

# Deutsche Rohstoff AG

Germany / Energy  
 Frankfurt  
 Bloomberg: DR0 GR  
 ISIN: DE000A0XYG76

Update

**RATING** **BUY**  
**PRICE TARGET** **€ 51.00**  
 Return Potential 32.8%  
 Risk Rating High

## OUTPUT ON TRACK, MOWRY FORMATION NEARING PROOF OF CONCEPT

H1/24 production jumped ca. 41% to ca. 14,800 boepd (H1/23: 10,533 boepd). The rise in output was due to new wells coming on stream at better than expected production rates. We estimate that DRAG's subsidiaries brought 21 net new 2-mile-lateral wells on line between May 2023 and end-June 2024. DRAG has maintained its FY/24 guidance of 14,700-15,700 boepd, the midpoint of which equates to a 19.1% increase on last year's figure of 12,762 boepd. 2024 sales and EBITDA guidance of €210m-€230m and €160m-€180m respectively is also unchanged. On the basis of current commodity strips, which are little changed on our most recent update of 8 May, we continue to believe that DRAG is capable of sustaining revenue at around €200m in the mid-term, while reducing net gearing. Our price target of €51 is unchanged, but we have raised the recommendation from Add to Buy because the upside to our price target is now over 25%. Comprehensive H1/24 results are scheduled for mid-August.

**FY/24 guidance implies H2/24 output will be 5% above the H1/24 level** The H1/24 output figure of 14,800 boepd indicates that Q2/24 production was ca. 1% above the Q1/24 level. The Q2/24 number benefitted from the mid-March production start of 10 (4.5 net) two-mile lateral wells at Salt Creek Oil & Gas' JV with Occidental in Wyoming. However, production potential was not realised in Q2/24 in part because unscheduled maintenance work was required to raise the pressure on gas lines at some of the new wells. In addition, technical difficulties at one of three Bright Rock Energy wells which started production in June meant that a lateral of only 1 mile was drilled instead of the originally planned 2 miles. The volume of lost production is to some extent mitigated by Bright Rock's working interest of only 50% in the well. DRAG's working interest in the other two wells is 100% and 90% respectively. We gather that without these problems Q2/24 production would have been more clearly above the Q1/24 level. Nevertheless, DRAG is sticking to its FY/24 guidance of 14,700-15,700 boepd. The mid-point of this guidance implies a 19% increase on 2023 production of 12,762 boepd and also a 5% increase for H2/24 vs H1/24. (p.t.o.)

### FINANCIAL HISTORY & PROJECTIONS

	2022	2023	2024E	2025E	2026E	2027E
Revenue (€m)	165.4	196.7	239.5	197.8	205.7	206.0
Y-o-y growth	125.6%	18.9%	21.8%	-17.4%	4.0%	0.1%
EBITDA (€m)	139.1	158.3	179.5	141.4	149.9	149.6
EBITDA margin	84.1%	80.5%	74.9%	71.5%	72.9%	72.6%
Net income (€m)	60.8	65.2	66.7	48.2	60.8	60.1
EPS (diluted) (€)	12.15	13.02	13.33	9.81	12.38	12.24
DPS (€)	1.30	1.75	1.75	1.75	1.75	1.75
FCF (€m)	60.3	-21.5	7.3	5.7	20.9	19.2
Net gearing	42.1%	42.2%	33.6%	30.7%	22.2%	16.5%
Liquid assets (€m)	54.2	82.2	17.4	12.3	24.4	34.8

### 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 01 Aug 2024

Closing Price € 38.40  
 Shares outstanding 4.97m  
 Market Capitalisation € 191.01m  
 52-week Range € 26.15 / 45.00  
 Avg. Volume (12 Months) 9,331

Multiples	2023	2024E	2025E
P/E	2.9	2.9	3.9
EV/Sales	1.4	1.2	1.4
EV/EBITDA	1.8	1.6	2.0
Div. Yield	4.6%	4.6%	4.6%

