

# Deutsche Rohstoff AG

Germany / Energy  
 Frankfurt  
 Bloomberg: DR0 GR  
 ISIN: DE000A0XYG76

2022 annual report

**RATING** **BUY**  
**PRICE TARGET** **€ 40.00**  
 Return Potential 47.1%  
 Risk Rating High

## STRONG Q1 VOLUME/NEW DRILLING DRIVES GUIDANCE UPGRADE

DRAG's annual report published on 26 April confirmed the preliminary figures released on 10 March. The most important new element in the annual report is an upward revision to 2023 and 2024 guidance. The last guidance update before publication of the annual report was on 12 December. New base case revenue and EBITDA guidance numbers for 2023 are respectively 7% and 4% above the previous figures. 2024 revenue and EBITDA guidance numbers are now €170m-€190m and €18m-€145m respectively (previously: >€120m and >€100m respectively). EBITDA guidance rises less strongly than revenue guidance because the new base case scenario is based on a gas price of USD3/MMBtu (previously: USD4/MMBtu) in both years. The oil price assumption is unchanged at USD75/barrel for both years. Oil and gas respectively accounted for 53% and 30% of group volume in 2022 with natural gas liquids making up the balance. The increase in guidance for both 2023 and 2024 is based primarily on higher volume expectations. As DRAG reported on 11 April, Q1/23 production was ca. 7% above expectations. The strong performance was driven mainly by the Knight pad and the Occidental JV where output was respectively 15% and 25% above the reserve estimate. The full Q1/23 report is due later this month. 2024 volume guidance has received a further boost from the announcement in the annual report that DRAG's subsidiary, 1876 Resources (formerly Cub Creek), plans to drill a further six gross wells (90% working interest) in Wyoming. We have incorporated the new guidance into our own forecasts and now see fair value for the DRAG share at €40.0 (previously: €38.0). We maintain our Buy recommendation.

**Knight pad/Occidental JV main drivers of strong Q1 production figure** The Knight pad came online in November 2021. Its output peaked in spring last year. We estimate that on a net basis (net working interest, after deduction of royalties), the pad accounted for ca. 75% of DRAG's oil production in Q2/22. Given the Knight pad's importance, a favourable deviation from typical output decline rates has a significant positive impact on overall production. (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2019	2020	2021	2022	2023E	2024E
Revenue (€m)	41.20	38.68	73.32	165.44	163.93	170.40
Y-o-y growth	-62.2%	-6.1%	89.5%	125.6%	-0.9%	4.0%
EBITDA (€m)	22.73	23.93	66.06	139.09	121.98	127.21
EBITDA margin	55.2%	61.9%	90.1%	84.1%	74.4%	74.6%
Net income (€m)	0.31	-15.51	24.79	60.77	52.71	50.89
EPS (diluted) (€)	0.06	-3.13	5.00	12.15	10.53	10.17
DPS (€)	0.10	0.00	0.60	1.30	1.30	1.30
FCF (€m)	-14.79	-22.73	0.63	60.27	-41.07	12.02
Net gearing	75.9%	202.6%	100.2%	33.0%	50.8%	38.1%
Liquid assets (€m)	66.64	22.82	23.49	54.20	16.73	22.25

### RISKS

Risks include negative movements in the oil price and other raw materials prices, dry well risk, mechanical failure, loss of key personnel.

### COMPANY PROFILE

Deutsche Rohstoff AG (DRAG) is a resources company with a portfolio of properties in oil/gas and so-called high tech metals such as tin and tungsten. The business model is based on production in well-explored areas in politically stable countries. DRAG is based in Mannheim, Germany.

