

# Deutsche Rohstoff AG

Germany / Energy  
 Frankfurt  
 Bloomberg: DR0 GR  
 ISIN: DE000A0XYG76

Update/Annual Report  
 Preview

**RATING**  
**PRICE TARGET**  
 Return Potential  
 Risk Rating

**BUY**  
**€ 40.00**  
 29.2%  
 High

## LOW MULTIPLES, ROBUST BALANCE SHEET DESPITE OIL AT 4-YEAR LOW

Downward revisions to economic growth forecasts prompted by President Trump's tariff policies have pushed the oil price down to levels not seen since 2021. Despite this, DRAG is trading at 2025E-2027E PE multiples of below 6x and yielding 5.7%. The unconventional oil wells drilled by DRAG generate 20-25% of their output during their first year of production and so near-term oil price prospects play a key role in drilling decisions. In the current low oil price environment we assume that DRAG will only invest what is necessary to maintain production at or slightly above the 2025 level. We believe this equates to the addition of ca 11 new wells a year at <USD10m each. Based on this level of investment for each of the next three years, we estimate that DRAG will be able to keep EBITDA stable at ca. €130m, maintain the €1.75 dividend first paid out last year, and reduce net gearing from ca. 66% at YE 2024 to 52% by YE 2027. Incorporating the current oil, gas and NGL futures strips into our valuation model prompts us to lower our price target from €48 to €40 (29% upside). We maintain our Buy recommendation. Reversion of commodity prices to the mean level of recent years would create additional upside.

DRAG's growing experience in Wyoming is lowering CAPEX per well DRAG is due to publish its 2024 annual report on 24 April. The 2023 annual report, published on 23 April last year, included first guidance for 2025, which is still unchanged (see figure 1). DRAG invested just over €180m in Wyoming's Powder River Basin (PRB) in 2024 (including €165m for new wells and ca. €15m for infrastructure). The company drilled its first well in the PRB in 2021. The experience gained in the PRB since then has enabled a reduction in well drilling and completion times and also increased efficiency in logistics, purchasing and transportation. The most recent wells drilled by DRAG in the Niobrara formation of the PRB cost less than USD10m, while the most expensive Niobrara wells drilled in recent years cost well over USD12m. 2025 guidance is for investment of (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2022	2023	2024P	2025E	2026E	2027E
Revenue (€m)	165.4	196.7	235.4	189.5	186.8	193.1
Y-o-y growth	125.6%	18.9%	19.7%	-19.5%	-1.4%	3.4%
EBITDA (€m)	139.1	158.3	167.6	131.0	127.0	129.1
EBITDA margin	84.1%	80.5%	71.2%	69.1%	68.0%	66.9%
Net income (€m)	60.8	65.2	50.2	28.2	27.8	27.0
EPS (diluted) (€)	12.15	13.02	10.26	5.76	5.68	5.51
DPS (€)	1.30	1.75	1.75	1.75	1.75	1.75
FCF (€m)	60.3	-21.5	-30.5	14.0	4.9	8.3
Net gearing	42.1%	42.2%	65.9%	58.6%	55.7%	52.2%
Liquid assets (€m)	54.2	82.2	19.7	24.9	21.1	20.6

### 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 fast-growing oil and gas producer with 100% of its production in the United States. Critical metals such as tungsten account for around 10% of the company's assets. DRAG is based in Mannheim, Germany.

### MARKET DATA

As of 11 Apr 2025

Closing Price € 30.95  
 Shares outstanding 4.90m  
 Market Capitalisation € 151.52m  
 52-week Range € 30.75 / 45.00  
 Avg. Volume (12 Months) 8,642

Multiples	2024P	2025E	2026E
P/E	3.0	5.4	5.5
EV/Sales	1.3	1.6	1.7
EV/EBITDA	1.8	2.4	2.4
Div. Yield	5.7%	5.7%	5.7%

### STOCK OVERVIEW



### COMPANY DATA

As of 30 Sep 2024

Liquid Assets € 40.04m  
 Current Assets € 59.06m  
 Intangible Assets € 22.98m  
 Total Assets € 506.89m  
 Current Liabilities € 74.05m  
 Shareholders' Equity € 212.52m

