

Half-year interim report January - June 2023

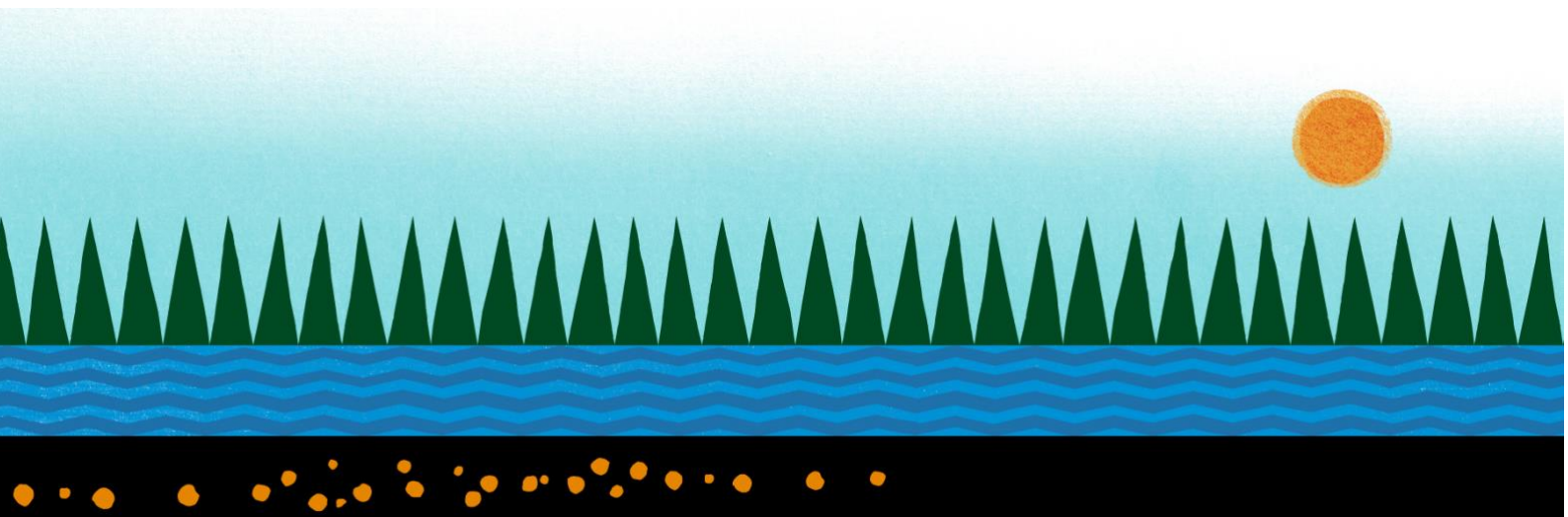
The figures in parentheses refer to the corresponding period in 2022 unless otherwise stated.

January to June 2023 in brief

- Gold production from January to June 2023 increased by 94.1 percent. Production for the first half of the year was 210.0 kg (108.2 kg), or 6,753 ounces (3,478 ounces). 100 % of the group's production comes from the Pampalo production segment
- The group's revenue increased by 91.1 % and was 10.7 MEUR (5.6 MEUR). 100 % of the group's revenue comes from the Pampalo production segment's revenue
- The group's EBITDA was 0.4 MEUR (-3.5 MEUR)
- The Pampalo production segment's EBITDA was 2.4 MEUR (0.2 MEUR), or 22.4 % of revenue (3.6 %)
- The group's operating result was -2.3 MEUR (-10.2 MEUR)
- The group's net result was -3.3 MEUR (-10.5 MEUR)
- Endomines is preparing to start production at the Hosko area located in the Karelian gold line in early 2024
- Endomines has agreed with a Finnish investor group on a convertible bond loan of up to 3.6 MEUR related to the start of gold production at Hosko and to increase the production of the Pampalo underground mine
- The investment option under the LDA Capital Limited convertible bond loan agreement has expired on March 31, 2023

Significant events after the end of the reporting period

- A significant mineralized zone has been discovered in the Kuittila area in the Karelian gold line. The high gold content is found close to ground level, which facilitates further exploration and accelerates the possible start of production in the area. The discovery also contains very high grade of silver, significant grades of lead, zinc, and molybdenum, as well as a promising grade of copper.
- The best results from the drill hole KT-007 included a gold grade of 5.0 g/t over a length of 18 meters, a silver grade of 173.6 g/t, 1.2 % lead, 0.8 % zinc, 0.1 % copper, and 0.02 % molybdenum. Including, over a length of 4.3 meters, a gold grade of 12.2 g/t, a silver grade of 413.4 g/t, 3.2 % lead, 2.1 % zinc, 0.3 % copper, and 0.01 % molybdenum were found. The highest grade was found over a length of 1.2 meters, with an amazing gold grade of 19.8 g/t, a silver grade of 481.0 g/t, 4.5 % lead, 1.7 % zinc, 0.2 % copper, and 0.02 % molybdenum.
- By 17 August 2023 LDA Capital Limited has converted 1.6 MEUR of convertible loan to shares and the remaining convertible loan is 0.4 MEUR.



CEO Kari Vyhtinen

In January-June 2023 we clearly started to see positive results from the transformation programme we started last year. Gold production at Pampalo is the foundation of our business in our new strategy. Production at Pampalo grew by 94.1 % and our revenue at Pampalo increased by 105.8 % from the comparison period. Operating expenses grew moderately in relation to revenue growth, and our operating margin improved to 22.4 percent (3.6 %) in Pampalo. The entire group's EBITDA was also positive.

Our goal is to continue raising the production level towards the 20,000 oz annual production level, and above. The Pampalo mine's 60 % increase in ore reserves in the latest update and promising drilling results in January over 200 m below the current production level, support our plans to increase production volume from the underground mine. In May, we decided to start mining the Hosko deposit, which will contribute to increasing Pampalo's gold production from the beginning of 2024. With a strong foundation, we create the conditions for future growth.

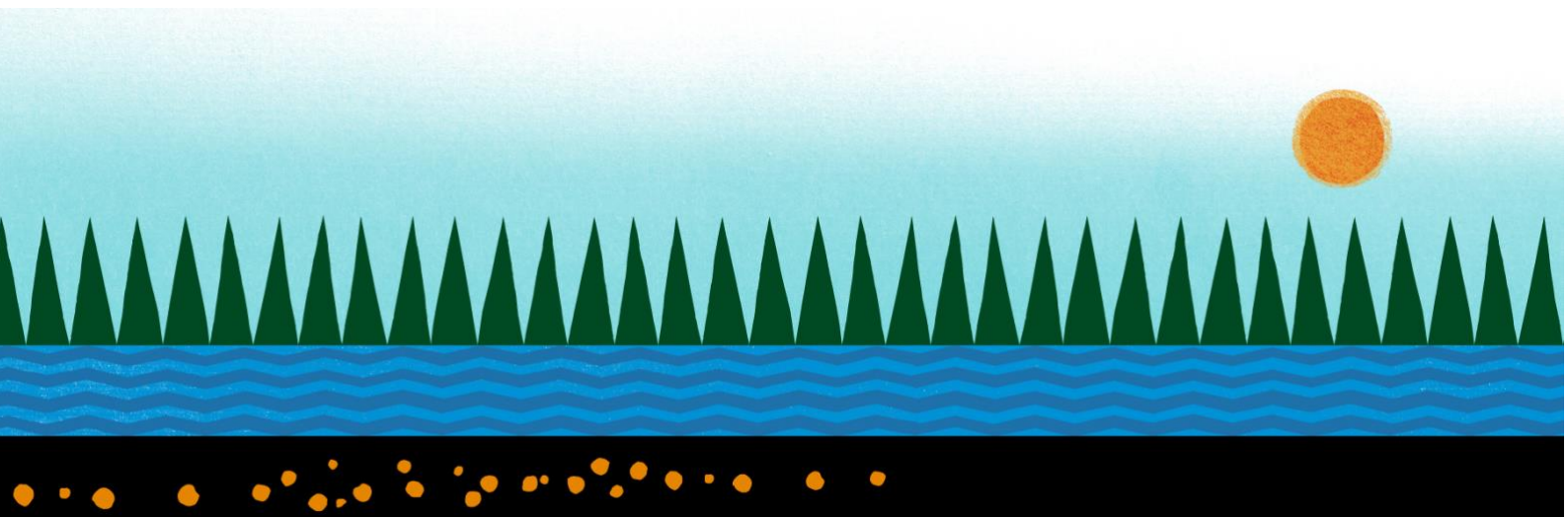
Our new strategic focus area, exploration, progressed according to plan. We are investing heavily in our future. We carried out large-scale exploration drilling in the South (Korvilansuo and Kuittila), and base of till sampling North of the Pampalo mining area. The results of our first drill hole in Kuittila exceeded all our expectations. New mineralization was found very close to the ground surface where, in addition to a high gold grade, there was a very high silver grade, significant grades of zinc, lead, and molybdenum, and a promising grade of copper. The measured gold grade of 5 g/t is about four times higher than the gold grade at the Pampalo East open-pit and significantly exceeds our average gold grade in the underground mine. Often, in similar mineralization, the income from other metals completely covers the production costs of open-pit mining. This discovery confirms our understanding of the huge exploration potential of the Karelia gold line, and we have decided to focus on exploration in the Kuittila area during early autumn.

Operations in the USA are not a strategic focus area for Endomines. Our goal is to develop US deposits through a partnership model. During January-June 2023, we conducted preliminary negotiations with potential partners. Based on the preliminary interest received, we restate our target that the partnership negotiations will be concluded during 2023.

The company's ESG program is also progressing, and we have started measuring the KPIs defined in the program. We are pleased about the lower CO2 emissions per produced gold ounce. On the other hand, we will invest heavily in safety work to improve Endomines' safety culture in the future. Safety is always the first priority for us. At the core of our business principles are an environmentally sustainable gold production process, the wellbeing of our employees and the communities around the mine, and transparency in all our operations in accordance with good governance.

The transformation work started last year is therefore starting to pay off. Each of our strategic areas progressed forward according to plan. However, our transformation is still in progress. At the end of the year, we will continue to work towards our operational goals:

- Over 1 million oz of gold mineralization defined on the Karelian Gold Line by the end of 2025
- Annual gold production level of 20,000 oz at Pampalo by the end of 2024
- Operational efficiency and profitability are at a good level compared to peer companies
- Partnership agreement for the USA operations agreed by the end of 2023
- Among the leading mining companies in the field of ESG



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We believe that our steadily growing production and the partnership model in the USA, when realised, will significantly improve the company's financial results. In exploration and the ESG program, we continue our long-term work towards our goals.

Our vision is to grow Karelian gold line into one of the most significant sustainable gold production areas in the world.

Market conditions continue to be relatively positive for gold. The global economic situation continues to be uncertain; inflation is high and gold's status as a safe haven that preserves value is emphasized. On the cost side, the forecasts do not see a return to high energy cost levels as a likely option. We are heading towards the end of 2023 with a positive attitude.

I would like to thank our employees for successfully starting a major change phase. Although our work is still in progress, we can be proud of the results already achieved. I would also like to thank our owners, partners, and other stakeholders for our pleasant co-operation.