### MARKET DATA

As of 03 May 2023

Closing Price	€ 27.20
Shares outstanding	5.00m
Market Capitalisation	€ 136.09m
52-week Range	€ 20.10 / 33.10
Avg. Volume (12 Months)	11,917

Multiples	2022	2023E	2024E
P/E	2.2	2.6	2.7
EV/Sales	1.2	1.2	1.1
EV/EBITDA	1.4	1.6	1.5
Div. Yield	4.8%	4.8%	4.8%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Dec 2022

Liquid Assets	€ 54.20m
Current Assets	€ 87.81m
Intangible Assets	€ 33.65m
Total Assets	€ 350.33m
Current Liabilities	€ 49.94m
Shareholders' Equity	€ 132.37m

### SHAREHOLDERS

Management	10.0%
Institutional shareholders	19.0%
Free float	71.0%



The Knight pad was the main driver of the positive volume surprises seen in October and November 2022 and also a significant contributor to the better than expected output in Q1/23. The first six wells in the Salt Creek subsidiary's joint venture with Occidental began production in September last year. Production at both the Knight pad and the Occidental JV benefitted from constant monitoring and operational measures taken to raise output such as use of chokes and additional compression. Production at the Occidental JV may also have been above volume indicated by the reserve report because experience in the Powder River Basin is limited and so projections in the reserve report are conservative.

Figure 1 below compares DRAG's current guidance with the previous guidance update of 12 December 2022 and also shows revisions to our forecasts. DRAG has also provided a higher commodity price scenario based on oil at USD85/barrel. However, given that the oil futures strip currently averages USD72 for 2023 and USD67 for 2024, we have not focused on this.

**Figure 1: DRAG guidance and First Berlin forecasts**

€m	DRAG 12.12.22 (base case)	DRAG 26.04.23 (base case)	% Δ vs. base case 12.12.22	FB Forecast		New FB f/cast vs. DRAG base case	New vs. Old FB f/cast
				23.03.23	03.05.23		
2023 volume (boepd)	n.a.	11,000-12,000	n.a.	10,137	11,640	1.2%	14.8%
2024 volume (boepd)	n.a.	+10-15% vs 2023	n.a.	10,105	12,967	0.2%	28.3%
2023 revenue	140-160	150-170	6.7%	158	164	2.5%	3.8%
2023 EBITDA	110-125	115-130	4.4%	121	122	-0.4%	0.8%
2024 revenue	>120	170-190	n.a.	149	170	-5.3%	14.4%
2024 EBITDA	>100	130-145	n.a.	115	127	-7.5%	10.6%
2023 oil price assumption (USD)	75.00	75.00	0.0%	71.12	72.01	-4.0%	1.2%
2023 gas price assumption (USD)	4.00	3.00	-25.0%	3.01	2.79	-6.9%	-7.2%
2024 oil price assumption (USD)	75.00	75.00	0.0%	67.37	66.69	-11.1%	-1.0%
2024 gas price assumption (USD)	4.00	3.00	-25.0%	3.66	3.52	17.5%	-3.7%
2023 USDEUR exchange rate	0.89	0.89	0.0%	0.93	0.92	2.5%	-1.1%
2024 USDEUR exchange rate	0.89	0.89	0.0%	0.92	0.91	1.6%	-1.2%

Source: DRAG; First Berlin Equity Research estimates

**We estimate that for 2023 41% of oil and 20% of gas production is hedged** DRAG lost €38.6m on hedging in 2022 because of large gaps between the average commodity prices and the level of its hedges. Last year the oil price (West Texas Intermediate) averaged USD94.90 while we estimate that the average level of the company's hedges (which covered ca. 50% of production) were USD63/barrel. For gas we estimate that around 30% of production was hedged at ca. USD3.10/MMBtu. The average gas price in 2022 was over USD6/MMBtu.

As figure 2 shows, the gaps between DRAG's hedges and the commodity strips are much smaller for 2023 and 2024 than in 2022. At current commodity prices, we expect DRAG to make profits on its hedging contracts in 2023 and 2024.

Based on details of hedging contracts published in the 2022 annual report, we estimate that 41% of DRAG's 2023 oil production is hedged and 11% of 2024 oil production. For gas these figures are 20% and 4% respectively. Management has indicated that the proportion of hedged output will rise as additional production comes on line.