### STOCK OVERVIEW



### COMPANY DATA

As of 31 Mar 2024

Liquid Assets € 98.00m  
 Current Assets € 122.03m  
 Intangible Assets € 23.19m  
 Total Assets € 505.47m  
 Current Liabilities € 70.88m  
 Shareholders' Equity € 208.36m

### SHAREHOLDERS

Management 10.0%  
 Institutional shareholders 19.0%  
 Free float 71.0%

**Figure 1: New DRAG wells mid-2023 to YE 2024**

Subsidiary	State	No. wells	Lateral length (miles)	Average working interest (%)	Production start
Salt Creek Oil & Gas (Occidental JV)	Wyoming	10	2	45%	May 2023
1876 Resources	Wyoming	3	2	80%	June 2023
1876 Resources	Wyoming	4	2	98%	October 2023
Salt Creek Oil & Gas (Occidental JV)	Wyoming	5	2	45%	November 2023
1876 Resources	Wyoming	2	2	75%	January 2024
Salt Creek Oil & Gas (Occidental JV)	Wyoming	10	2	45%	March 2024
Bright Rock Energy	Wyoming	3	2 and 1*	86%	June 2024
1876 Resources	Wyoming	3	2	98%	July 2024
1876 Resources	Wyoming	5	2	75%	end Q3/24
1876 Resources	Wyoming	2	2	76%	late Oct/early Nov 24

\* two wells with two-mile laterals and one well with a one-mile-lateral

Source: DRAG

**We expect 2024 production to peak in Q3** The increase in H2/24 production vs H1/24 is based on further new production. As figure 1 above shows, three new 1876 Resources wells came on stream in the second week of July and the subsidiary is scheduled to bring five new wells online at the end of Q3/24 and a further two in late October/early November. Our own FY/24 production forecast of 14,974 boepd is 1.5% below the mid-point of DRAG's guidance and unchanged on our most recent note of 8 May. We expect Q3/24 production to rise by 5.1% vs Q2/24 to 15,608 boepd before falling back to 14,685 boepd in Q4/24.

**Proof of concept for the Mowry formation...**The three wells which Bright Rock brought into production in June comprised two wells in the Niobrara formation and one in the Mowry formation. The most successful well drilled by DRAG to date has the Buster well drilled into the Niobrara formation in 2021. Cumulated output after twelve months of production was over 30% above the Niobrara type curve. The Mowry well, which came on stream in June, performed even more strongly than Buster during its first 30 days, producing just under 800 boepd. The Mowry formation is situated at a depth of 13,500 feet, compared with 11,800 feet for the Niobrara formation. This means that drilling CAPEX at USD13.5m is 23% higher for a Mowry well than for a Niobrara well (USD11.0m). However, estimated ultimate recovery is estimated to be up to 50% higher.

**...could add a further 60 potential Wyoming wells to the 100 based on existing reserves** In its recent presentation material DRAG outlined the potential to drill 100 additional wells on its existing Wyoming acreage. However, this number is derived from the existing reserve report which is based mainly on the Niobrara formation and does not include any Mowry reserves. Following excellent performance from the Mowry well which came on line in June, DRAG is now nearing proof of concept for the Mowry formation. DRAG has not signalled its intention to drill any further wells into the Mowry formation in the near term. We gather that so far CAPEX plans for 2025 are focused on the Niobrara formation. However, these plans could change. Management has indicated that proof of concept for the Mowry formation could add up a further 60 potential wells to the 100 based on existing identified reserves.