### SHAREHOLDERS

Management 10.0%  
 Institutional shareholders 19.0%  
 Free float 71.0%

**Figure 1: DRAG 2025 guidance and First Berlin forecasts**

€m	DRAG 23.04.24 (base case)	vs. prior year reported figure	FBe* 18.09.24	FBe* 14.04.25	FBe 14.04.25 vs. Fbe 18.09.24	FBe 14.04.25 vs. DRAG base case
2025 volume (boepd)	n.a.	n.a.	14,321	13,805	-3.6%	n.a.
2025 investments	100-110	-41.7%	99	105	5.9%	-0.2%
2025 revenue	180-200	-19.3%	200	189	-5.3%	-0.3%
2025 EBITDA	125-145	-19.5%	143	131	-8.4%	-3.0%
2025 oil price assumption (USD/bbl)	75.00	-1.2%	66.29	63.25	-4.6%	-15.7%
2025 gas price assumption (USD/MMBtu)	2.00	-8.9%	3.14	3.98	26.9%	99.2%
2025 USDEUR exchange rate	0.89	-3.4%	0.90	0.90	-0.3%	0.6%

\* our forecasts based on current commodity futures strips and exchange rates

Source: DRAG; First Berlin Equity Research estimates

**New wells cover their cost of capital at current commodity prices** For 2025 we expect investment of ca. €99m in eleven new Niobrara wells, ca. €5m in infrastructure and ca. €1m in the purchase of additional leaseholds. With a WTI (West Texas Intermediate) oil price stable above USD70/bbl, we would have expected DRAG to raise existing 2025 CAPEX guidance of €100m-€110m for 2025. We think this is unlikely at the current oil price of ca. USD62/bbl. However, we do not expect a reduction in CAPEX guidance, as new wells cover their cost of capital at current commodity price levels, and we think DRAG also prioritises output stability. The average age of DRAG's wells is currently between 3 and 4 years. This implies an average production decline for the company's existing wells of ca. 20% in 2025. We expect the ca. 43% reduction in investment in new wells we model for 2025 to entail a 6.7% reduction in output this year (see figure 5). But bringing 11 new Niobrara wells online in each of 2026 and 2027 should suffice to push volume in those years ahead by 1.7% and 4.1% respectively.

**Figure 2: DRAG's hedgebook as of September 2024**

	Total	Q1 25	Q2 25	Q3 25	Q4 25	FY 25	Q1 26	Q2 26	Q3 26	Q4 26	FY 26
Oil volume in bbl	1,082,700	314,000	229,200	179,100	111,100	833,400	69,100	63,200	58,500	58,500	249,300
Price floor in USD/bbl	69.97	72.30	69.70	69.50	69.70	70.64	70.00	70.30	65.00	65.00	67.73
Gas volume in MMBtu	2,647,500	655,000	592,500	542,500	697,500	2,487,500	160,000				
Price floor in USD/MMBtu	2.92	3.00	3.00	2.80	3.00	2.96	2.40				

Source: DRAG

### Most recent information (September 2024) suggests €2.1m gain on hedging for 2025

As well as including first 2026 guidance, the 2024 annual report will contain an update on DRAG's hedgebook. The most recent information we have dates from September last year. This showed 27% of FBe 2025 oil production and 31% of FBe 2025 gas production hedged at USD70.64/bbl and USD2.96/MMBtu respectively. On the basis of the current commodity strips, this hedging position would produce a gain (booked as part of revenue) of €2.1m (€4.4m from oil and €-2.3m from gas) in 2025.

**19.7% increase in 2024 revenue driven by 15.9% volume growth** Preliminary 2024 figures released in early March showed a 19.7% increase in revenue to €235.4m (2023: €196.7m) while EBITDA climbed 5.9% to €167.6m (2023: €158.3m). 2024 guidance first given on 10 April last year was for revenue of €210m-€230m and EBITDA of €160m-€180m. The reported figures were respectively 7.0% above and 1.4% below the mid-point of guidance. The increase in revenue was based on volume which rose 16.1% to 14,750 boepd (2023: 12,700 boepd) as DRAG brought on 25 gross (15 net) new 2-mile lateral wells in Wyoming. Sales were also helped by a favourable shift in the product mix away from less valuable gas to more valuable oil. Oil accounted for 60% of 2024 revenue compared with 55% in 2023. The average realised oil price after hedging was stable at USD73.20/barrel (2023: USD73.91/ barrel).