**Figure 2: Forecast 2023/24 oil and gas hedging gains/losses**

	2023E	2024E
Av EURUSD	1.09	1.10
<b>Oil volume (BOE)</b>	<b>2,214,671</b>	<b>2,458,595</b>
% total	52.1%	51.8%
Hedged bbl	900,500	266,500
% hedged	40.7%	10.8%
Average hedging price (USD/bbl)	75.02	73.67
Unhedged bbl	1,314,171	2,192,095
Mkt price/NYMEX futures strip (USD/bbl)	72.01	66.69
Realised price before hedges (USD/bbl)	69.23	63.45
Gain/loss on hedges (USD/bbl)	1.23	0.76
<b>Realised price after hedges (USD/bbl)</b>	<b>70.46</b>	<b>64.20</b>
<b>Realised price after hedges (€/bbl)</b>	<b>64.49</b>	<b>58.27</b>
hedge gain/loss (€)	2,486,313	1,687,306
hedge gain/loss (USD)	2,716,297	1,859,243
<b>Gas volume (BOE)</b>	<b>1,492,001</b>	<b>1,689,461</b>
% total	35.1%	35.6%
Gas volume (MMBtu)	9,220,564	10,440,868
Hedged MMBtu	1,844,500	438,250
% hedged	20.0%	4.2%
Hedged mcf	1,790,777	425,485
Average hedging price (USD/MMBtu)	3.74	3.86
Unhedged MMBtu	7,376,064	10,002,618
Mkt price/NYMEX futures strip (USD/MMBtu)	2.79	3.52
Realised price before hedges (USD/MMBtu)	2.54	3.27
Gain/loss on hedges (USD/MMBtu)	0.19	0.01
<b>Realised price after hedges (USD/MMBtu)</b>	<b>2.73</b>	<b>3.29</b>
<b>Realised price after hedges (€/bbl)</b>	<b>2.50</b>	<b>2.98</b>
hedge gain/loss (€)	1,594,049	134,212
hedge gain/loss (USD)	1,741,499	147,888
<b>NGL volume (BOE - unhedged)</b>	<b>541,803</b>	<b>597,852</b>
% total	12.8%	12.6%
<b>Realised price before/after hedging (USD/bbl)</b>	<b>30.77</b>	<b>27.78</b>
<b>Realised price before/after hedging (EUR/bbl)</b>	<b>28.16</b>	<b>25.21</b>
<b>All commodities realised price after hedging (USD/BOE)</b>	<b>46.58</b>	<b>43.99</b>
<b>All commodities average realised after hedging (EUR/BOE)</b>	<b>42.64</b>	<b>39.93</b>
<b>Total hedge gain/loss (€)</b>	<b>4,080,362</b>	<b>1,821,518</b>
<b>Total hedge gain/loss (USD)</b>	<b>4,457,796</b>	<b>2,007,131</b>

Source: DRAG; First Berlin Equity Research estimates

**Wyoming gas infrastructure acquisition generates fee income/reduces costs** On 2 May DRAG announced that 1876 Resources had acquired 59.3 kilometers of gas pipeline and surface tanks on its Powder River Basin acreage in Wyoming. The purchase price is USD14m. The pipeline connects all of 1876 Resources' existing well pads and gathers other operated gas production in the region. The pipeline currently has capacity of 5,000mcf or 833boe/day but this can be doubled in the near-term. DRAG expects the acquisition to generate annual combined fee revenue and cost savings of USD3-4m. The expansion of oil and gas production in the Powder River Basin is expected to continue and 1876 plans to invest a further USD4m to grow annual fee revenue and cost savings to over USD6m.

**CAPEX guidance for 2023/24 raised from €133m to €200m** DRAG has updated its CAPEX guidance for 2023 and 2024. While indicating potential for further drilling in 2024/25, the company's March 2023 presentation showed total CAPEX for 2023 and 2004 of €133m with €98m scheduled for 2023 and €35m for 2024. Management is now guiding towards a total of ca. €200m with €110m-€120m slated for 2023 and €80m-€90m for 2024.