Outlook for the financial year 2023 (revised)

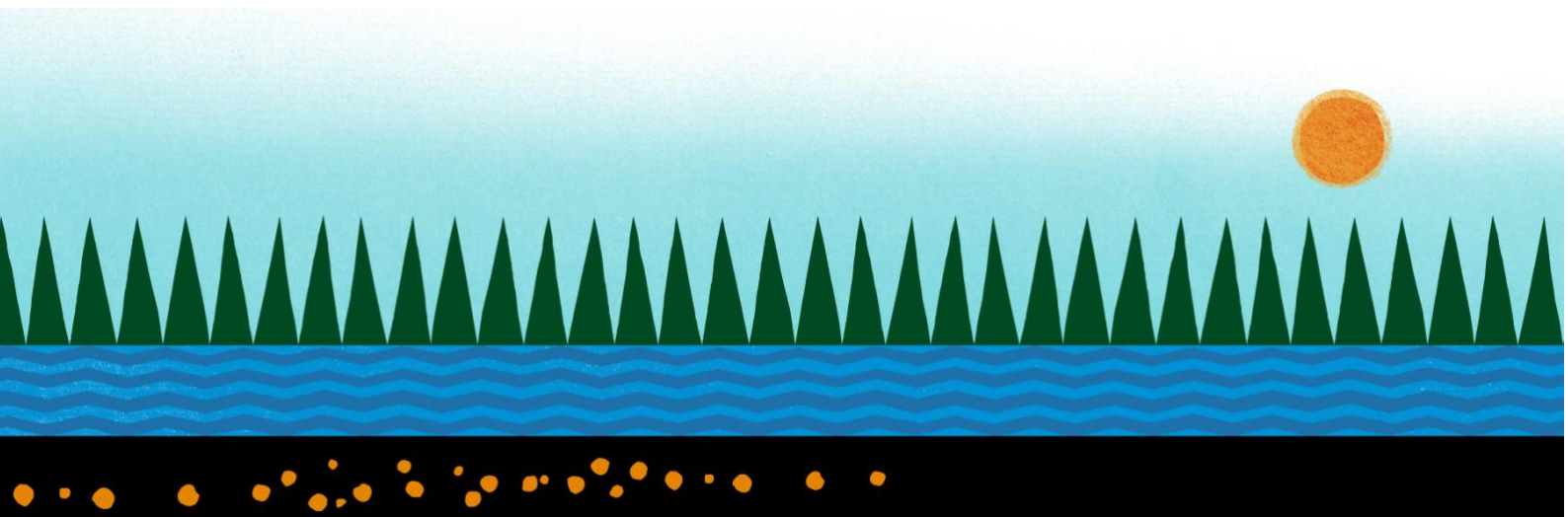
We estimate gold production in Pampalo to increase by 35–55 % from 2022. Endomines revises the guidance and estimate the production volumes to be near the upper end of the range. No production is expected from Friday mine.

Financial performance is expected to improve significantly from 2022.

The ESG program guides the development of our company in various areas. The safety and well-being of our employees, the preservation of a clean environment and nature, and good and ethical corporate governance are at the heart of our activities. During 2023, we started measures to reduce our carbon footprint with the aim of a 5 % (CO₂ per gold ounce produced) annual reduction in CO₂ emission levels (scope 1 and scope 2).

An important part of our future operations will be exploration in the Karelian gold line. During the year, we will actively explore through reprocessing of old material, moraine sampling, and drilling.

In the new strategy, US deposits will be developed through a partnership model. We expect to conclude partnership negotiations during 2023.



Group's result

Key figures	Unit	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Revenue	MEUR	10.7	5.6	13.5
Pampalo production revenue	MEUR	10.7	5.2	12.7
% of revenue	%	100.0 %	92.9 %	94.1 %
Operating expenses	MEUR	-10.1	-8.8	-19.5
EBITDA	MEUR	0.4	-3.5	-6.4
Pampalo production EBITDA	MEUR	2.4	0.2	0.6
% of revenue	%	22.4 %	3.6 %	4.4 %
Depreciation and impairment losses	MEUR	-2.6	-6.7	-8.3
Operating result	MEUR	-2.3	-10.2	-14.7
Net result	MEUR	-3.3	-10.5	-17.5
Net gearing ratio	%	34.2 %	48.5 %	19.0 %
Equity ratio	%	64.6 %	56.3 %	66.0 %
Earnings per share	EUR	-0.35	-0.04	-2.70
Cash Cost in Pampalo, excl. investments	EUR/oz	1,193	1,438	1,501

The consolidated revenue of the company increased by 91.1 % and was 10.7 MEUR (5.6 MEUR). 100 % of the consolidated revenue is generated from the Pampalo production segment's revenue. The increase in revenue is the result of an increase in production volumes. The consolidated EBITDA was 0.4 MEUR (-3.5 MEUR) and the Pampalo production segment's EBITDA was 2.4 MEUR (0.2 MEUR), which is 22.4 % of the revenue (3.6 %). The strong growth in EBITDA is due to lower unit cost of production.

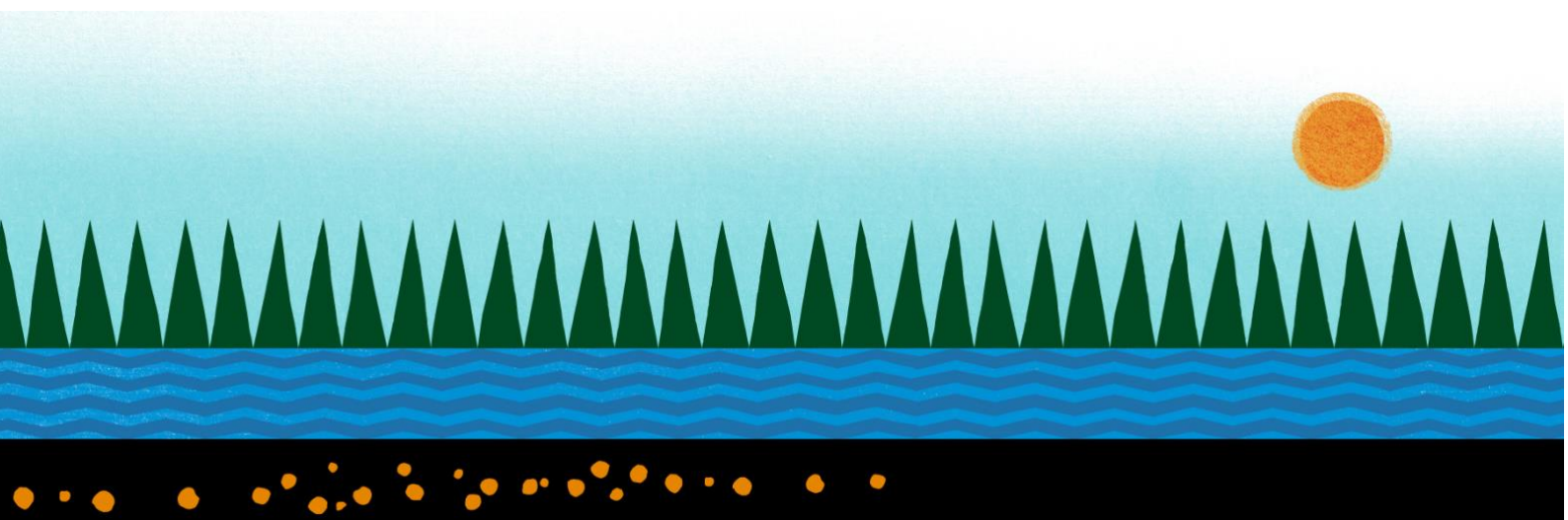
The financial position of the group

At the end of June, the interest-bearing net liabilities were 11.6 MEUR (14.9 MEUR), the net gearing ratio 34.2 % (48.5 %), and the equity ratio 64.6 % (56.3 %).

At the end of June, the group's cash and cash equivalents were 1.2 MEUR (3.5 MEUR). In line with its strategy, Endomines is investing in exploration on the Karelian gold line, which is reflected in significantly higher investments than in the comparison period. The group's operating cash flow was positive at 0.4 MEUR (-3.7 MEUR) due to improved profitability, and the net cash flow from investments was -3.9 MEUR (-0.3 MEUR).

In June 2023, the company completed a 1.8 MEUR convertible loan with a group of Finnish investors. The company also has an option to raise another 1.8 MEUR convertible loan in October 2023.

In 2021, the company agreed on a financing arrangement with LDA Capital Limited for a total of 14.0 MEUR, which was announced on May 8, 2021. The Annual General Meeting approved the financing arrangement in June 10, 2021. The financing arrangement covers a convertible loan agreement for a total of 6.0 MEUR, of which 1.0 MEUR was issued in January 2023 and 1.0 MEUR in March 2023 at the request of the investor (investors call). At the end of June, there was 0.6 MEUR of convertible loan remaining, and 1.4 MEUR had been converted into shares. A total of 2.6 MEUR of convertible loans have been issued previously, which LDA Capital Limited has fully converted into shares. LDA Capital Limited's investment option under the convertible bond loan agreement expired on March 31, 2023.



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Segment information, IFRS

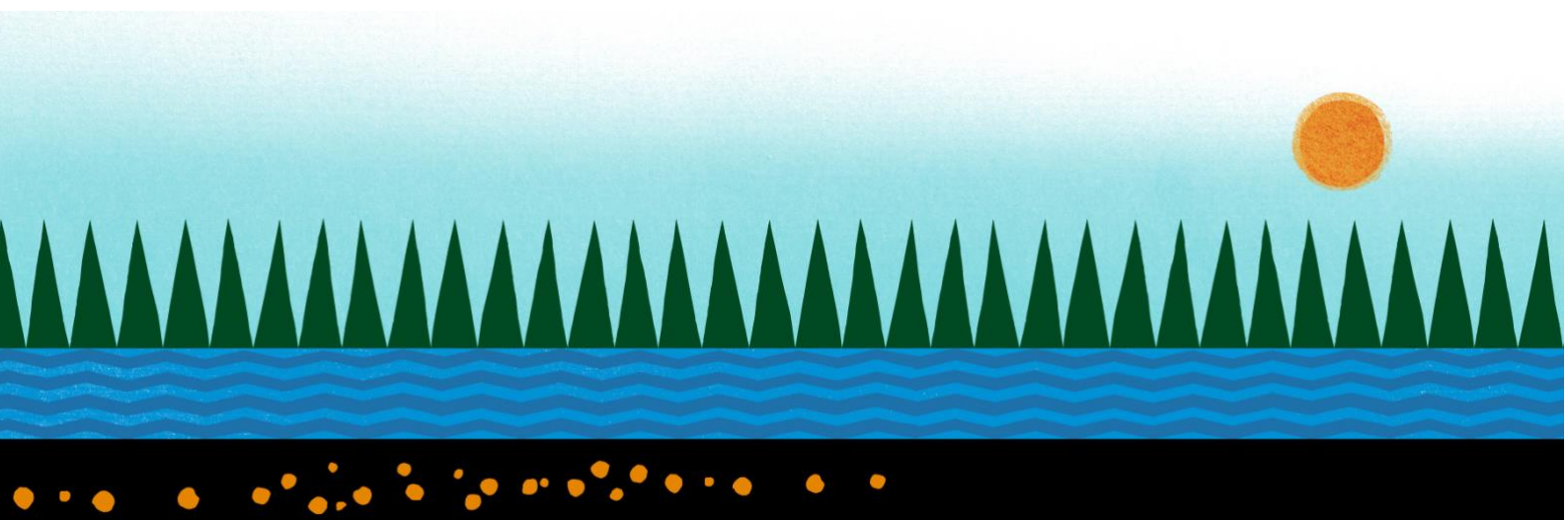
Pampalo production

Gold concentrate production	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Gold concentrate production, kg	210.0	108.2	267.5
Gold concentrate production, oz	6 753	3 478	8 601

MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Sales outside the group	10.7	5.2	12.7
Sales to other segments	0.0	0.0	0.0
Total revenue	10.7	5.2	12.7
Change in the inventory of finished goods and work in progress	-0.2	0.2	0.3
Materials, supplies, and external services	-7.0	-4.4	-10.8
Expenses arising from employee benefits	-0.7	-0.5	-0.9
Other operating expenses	-0.4	-0.3	-0.7
EBITDA	2.4	0.2	0.6
EBITDA %	22.4 %	4.0 %	5.0 %
Depreciation	-1.9	-0.4	-1.5
Operating result	0.5	-0.2	-0.9
Operating result %	4.9 %	-4.0 %	-7.1 %