The EBITDA margin narrowed to 71.2% (2023: 80.5%) because other operating income fell to €7.3m (2023: €20.6m) and because cost of materials increased disproportionately to sales. In 2023 other operating income was boosted by €19m in gains on the sale of acreage in Utah. Meanwhile, we estimate that material costs rose to ca. €9/BOE (barrel of oil equivalent) in 2024 compared with €7.36/BOE in 2023 due to expenses incurred in adding gas infrastructure and workovers of individual wells.

**Figure 3: FBe DRAG hedge book gains/losses 2025E-2026E**

	Q1/25	Q2/25	Q3/25	Q4/25	2025E	2026E
Av EURUSD	1.05	1.13	1.14	1.14	1.11	1.14
<b>Oil volume (BOE)</b>	<b>870,031</b>	<b>733,389</b>	<b>744,085</b>	<b>688,173</b>	<b>3,035,678</b>	<b>3,285,225</b>
% total	59.7%	59.4%	61.1%	60.9%	60.2%	64.1%
Hedged bbl	314,000	229,200	179,100	111,100	833,400	249,300
% hedged	36.1%	31.3%	24.1%	16.1%	27.5%	7.6%
Average hedging price (USD/bbl)	72.30	69.70	69.50	69.70	70.64	67.73
Unhedged bbl	556,031	504,189	564,985	577,073	2,202,278	3,035,925
Mkt price/NYMEX futures strip (USD/bbl)	71.46	61.48	60.46	59.60	63.25	59.39
Realised price before hedges (USD/bbl)	67.46	57.48	56.46	55.60	59.67	55.39
Gain/loss on hedges (USD/bbl)	0.30	2.57	2.18	1.63	1.61	0.63
<b>Realised price after hedges (USD/bbl)</b>	<b>67.77</b>	<b>60.05</b>	<b>58.64</b>	<b>57.23</b>	<b>61.28</b>	<b>56.02</b>
<b>Realised price after hedges (€/bbl)</b>	<b>64.34</b>	<b>53.16</b>	<b>51.64</b>	<b>50.40</b>	<b>55.04</b>	<b>49.33</b>
hedge gain/loss (€)	249,451	1,668,016	1,425,860	987,882	4,389,678	1,832,038
hedge gain/loss (USD)	262,713	1,884,024	1,619,064	1,121,740	4,887,541	2,080,280
<b>Gas volume (BOE)</b>	<b>369,112</b>	<b>319,996</b>	<b>303,679</b>	<b>284,212</b>	<b>1,276,999</b>	<b>1,223,862</b>
% total	25.3%	25.9%	24.9%	25.2%	25.3%	23.9%
Gas volume (MMBtu)	2,281,114	1,977,573	1,876,736	1,756,429	7,891,852	7,563,467
Hedged MMBtu	655,000	592,500	542,500	697,500	2,487,500	160,000
% hedged	28.7%	30.0%	28.9%	39.7%	31.5%	2.1%
Average hedging price (USD/MMBtu)	3.00	3.00	2.80	3.00	2.96	2.40
Unhedged MMBtu	1,626,114	1,385,073	1,334,236	1,058,929	5,404,352	7,403,467
Mkt price/NYMEX futures strip (USD/MMBtu)	3.65	3.84	4.04	4.40	3.98	4.15
Realised price before hedges (USD/MMBtu)	3.40	3.59	3.79	4.15	3.73	3.90
Gain/loss on hedges (USD/MMBtu)	-0.19	-0.25	-0.36	-0.56	-0.33	-0.04
<b>Realised price after hedges (USD/MMBtu)</b>	<b>3.21</b>	<b>3.34</b>	<b>3.43</b>	<b>3.59</b>	<b>3.41</b>	<b>3.86</b>
<b>Realised price after hedges (€/MMBtu)</b>	<b>3.05</b>	<b>2.96</b>	<b>3.02</b>	<b>3.16</b>	<b>3.06</b>	<b>3.40</b>
hedge gain/loss (€)	-405,294	-441,162	-592,904	-859,564	-2,298,924	-246,493
hedge gain/loss (USD)	-426,842	-498,293	-673,243	-976,035	-2,574,412	-279,893
<b>Total hedge gain/loss (€)</b>	<b>-155,843</b>	<b>1,226,854</b>	<b>832,956</b>	<b>128,318</b>	<b>2,090,755</b>	<b>1,585,545</b>
<b>Total hedge gain/loss (USD)</b>	<b>-164,128</b>	<b>1,385,732</b>	<b>945,821</b>	<b>145,705</b>	<b>2,313,129</b>	<b>1,800,386</b>

