

RECOMMENDATION

Buy

AltynGold PLC (ALTN)

Upside: **38%**

Target Price: **£5.5**

Last price: **£4.0**

update

STOCK MARKET

DCF

Kazakhstan | Gold mining

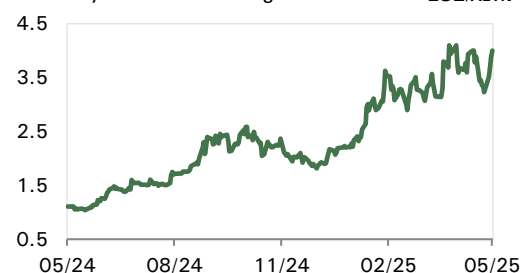
AltynGold PLC: Results for 2024



Revenue, 24 (million USD)	97
EBIT, 24 (million USD)	42
Net Income, 24 (million USD)	26
Net Debt, 24 (million USD)	50

P/E, 24 (x)	5.3x
P/BV, 24 (x)	1.7x
EV/S, '24 (x)	2.0x
ROA (%)	18%
ROIC (%)	34%
ROE (%)	37%
EBIT Margin (%)	44%

Market cap (million USD)	148
Shares issued (million units)	27.3
Free float (%)	30.2%
52-week min/max (GBP)	1.02-4.30
Current price (GBP)	4.0
Target Price (GBP)	5.5
Upside (%)	38%
Investment horizon	6-12 months
Planned price update frequency	Quarterly

Stock dynamics / exchange/ticker **LSE/ALTN**


Performance (%)	3 months	9 months	12 months
Absolute	13%	69%	262%
vs FTSE SmallCap	12%	69%	262%

AltynGold PLC released its financial report for 2024, along with operational results for Q1 2025. The company continues to demonstrate revenue growth, with a notable acceleration in 2025 due to increased production and a higher market price. EBITDA margin improved in 2024, alongside a slight reduction in production costs. The company has maintained high ore extraction volumes over the past 8 quarters, enhancing the reliability of future cash flows. We have updated our valuation model to reflect changes in the gold price, production costs, and cost of capital. As a result, our target price for AltynGold PLC shares is £5.5, implying 38% upside. Recommendation — “Buy.”

(+) Accelerating growth in 2025. Revenue for 2024 amounted to \$96.5 million, up 50% YoY, largely driven by a 21% YoY increase in the average gold price. The company also mined 7% more ore, with the average gold grade improving from 2.01 g/t to 2.1 g/t. Notably, in Q1 2025, ore extraction volumes accelerated further, up 34% YoY. The average gold grade declined slightly to 2.04 g/t. As a result — combined with a 36% YoY increase in the average market gold price — quarterly revenue reached a record \$25.3 million (+ 61% YoY).

(+) Significant improvement in margins. Gross margin increased from 36% to 51%, and EBITDA margin from 36.2% to 53.4%. Production costs rose by only 15%, contributing to the margin expansion. Alongside a 6% YoY decrease in administrative expenses, EBITDA more than doubled, growing by 121% YoY. Net profit amounted to \$26.4 million, or \$0.97 per share (+ 133% YoY). Unit operating cash cost fell from \$1,041 to \$992 per ounce, and all-in sustaining cost declined from \$1,255 to \$1,162 per ounce. The company reported the best annual free cash flow in its history, increasing from -\$26.3 million to \$7.5 million.

Our opinion and valuation model changes. The company delivered solid 2024 results, slightly improving already strong operational performance. In 2025, ore production continued to grow, remaining at the levels of Q3 and Q4 2024. Therefore, we expect production volumes to rise in 2025, which — coupled with higher gold prices — should drive substantial revenue growth. In our valuation model, we raised the long-term forecast for the gold price. We also slightly lowered cost estimates, but increased the WACC. As a result, the updated valuation for AltynGold PLC is £5.5 per share, implying 38% upside from the latest market price. Recommendation — “Buy.”

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Appendix

Illustration 1. Key changes in the latest version of the valuation model

Changes	Date of valuation		Change, %	Comments
	02.08.2024	26.05.2025		
WACC, %	14.8%	15.2%	+ 0.4 pp	Increase in equity risk premium and risk-free rate
Unit cash cost of production, 2025, \$/oz	1,255	1,162	-7.4%	Decrease in unit cash cost of production in 2024 relative to 2023
Long-term forecast price of gold, \$/oz	2,000	2,700	+ 35%	Increase in gold market price relative to previous version of valuation model

Freedom Broker estimates

Illustration 2. Previous recommendations and price targets from Freedom Broker. (B - "buy", H - "hold", S - "sell")