Karelian gold line

MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Sales outside the group	0.0	0.0	0.0
Sales to other segments	0.0	0.0	0.0
Total revenue	0.0	0.0	0.0
Change in the inventory of finished goods and work in progress	0.0	0.0	0.0
Materials, supplies, and external services	0.0	0.0	0.0
Expenses of employee benefits	-0.4	0.0	-0.3
Other operating expenses	0.0	0.0	0.0
EBITDA	-0.5	0.0	-0.3
EBITDA %	-	-	-
Depreciation	0.0	0.0	0.0
Operating result	-0.5	0.0	-0.3
Operating result %	-	-	-



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USA operations

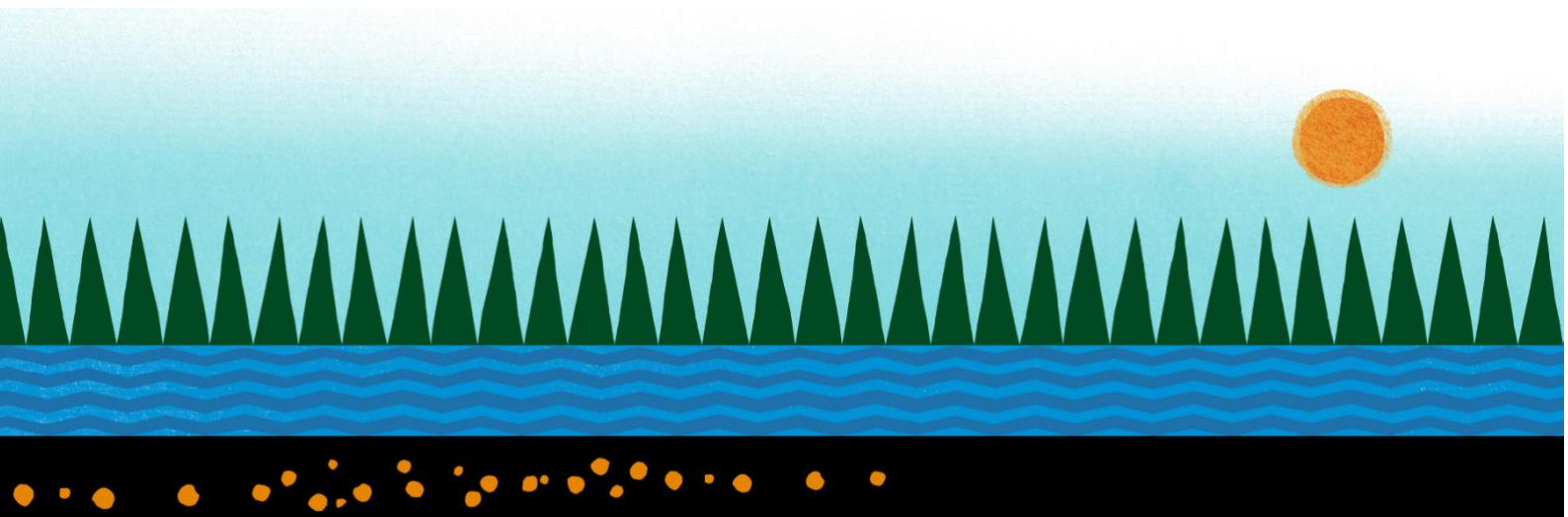
Gold concentrate production	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Gold concentrate production kg	0.0	0.0	0.0
Gold concentrate production, oz	0.0	0.0	0.0

MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Sales outside the group	0.0	0.4	0.7
Sales to other segments	0.0	0.0	0.0
Total revenue	0.0	0.4	0.7
Change in the inventory of finished goods and work in progress	0.0	-0.4	-0.8
Materials, supplies, and external services	-0.1	-0.7	-0.6
Expenses of employee benefits	-0.3	-1.1	-1.5
Other operating expenses	-0.1	-0.7	-1.2
EBITDA	-0.4	-2.6	-3.3
EBITDA %	-	-751.0 %	-447.6 %
Depreciation	-0.5	-5.8	-6.2
Operating result	-0.9	-8.4	-9.5
Operating result %	-	-2 100.0 %	-1 285.2 %

Group total

Gold concentrate production	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Gold concentrate production kg	210.0	108.2	267.5
Gold concentrate production, oz	6 753	3 478	8 601

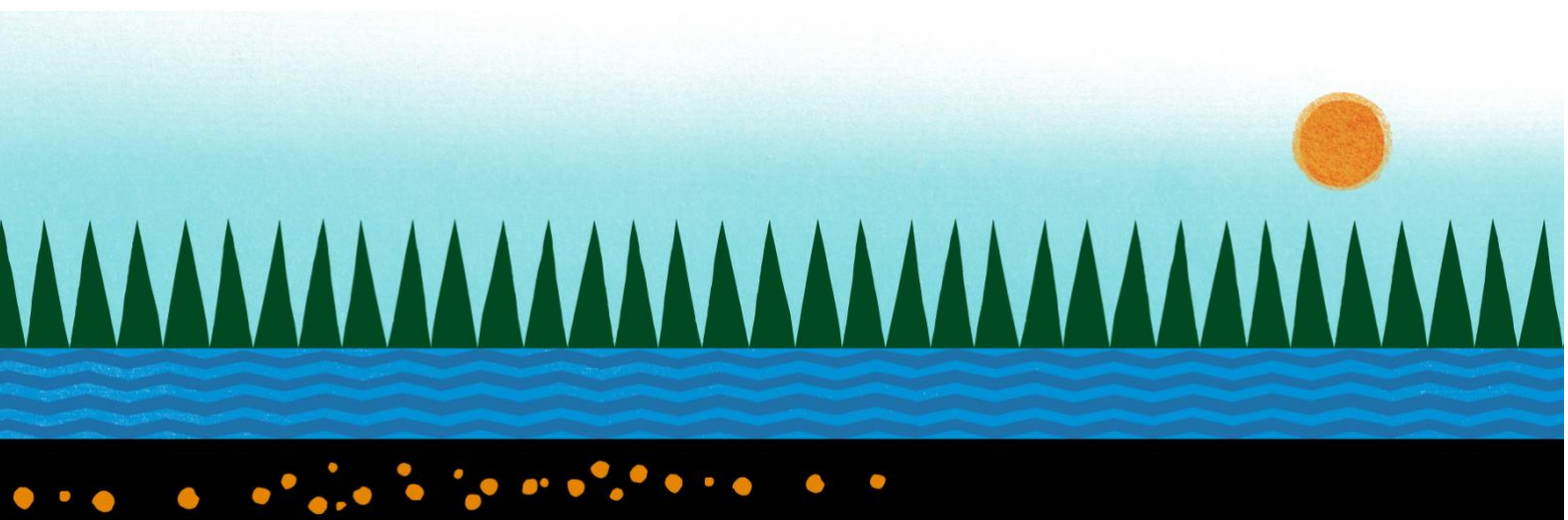
1.1.-30.6.2023, MEUR	Pampalo production	Karelian gold line	USA operations	Common functions and unallocated items	Group total
Sales outside the group	10.7	0.0	0.0	0.0	10.7
Sales to other segments	0.0	0.0	0.0	0.0	0.0
Total revenue	10.7	0.0	0.0	0.0	10.7
Change in the inventory of finished goods and work in progress	-0.2	0.0	0.0	0.0	-0.2
Materials, supplies, and external services	-7.0	0.0	-0.1	-0.0	-7.1
Expenses of employee benefits	-0.7	-0.4	-0.3	-0.5	-1.9
Other operating expenses	-0.4	0.0	-0.1	-0.6	-1.1
EBITDA	2.4	-0.5	-0.4	-1.1	0.4
EBITDA %	22.4 %	-	-	-	3.7 %
Depreciation	-1.9	0.0	-0.5	-0.3	-2.6
Operating result	0.5	-0.5	-0.9	-1.4	-2.3
Operating result %	4.9 %	-	-	-	-21.0 %



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1.1.-30.6.2022, MEUR	Pampalo production	Karelian gold line	USA operations	Common functions and unallocated items	Group total
Sales outside the group	5.2	0.0	0.4	0.0	5.6
Sales to other segments	0.0	0.0	0.0	0.0	0.0
Total revenue	5.2	0.0	0.4	0.0	5.6
Change in the inventory of finished goods and work in progress	0.2	0.0	-0.4	0.0	-0.2
Materials, supplies, and external services	-4.4	0.0	-0.7	0.0	-5.2
Expenses of employee benefits	-0.5	0.0	-1.1	-0.5	-2.1
Other operating expenses	-0.3	0.0	-0.7	-0.5	-1.5
EBITDA	0.2	0.0	-2.6	-1.0	-3.5
EBITDA %	4.0 %	-	-751.0 %	-	-62.0 %
Depreciation	-0.4	0.0	-5.8	-0.5	-6.7
Operating result	-0.2	0.0	-8.4	-1.5	-10.2
Operating result %	-4.0 %	-	-2 100.0 %	-	-182.0 %

1.1.-31.12.2022, MEUR	Pampalo production	Karelian gold line	USA operations	Common functions and unallocated items	Group total
Sales outside the group	12.7	0.0	0.7	0.0	13.5
Sales to other segments	0.0	0.0	0.0	0.0	0.0
Total revenue	12.7	0.0	0.7	0.0	13.5
Change in the inventory of finished goods and work in progress	0.3	0.0	-0.8	0.0	-0.4
Materials, supplies, and external services	-10.8	0.0	-0.6	0.1	-11.3
Expenses of employee benefits	-0.9	-0.3	-1.5	-1.2	-3.8
Other operating expenses	-0.7	0.0	-1.2	-2.4	-4.4
EBITDA	0.6	-0.3	-3.3	-3.4	-6.4
EBITDA %	5.0 %	-	-447.6 %	-	-47.8 %
Depreciation	-1.5	0.0	-6.2	-0.5	-8.3
Operating result	-0.9	-0.3	-9.5	-3.9	-14.7
Operating result %	-7.1 %	-	-1 285.2 %	-	-109.2 %



Personnel

At the end of June 2023, Endomines had 47 (29) employees.

Management team

At the end of the review period, the management team of Endomines Finland Plc consisted of CEO Kari Vyhtinen and the following persons: Minni Lempinen, Acting CFO; Sampo Hirvonen, Mine Manager; Seppo Tuovinen, General Manager; and Jani Rautio, Chief Geologist.

CFO Mikko Sopanen's duties were transferred to Minni Lempinen starting on June 1, 2023. Mikko Sopanen's executive contract ends on August 31, 2023.

Shares and exchange

Endomines shares are listed on the main list of Nasdaq Helsinki. Endomines had a total number of 9 598 177 shares and a share capital of 53.3 MEUR. At the end of June Endomines held 8 000 treasury shares, which corresponds to approximately 0.08% of the total number of shares and votes.

