5	0.7	0.00
2025E	31.3	4.6	14.6%	1.9	0.26	25.8	2.4	16.8	2.8	0.00
Market cap, EURm				66	Gearing 2023E, %		39.5	CAGR EPS 2022-25, %		0.0
Net debt 2023E, EURm				13	Price/book 2023E		2.1	CAGR sales 2022-25, %		32.4
Enterprise value, EURm				79	Dividend yield 2023E, %		0.0	ROE 2023E, %		-11.2
Total assets 2023E, EURm				57	Tax rate 2023E, %		0.0	ROCE 2023E, %		-3.4
Goodwill 2023E, EURm				0	Equity ratio 2023E, %		56.7	PEG, P/E 23/CAGR		0.0

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

Table 1: SOTP model

	Evli est.	SPOT	Estimate basis
US assets	33	47	See Table 2 for Evli est. basis, SPOT est. based on in-situ purchase price analysis
Pampalo	26	30	DCF LOM 6 years (current known reserves & resources Pampalo + Hosko)
Karelian gold line	18	23	Real option value for other Karelian Gold Line resources
Overhead	(10)	(10)	Discounted overhead costs
Net cash	(13)	(13)	Estimate for 12/23
Fair Value	55	77	
Long-term gold price (USD/oz)	1 900		Evli est.
Spot price (USD/oz)		2 020	
Shares outstanding (m)	9.8	9.8	
Fair value per share	5.6	7.9	

Source: Evli Research

Table 2: US assets valuation

	Value (EUR m)	Estimate basis
Purchase price	41	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 3: Estimate summary

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	6 037	12 790	17 613	20 524
Net sales	5.6	7.9	13.5	10.7	9.7	20.4	29.2	31.3
<i>sales growth %</i>	<i>>100%</i>	<i>61%</i>	<i>>100%</i>	<i>91%</i>	<i>23%</i>	<i>51%</i>	<i>43%</i>	<i>7%</i>
Pampalo EBITDA	0.2	0.4	0.6	2.4	2.5	4.9	8.9	9.3
Group EBITDA	-3.5	-3.0	-6.4	0.4	0.4	0.8	5.1	6.3
<i>EBITDA margin</i>	<i><-100%</i>	<i><-100%</i>	<i>-47%</i>	<i>4%</i>	<i>4%</i>	<i>4%</i>	<i>18%</i>	<i>20%</i>
EBIT	-10.1	-5.4	-15.5	-0.8	-0.8	-1.6	2.7	4.6
<i>EBIT margin</i>	<i><-100%</i>	<i><-100%</i>	<i>-115%</i>	<i>-7%</i>	<i>-8%</i>	<i>-8%</i>	<i>9%</i>	<i>15%</i>
Assumptions	H1/'22	H2/'22	2022	H1/'23	H2/'23E	2023E	2024E	2025E
Gold price USD/Oz	1874	1722	1798	1934	1952	1943	2048	1950
Gold price EUR/Oz	1712	1649	1681	1774	1799	1786	1841	1696
EUR/USD	1.10	1.05	1.07	1.09	1.08	1.09	1.11	1.15

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	9.7	20.4	29.2	31.3
EBITDA	0.0	-3.6	3.6	-6.4	-6.4	0.0	0.4	0.0	0.4	0.8	5.1	6.3
<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>4.1</i>	<i>3.9</i>	<i>17.6</i>	<i>20.0</i>
EBIT	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.8	-1.6	2.7	4.6
<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>-8.2</i>	<i>-7.8</i>	<i>9.4</i>	<i>14.6</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	-1.9	-3.8	0.7	2.6
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	-1.9	-3.8	0.7	2.6
EPS	0.00	-0.54	0.54	-1.91	-1.92	0.00	-0.19	0.00	-0.19	-0.39	0.08	0.26
EPS adjusted (diluted no. of shares)	0.00	-0.54	0.54	-1.91	-1.92	0.00	-0.19	0.00	-0.19	-0.39	0.08	0.26
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	9.7	20.4	29.2	31.3
Total	0.0	5.6	-5.6	13.5	13.5	0.0	10.7	0.0	9.7	20.4	29.2	31.3
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>-27.8</i>	<i>51.5</i>	<i>42.7</i>	<i>7.3</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>-27.8</i>	<i>51.5</i>	<i>42.7</i>	<i>7.3</i>
EBIT, EURm												
Endomines	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.8	-1.6	2.7	4.6
Total	0.0	-10.2	10.2	-15.5	-15.5	0.0	-0.8	0.0	-0.8	-1.6	2.7	4.6
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>-8.2</i>	<i>-7.8</i>	<i>9.4</i>	<i>14.6</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>-8.2</i>	<i>-7.8</i>	<i>9.4</i>	<i>14.6</i>