**Figure 2: DRAG 2024 and 205 guidance and First Berlin forecasts**

€m	DRAG 23.04.24 (base case)	vs. prior year reported figure/ guidance	FBe* 08.05.24	FBe* 02.08.24	Fbe 02.08.24 vs Fbe 08.05.24	FBe 02.08.24 vs. DRAG base case
2024 volume (boepd)	14,700-15700	19.1%	14,974	14,974	0.0%	-1.5%
2025 volume (boepd)	n.a.	n.a.	13,789	13,789	0.0%	n.a.
2024 investments	145-165	7.4%	153	152	-0.5%	-1.7%
2025 investments	100-110	-32.3%	102	101	-0.7%	-3.5%
2024 revenue	210-230	11.9%	238	240	0.6%	8.9%
2025 revenue	180-200	-13.6%	199	198	-0.6%	4.1%
2024 EBITDA	160-180	7.4%	178	180	0.8%	5.6%
2025 EBITDA	125-145	-20.6%	142	141	-0.4%	4.8%
2024 oil price assumption (USD/bbl)	75.00	-3.3%	77.57	78.32	1.0%	4.4%
2025 oil price assumption (USD/bbl)	75.00	0.0%	72.74	72.57	-0.2%	-3.2%
2024 gas price assumption (USD/MMBtu)	2.00	-20.9%	2.39	2.26	-5.3%	13.1%
2025 gas price assumption (USD/MMBtu)	2.00	0.0%	3.50	3.23	-7.7%	61.5%
2024 EURUSD exchange rate	1.12	3.6%	1.08	1.08	0.3%	-3.3%
2025 EURUSD exchange rate	1.12	0.0%	1.08	1.09	0.5%	-3.1%

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

Source: DRAG; First Berlin Equity Research estimates

Our 2024 revenue forecast is 8.9% above the mid-point of DRAG's guidance. This is because our commodity and exchange rate assumptions are all more favourable than those made by DRAG. For 2025 our forecasts are also towards the top end of DRAG's guidance.

**Figure 3: Summarised First Berlin forecasts 2024-2027**

€000s	2023A	2024E	2025E	2026E	2027E
Volume (boepd)	12,762	14,974	13,789	13,662	13,788
Δ %	33.0%	17.3%	-7.9%	-0.9%	0.9%
Revenue	196,651	239,507	197,800	205,744	205,963
Δ %	18.9%	21.8%	-17.4%	4.0%	0.1%
EBITDA	158,258	179,509	141,424	149,887	149,593
margin (%)	80.5%	74.9%	71.5%	72.9%	72.6%
Investments	198,443	152,304	101,326	101,326	101,326
Δ %					
Oil price/oil price futures price (USD/bbl)	77.58	78.32	72.57	69.15	66.95
Gas price/gas price futures (USD/MMBtu)	2.53	2.26	2.98	3.35	3.41
EURUSD exchange rate	1.08	1.08	1.09	1.09	1.09

Source: First Berlin Equity Research estimates

Figure 4: Evolution of DRAG's net debt position

€000's	FY/22	FY/23	Q1/24	FY/24E	FY/25E	FY/26E	FY/27E
Cash at bank	47,479	75,807	59,003	10,983	3,010	15,138	25,562
Securities classified as current assets	6,717	6,380	4,225	6,380	9,269	9,269	9,269
<b>Total liquid assets</b>	<b>54,196</b>	<b>82,187</b>	<b>63,228</b>	<b>17,363</b>	<b>12,279</b>	<b>24,407</b>	<b>34,831</b>
Securities classified as non-current assets	12,048	8,340	8,412	8,340	8,340	8,340	8,340
<b>Total cash, current/non-current securities</b>	<b>66,244</b>	<b>90,527</b>	<b>71,640</b>	<b>25,703</b>	<b>20,619</b>	<b>32,747</b>	<b>43,171</b>
Bonds	109,815	120,517	120,517	100,000	100,000	100,000	100,000
Bank liabilities	77	40,807	35,327	0	0	0	0
<b>Total interest bearing debt</b>	<b>109,892</b>	<b>161,324</b>	<b>155,844</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
Equity	132,365	187,481	208,363	246,135	285,511	339,995	393,794
<b>Net interest-bearing debt</b>	<b>55,696</b>	<b>79,137</b>	<b>92,616</b>	<b>82,637</b>	<b>87,721</b>	<b>75,593</b>	<b>65,169</b>
<b>Net gearing</b>	<b>42.1%</b>	<b>42.2%</b>	<b>44.4%</b>	<b>33.6%</b>	<b>30.7%</b>	<b>22.2%</b>	<b>16.5%</b>

  