Share price development in Nasdaq Helsinki

EUR	1.1.-30.6.2023
Opening price	5.00
Closing price	3.98
Highest price	6.80
Lowest price	3.44
Weighted average price	5.17

Annual General Meeting 2023

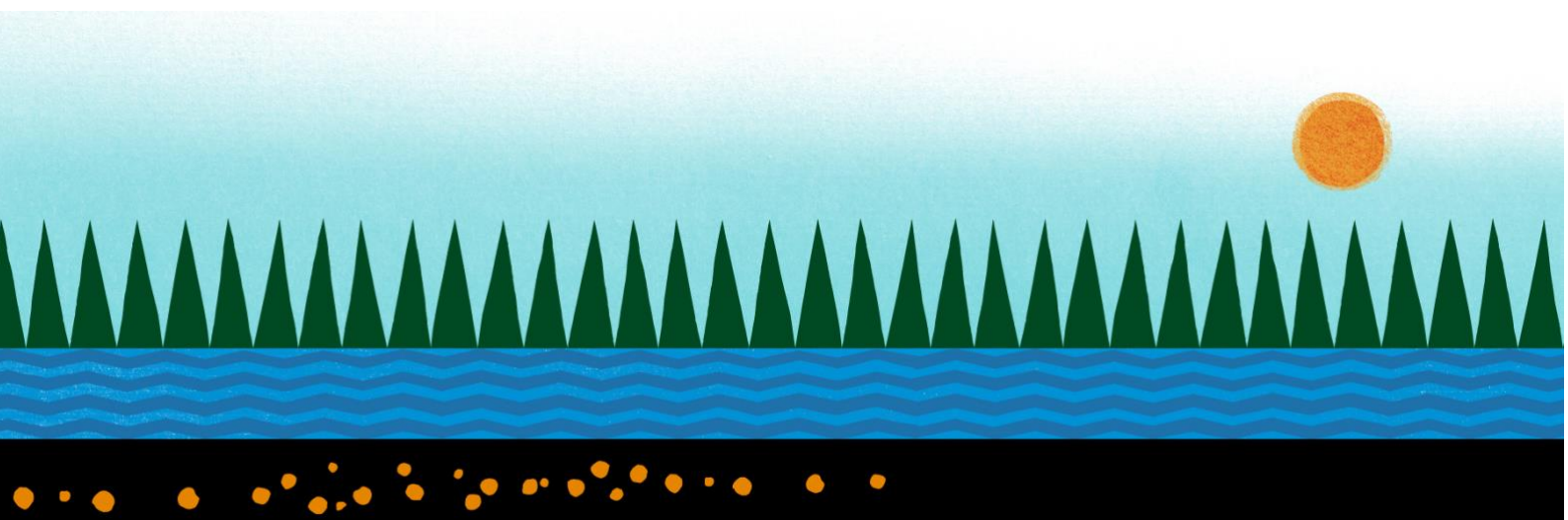
The Annual General Meeting of Endomines Finland Plc was held as a hybrid meeting on 25 May 2023 in Espoo, Finland.

The AGM approved the financial statements for the financial period 1.1.2022-31.12.2022, granted discharge to the members of the Board of Directors and the CEO for the financial period and for the preparation of the financial statements, approved the remuneration report of the company's bodies and the company's remuneration policy, and approved the new rules of procedure of the Shareholders' Nomination Committee.

The AGM decided, as proposed by the Board of Directors, that the profit for the financial period 1.1.2022-31.12.2022 will be added to retained earnings and that no dividend will be paid.

In accordance with the Board's proposal, the AGM decided that the number of Board members shall be five. The members of the Board of Directors are Jukka-Pekka Joensuu, Chairman of the Board; Markus Ekberg, Member of the Board; Eeva Ruokonen, Member of the Board; Jukka Jokela, Member of the Board and Jeremy Read, Member of the Board. The term of office of the Board of Directors runs until the end of the Annual General Meeting in 2024.

KPMG Oy Ab was elected as the auditing firm, which has announced that it will appoint Antti Kääriäinen as the principal responsible auditor. It was decided to pay the auditor a fee based on a reasonable invoice approved by the audit committee.



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The AGM decided to amend section 3 of the Articles of Association so that the company acts as the parent company of a group focused on exploration, mining, and metal trading. The company defines the group's strategy and financing structure and takes care of certain centrally managed group-level tasks. The company may also own and manage shares, other securities, and real estate, as well as engage in securities trading and other investment activities. In addition, it was decided to amend section 12 of the articles of association so that the annual general meeting can be held in Helsinki, Vantaa, or Ilomantsi in addition to the company's domicile. The Board of Directors may decide that the Annual General Meeting shall be held without a meeting venue in such a way that shareholders exercise their decision-making power during the meeting in full and in a timely manner by means of a telecommunication connection and technical aid (remote meeting).

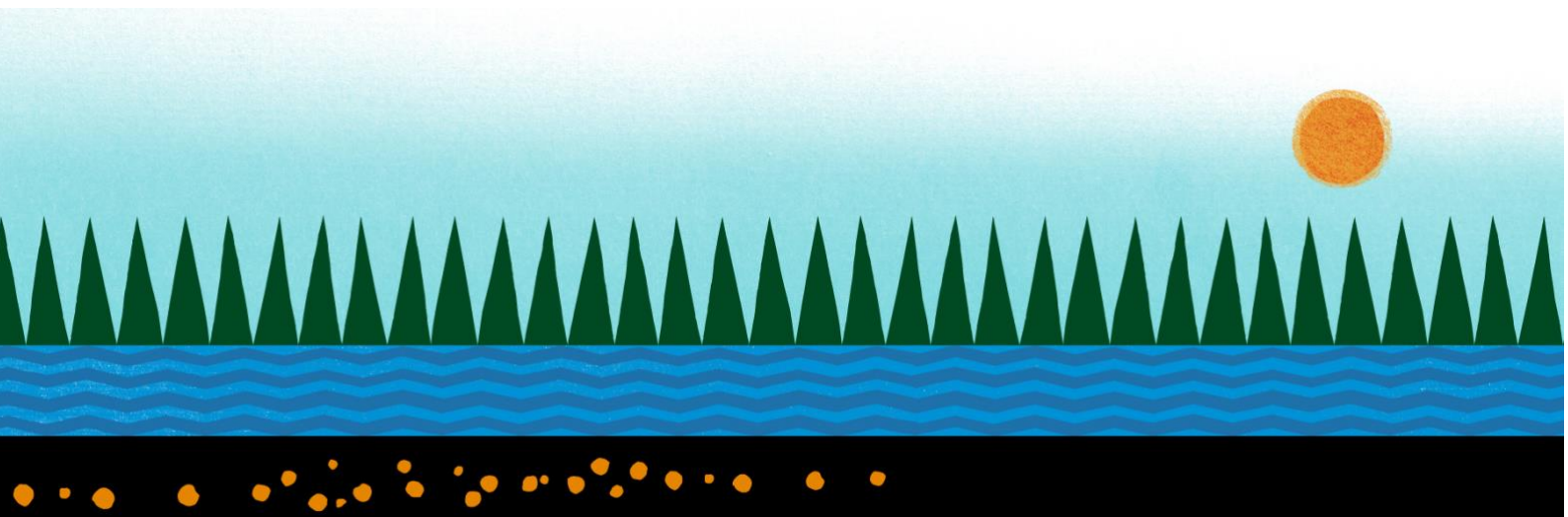
The AGM approved the remuneration proposals of the Board of Directors and the authorisations to issue share options and other special rights entitling to shares.

Further information about the annual general meeting on the Endomines website at endomines.com.

Short-term risks and uncertainties in business operations

The prevailing uncertainty in the market can affect Endomines' market environment. High inflation and the tightening of monetary policy by central banks to combat inflation may affect global economic growth and the choice of investment instruments, which in turn may have an impact on the market price of gold. At the end of June, the market price of gold was higher than at the end of the comparison period, which has a positive impact on Endomines' profitability.

Uncertainty in the markets is also reflected in supply chains, with inflation and component supply problems. If Endomines cannot find alternative suppliers or obtain the necessary components, it may result in lower production than planned.



ESG-Report

Endomines conducts its business in line with the principles of its ESG program. These principles focus on an environmentally sustainable gold production process, the well-being of all stakeholders, especially employees and residents of the mining areas, and good governance and transparency in all operations.

Indicators of ESG-practices

Environment

1. CO2 emissions t per ounce of gold produced

Target to reduce our CO2 emissions (Scope 1 and Scope 2) by 5 % annually.

Measures gradual switch to biofuels and renewable electricity.

Status

Carbon dioxide emission indicator for produced gold ounce (tCO2e/oz)

2022	Full-year: 0.71	
2023	Q1	Q2
	0.54	0.42

2. Recycling rate of processed water

Target to maintain a closed production water cycle.

Measures maintenance and control of a closed loop of process water.

Status Closed loop water recycling rate 100 %.

3. Life cycle management plan for the mine

Target to maintain up-to-date plans for all mining sites owned by the company.

Measures The plan will be reviewed and updated periodically as operations progress.

Status plan will be updated in 2023.

Social responsibility

1. Safety at work

Objective zero tolerance for accidents at work.

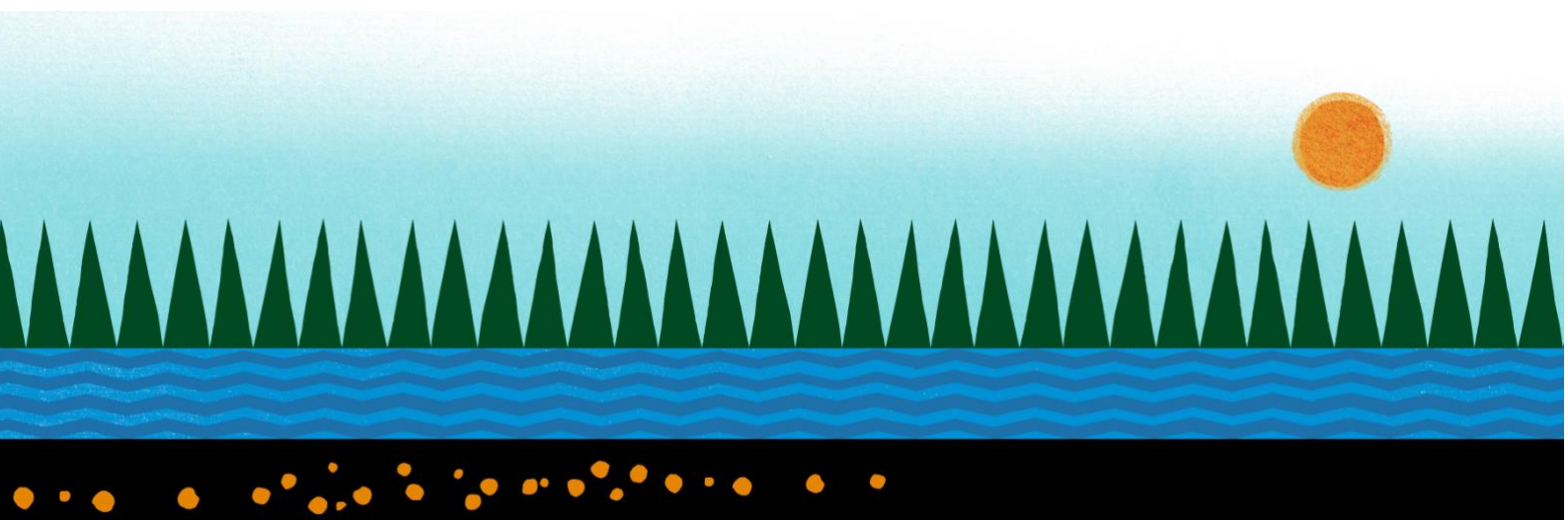
Measures LTI monitoring, safety training for staff and partners, code of conduct, in line with which we respect human and labour rights, and we expect the same from our partners.

Status 2 minor accidents to the company's contractor, resulting in absence.

LTIFR *Rolling 12 monthly average*

H1/2022	8.4
H1/2023	11.8

LTIFR formula: lost time injuries per million hours worked.



2. Job satisfaction

Target to maintain job satisfaction parameters at the defined level.

Measures when required, in line with the areas for improvement.

Status employee satisfaction survey for 2023 completed.

3. Stakeholder cooperation and transparency

Target to provide up-to-date information and to develop and support local cooperation.

Measures communication practices via the website and LinkedIn channel, community information events in the mining area, sponsorship of local youths in the area, and support for learning different skills through local schools, for example through different types of awards. Annual staff satisfaction surveys.

Status information event in Pampalo in June, effective information platforms and practices in place, sponsorship agreement with a local sports club, cooperation with school ongoing.

Governance

Target operative risk management up-to-date.

Measures corporate risk assessment in 2023.

Status in progress.

Target interaction with stakeholders.

