

RECOMMENDATION

Buy

AltynGold PLC (ALTN)

Upside: **32%**
Target Price: **GBP 14.9**
Last price: **GBP 11.25**

STOCK MARKET

Equity Valuation | DCF
Kazakhstan | Gold Production



FLASHNOTE/UPDATE

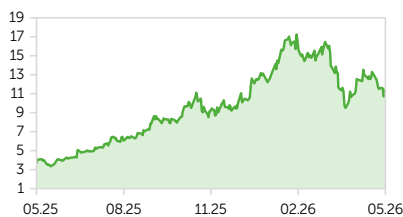
AltynGold PLC: 2025 - Performance Summary

Revenue, '25 (USD million)	175
EBITDA, '25 (USD million)	85
Net Profit, '25 (USD million)	62
Au Production, '25 (USD million)	18

P/E, '25 (x)	6,6x
EV/EBITDA, '25 (x)	2,7x
EV/S, '25 (x)	4,2x
ROA (%)	40%
ROE (%)	64%
ROIC (%)	76%
EBIDTA margin (%)	58%

Market Cap (USD million)	411
Shares Issued (Million)	27,33
Outstanding (%)	30,2%
52-Week Min/Max (USD)	3,19-17,85
Current Price (USD)	11,25
Target Price (USD)	14,9
Upside Potential (%)	32%
Investment Horizon	6-12 months
Planned Price Update Frequency	ежеквартально

Stock Performance | Exchange/Ticker LSE/ALTN



Yield (%)	3 months	9 months	12 months
Absolute	-26%	21%	113%
vs FTSE SmallCap	-25%	17%	197%

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AltynGold PLC has published its full-year 2025 performance report. The company continues to demonstrate growth across all financial metrics, driven by increased production, the processing plant reaching its design capacity of 1 million tonnes per annum, and the market price of gold. Revenue, EBITDA, net profit and free cash flow have reached all-time highs, and margins have continued to improve. In our valuation model, we have updated the forecast gold prices upwards, factored in the reduction of net debt, and slightly raised the expected ore production level. As a result, the target price for one share of AltynGold PLC stands at **GBP 14.9**, implying an upside potential of **32 %**. The recommendation is **Buy**.

Core Valuation Factors. The primary valuation driver is the favourable pricing environment in the gold market: the average selling price amounted to \$3,474 per ounce in 2025, while at the time of this report's publication, gold is trading at around \$4 600 per ounce – 32 % above the annual average level. This creates a solid foundation for revenue growth in 2026, even with stable production volumes. The second catalyst is the potential expansion of processing capacity at Sekisovskiy from 1 million to 2–2.5 million tonnes per annum, with gold production expected to exceed 100 thousand ounces in the medium term. The third factor is the progress of Teren-Say towards obtaining a production licence by the end of 2026. Importantly, the ore can be processed at the existing facility without capital expenditures on new infrastructure. The main risk is the limited term of the mining licence for Sekisovskiy, which expires in 2029. Without renewal of the licence or the timely launch of Teren-Say, the terminal value in the DCF model would be significantly constrained. The second risk is a decline in gold grade from 2.29 to 2.05 g/t and an increase in AISC to \$1,562 per ounce (+19% YoY). This reflects the transition to design capacity and inflation in contracting costs. If gold grade continues to decline, unit costs will rise at a faster pace. Additionally, the company plans to invest \$95 million between 2026 and 2028. Combined with debt repayment, this may limit the dividend potential over the next 1–2 years.

(+) Record-Breaking Revenue and Production Figures. Revenue for 2025 amounted to \$175.4 million, representing an 82% YoY increase. This growth was driven by the combined effect of two key factors: the average selling gold price increased by 42% YoY to \$3,474 per ounce and the volume of gold sold rose by 30% YoY to 50.4 thousand ounces. Ore production increased by 23% to 926 thousand

tonnes, gold production rose by 44% to 53.9 thousand ounces, and ore processing volumes grew by 63% to 967 thousand tonnes. Full-year production exceeded management's target of 50 thousand ounces. Meanwhile, the gold grade in ore declined from 2.29 to 2.05 g/t.

(+) Continued Improvement in Margins. The company's gross margin expanded from 51% to 55%, while the EBITDA margin increased from 53% to 58%. Cost of goods sold (COGS) rose by 67% YoY, primarily driven by higher contract services costs, depreciation, and mining tax. AISC unit cost increased from \$1,318 to \$1,562 per ounce, and operating cash cost increased from \$992 to \$1,252 per ounce. However, this cost increase was more than offset by the rise in the gold price. As a result: EBITDA surged by 99% YoY to \$101.4 million and net profit reached \$62 million, or \$2.27 per share (+135 % YoY). Free cash flow (FCF) for the year grew 4.6-fold, enabling the company to finance capital expenditures (capex) of \$19.8 million, achieve net debt repayment of \$23.6 million, which led to a 2.7-fold reduction in net debt.