€000's	FY/22	FY/23	Q1/24	FY/24E	FY/25E	FY/26E	FY/27E
<b>Op. cashflow before working cap. expenditure</b>	<b>140,205</b>	<b>141,267</b>	<b>40,291</b>	<b>151,620</b>	<b>120,597</b>	<b>125,576</b>	<b>125,464</b>
Cash inflow/(outflow) from working capital	2,527	-2,007	-4,026	12,943	-8,596	1,637	45
<b>Op. cashflow after working cap. expenditure</b>	<b>142,732</b>	<b>139,260</b>	<b>36,265</b>	<b>164,563</b>	<b>112,001</b>	<b>127,213</b>	<b>125,509</b>
Investments in intangibles	-6,034	-295	0	-5,000	-5,000	-5,000	-5,000
Investments in PPE	-82,915	-198,443	-45,306	-152,304	-101,326	-101,326	-101,326
Other cashflow from investing	16,785	49,372	2,334	0	0	0	0
<b>Cashflow from investing activities</b>	<b>-72,164</b>	<b>-149,366</b>	<b>-42,972</b>	<b>-157,304</b>	<b>-106,326</b>	<b>-106,326</b>	<b>-106,326</b>
<b>Cashflow after investing</b>	<b>70,568</b>	<b>-10,106</b>	<b>-6,707</b>	<b>7,259</b>	<b>5,674</b>	<b>20,887</b>	<b>19,183</b>
A. Equity contributions from shareholders	-16,173	1,422	353	0	0	0	0
B. Interest paid	-6,726	-5,908	-4,813	-6,265	-4,979	-4,979	-4,979
C. Dividends paid	-3,723	-6,606	-96	-6,606	-6,606	-6,606	-6,606
D. FX	-45	6	965	0	0	0	0
<b>Cashflow after investing plus A,B,C,D</b>	<b>43,901</b>	<b>-21,192</b>	<b>-10,298</b>	<b>-5,612</b>	<b>-5,910</b>	<b>9,302</b>	<b>7,598</b>

Source: DRAG; First Berlin Equity Research estimates

We expect operating cashflow to exceed investing cashflow in each of the four forecast years shown in figure 4 above. In consequence, we expect net gearing to fall from 42.2% at the end of 2023 to 16.5% at the end of 2027.

**Price target unchanged at €51. Recommendation moved from Add to Buy** Our revenue and EBITDA forecasts in figure 5 below are little changed on our most recent note of 8 May because both our volume projections and the commodity price strips also show only minor changes. Our EBIT numbers are lower because of more conservative near-term depreciation assumptions, but this does not affect our price target which is unchanged at €51. We have raised the recommendation from Add to Buy because the upside to our price target is now over 25%.