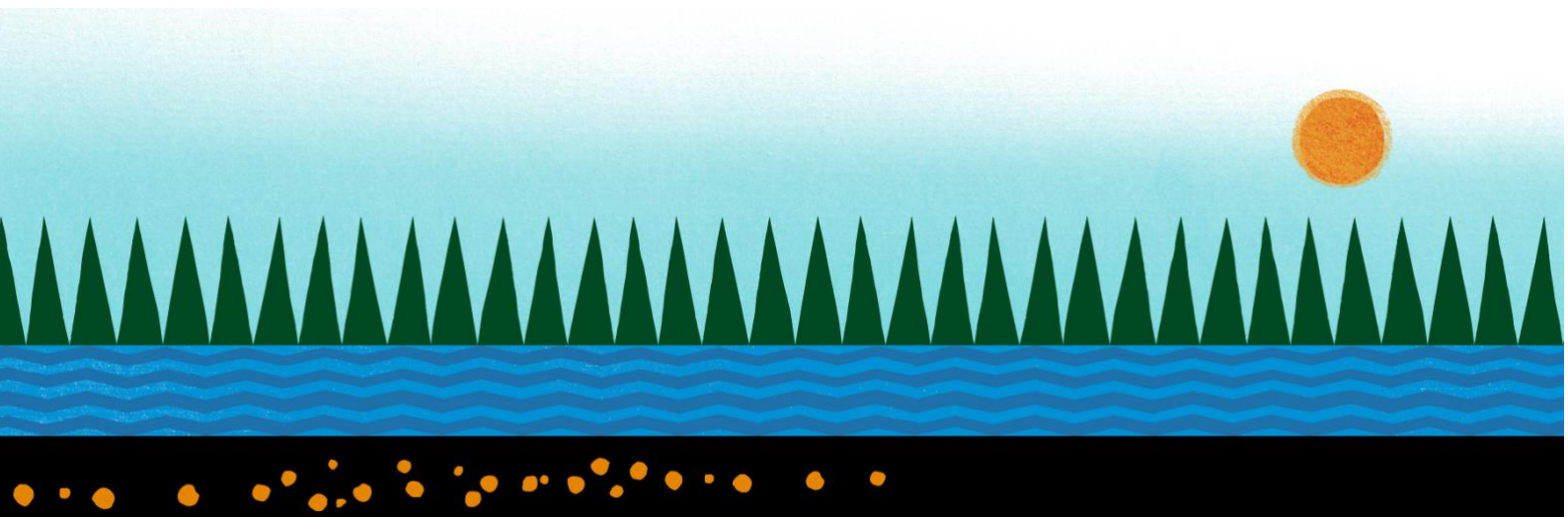
Measures active communication at all times.

Status communication practices via the website and LinkedIn channel, community information events in the mining area.

Target transparency in actions and communications.

Measures ESG-related KPIs into a new website with quarterly follow-up.

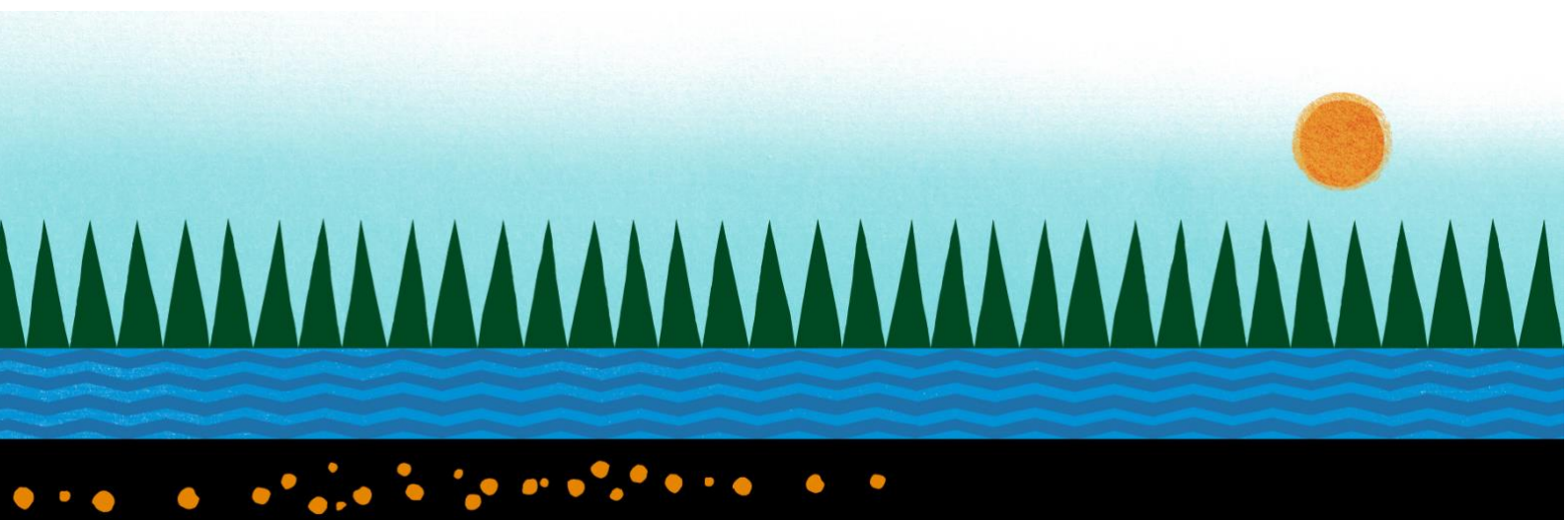
Status process in progress.



Tables

Consolidated income statement, IFRS

MEUR	1.1.- 30.6.2023	1.1.- 30.6.2022	1.1.- 31.12.2022
Revenue	10.7	5.6	13.5
Other operating income	0.0	0.0	0.0
Change in the inventory of finished goods and work in progress	-0.2	-0.2	-0.4
Materials, supplies, and external services	-7.1	-5.2	-11.3
Expenses arising from employee benefits	-1.9	-2.1	-3.8
Other operating expenses	-1.2	-1.5	-4.4
EBITDA	0.4	-3.5	-6.4
Depreciation and impairment losses	-2.6	-6.7	-8.3
Operating result	-2.3	-10.2	-14.7
Financial income	0.4	1.3	0.3
Financial expenses	-1.5	-1.5	-3.0
Earnings before taxes	-3.3	-10.5	-17.5
Taxes	0.0	0.0	0.0
Profit for the period	-3.3	-10.5	-17.5
Profit for the period attributable to			
Shareholders of the parent company	-3.3	-10.5	-17.5
Earnings per share, EUR	-0.35	-0.04	-2.70
Diluted earnings per share	-0.35	-0.04	-2.70
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	1.1.- 30.6.2023	1.1.- 30.6.2022	1.1.- 31.12.2022
Profit for the period	-3.3	-10.5	-17.5
Items that can be reclassified to profit or loss:			
Conversion differences related to the foreign unit	-0.4	3.1	2.8
Other comprehensive income for the period, after taxes	-0.4	3.1	2.8
Total comprehensive income for the period	-3.8	-7.3	-14.7
Total comprehensive income attributable to			
Shareholders of the parent company	-3.8	-7.3	-14.7

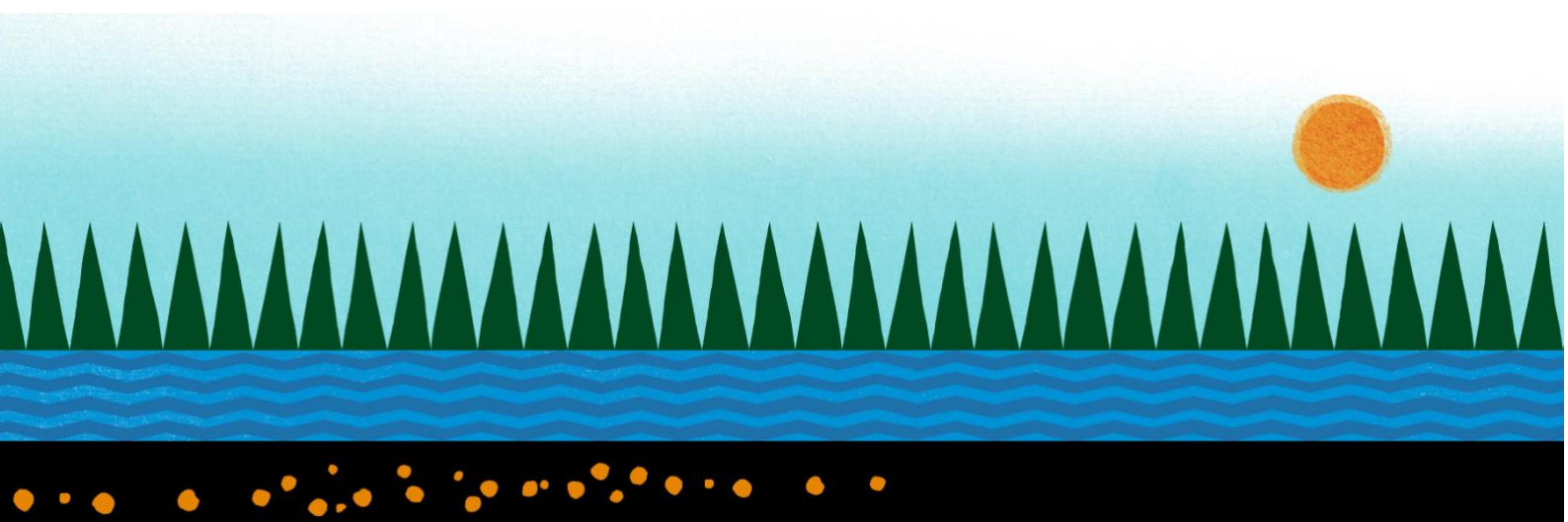


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Consolidated balance sheet, IFRS

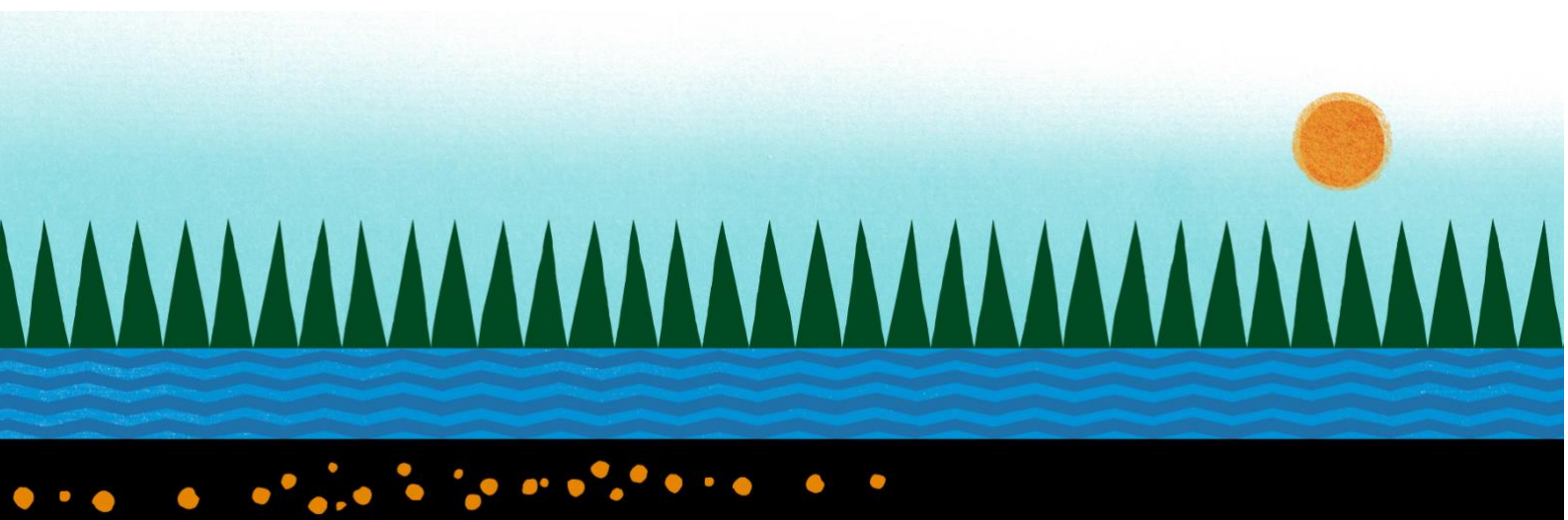
MEUR	30.6.2023	30.6.2022	31.12.2022
ASSETS			
Non-current assets			
Intangible assets			
Mineral resource exploration and evaluation expenses	32.8	33.3	33.5
Other intangible assets	1.3	0.0	0.0
Property, plant, and equipment			
Pampalo mine	5.4	3.6	5.5
Land and water areas	0.5	0.5	4.0
Buildings and structures	3.4	3.5	0.1
Machinery and equipment	4.9	7.2	5.3
Other non-current assets	0.5	0.5	0.5
Total non-current assets	49.0	48.6	48.9
Current assets			
Inventories	0.2	0.3	0.4
Accounts receivable	1.5	1.4	1.3
Other receivables	0.0	0.2	0.0
Accrued receivables	0.6	0.7	0.6
Cash in hand and at banks	1.2	3.5	3.7
Total current assets	3.6	6.1	6.1
Total assets	52.6	54.7	55.0