Source: DRAG; First Berlin Equity Research estimates

Changes to our sales forecasts shown below are based on slightly lower volume projections and a decline in the oil futures strip.

**Figure 4: Changes to our forecasts**

All figures in € 000s	2025E New	2025E Old	Δ	2026E New	2026E Old	Δ	2027E New	2027E Old	Δ
<b>Volume (boepd)</b>	<b>13,805</b>	<b>14,321</b>	<b>-3.6%</b>	<b>14,044</b>	<b>14,832</b>	<b>-5.3%</b>	<b>14,620</b>	<b>15,262</b>	<b>-4.2%</b>
Oil price/oil futures price (USD/bbl)	63.25	66.29	-4.6%	59.39	65.07	-8.7%	59.95	64.39	-6.9%
Gas price/gas futures price (USD/MMBtu)	3.98	3.14	26.9%	4.15	3.52	17.8%	3.80	3.55	7.0%
EUR/USD exchange rate	1.11	1.11	0.5%	1.14	1.11	2.5%	1.14	1.11	2.5%
<b>Revenue</b>	<b>189,496</b>	<b>200,487</b>	<b>-5.5%</b>	<b>186,778</b>	<b>211,022</b>	<b>-11.5%</b>	<b>193,052</b>	<b>217,294</b>	<b>-11.2%</b>
<b>EBITDA</b>	<b>130,981</b>	<b>143,094</b>	<b>-8.5%</b>	<b>126,953</b>	<b>151,583</b>	<b>-16.2%</b>	<b>129,147</b>	<b>156,131</b>	<b>-17.3%</b>
Dep. and amort.	79,197	82,328	-3.8%	78,999	86,616	-8.8%	82,240	87,737	-6.3%
<b>Op. income (EBIT)</b>	<b>51,784</b>	<b>60,766</b>	<b>-15%</b>	<b>47,954</b>	<b>64,967</b>	<b>-26%</b>	<b>46,907</b>	<b>68,394</b>	<b>-31%</b>
Net financial result	-14,403	-7,500	n.a.	-11,143	-7,500	n.a.	-11,143	-7,500	n.a.
Pre-tax income (EBT)	37,381	53,266	-29.8%	36,811	57,467	-35.9%	35,764	60,894	-41.3%
Income taxes	-7,850	-11,186	n.a.	-7,730	-12,068	n.a.	-7,510	-12,788	n.a.
<b>Net before mins.</b>	<b>29,531</b>	<b>42,081</b>	<b>-29.8%</b>	<b>29,081</b>	<b>45,399</b>	<b>-35.9%</b>	<b>28,253</b>	<b>48,106</b>	<b>-41.3%</b>
Minority interests	-1,313	-1,962	n.a.	-1,293	-2,117	n.a.	-1,256	-2,243	n.a.
<b>Net inc. after mins.</b>	<b>28,218</b>	<b>40,118</b>	<b>-29.7%</b>	<b>27,788</b>	<b>43,282</b>	<b>-35.8%</b>	<b>26,997</b>	<b>45,863</b>	<b>-41.1%</b>
<b>EPS (€)</b>	<b>5.76</b>	<b>8.17</b>	<b>-29.4%</b>	<b>5.68</b>	<b>8.81</b>	<b>-35.6%</b>	<b>5.51</b>	<b>9.34</b>	<b>-40.9%</b>

Source: First Berlin Equity Research estimates



These changes outweigh an increase in the gas futures strip since our most recent note of 18 September. The increase in the forecast interest charges stems from the bank debt which DRAG assumed towards the end of last year to finance the expansion of its Q4/24 drilling programme.