Figure 5: Changes to our forecasts

All figures in € 000s	2024E	2024E	Δ	2025E	2025E	Δ	2026E	2026E	Δ	2027E	2027E	Δ
	New	Old		New	Old		New	Old		New	Old	
Volume (boepd)	14,974	14,974	0.0%	13,789	13,789	0.0%	13,662	13,669	-0.1%	13,788	13,788	0.0%
Revenue	239,507	238,143	0.6%	197,800	198,982	-0.6%	205,744	208,832	-1.5%	205,963	208,534	-1.2%
EBITDA	179,509	177,864	0.9%	141,424	142,129	-0.5%	149,887	152,474	-1.7%	149,593	151,685	-1.4%
Dep. and amort.	82,207	73,989	11.1%	70,462	65,430	7.7%	62,334	57,377	8.6%	62,906	60,393	4.2%
<b>Op. income (EBIT)</b>	<b>97,302</b>	<b>103,876</b>	<b>-6%</b>	<b>70,962</b>	<b>76,699</b>	<b>-7%</b>	<b>87,553</b>	<b>95,097</b>	<b>-8%</b>	<b>86,687</b>	<b>91,292</b>	<b>-5%</b>
Net financial result	-9,438	-9,438	n.a.	-7,500	-7,500	n.a.	-7,500	-7,500	n.a.	-7,500	-7,500	n.a.
Pre-tax income (EBT)	87,864	94,438	-7.0%	63,462	69,199	-8.3%	80,053	87,597	-8.6%	79,187	83,792	-5.5%
Income taxes	-18,451	-19,832	n.a.	-13,327	-14,532	n.a.	-16,811	-18,395	n.a.	-16,629	-17,596	n.a.
<b>Net before mins.</b>	<b>69,413</b>	<b>74,606</b>	<b>-7.0%</b>	<b>50,135</b>	<b>54,667</b>	<b>-8.3%</b>	<b>63,242</b>	<b>69,201</b>	<b>-8.6%</b>	<b>62,558</b>	<b>66,196</b>	<b>-5.5%</b>
Minority interests	-2,677	-2,689	n.a.	-1,933	-1,971	n.a.	-2,439	-2,495	n.a.	-2,413	-2,386	n.a.
<b>Net inc. after mins.</b>	<b>66,736</b>	<b>71,916</b>	<b>-7.2%</b>	<b>48,202</b>	<b>52,697</b>	<b>-8.5%</b>	<b>60,803</b>	<b>66,707</b>	<b>-8.9%</b>	<b>60,145</b>	<b>63,809</b>	<b>-5.7%</b>
<b>EPS (€)</b>	<b>13.33</b>	<b>14.37</b>	<b>-7.2%</b>	<b>9.81</b>	<b>10.73</b>	<b>-8.5%</b>	<b>12.38</b>	<b>13.58</b>	<b>-8.9%</b>	<b>12.24</b>	<b>12.99</b>	<b>-5.7%</b>

Source: First Berlin Equity Research estimates

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

€m	New	Old	% Δ
PV11 1876 Resources (DRAG's stake 96.09%)	188.1	188.4	-0.1%
PV11 Elster Oil & Gas (DRAG's stake: 93.0%)	12.8	13.0	-1.1%
PV11 Salt Creek Oil & Gas/Bright Rock Energy (DRAG's stakes: 100.0%/ 98.49%)	63.8	64.7	-1.4%
PV11 other proven reserves (DRAG's stake:100%)	59.3	55.1	7.6%
PV11 hedging gains/(losses)	-3.8	-2.8	35.7%
<b>Subtotal: US oil and gas activities</b>	<b>320.2</b>	<b>318.3</b>	<b>0.6%</b>
Almonty (13.11% equity stake plus promissory notes and debentures)	24.5	24.3	0.7%
Ceritech (DRAG's stake: 72.46%)	0.4	0.3	44.1%
Premier1 Lithium	0.3	0.5	n.a.
<b>Total enterprise value</b>	<b>345.4</b>	<b>343.4</b>	<b>0.5</b>
Cash and securities held in current assets	63.2	82.2	-23.0%
Proceeds from option exercise	5.8	5.8	1.4%
Bonds	120.5	120.5	0.0%
Bank debt	35.3	40.8	
<b>Net debt</b>	<b>86.8</b>	<b>73.4</b>	<b>18.2%</b>
<b>Equity value</b>	<b>258.6</b>	<b>270.0</b>	<b>-4.2%</b>
No. shares outstanding (m)	4.97	5.00	-0.6%
Fully diluted no shares	5.07	5.29	-4.2%
<b>Equity value per share (€)</b>	<b>51.00</b>	<b>51.00</b>	<b>0.0%</b>