Plans for DRAG's 1876 Resources subsidiary to drill a further six gross wells (90% working interest) in Wyoming in addition to the already scheduled five wells (80% working interest) account for the increase. The numbers shown in figure 3 below show only upstream CAPEX programmes. They do not include infrastructure spending in Wyoming. This is included in the CAPEX figures shown in figure 4 below.

**Figure 3: 2023/24 upstream CAPEX programmes**

(EURm)	2023	2024
<b>Total</b>	<b>122</b>	<b>80</b>
<b>of which:</b>		
1876 Resources 11-well drilling programme in Wyoming	60	36
Salt Creek participation in 25 Occidental wells in Wyoming	53	44
Salt Creek participation in partner-operated wells in Utah	9	0

Source: DRAG; First Berlin Equity Research estimates

As figure 4 shows, DRAG has succeeded in substantially deleveraging its balance sheet over the past two years. Net gearing fell from over 200% at the end of 2020 to 33% at the end of 2022. We also note, that on our current assumptions and despite the expanded CAPEX programme, net gearing will be a manageable 38% at the end of 2024.

**Figure 4: Evolution of DRAG's net debt position**

€000's	FY/20	FY/21	9M/22	FY/22	FY/23E	FY/24E
Cash at bank	8,210	12,700	25,879	47,479	10,015	15,533
Securities classified as current assets	14,606	10,792	8,405	6,717	6,717	6,717
<b>Total liquid assets</b>	<b>22,816</b>	<b>23,492</b>	<b>34,284</b>	<b>54,196</b>	<b>16,732</b>	<b>22,250</b>
Securities classified as non-current assets	13,214	13,630	9,567	12,048	12,048	12,048
<b>Total cash, current/non-current securities</b>	<b>36,030</b>	<b>37,122</b>	<b>43,851</b>	<b>66,244</b>	<b>28,780</b>	<b>34,298</b>
Bonds	114,419	97,761	109,815	109,815	100,000	100,000
Bank liabilities	13,962	19,631	26	77	20,000	20,000
<b>Total interest bearing debt</b>	<b>128,381</b>	<b>117,392</b>	<b>109,841</b>	<b>109,892</b>	<b>120,000</b>	<b>120,000</b>
Equity	45,589	80,074	134,995	132,365	179,674	225,056
<b>Net interest-bearing debt</b>	<b>92,351</b>	<b>80,270</b>	<b>65,990</b>	<b>43,648</b>	<b>91,220</b>	<b>85,702</b>
<b>Net gearing</b>	<b>202.6%</b>	<b>100.2%</b>	<b>48.9%</b>	<b>33.0%</b>	<b>50.8%</b>	<b>38.1%</b>
<b>Op. cashflow before working cap. expenditure</b>	<b>11,279</b>	<b>44,915</b>	<b>112,354</b>	<b>126,847</b>	<b>102,479</b>	<b>106,464</b>
Cash inflow/(outflow) from working capital	2,712	6,907	-4,303	15,885	-3,732	1,358
<b>Op. cashflow after working cap. expenditure</b>	<b>13,991</b>	<b>51,822</b>	<b>108,051</b>	<b>142,732</b>	<b>98,747</b>	<b>107,822</b>
Investments in intangibles	-6,110	-10,953	2,063	-6,034	-5,000	-5,000
Investments in PPE	-30,731	-41,876	-72,287	-82,915	-134,815	-90,800
Other cashflow from investing	-11,889	23,483	5,012	16,785	0	0
<b>Cashflow from investing activities</b>	<b>-48,730</b>	<b>-29,346</b>	<b>-65,212</b>	<b>-72,164</b>	<b>-139,815</b>	<b>-95,800</b>
<b>Cashflow after investing</b>	<b>-34,740</b>	<b>22,477</b>	<b>42,839</b>	<b>70,568</b>	<b>-41,068</b>	<b>12,022</b>