INCOME STATEMENT, EURm	2018	2019	2020	2021	2022	2023E	2024E	2025E
Sales	10.1	0.5	1.3	0.5	13.5	20.4	29.2	31.3
<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>51.5</i>	<i>42.7</i>	<i>7.3</i>
EBITDA	-0.5	-4.6	-10.5	-11.6	-6.4	0.8	5.1	6.3
<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>3.9</i>	<i>17.6</i>	<i>20.0</i>
Depreciation	-4.2	-0.3	-7.5	-13.5	-9.1	-2.4	-2.4	-3.1
EBITA	-4.7	-4.9	-18.0	-25.1	-15.5	-1.6	2.7	4.6
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	-1.6	2.7	4.6
<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>-7.8</i>	<i>9.4</i>	<i>14.6</i>
Reported EBIT	-4.7	-4.9	-18.0	-25.1	-15.5	-1.6	2.7	4.6
<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>-7.8</i>	<i>9.4</i>	<i>14.6</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	-3.8	0.7	2.6
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	-3.8	0.7	2.6
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	51	51
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	60
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	13
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	60
CASH FLOW, EURm								
+ EBITDA	-1	-5	-11	-12	-6	1	5	8
- 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	0
+/- 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	2
+/- 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	0	-2
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	66	66	66
Net debt (excl. convertibles)	3	14	14	7	13	12	10
Enterprise value	62	49	71	54	79	78	76
Sales	1	1	0	14	20	29	31
EBITDA	-5	-11	-12	-6	1	5	6
EBIT	-5	-18	-25	-15	-2	3	5
Pre-tax	-6	-19	-27	-18	-4	1	3
Earnings	-6	-19	-27	-18	-4	1	3
Equity book value (excl. minorities)	32	33	30	36	32	33	35
Valuation multiples							
EV/sales	113.7	38.5	144.2	4.0	3.9	2.7	2.4
EV/EBITDA	-13.5	-4.7	-6.1	-8.4	98.0	15.2	9.9
EV/EBITA	-12.6	-2.7	-2.8	-3.5	-49.4	28.5	16.8
EV/EBIT	-12.6	-2.7	-2.8	-3.5	-49.4	28.5	16.8
EV/OCF	-8.3	-6.7	-6.1	-13.1	-59.2	26.1	14.4
EV/FCFF	-4.3	-5.7	-4.7	-9.6	-21.4	32.0	19.7
P/FCFE	-0.1	-0.1	-0.1	-5.9	-11.3	146.5	35.2
P/E	-7.5	-1.8	-2.1	-2.6	-17.4	88.3	25.8
P/B	1.3	1.1	1.9	1.3	2.1	2.0	1.9
Target EV/EBITDA	0.0	0.0	0.0	0.0	84.0	13.0	8.5
Target EV/EBIT	0.0	0.0	0.0	0.0	-42.3	24.4	14.3
Target EV/FCF	0.0	0.0	0.0	0.0	-11.5	148.6	34.7
Target P/B	0.0	0.0	0.0	0.0	1.7	1.7	1.5
Target P/E	0.0	0.0	0.0	0.0	-14.5	73.3	21.4
Per share measures							
Number of shares	1,999	3,283	5,645	9,370	9,795	9,795	9,795
Number of shares (diluted)	1,999	3,283	5,645	9,370	9,795	9,795	9,795
EPS	-2.82	-5.84	-4.73	-1.92	-0.39	0.08	0.26
Operating cash flow per share	-3.73	-2.23	-2.07	-0.44	-0.14	0.31	0.54
Free cash flow per share	-7.53	-3.01	-2.95	-0.85	-0.60	0.05	0.19
Book value per share	16.03	10.03	5.34	3.83	3.28	3.35	3.62
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	-8.9	0.7	2.8
Efficiency measures							
ROE	-19.9	-59.0	-84.6	-54.3	-11.2	2.3	7.5
ROCE	-10.0	-35.5	-53.4	-33.6	-3.4	5.8	9.4
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	-20.4	-13.7	-11.6
Operative CAPEX/sales, %	1,422.9	198.5	1,001.1	28.9	22.2	8.7	11.0
CAPEX/sales (incl. acquisitions), %	1,422.9	198.5	1,001.1	28.9	22.2	8.7	11.0
FCFF/EBITDA	3.1	0.8	1.3	0.9	-4.6	0.5	0.5
Net debt/EBITDA, book-weighted	-0.6	-1.3	-1.2	-1.1	15.8	2.4	1.3
Debt/equity, market-weighted	0.1	0.4	0.3	0.2	0.2	0.2	0.2
Equity ratio, book-weighted	86.7	56.5	54.8	65.4	56.7	55.5	58.9
Gearing, %	6.0	43.1	47.9	18.9	39.5	37.2	29.2

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 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 12 790 ounces of gold during 2023. The company's focus in the near term is on Pampalo underground, East open pit and Hosko production and on gold exploration activities in Karelian gold line.