Source: First Berlin Equity Research estimates



## INCOME STATEMENT

All figures in € 000s	2022A	2023A	2024E	2025E	2026E	2027E
<b>Revenues</b>	<b>165,439</b>	<b>196,651</b>	<b>239,507</b>	<b>197,800</b>	<b>205,744</b>	<b>205,963</b>
Cost of materials	30,343	34,294	41,482	39,407	39,045	39,403
Personnel/G&A expenses	21,719	24,681	33,692	30,877	30,593	30,874
Other operating income	25,710	20,582	15,176	13,908	13,780	13,907
<b>EBITDA</b>	<b>139,088</b>	<b>158,258</b>	<b>179,509</b>	<b>141,424</b>	<b>149,887</b>	<b>149,593</b>
Depreciation and amortisation	47,656	63,619	82,207	70,462	62,334	62,906
<b>Operating income (EBIT)</b>	<b>91,431</b>	<b>94,639</b>	<b>97,302</b>	<b>70,962</b>	<b>87,553</b>	<b>86,687</b>
Net financial result	-5,493	-8,900	-9,438	-7,500	-7,500	-7,500
Other financial items	0	0	0	0	0	0
<b>Pre-tax income (EBT)</b>	<b>85,938</b>	<b>85,739</b>	<b>87,864</b>	<b>63,462</b>	<b>80,053</b>	<b>79,187</b>
Taxes	-19,752	-18,255	-18,451	-13,327	-16,811	-16,629
Profit before minorities	66,186	67,484	69,413	50,135	63,242	62,558
Minority interests	-5,420	-2,308	-2,677	-1,933	-2,439	-2,413
<b>Net income / loss</b>	<b>60,766</b>	<b>65,175</b>	<b>66,736</b>	<b>48,202</b>	<b>60,803</b>	<b>60,145</b>
<b>EPS (in €)</b>	<b>12.15</b>	<b>13.02</b>	<b>13.33</b>	<b>9.81</b>	<b>12.38</b>	<b>12.24</b>
<b>Ratios</b>						
EBITDA margin on revenues	84.1%	80.5%	74.9%	71.5%	72.9%	72.6%
EBIT margin on revenues	55.3%	48.1%	40.6%	35.9%	42.6%	42.1%
Net margin on revenues	36.7%	33.1%	27.9%	24.4%	29.6%	29.2%
Tax rate	23.0%	21.3%	21.0%	21.0%	21.0%	21.0%
<b>Y-Y Growth</b>						
Revenues	125.6%	18.9%	21.8%	-17.4%	4.0%	0.1%
Operating income	180.6%	3.5%	2.8%	-27.1%	23.4%	-1.0%
Net income/ loss	145.1%	7.3%	2.4%	-27.8%	26.1%	-1.1%



## BALANCE SHEET

All figures in € 000s	2022A	2023A	2024E	2025E	2026E	2027E
<b>Assets</b>						
<b>Current assets, total</b>	<b>89,814</b>	<b>122,032</b>	<b>68,985</b>	<b>55,126</b>	<b>68,926</b>	<b>79,396</b>
Cash and cash equivalents	54,196	82,187	17,363	12,279	24,407	34,831
Inventories	130	1,521	572	472	491	492
Receivables	28,733	29,603	43,830	36,197	37,651	37,691
Prepayments	863	2,066	2,395	1,978	2,057	2,060
Other current assets	4,884	5,422	3,593	2,967	3,086	3,089
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>429,824</b>	<b>465,689</b>	<b>509,681</b>	<b>553,102</b>
Intangible assets	33,652	23,148	25,492	27,836	30,180	32,524
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	316,793	345,235	380,573	415,426
Exploration and evaluation	30,357	24,389	30,292	33,011	36,390	39,723
Plant and machinery	276	19,544	24,274	26,453	29,161	31,832
Other equipment	109	1,613	2,003	2,183	2,407	2,627
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>498,809</b>	<b>520,815</b>	<b>578,607</b>	<b>632,498</b>
<b>Shareholders' equity &amp; debt</b>						
<b>Current liabilities, total</b>	<b>49,865</b>	<b>104,850</b>	<b>42,273</b>	<b>34,912</b>	<b>36,314</b>	<b>136,353</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	7,185	5,934	6,172	6,179
Other current liabilities	28,674	16,975	35,088	28,978	30,141	30,174
<b>Long-term liabilities, total</b>	<b>100,077</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>0</b>
Bond debt	100,000	100,000	100,000	100,000	100,000	0
Bank debt	77	0	0	0	0	0
Other long term liabilities	0	0	0	0	0	0
Provisions	32,653	48,514	57,482	47,472	49,379	49,431
Minority interests	3,403	7,109	9,786	11,719	14,158	16,571
Shareholders' equity	128,962	180,372	236,349	273,792	325,836	377,223
<b>Consolidated equity</b>	<b>132,365</b>	<b>187,481</b>	<b>246,135</b>	<b>285,511</b>	<b>339,995</b>	<b>393,794</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>498,809</b>	<b>520,815</b>	<b>578,607</b>	<b>632,498</b>
<b>Ratios</b>						
Current ratio (x)	1.80	1.16	1.63	1.58	1.90	0.58
Quick ratio (x)	1.80	1.15	1.62	1.57	1.88	0.58
Financial leverage	42.1%	42.2%	33.6%	30.7%	22.2%	16.5%
Book value per share (€)	25.78	36.04	47.22	55.73	66.33	76.79
Net cash (debt)	-55,696	-79,137	-82,637	-87,721	-75,593	-65,169
Return on equity (ROE)	62.3%	42.2%	32.0%	18.9%	20.2%	17.1%