Source: DRAG; First Berlin Equity Research estimates



Figure 5: Changes to our forecasts

All figures in € 000s	2023E		Δ	2024E		Δ
	New	Old		New	Old	
Volume (boepd)	11,640	10,137	14.8%	12,967	10,105	28.3%
Revenue	163,927	157,677	4.0%	170,405	149,479	14.0%
EBITDA	121,983	120,815	1.0%	127,206	114,637	11.0%
Dep. and amort.	48,857	46,353	5.4%	54,578	46,610	17.1%
Op. income (EBIT)	73,125	74,462	-2%	72,628	68,027	7%
Net financial result	-5,250	-5,250	n.a.	-6,950	-6,000	n.a.
Pre-tax income (EBT)	67,875	69,212	-1.9%	65,678	62,027	5.9%
Income taxes	-14,254	-14,535	n.a.	-13,792	-13,026	n.a.
Net before mins.	53,621	54,678	-1.9%	51,886	49,001	5.9%
Minority interests	-912	-773	n.a.	-995	-529	n.a.
Net inc. after mins.	52,709	53,905	-2.2%	50,891	48,473	5.0%
EPS (€)	10.53	10.79	-2.3%	10.17	9.70	4.9%

Source: First Berlin Equity Research estimates

Figure 5 above shows changes to our forecasts. For both 2023 and 2024 changes to our revenue forecasts are lower than changes to our volume forecasts because of declines in the forecast realised oil price.

Figure 6: Realised oil price forecast

	2022A	2023E	Δ vs. 2022	2024E	Δ vs. 2023
Oil €/barrel	72.71	64.49	-11.3%	58.27	-9.7%

Source: First Berlin Equity Research estimates

**Price target raised from €38.0 to €40.0. Buy recommendation maintained** In our reports up to 23 March this year we based our valuation of DRAG only on existing wells and current and announced projects. Our 23 March report was the first to take into account development of all DRAG's proven reserves. In the 23 March report we included six Wyoming wells under other proven reserves. Now that the drilling of these wells has been announced, we transfer them from other proven reserves to 1876 Resources. The increase in our price target from €38.0 to €40.0 arises because higher than expected volume growth outweighs the reduction in our commodity price assumptions shown in figure 1. We maintain our Buy recommendation.

Figure 7: Changes to our valuation model

€m	New	Old	% Δ
DCF valuation 1876 Resources (DRAG's stake 97.67%)	136.5	127.1	7.4%
DCF valuation Elster Oil & Gas (DRAG's stake: 93.0%)	14.5	14.1	3.0%
DCF valuation Salt Creek Oil & Gas/Bright Rock Energy (DRAG's stakes: 100.0%/ 98.49%)	46.5	33.3	39.5%
Other proven reserves (DRAG's stake:100%)	36.0	51.3	n.a.
PV11 hedging gains/(losses)	4.3	3.6	n.a.
<b>Subtotal: US oil and gas activities</b>	<b>237.7</b>	<b>229.5</b>	<b>3.6%</b>
Almonty (14.07% equity stake plus promissory notes and debentures)	23.4	23.9	-1.9%
Ceritech (DRAG's stake: 72.46%)	1.2	0.9	33.7%
Northern Oil and Gas (DRAG's stake: 0.26%)	6.6	5.6	18.3%
Tin International (DRAG's stake: 95.04%)	0.0	0.1	-100.0%
Holding company costs	-10.0	-10.0	0.0%
<b>Total enterprise value</b>	<b>259.0</b>	<b>250.2</b>	<b>3.5%</b>
Cash and securities held in current assets	54.2	56.7	-4.4%
Proceeds from option exercise	5.8	5.8	n.a.
Bonds	109.8	109.8	0.0%
Proforma net debt	49.8	47.3	5.3%
<b>Proforma equity value</b>	<b>209.2</b>	<b>202.9</b>	<b>3.1%</b>
No. shares outstanding (m)	5.00	5.00	0.1%
Fully diluted no shares	5.29	5.29	0.1%
<b>Proforma equity value per share (€)</b>	<b>39.52</b>	<b>38.36</b>	<b>3.0%</b>