EQUITY AND LIABILITIES			
Equity attributable to shareholders of the parent company			
Share capital	53.3	52.8	53.3
Other invested capital	113.6	100.0	112.2
Translation differences	2.2	3.0	2.6
Retained earnings	-131.9	-114.5	-114.5
Profit for the period	-3.3	-10.5	-17.5
Total equity attributable to shareholders of the parent company	33.9	30.8	36.3
Total equity	33.9	30.8	36.3
Non-current liabilities			
Interest-bearing liabilities	12.1	15.7	10.5
Other non-current liabilities	0.0	0.2	0.0
Provisions	1.4	1.3	1.4
Total non-current liabilities	13.6	17.2	11.9
Current liabilities			
Interest-bearing liabilities	0.6	2.7	0.1
Accounts payable	2.6	2.5	4.7
Provisions	0.0	0.0	0.0
Other liabilities	0.3	0.4	0.4
Accrued liabilities	1.5	1.0	1.6
Total current liabilities	5.0	6.6	6.9
Total liabilities	18.6	23.8	18.7
Total equity and liabilities	52.6	54.7	55.0



Consolidated cash flow statement, IFRS

MEUR	1.1.- 30.6.2023	1.1.- 30.6.2022	1.1.- 31.12.2022
Cash flow from operating activities			
Result for the period	-3.3	-10.5	-17.5
Adjustments to profit for the period			
Financial income and expenses	0.8	0.1	3.2
Depreciation and impairment losses	2.6	6.5	8.3
Unrealised exchange rate differences on intra-Group items	0.2	0.0	0.0
Other adjustments	0.0	0.1	-0.8
Operating result before the change in working capital	0.4	-3.7	-6.8
Change in current non-interest-bearing receivables	-0.4	-0.9	2.3
Change in inventories	0.2	0.5	0.4
Change in current non-interest-bearing receivables	-2.3	-0.6	0.7
Change in working capital	-2.5	-1.0	3.3
Cash flow from operating activities before financials items	-2.2	-4.7	-3.5
Interest income	0.0	0.0	0.0
Interest expenses	-0.1	-0.4	-1.4
Income taxes paid	0.0	-0.1	0.0
Financial items	-0.1	-0.5	-1.4
NET CASH FLOW FROM OPERATING ACTIVITIES	-2.3	-5.2	-4.8
Financial assets used for investments			
Investments in intangible assets	-1.1	0.0	-0.7
Investments in property, plant, and equipment	-2.7	-0.3	-2.5
NET CASH FLOW FROM INVESTING ACTIVITIES	-3.9	-0.3	-3.2
Cash flow before cash flows from financing activities	-6.1	-5.5	-8.0
Financial assets used for financing			
Share issue	0.0	6.0	9.6
Share issue expenses	0.0	-0.2	-1.3
Loan drawdowns	3.7	6.1	8.8
Loan repayments	-0.1	-4.0	-6.6
Repayment of leasing liabilities	-0.0	-0.3	-0.1
NET CASH FLOW FROM FINANCING ACTIVITIES	3.6	7.6	10.5
Translation differences in financial assets	-0.0	0.1	0.0
CHANGE IN FINANCIAL ASSETS	-2.5	2.2	2.5
Financial assets at the beginning of the period	3.7	1.1	1.2
Financial assets at the end of the period	1.2	3.5	3.7
CHANGE IN FINANCIAL ASSETS	-2.5	2.2	2.5



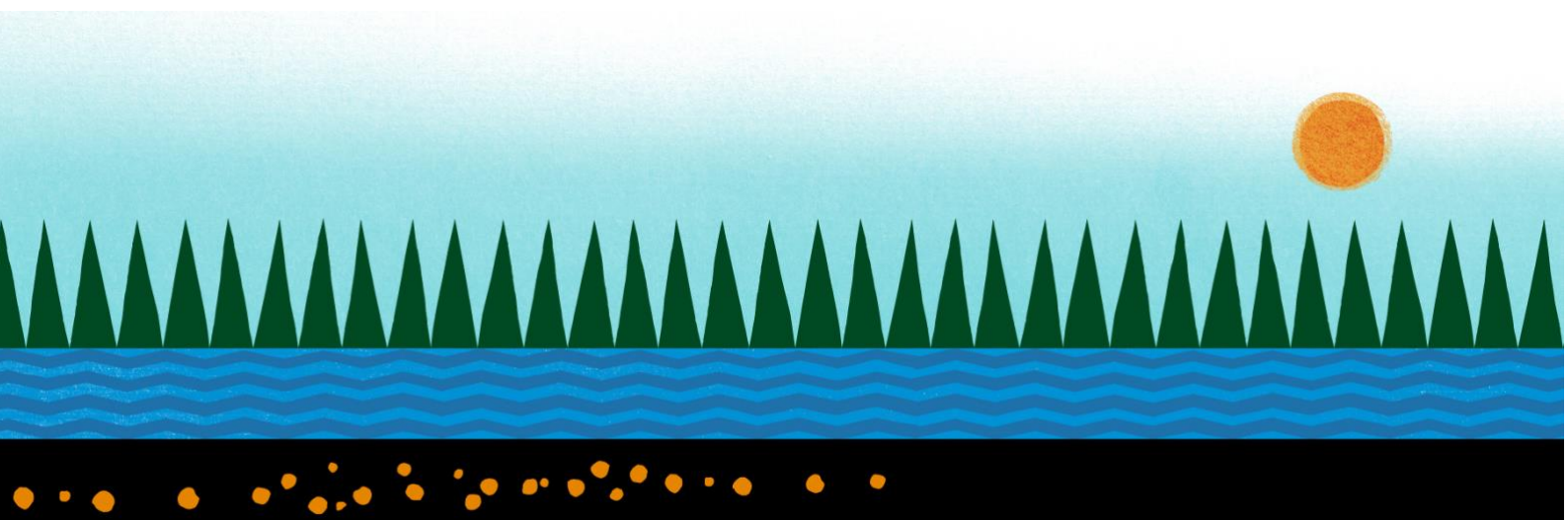
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Consolidated statement of changes in equity, IFRS

MEUR	Share capital	Other invested capital	Translation differences	Retained earnings	Total equity
Equity 1 January 2023	53.3	112.2	2.6	-132.0	36.3
Share issues					
Costs of the share issue					
Convertible loans converted into shares, LDA		1.4			1.4
Adjustment of retained earnings				0.1	0.1
Profit for the period				-3.3	-3.3
Other comprehensive income for the period			-0.4		0.4
Equity on 30 June 2023	53.3	113.6	2.2	-135.2	33.9

MEUR	Share capital	Other invested capital	Translation differences	Retained earnings	Total equity
Equity 1 January 2022	45.6	99.3	-0.1	-114.5	30.3
Share issues	7.2	0.8			8.0
Costs of the share issue		-0.1			-0.1
Profit for the period				-10.5	-10.5
Other comprehensive income for			3.1		3.1
Equity on 30 June 2022	52.8	100.0	3.0	-125.0	30.8

MEUR	Share capital	Other invested capital	Translation differences	Retained earnings	Total equity
Equity 1 January 2022	45.6	99.3	-0.1	-114.5	30.3
Share issues, initial public offering		13.8			13.8
Share issues, LDA	5.3				5.3
Share issue costs, initial public offering		-0.8			-0.8
Share issue costs, LDA		-0.2			-0.2
Shareholder investments		0.1			0.1
Conversion of convertible loans into shares, initial public offering	0.2				0.2
Convertible loans conversion into shares, LDA	2.2				2.2
Profit for the period				-17.5	-17.5
Other comprehensive income for the period			2.8		2.8
Equity on 31 December 2022	53.3	112.2	2.6	-132.0	36.3



Key figures, IFRS

MEUR	1.1.- 30.6.2023	1.1.- 30.6.2022	1.1.- 31.12.2022
Net result	-3.3	-10.5	-17.5
The weighted average number of shares in the calculation of earnings per share	9 481 440	235 174 635	6 470 323
Earnings per share	-0.35	-0.04	-2.70
Diluted adjusted number of shares	9 481 440	235 174 635	6 470 323
Diluted adjusted earnings per share*	-0.35	-0.04	-2.70
The number of shares outstanding at the end of the period	9 598 177	264 698 378	9 287 959

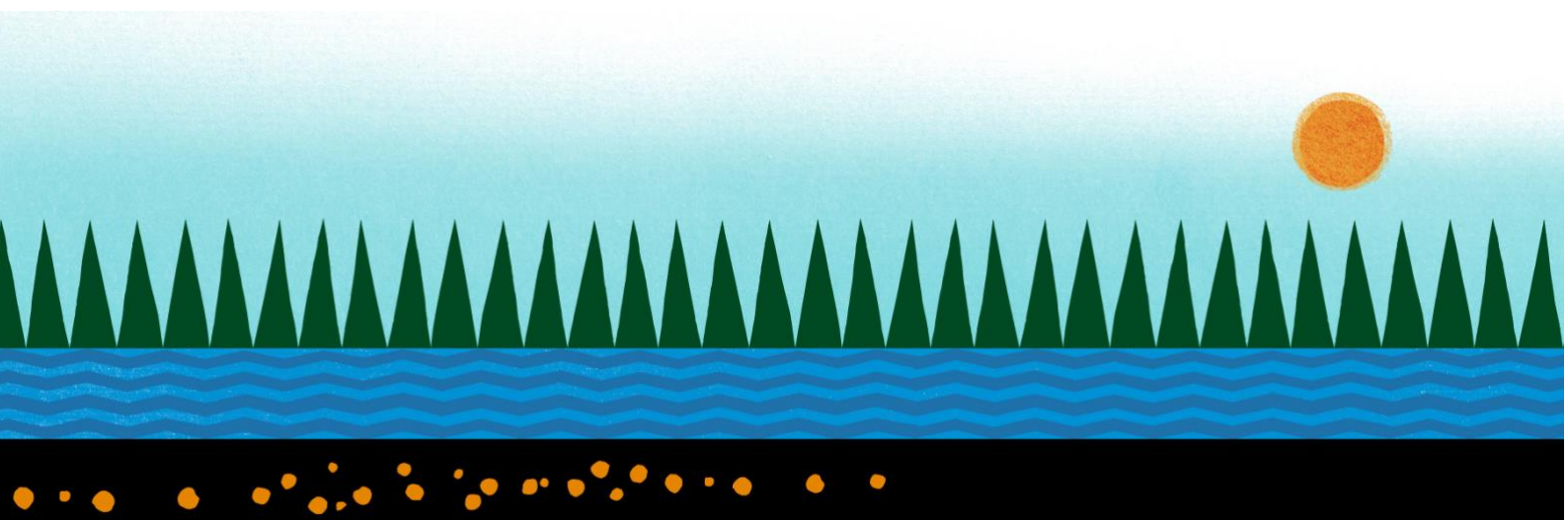
MEUR	1.1.- 30.6.2023	1.1.- 30.6.2022	1.1.- 31.12.2022
Interest-bearing net liabilities	11.6	14.9	6.9
Net gearing ratio, %	34.2 %	48.5 %	19.0 %
Equity ratio, %	64.6 %	56.3 %	66.0 %

Calculation formulas for key figures

Net gearing ratio-% = $100 * (\text{interest-bearing net liabilities} - \text{liquid cash assets}) / \text{equity}$

Equity ratio-% = $100 * \text{equity} / (\text{adjusted balance sheet total} - \text{advance payments based on work performed})$

*If the result is negative, the diluted earnings per share shall be equal to the undiluted earnings per share.