**Figure 5: Volume, P&L and balance sheet evolution at DRAG 2020-2027**

	2020	2021	2022	2023	2024P	2025E	2026E	2027E
<b>Volume (boe)</b>	<b>1,542,074</b>	<b>2,589,273</b>	<b>3,501,826</b>	<b>4,658,130</b>	<b>5,398,500</b>	<b>5,038,838</b>	<b>5,125,902</b>	<b>5,336,207</b>
<b>boepd</b>	<b>4,213</b>	<b>7,094</b>	<b>9,594</b>	<b>12,762</b>	<b>14,750</b>	<b>13,805</b>	<b>14,044</b>	<b>14,620</b>
<b>Δ %</b>	<b>-6.3%</b>	<b>67.9%</b>	<b>35.2%</b>	<b>33.0%</b>	<b>15.9%</b>	<b>-6.7%</b>	<b>1.7%</b>	<b>4.1%</b>
Oil as % volume	45.7%	44.8%	53.2%	54.9%	66.8%	60.2%	64.1%	65.4%
<b>Oil price (USD/bbl)</b>	<b>39.24</b>	<b>68.13</b>	<b>94.90</b>	<b>77.58</b>	<b>75.88</b>	<b>63.25</b>	<b>59.39</b>	<b>59.95</b>
<b>Δ %</b>	<b>-31.2%</b>	<b>73.6%</b>	<b>39.3%</b>	<b>-18.3%</b>	<b>-2.2%</b>	<b>-16.6%</b>	<b>-6.1%</b>	<b>1.0%</b>
<b>Sales €000s</b>	<b>38,603</b>	<b>73,321</b>	<b>165,439</b>	<b>196,651</b>	<b>235,400</b>	<b>189,496</b>	<b>186,778</b>	<b>193,052</b>
<b>Δ %</b>	<b>-6.3%</b>	<b>89.9%</b>	<b>125.6%</b>	<b>18.9%</b>	<b>19.7%</b>	<b>-19.5%</b>	<b>-1.4%</b>	<b>3.4%</b>
<b>EBITDA €000s</b>	<b>23,935</b>	<b>66,058</b>	<b>139,088</b>	<b>158,258</b>	<b>167,600</b>	<b>130,981</b>	<b>126,953</b>	<b>129,147</b>
margin (%)	62.0%	90.1%	84.1%	80.5%	71.2%	69.1%	68.0%	66.9%
<b>EPS (diluted) (€)</b>	<b>-3.13</b>	<b>5.00</b>	<b>12.15</b>	<b>13.02</b>	<b>10.26</b>	<b>5.76</b>	<b>5.68</b>	<b>5.51</b>
<b>Δ %</b>	<b>n.a.</b>	<b>n.a.</b>	<b>142.7%</b>	<b>7.2%</b>	<b>-21.2%</b>	<b>-43.8%</b>	<b>-1.5%</b>	<b>-2.8%</b>
Net investment in PPE € 000s	-30,612	-40,243	-76,425	-160,510	-175,500	-104,795	-102,874	-102,874
Net debt €000s	105,565	93,900	55,696	79,137	157,000	151,755	155,590	156,078
Equity €000s	45,589	80,074	132,365	187,481	238,258	259,030	279,352	298,846
<b>Net gearing</b>	<b>231.6%</b>	<b>117.3%</b>	<b>42.1%</b>	<b>42.2%</b>	<b>65.9%</b>	<b>58.6%</b>	<b>55.7%</b>	<b>52.2%</b>

Source: DRAG; First Berlin Equity Research estimates

**We maintain our Buy recommendation but lower the price target from €48 to €40** We have reduced our valuation of DRAG's US oil and gas activities due to reduced volume and commodity price assumptions (see figure 6 below). In addition, the YE/24 net debt figure of €157m was €29m above the H1/24 figure used in our previous note of 18 September. These negative developments have to some extent been countered by a sharp increase in the value of DRAG's shareholding in Almonty. The Almonty share price has risen from CAD0.82 last September to CAD2.10 currently. The number of shares used in the valuation model is lower following last December's announcement of the completion of the buyback of 109,700 shares at an average price of €36.53. We have lowered our price target from €48 to €40 but maintain our Buy recommendation. As mentioned above, reversion of commodity prices to the mean level of recent years would create additional upside.