Source: First Berlin Equity Research estimates



## INCOME STATEMENT

All figures in € 000s	2019A	2020A	2021A	2022A	2023E	2024E
<b>Revenues</b>	<b>41,204</b>	<b>38,683</b>	<b>73,321</b>	<b>165,439</b>	<b>163,927</b>	<b>170,405</b>
Cost of materials	11,342	11,630	18,106	30,343	34,415	36,136
Personnel/G&A expenses	11,559	12,118	12,118	21,719	23,239	24,401
Net other operating income	4,422	8,999	22,962	25,710	15,710	17,339
<b>EBITDA</b>	<b>22,725</b>	<b>23,935</b>	<b>66,058</b>	<b>139,088</b>	<b>121,983</b>	<b>127,206</b>
Depreciation and amortisation	17,095	40,070	33,469	47,656	48,857	54,578
<b>Operating income (EBIT)</b>	<b>5,630</b>	<b>-16,135</b>	<b>32,590</b>	<b>91,431</b>	<b>73,125</b>	<b>72,628</b>
Net financial result	-5,368	-6,388	96	-5,493	-5,250	-6,950
Other financial items	0	0	0	0	0	0
<b>Pre-tax income (EBT)</b>	<b>262</b>	<b>-22,524</b>	<b>27,056</b>	<b>85,938</b>	<b>67,875</b>	<b>65,678</b>
Taxes	-76	6,425	-699	-19,752	-14,254	-13,792
Profit before minorities	186	-16,099	26,357	66,186	53,621	51,886
Minority interests	122	589	-1,563	-5,420	-912	-995
<b>Net income / loss</b>	<b>308</b>	<b>-15,510</b>	<b>24,794</b>	<b>60,766</b>	<b>52,709</b>	<b>50,891</b>
<b>EPS (in €)</b>	<b>0.06</b>	<b>-3.13</b>	<b>5.00</b>	<b>12.15</b>	<b>10.53</b>	<b>10.17</b>
<b>Ratios</b>						
EBITDA margin on revenues	55.2%	61.9%	90.1%	84.1%	74.4%	74.6%
EBIT margin on revenues	13.7%	-41.7%	44.4%	55.3%	44.6%	42.6%
Net margin on revenues	0.7%	-40.1%	33.8%	36.7%	32.2%	29.9%
Tax rate	29.0%	-28.5%	2.6%	23.0%	21.0%	21.0%
<b>Y-Y Growth</b>						
Revenues	-62.2%	-6.1%	89.5%	125.6%	-0.9%	4.0%
Operating income	-85.9%	n.m.	n.m.	180.6%	-20.0%	-0.7%
Net income/ loss	-97.8%	n.m.	n.m.	145.1%	-13.3%	-3.5%