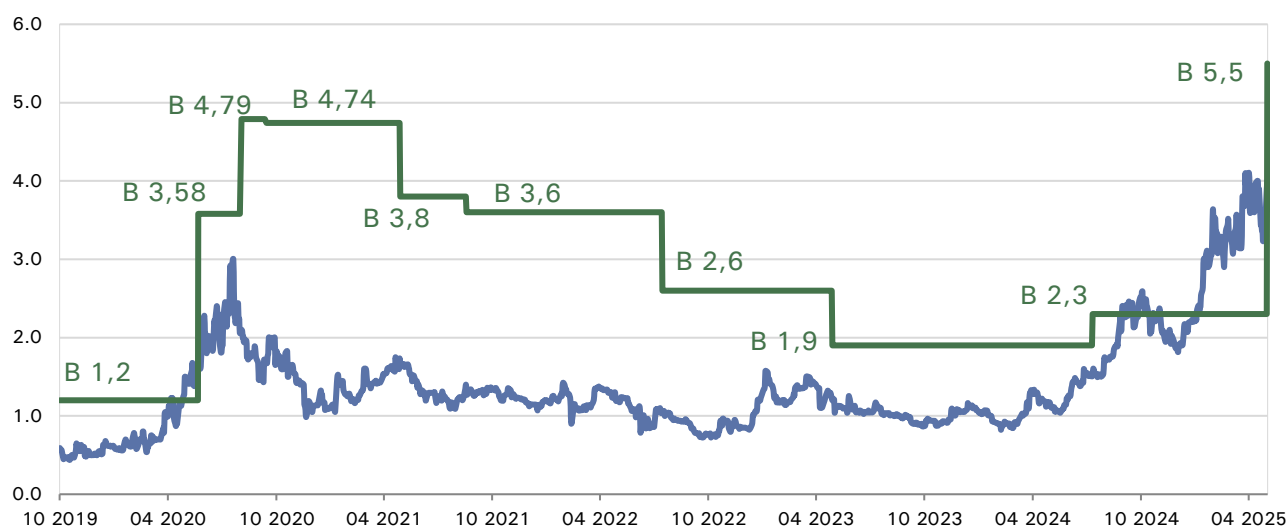


Illustration 3. P/E and EV/EBITDA multiples according to Freedom Broker estimates

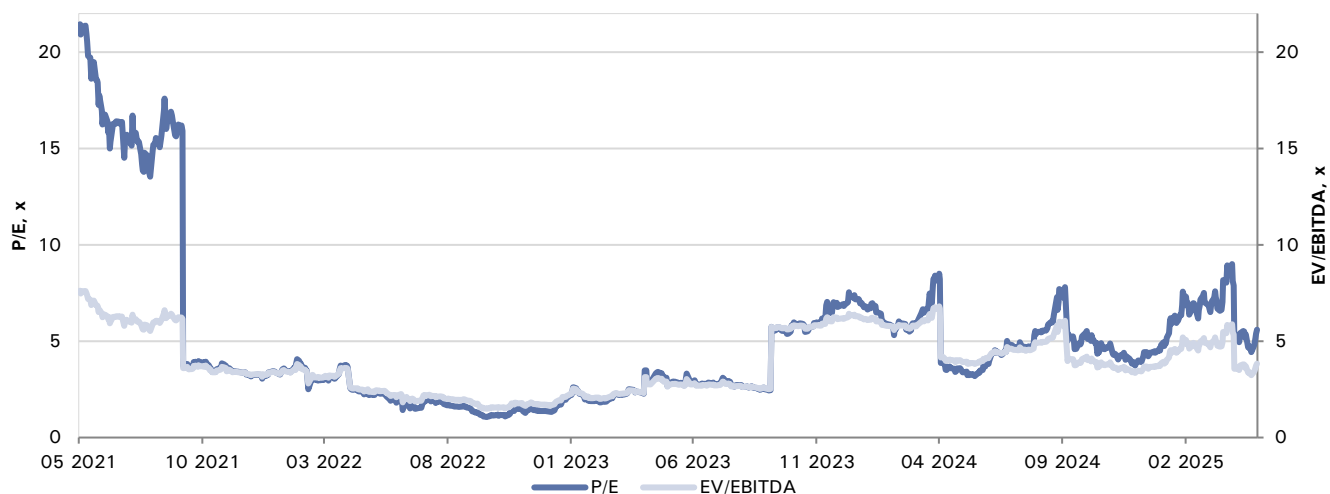


Illustration 4. Current Rating Percentage from Freedom Broker for KASE securities

Recommendation	Quantity	Percentage
Buy	7	70%
Hold	2	20%
Sell	1	10%

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- Buy: A stock that, at the time of rating, is expected to increase in price by more than 20 percent over the next 6-12 months.
 - Hold: A stock that, at the time of rating, is expected to move in price in the range of minus 10 percent to plus 10 percent over the next 6-12 months.
 - Sell: A stock that, at the time of rating, is expected to decline in price by more than 10 percent over the next 6-12 months.
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