**Figure 6: Changes to our valuation model**

€m	New	Old	% Δ
<b>US oil and gas activities</b>	<b>300.2</b>	<b>341.0</b>	<b>-12.0%</b>
Almonty (11.08% equity stake plus promissory notes and debentures)	51.8	27.7	86.9%
Ceritech (DRAG's stake: 72.46%)	0.9	0.5	75.2%
Premier1 Lithium	0.0	0.2	n.a.
<b>Total enterprise value</b>	<b>352.8</b>	<b>369.4</b>	<b>-4.5%</b>
Cash and securities held in current assets	19.7	33.4	-41.0%
Bonds	100.0	120.5	-17.0%
Bank debt	76.7	38.9	97.2%
<b>Net debt</b>	<b>157.0</b>	<b>126.0</b>	<b>24.6%</b>
<b>Equity value</b>	<b>195.8</b>	<b>243.4</b>	<b>-19.5%</b>
No. shares outstanding (m)	4.90	5.07	-3.4%
<b>Equity value per share (€)</b>	<b>40.00</b>	<b>48.00</b>	<b>-16.7%</b>

Source: First Berlin Equity Research estimates



## INCOME STATEMENT

All figures in € 000s	2022A	2023A	2024P	2025E	2026E	2027E
<b>Revenues</b>	<b>165,439</b>	<b>196,651</b>	<b>235,400</b>	<b>189,496</b>	<b>186,778</b>	<b>193,052</b>
Cost of materials	30,343	34,294	48,241	40,730	41,946	45,039
Personnel expenses	6,458	10,275	10,582	11,111	11,667	12,250
Net other operating income	10,449	6,176	-8,977	-6,674	-6,212	-6,616
<b>EBITDA</b>	<b>139,088</b>	<b>158,258</b>	<b>167,600</b>	<b>130,981</b>	<b>126,953</b>	<b>129,147</b>
Depreciation and amortisation	47,656	63,619	87,704	79,197	78,999	82,240
<b>Operating income (EBIT)</b>	<b>91,431</b>	<b>94,639</b>	<b>79,896</b>	<b>51,784</b>	<b>47,954</b>	<b>46,907</b>
Net financial result	-5,493	-8,900	-13,126	-14,403	-11,143	-11,143
<b>Pre-tax income (EBT)</b>	<b>85,938</b>	<b>85,739</b>	<b>66,770</b>	<b>37,381</b>	<b>36,811</b>	<b>35,764</b>
Taxes	-19,752	-18,255	-14,235	-7,850	-7,730	-7,510
Profit before minorities	66,186	67,484	52,536	29,531	29,081	28,253
Minority interests	-5,420	-2,308	-2,336	-1,313	-1,293	-1,256
<b>Net income / loss</b>	<b>60,766</b>	<b>65,175</b>	<b>50,200</b>	<b>28,218</b>	<b>27,788</b>	<b>26,997</b>
<b>EPS (in €)</b>	<b>12.15</b>	<b>13.02</b>	<b>10.26</b>	<b>5.76</b>	<b>5.68</b>	<b>5.51</b>
<b>Ratios</b>						
EBITDA margin on revenues	84.1%	80.5%	71.2%	69.1%	68.0%	66.9%
EBIT margin on revenues	55.3%	48.1%	33.9%	27.3%	25.7%	24.3%
Net margin on revenues	36.7%	33.1%	21.3%	14.9%	14.9%	14.0%
Tax rate	23.0%	21.3%	21.3%	21.0%	21.0%	21.0%
<b>Y-Y Growth</b>						
Revenues	125.6%	18.9%	19.7%	-19.5%	-1.4%	3.4%
Operating income	180.6%	3.5%	-15.6%	-35.2%	-7.4%	-2.2%
Net income/ loss	145.1%	7.3%	-23.0%	-43.8%	-1.5%	-2.8%