Notes

1. Accounting principles

The company prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU. The interim report for the period 1.1.2023–30.6.2023 has been prepared in accordance with IAS 34 (Interim Financial Reporting), and the interim report follows mainly the same preparation principles as the financial statements for 31.12.2022. Changes in the preparation principles are presented in Note 2 below. The figures presented in the interim report have not been audited.

The interim report is presented in millions of euros unless otherwise stated. All figures presented are rounded, so the sum of individual figures may differ from the sum presented.

2. Changes in the accounting principles

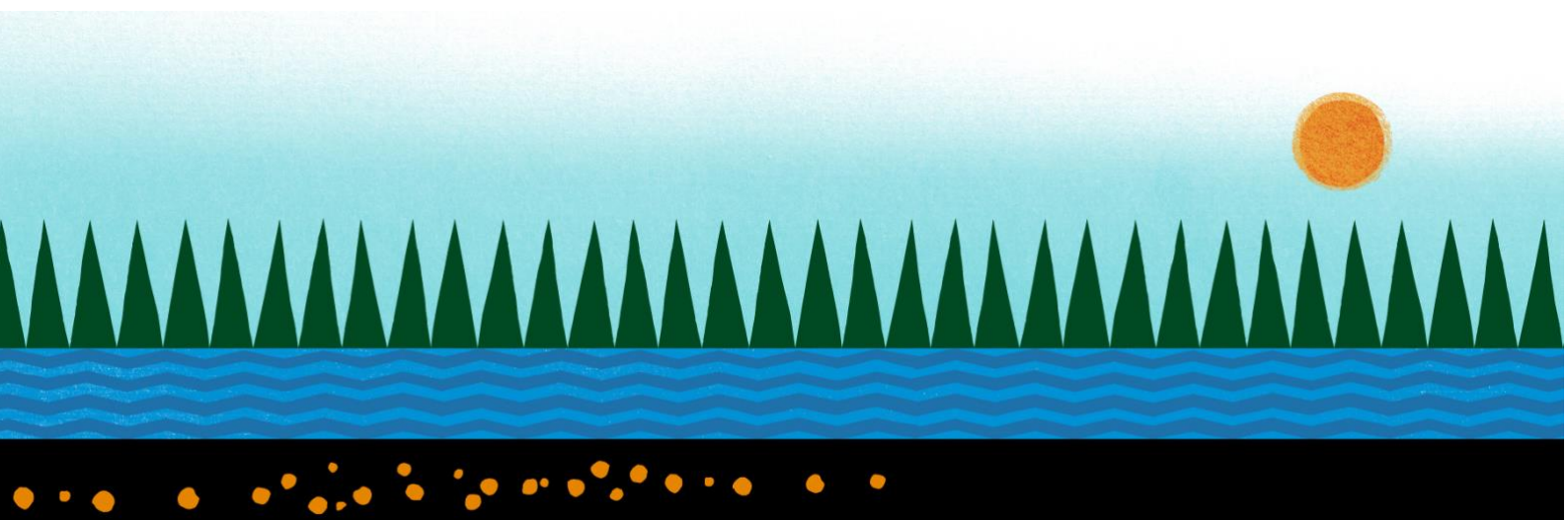
Endomines changed its segmental reporting starting from January 1, 2023. The new operating segments are Pampalo production, Karelian gold line, and USA operations. The Endomines group has previously formed a single operating segment. The performance of the segments is evaluated based on the result and is measured consistently with the consolidated financial statements and the internal reporting submitted to the highest operational decision-maker. The highest operational decision-maker of the Endomines group is the board of directors of Endomines Finland Plc.

Common operations, including group administration, include taxes and financial income, and expenses that are managed at the group level, as well as other items that cannot be directly allocated to segments. The accounting principles applied in segment reporting are consistent with the group's financial statement principles.

Endomines renewed its business strategy during 2022. According to the renewed strategy, Pampalo production and exploration in the Karelian gold line are at the center of operations, while in the USA operations, the focus is on finding a local partner and reorganising operations. Endomines has changed its reporting structure to reflect the company's strategy, organizational structure, and the way it evaluates its operating results and allocates resources. The Pampalo production segment forms the foundation of Endomines' business. It consists of underground mine and open pit operations, concentrator operations, and gold concentrate sales. The Karelian gold line segment consists of exploration in Finland. The USA operations segment consists of Endomines Idaho LLC's operations.

3. New accounting standards

Endomines has applied the amendments and annual improvements to the IFRS standards that came into effect on January 1, 2023. The amendments and annual improvements to the standards have not had a significant impact on the reported figures. Endomines applies the IFRS 17 Insurance Contracts standard from 1 January 2023. On January 1, 2023, the IFRS 17 standard replaced IFRS 4 Insurance Contracts standard. The IFRS 17 standard applies to all contracts in addition to insurance contracts. Compliance with the IFRS 17 standard does not have a significant impact on Endomines' reported figures.



4. Disaggregation of revenue

Revenue by segment

Revenue, MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Pampalo production	10.7	5.2	12.7
Karelian gold line	0.0	0.0	0.0
USA operations	0.0	0.4	0.7
Common functions and unallocated items	0.0	0.0	0.0
Group total	10.7	5.6	13.5

Revenue by segment

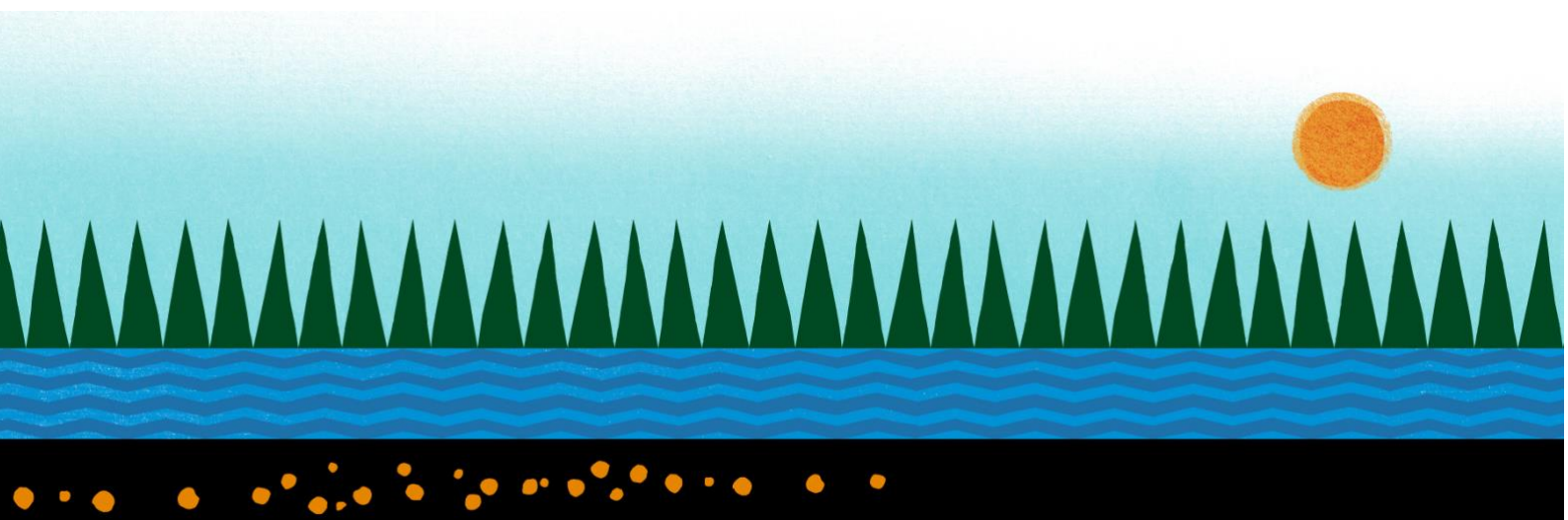
Gold concentrate sales outside the group, MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Pampalo production	10.7	5.2	12.7
Karelian gold line	0.0	0.0	0.0
USA operations	0.0	0.4	0.7
Common functions and unallocated items	0.0	0.0	0.0
Group total	10.7	5.6	13.5

External revenue by timing of revenue recognition

At a point in time, MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Pampalo production	10.7	5.2	12.7
Karelian gold line	0.0	0.0	0.0
USA operations	0.0	0.4	0.7
Common functions and unallocated items	0.0	0.0	0.0
Group total	10.7	5.6	13.5

External revenue by market region

Revenue, MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Finland	10.7	5.2	12.7
USA	0.0	0.4	0.7
Revenue total	10.7	5.6	13.5



5. Intangible assets

The technical feasibility and commercial viability of the Hosko exploration area has been demonstrated and, as a result, the capitalised exploration and evaluation expenditures for mineral resources related to the Hosko exploration area have been transferred to other intangible assets. The reclassification changes are shown in the table below. The reclassification has no impact on profit or loss.

Intangible assets, MEUR	Balance sheet value after reclassification on June 30, 2023	Balance sheet value before reclassification on June 30, 2023	Changes during the period 1.1.-30.6.2023	Balance sheet value on December 31, 2022
Exploration and evaluation expenses for mineral reserves	32.8	34.1	0.8	33.3
Other intangible assets	1.3	0.0	0.0	0.0
Total	34.1	34.1	0.8	33.3

An impairment test was carried out on the activated exploration and evaluation expenses for mineral reserves in the Hosko ore exploration area by comparing the fair value to the carrying amount. Based on the test, the recoverable amount exceeds the carrying amount, so there is no need to record an impairment loss.

6. The most significant risks and risk management

Through its activities, the Group is exposed to various financial risks, including market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit and counterparty risk, liquidity risk and cash flow risk.