## BALANCE SHEET

All figures in € 000s	2019A	2020A	2021A	2022A	2023E	2024E
<b>Assets</b>						
<b>Current assets, total</b>	<b>80,455</b>	<b>36,354</b>	<b>53,151</b>	<b>89,814</b>	<b>51,737</b>	<b>58,598</b>
Cash and cash equivalents	66,637	22,815	23,492	54,196	16,732	22,250
Inventories	165	186	175	130	391	407
Receivables	9,935	3,505	17,898	28,733	29,507	30,673
Prepayments	1,156	1,047	893	863	1,639	1,704
Other current assets	1,161	7,327	8,529	4,884	2,459	2,556
Deferred tax assets	1,401	1,474	2,164	1,008	1,008	1,008
<b>Non-current assets, total</b>	<b>198,470</b>	<b>170,368</b>	<b>211,840</b>	<b>260,512</b>	<b>351,469</b>	<b>392,691</b>
Intangible assets	22,136	21,892	29,821	33,652	35,996	38,340
Advanced payments	0	0	0	277	277	277
Producing oil plants	138,433	110,203	143,612	161,897	236,369	269,042
Exploration and evaluation	648	2,227	5,225	30,357	44,321	50,448
Plant and machinery	143	123	111	276	403	459
Other equipment	331	225	107	109	159	181
Equity investments	16,688	17,773	14,552	15,407	15,407	15,407
Loans to other investors	1,902	4,711	4,782	6,489	6,489	6,489
Securities classified as fixed assets	18,189	13,214	13,630	12,048	12,048	12,048
<b>Total assets</b>	<b>278,925</b>	<b>206,722</b>	<b>264,991</b>	<b>350,326</b>	<b>403,206</b>	<b>451,289</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>26,927</b>	<b>27,077</b>	<b>31,790</b>	<b>49,942</b>	<b>135,572</b>	<b>36,978</b>
Bank debt	22	190	1,089	77	0	0
Bond debt	0	16,658	0	9,815	100,000	0
Accounts payable	17,114	2,901	20,764	11,376	4,918	5,112
Other current liabilities	9,791	7,328	9,937	28,674	30,654	31,866
<b>Long-term liabilities, total</b>	<b>139,089</b>	<b>111,533</b>	<b>116,303</b>	<b>100,000</b>	<b>20,000</b>	<b>120,000</b>
Bond debt	131,077	97,761	97,761	100,000	0	100,000
Bank debt	8,012	13,772	18,542	0	20,000	20,000
Other long term liabilities	0	0	0	0	0	0
Provisions	25,222	7,336	18,842	32,653	32,785	34,081
Minority interests	7,184	6,170	7,351	3,403	4,315	5,310
Shareholders' equity	64,317	39,419	72,723	128,962	175,359	219,746
<b>Consolidated equity</b>	<b>71,501</b>	<b>45,589</b>	<b>80,074</b>	<b>132,365</b>	<b>179,674</b>	<b>225,056</b>
Accruals and deferrals	0	0	0	174	174	174
Deferred tax liabilities	16,186	15,187	17,982	35,192	35,000	35,000
<b>Total consolidated equity and debt</b>	<b>278,925</b>	<b>206,722</b>	<b>264,991</b>	<b>350,326</b>	<b>403,206</b>	<b>451,289</b>
<b>Ratios</b>						
Current ratio (x)	2.99	1.34	1.67	1.80	0.38	1.58
Quick ratio (x)	2.98	1.34	1.67	1.80	0.38	1.57
Financial leverage	75.9%	202.6%	100.2%	33.0%	50.8%	38.1%
Book value per share (€)	12.98	7.96	14.68	25.78	35.05	43.92
Net cash (debt)	-54,285	-92,352	-80,270	-43,648	-91,220	-85,702
Return on equity (ROE)	0.3%	-27.5%	41.9%	62.3%	34.4%	25.6%