## BALANCE SHEET

All figures in € 000s	2022A	2023A	2024P	2025E	2026E	2027E
<b>Assets</b>						
<b>Current assets, total</b>	<b>89,814</b>	<b>122,032</b>	<b>70,458</b>	<b>54,107</b>	<b>49,872</b>	<b>50,308</b>
Cash and cash equivalents	54,196	82,187	19,700	24,945	21,110	20,622
Inventories	130	1,521	562	452	446	461
Receivables	28,733	29,603	43,078	22,740	22,413	23,166
Prepayments	863	2,066	2,354	1,895	1,868	1,931
Other current assets	4,884	5,422	3,531	2,842	2,802	2,896
Deferred tax assets	1,008	1,233	1,233	1,233	1,233	1,233
<b>Non-current assets, total</b>	<b>260,512</b>	<b>371,733</b>	<b>456,523</b>	<b>482,121</b>	<b>505,996</b>	<b>526,629</b>
Intangible assets	33,652	23,148	25,492	24,336	23,180	22,024
Advanced payments	277	399	399	399	399	399
Advances to suppliers/ assets under construction	0	17,006	0	0	0	0
Producing oil plants	161,897	255,063	339,447	362,147	383,386	401,874
Exploration and evaluation	30,357	24,389	32,458	34,628	36,659	38,427
Plant and machinery	276	19,544	26,010	27,749	29,377	30,793
Other equipment	109	1,613	2,147	2,290	2,425	2,541
Equity investments	15,407	15,407	15,407	15,407	15,407	15,407
Loans to other investors	6,489	6,824	6,824	6,824	6,824	6,824
Securities classified as fixed assets	12,048	8,340	8,340	8,340	8,340	8,340
<b>Total assets</b>	<b>350,326</b>	<b>493,765</b>	<b>526,982</b>	<b>536,228</b>	<b>555,868</b>	<b>576,938</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>49,865</b>	<b>104,850</b>	<b>30,856</b>	<b>24,839</b>	<b>24,482</b>	<b>125,305</b>
Bank debt	0	40,807	0	0	0	0
Bond debt	9,815	20,517	0	0	0	100,000
Accounts payable	11,376	26,551	14,359	11,559	11,393	11,776
Other current liabilities	28,674	16,975	16,496	13,279	13,089	13,529
<b>Long-term liabilities, total</b>	<b>100,077</b>	<b>100,000</b>	<b>176,700</b>	<b>176,700</b>	<b>176,700</b>	<b>76,700</b>
Bond debt	100,000	100,000	100,000	100,000	100,000	0
Bank debt	77	0	76,700	76,700	76,700	76,700
Other long term liabilities	0	0	0	0	0	0
Provisions	32,653	48,514	28,248	22,740	22,413	23,166
Minority interests	3,403	7,109	9,445	10,758	12,051	13,307
Shareholders' equity	128,962	180,372	228,813	248,272	267,301	285,540
<b>Consolidated equity</b>	<b>132,365</b>	<b>187,481</b>	<b>238,258</b>	<b>259,030</b>	<b>279,352</b>	<b>298,846</b>
Accruals and deferrals	174	83	83	83	83	83
Deferred tax liabilities	35,192	52,837	52,837	52,837	52,837	52,837
<b>Total consolidated equity and debt</b>	<b>350,326</b>	<b>493,765</b>	<b>526,982</b>	<b>536,228</b>	<b>555,868</b>	<b>576,938</b>
<b>Ratios</b>						
Current ratio (x)	1.80	1.16	2.28	2.18	2.04	0.40
Quick ratio (x)	1.80	1.15	2.27	2.16	2.02	0.40
Financial leverage	42.1%	42.2%	65.9%	58.6%	55.7%	52.2%
Book value per share (€)	25.78	36.04	45.71	50.71	54.60	58.32
Net cash (debt)	-55,696	-79,137	-157,000	-151,755	-155,590	-156,078
Return on equity (ROE)	62.3%	42.2%	24.7%	11.9%	10.8%	9.8%