- Market risk

The demand for produced gold on international markets affects the profitability of the group

- Currency risk

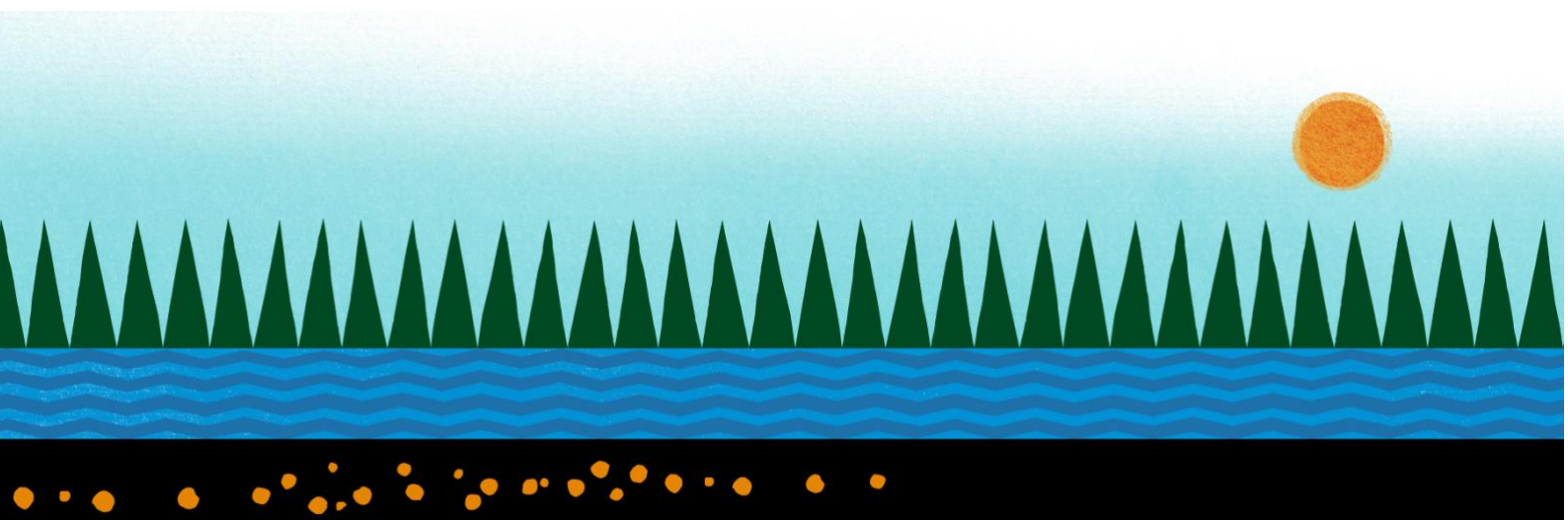
The Group operates internationally and is exposed to exchange rate risks in relation to the EUR/USD exchange rate. All gold concentrate invoicing is in USD, while production costs and internal financing of the group are in both EUR and USD. The exchange risk consists of transaction risk for contractual items and translation risk for the translation of the financial statements of a foreign subsidiary into euro. No currency hedging contracts were in force at the end of June.

- Interest rate risk

Interest rate risk describes the uncertainty of income, balance sheet, and cash flow due to changes in interest rates. Endomines has currently only entered into fixed-rate financing agreements.

- Cash flow and fair value interest rate risk

Endomines has established financing agreements with fixed interest rates



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- Price risk

The group is exposed to price risk mainly through fluctuations in the price of gold. The price of gold is determined daily by the London Bullion Market Association (LBMA). The company's exposure to price fluctuations can be limited to some extent by entering into hedging contracts concerning the price of gold. No hedging contracts were in place on the balance sheet date. In terms of financial instruments, the selection of counterparties has been based on the management's assessment of their reliability.

- Credit risk

Credit and counterparty risk refers to the risk that a counterparty to a transaction will not be able to fulfill its obligations, resulting in a loss for Endomines. In the case of Endomines, credit and counterparty risk is mainly affected by cash assets and credit exposures related to customers, including unpaid receivables and contractual transactions. To limit this risk, Endomines only accepts counterparties with a high credit rating. The counterparties for the group's cash assets are Nordea Bank in Finland and PlainsCapital Bank in the United States.

During the last two years, the group has had only three customers: Boliden Commercials AB and H&H Metals for flotation concentrate, and Rasmussen AS for gravimetric concentrate. The management has no reason to expect credit losses from these counterparties due to insolvency. Credit risk related to cash deposits is managed by the group's financial administration. The management does not expect credit losses from the counterparties to financial assets on the balance sheet.

- Liquidity risk

The company regularly assesses and monitors the adequacy of liquidity. The availability and flexibility of financing are ensured through sufficient cash reserves, shareholder financing (share issues), and committed financing. The assessment of financing needs has been based on an annual budget, a monthly updated financing forecast, and up-to-date cash flow planning.

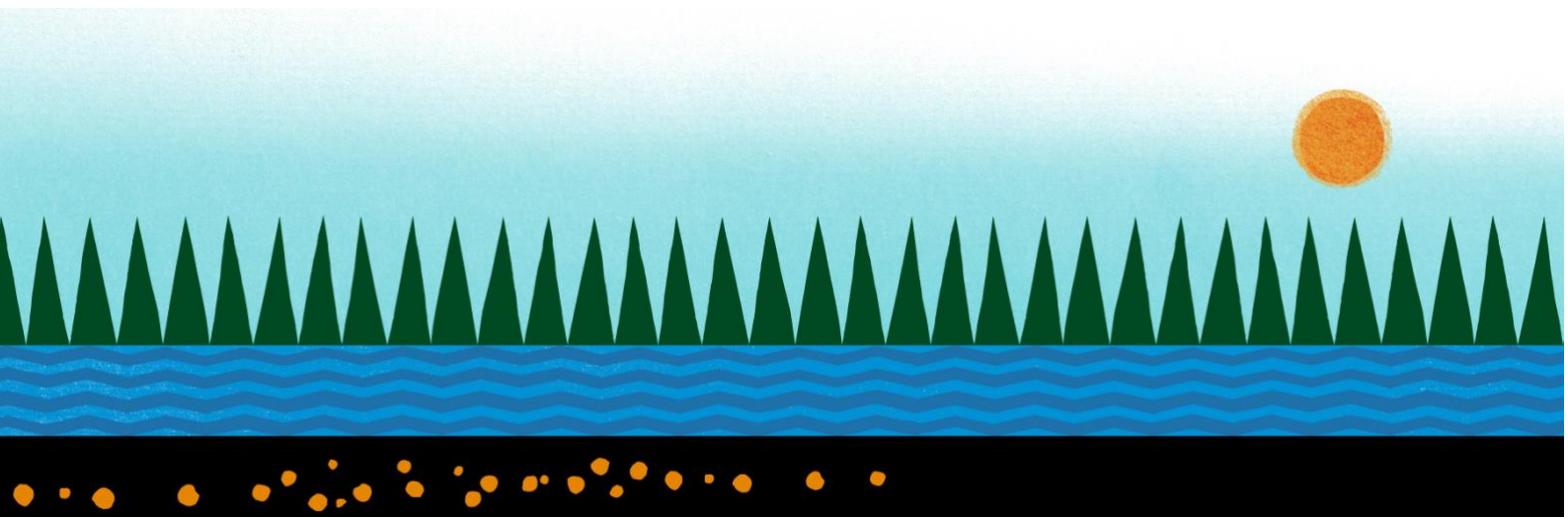
Information on balance sheet financial liabilities is broken down by the time remaining on the contract due date. Accounts payable and other financial liabilities are due within 30 days of the balance sheet date.

- Capital management

The group's goal of the group's capital management is to ensure normal operating conditions for the business, maintain an optimal capital structure, and minimize the cost of capital. The capital structure is primarily influenced by controlling investments and the amount of working capital tied up in business operations committed to the business. The group's capital structure is monitored, among other things, using the net debt ratio, which is calculated by dividing interest-bearing net debt by equity.

- Environment and permits

The company's operations depend on ore exploration, mining, and environmental permits, as well as other permits and rights. Its operations are subject to environmental risks and environmental requirements.

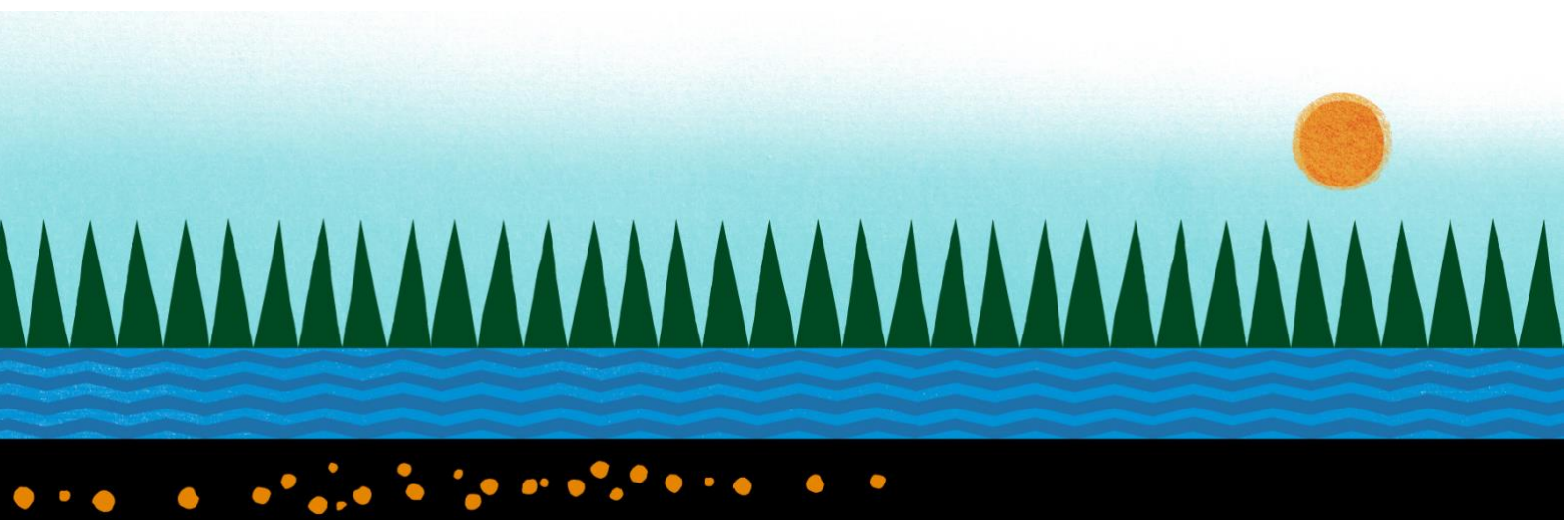


7. Financial assets and liabilities

MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Financial assets			
Current financial assets			
Accounts receivable and other receivables	2.0	1.9	1.9
Total financial assets recognised at amortised cost	2.0	1.9	1.9
Cash in hand and at banks	1.2	3.5	3.7
Total current financial assets	1.2	3.5	3.7
Total financial assets	3.2	5.4	5.6
Financial liabilities			
Non-current financial liabilities			
Convertible loans	12.1	15.7	10.4
Bonds	0.0	0.0	0.0
Lease liabilities	0.0	0.0	0.0
Other loans	0.0	0.2	0.0
Total non-current financial liabilities	12.1	15.9	10.4
Current financial liabilities			
Convertible loans	0.6	0.0	0.1
Bonds	0.0	0.5	0.0
Lease liabilities	0.0	0.2	0.0
Accounts payable and other liabilities	2.6	4.7	4.8
Total current financial liabilities	3.2	5.4	4.9
Total financial liabilities	15.3	21.3	15.3

8. Convertible loans

MEUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
Convertible loans, non-IFRS principle	13.0	15.8	10.8
IFRS adjustments	-0.3	-0.1	-0.4
Convertible loans, IFRS principle	12.7	15.7	10.4
Accrued interest of convertible loans	1.0	0.8	0.5
Total	13.7	16.5	10.9



10 largest shareholders on 30.6.2023

Name	Shares	% of shares and votes
Joensuun Kauppa Ja Kone Oy	1 763 013	18.37
Wipunen Varainhallinta Oy	776 875	8.09
Mariatorp Oy	774 375	8.07
K22 Finance Oy	346 029	3.61
Taloustieto Incrementum Oy	316 540	3.30
Transatlantic Mining Corporation	207 541	2.16
Vakuutusosakeyhtiö Henki-fennia	196 657	2.05
Eyemaker's Finland Oy	180 552	1.88
Kakkonen Kari Heikki Ilmari	170 613	1.78
Vikakono Oy	139 061	1.45

Webcast

A live webcast for analysts, investors, and the media will take place on 17 August 2023 at 15.00. The event will be held in Finnish, the presentation materials will be in English. The half-year report will be presented by Kari Vyhtinen, CEO, and Minni Lempinen, Acting CFO.

Participation in the event via [this link](#).

A recording of the webcast will be available later on the company's website at <https://endomines.com/en/frontpage/>

Investor calendar

25.9.2023 Endomines Roast on InderesTV

The 2024 financial reporting will be announced in a stock exchange release by the end of November 2023.

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