Our Opinion. SAltynGold PLC has published a positive full-year 2025 report, setting new records. We expect further improvement in key performance indicators in 2026, driven by rising gold prices and the management's production guidance of 52–55 thousand ounces. In our valuation model, we have: raised the forecast gold price; lowered the net debt level; slightly increased the forecasted ore extraction and gold production volumes. As a result, the updated valuation of AltynGold PLC stands at **GBP 14.9**, implying an **upside potential of 32%** relative to the latest market price. **Recommendation: Buy.**

APPENDIX

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

Changes in Assumptions	Valuation Date		Growth, %	Remarks
	06-OCT-2025	04-MAY-2026		
Ore production, 2026, thousand tons	926	960	+3,7%	Improved production volumes in recent quarters
Net debt, \$ million	34	18	-47%	Actual reduction in net debt at the end of 2025
Gold price forecast, 2026, \$/oz.	3500	4500	+29%	Increase in the market price of gold compared to the previous version of the valuation model

Illustration 2. Previous recommendations and target prices by Freedom Broker.
(B - "buy", H - "hold", S - "sell")

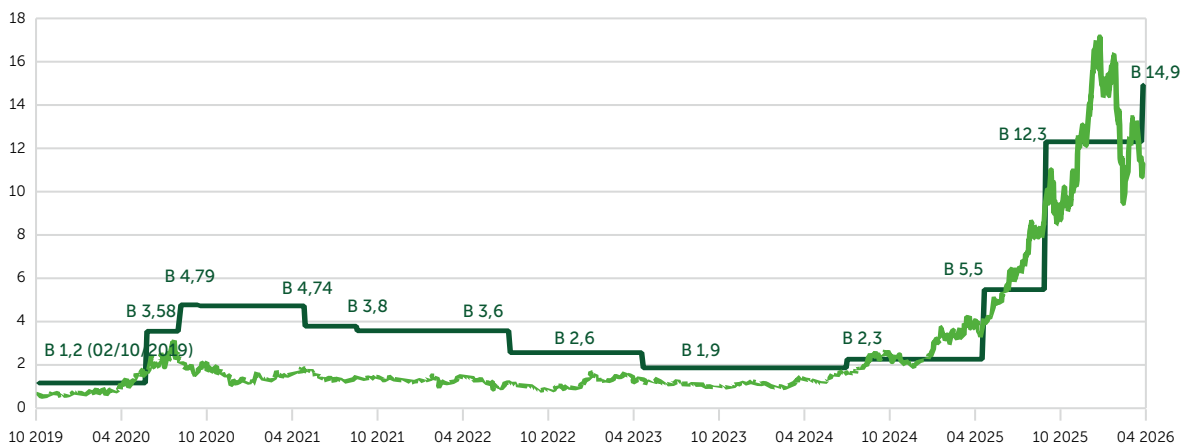


Illustration 3. Figure 3. P/E and EV/EBITDA price multiples based on Freedom Broker's calculations

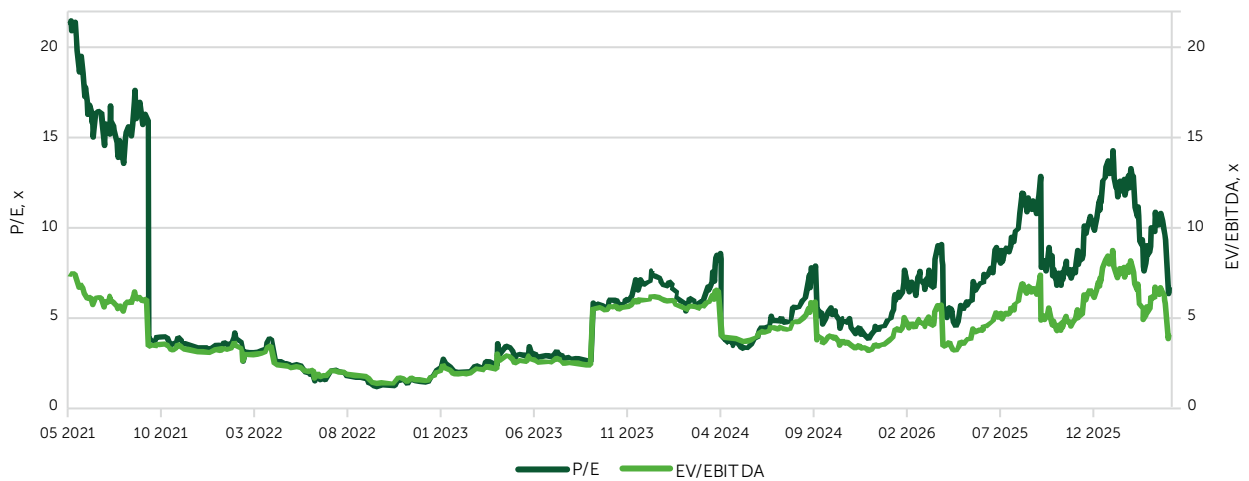


Illustration 4. Figure 4. Percentage of current Freedom Broker ratings for KASE index companies

Recommendation	Quantity	Percentage
Buy	3	30%
Hold	6	60%
Sell	1	10%

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Rating system

- 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.