## CASH FLOW STATEMENT

All figures in € 000s	2022A	2023A	2024P	2025E	2026E	2027E
<b>Net profit before minorities</b>	<b>66,186</b>	<b>67,484</b>	<b>52,536</b>	<b>29,531</b>	<b>29,081</b>	<b>28,253</b>
Writedowns/w riteups of fixed assets	39,790	63,384	87,704	79,197	78,999	82,240
Increase/decrease in provisions	18,882	-5	0	0	0	0
Changes in working capital	2,527	-2,007	-26,843	10,071	-282	651
Gains/losses from disposal of fixed assets	-10,145	-14,388	0	0	0	0
Gains/losses from disposal of securities	1,868	-2,884	0	0	0	0
Interest expenses/income	5,493	8,229	15,000	0	0	0
Income tax payments	17,863	17,420	21,604	0	0	0
Other	267	2,028	0	0	0	0
<b>Operating cash flow</b>	<b>142,732</b>	<b>139,260</b>	<b>150,000</b>	<b>118,799</b>	<b>107,798</b>	<b>111,144</b>
Investment in property, plant equipment	-82,915	-198,443	-175,500	-104,795	-102,874	-102,874
Investment in intangible assets	-6,034	-295	-5,000	0	0	0
Proceeds from disposal of tangible/intangible assets	6,490	37,933	0	0	0	0
<b>Free cash flow</b>	<b>60,273</b>	<b>-21,545</b>	<b>-30,500</b>	<b>14,004</b>	<b>4,924</b>	<b>8,270</b>
Management of short term financial assets, other	10,295	11,439	0	0	0	0
<b>Investing cash flow</b>	<b>-72,164</b>	<b>-149,366</b>	<b>-180,500</b>	<b>-104,795</b>	<b>-102,874</b>	<b>-102,874</b>
Equity financing	-16,173	1,967	0	0	0	0
Debt financing	21,334	82,567	15,376	0	0	0
Debt repayment	-29,439	-30,322	0	0	0	0
Interest paid	-6,725	-7,939	0	0	0	0
Dividends, share buybacks	-3,728	-6,712	-12,759	-8,759	-8,759	-8,759
Cash settlement of options			0	0	0	0
Other	0	0	0	0	0	0
<b>Financing cash flow</b>	<b>-34,732</b>	<b>39,561</b>	<b>2,617</b>	<b>-8,759</b>	<b>-8,759</b>	<b>-8,759</b>
Other	-5,132	-1,464	0	0	0	0
<b>Change in cash and equivalents</b>	<b>30,704</b>	<b>27,991</b>	<b>-27,883</b>	<b>5,245</b>	<b>-3,835</b>	<b>-488</b>
FX/consolidation effects	0	0	-34,604	0	0	0
<b>Cash and current cash equivs., start of the year</b>	<b>23,492</b>	<b>54,196</b>	<b>82,187</b>	<b>19,700</b>	<b>24,945</b>	<b>21,110</b>
<b>Cash and current cash equivs., end of the year</b>	<b>54,196</b>	<b>82,187</b>	<b>19,700</b>	<b>24,945</b>	<b>21,110</b>	<b>20,622</b>
<b>EBITDA/share (in €)</b>	<b>27.80</b>	<b>31.62</b>	<b>33.48</b>	<b>26.75</b>	<b>25.93</b>	<b>26.38</b>
<b>Y-Y Growth</b>						
Operating cash flow	175.4%	-2.4%	7.7%	-20.8%	-9.3%	3.1%
Free cash flow	9528.3%	n.m.	n.m.	n.m.	-64.8%	68.0%
EBITDA/share	108.5%	13.7%	5.9%	-20.1%	-3.1%	1.7%



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UST-Id.: 251601797

Ggf. Inhaltlich Verantwortlicher gem. § 6 MDStV

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The production of this recommendation was completed on 14 April 2025 at 15:45

**Person responsible for forwarding or distributing this financial analysis: Martin Bailey**

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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...44	↓	↓	↓	↓
45	25 August 2023	€26.15	Buy	€44.00
46	25 October 2023	€32.00	Buy	€50.00
47	28 November 2023	€31.25	Buy	€47.00
48	18 March 2024	€35.25	Buy	€46.00
49	16 April 2024	€40.50	Buy	€54.00
50	8 May 2024	€43.10	Add	€51.00
51	2 August 2024	€38.40	Buy	€51.00
52	18 September 2024	€32.70	Buy	€48.00
53	Today	€30.95	Buy	€40.00

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