OWNERSHIP STRUCTURE	SHARES	EURm	%
Joensuun Kauppa ja Kone Oy	1,863,675	12.580	19.0%
Mariatorp OY	776,875	5.244	7.9%
Wipunen varainhallinta Oy	776,875	5.244	7.9%
K22 Finance Oy	378,687	2.556	3.9%
Taloustieto Incrementum Oy	318,063	2.147	3.2%
Kakkonen Kari Heikki Ilmari	254,808	1.720	2.6%
Vakuutusosakeyhtiö Henki-Fennia	209,782	1.416	2.1%
Eyemaker's Finland Oy	180,552	1.219	1.8%
Hietamoor Oy	172,110	1.162	1.8%
Transatlantic Mining Corp	139,104	0.939	1.4%
Ten largest	5,070,531	34.226	52%
Residual	4,724,808	31.892	48%
Total	9,795,339	66.119	100%

EARNINGS CALENDAR

February 15, 2024

FY 2023 Results

August 15, 2024

H1 report

OTHER EVENTS**COMPANY MISCELLANEOUS**

CEO: Kari Vyhtinen

Ahventie 4 A, FI-02170 Espoo

CFO: Minni Lempinen

Tel:

IR: Riikka Niemi

DEFINITIONS

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

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

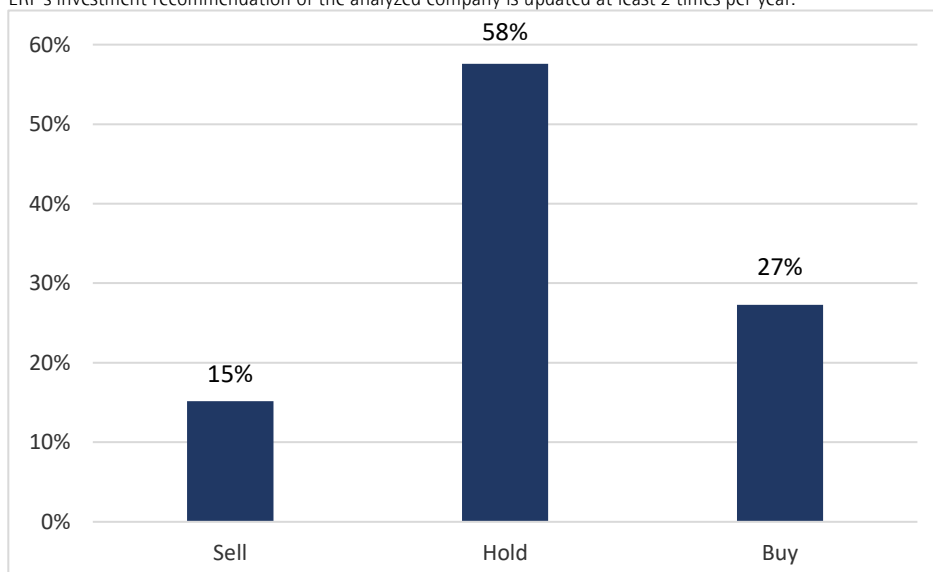
Important Disclosures

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 [Analysts' recommendations and ratings revisions](#).

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

This research report has been prepared by Evli Research Partners Plc ("ERP" or "Evli Research"). ERP is a subsidiary of Evli Plc. Production of the investment recommendation has been concluded on 13.2.2024, 08:50. This report has been published on 13.2.2024, 09:10.

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.

Neither ERP nor any company within the Evli Group have 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 Evli. 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.

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 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 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 Plc is supervised by the Finnish Financial Supervision Authority

Contact information**SALES, TRADING AND RESEARCH****Equity, ETF and Derivatives Sales**

Joachim Dannberg	+358 9 4766 9123
Ari Laine	+358 9 4766 9115
Kimmo Lijja	+358 9 4766 9130

Trading

Lauri Vehkaluoto (Head)	+358 9 4766 9120
Pasi Väisänen	+358 9 4766 9120
Antti Kässi	+358 9 4766 9120
Miika Ronkanen	+358 9 4766 9120

Structured Investments

Heikki Savijoki	+358 9 4766 9726
Aki Lakkisto	+358 9 4766 9123

Equity Research

Atte Jortikka	+358 40 054 3725
Joonas Ilvonen	+358 44 430 9071
Jerker Salokivi	+358 9 4766 9149

Evli Investment Solutions

Johannes Asuja	+358 9 4766 9205
----------------	------------------

EVLI**EVLI PLC**

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

EVLI PLC,

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