## CASH FLOW STATEMENT

All figures in € 000s	2022A	2023A	2024E	2025E	2026E	2027E
<b>Net profit before minorities</b>	<b>66,186</b>	<b>67,484</b>	<b>69,413</b>	<b>50,135</b>	<b>63,242</b>	<b>62,558</b>
Writedowns/writeups of fixed assets	39,790	63,384	82,207	70,462	62,334	62,906
Increase/decrease in provisions	18,882	-5	0	0	0	0
Changes in working capital	2,527	-2,007	12,943	-8,596	1,637	45
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
Income taxes paid/received	5,493	8,229	0	0	0	0
Income tax payments	17,863	17,420	0	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>164,563</b>	<b>112,001</b>	<b>127,213</b>	<b>125,509</b>
Investment in property, plant equipment	-82,915	-198,443	-152,304	-101,326	-101,326	-101,326
Investment in intangible assets	-6,034	-295	-5,000	-5,000	-5,000	-5,000
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>7,259</b>	<b>5,674</b>	<b>20,887</b>	<b>19,183</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>-157,304</b>	<b>-106,326</b>	<b>-106,326</b>	<b>-106,326</b>
Equity financing	-16,173	1,967	0	0	0	0
Debt financing	21,334	82,567	0	0	0	0
Debt repayment	-29,439	-30,322	-61,324	0	0	0
Interest paid	-6,725	-7,939	0	0	0	0
Dividends, share buybacks	-3,728	-6,712	-10,759	-10,759	-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>-72,083</b>	<b>-10,759</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>-64,824</b>	<b>-5,085</b>	<b>12,128</b>	<b>10,424</b>
FX/consolidation effects	0	0	0	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>17,363</b>	<b>12,279</b>	<b>24,407</b>
<b>Cash and current cash equivs., end of the year</b>	<b>54,196</b>	<b>82,187</b>	<b>17,363</b>	<b>12,279</b>	<b>24,407</b>	<b>34,831</b>
<b>EBITDA/share (in €)</b>	<b>27.80</b>	<b>31.62</b>	<b>35.86</b>	<b>28.79</b>	<b>30.51</b>	<b>30.45</b>
<b>Y-Y Growth</b>						
Operating cash flow	175.4%	-2.4%	18.2%	-31.9%	13.6%	-1.3%
Free cash flow	9528.3%	n.m.	n.m.	-21.8%	268.1%	-8.2%
EBITDA/share	108.5%	13.7%	13.4%	-19.7%	6.0%	-0.2%



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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.

Our recommendation system places each company into one of two market capitalisation categories. Category 1 companies have a market capitalisation of €0 – €2 billion, and Category 2 companies have a market capitalisation of > €2 billion. The expected return thresholds underlying our recommendation system are lower for Category 2 companies than for Category 1 companies. This reflects the generally lower level of risk associated with higher market capitalisation companies.

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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...42	↓	↓	↓	↓
43	23 March 2023	€25.70	Buy	€38.00
44	4 May 2023	€27.20	Buy	€40.00
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	Today	€38.40	Buy	€51.00

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