## CASH FLOW STATEMENT

All figures in € 000s	2019A	2020A	2021A	2022A	2023E	2024E
<b>Net profit before minorities</b>	<b>186</b>	<b>-16,099</b>	<b>26,357</b>	<b>66,186</b>	<b>53,621</b>	<b>51,886</b>
Writedowns/w riteups of fixed assets	16,307	37,702	32,805	39,790	48,857	54,578
Increase/decrease in provisions	17,380	-11,411	-927	18,882	0	0
Changes in working capital	-9,195	2,712	6,907	2,527	-3,732	1,358
Gains/losses from disposal of fixed assets	-31	-286	-736	-10,145	0	0
Gains/losses from disposal of securities	0	-1,433	-18,093	1,868	0	0
Interest expense/income	5,368	6,388	5,533	5,493	0	0
Tax paid/received	76	-6,425	792	17,863	0	0
Income tax payments	158	0	0	0	0	0
Other	-16,311	2,843	-816	0	0	0
<b>Operating cash flow</b>	<b>13,938</b>	<b>13,991</b>	<b>51,822</b>	<b>142,732</b>	<b>98,747</b>	<b>107,822</b>
Investment in property, plant equipment	-22,513	-30,731	-41,876	-82,915	-134,815	-90,800
Investment in intangible assets	-6,214	-6,110	-10,953	-6,034	-5,000	-5,000
Proceeds from disposal of tangible/intangible assets	0	119	1,633	6,490	0	0
<b>Free cash flow</b>	<b>-14,789</b>	<b>-22,731</b>	<b>626</b>	<b>60,273</b>	<b>-41,068</b>	<b>12,022</b>
Management of short term financial assets, other	-5,511	-12,008	21,850	10,295	0	0
<b>Investing cash flow</b>	<b>-34,238</b>	<b>-48,730</b>	<b>-29,346</b>	<b>-72,164</b>	<b>-139,815</b>	<b>-95,800</b>
Equity financing	-18	-97	0	-16,173	0	0
Debt financing	62,000	7,322	19,006	21334	10,108	0
Debt repayment	-16,115	-16,658	-31,729	-29,439	0	0
Interest paid	-6,638	-7,515	-6,515	-6,725	0	0
Dividends, share buybacks	-3,937	-743	-328	-3,728	-6,504	-6,504
Other	0	0	-145	0	0	0
<b>Financing cash flow</b>	<b>35,292</b>	<b>-17,691</b>	<b>-19,711</b>	<b>-34,732</b>	<b>3,604</b>	<b>-6,504</b>
Other	1,004	8,608	-2,088	-5,132	0	0
<b>Change in cash and equivalents</b>	<b>6,647</b>	<b>-43,822</b>	<b>677</b>	<b>30,704</b>	<b>-37,464</b>	<b>5,518</b>
FX/consolidation effects	0	0	0	0	0	0
<b>Cash and current cash equivalents, start of the year</b>	<b>59,990</b>	<b>66,637</b>	<b>22,815</b>	<b>23,492</b>	<b>54,196</b>	<b>16,732</b>
<b>Cash and current cash equivalents, end of the year</b>	<b>66,637</b>	<b>22,815</b>	<b>23,492</b>	<b>54,196</b>	<b>16,732</b>	<b>22,250</b>
<b>EBITDA/share (in €)</b>	<b>4.60</b>	<b>4.83</b>	<b>13.33</b>	<b>27.80</b>	<b>24.38</b>	<b>25.42</b>
<b>Y-Y Growth</b>						
Operating cash flow	-79.7%	0.4%	270.4%	175.4%	-30.8%	9.2%
Free cash flow	n.m.	n.m.	n.m.	9528.3%	n.m.	n.m.
EBITDA/share	-76.8%	5.1%	176.0%	108.5%	-12.3%	4.3%



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Category		1	2
Current market capitalisation (in €)		0 - 2 billion	> 2 billion
Strong Buy <sup>1</sup>	An expected favourable price trend of:	> 50%	> 30%
Buy	An expected favourable price trend of:	> 25%	> 15%
Add	An expected favourable price trend of:	0% to 25%	0% to 15%
Reduce	An expected negative price trend of:	0% to -15%	0% to -10%
Sell	An expected negative price trend of:	< -15%	< -10%

<sup>1</sup> The expected price trend is in combination with sizable confidence in the quality and forecast security of management.

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Report No.:	Date of publication	Previous day closing price	Recommendation	Price target
Initial Report	22 July 2010	€7.45	Buy	€13.20
2...35	↓	↓	↓	↓
36	29 July 2021	€15.50	Buy	€24.00
37	7 October 2021	€21.10	Buy	€28.00
38	13 December 2021	€20.50	Buy	€31.00
39	9 June 2022	€32.00	Buy	€43.00
40	13 July 2022	€27.40	Buy	€36.00
41	11 November 2022	€26.20	Buy	€38.00
42	19 December 2022	€25.10	Buy	€34.00
43	23 March 2023	€25.70	Buy	€38.00
44	Today	€27.20	Buy	€40.00

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