UK Equities / FTSE AIM All-Share

Sector: Oil & Gas Producers

Serinus Energy*

Buy

Target Price: 6.0p

High oil and gas prices driving cash flows

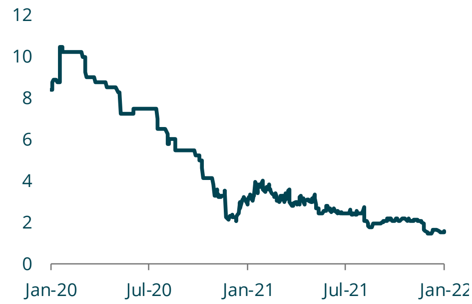
SENX.L **Current Price: 1.55p**

Serinus is a UK-listed E&P with producing assets in Romania and Tunisia. The company is well placed to continue benefitting from strong oil and, in particular, gas prices as we go through the winter in Europe. Serinus also has a full 2022 work programme to provide regular news flow. We have a Buy recommendation and 6.0p target.

- **Well placed in strong oil and gas pricing environment.** Serinus produced 1.8mboe/d net over Q1-Q3 2021, returning US$9.2m of EBITDA, leaving the company well set to continue benefitting from ongoing strong oil and gas prices.
- **Material potential upside to our forecasts.** Our forecasts are more conservative than forward curve levels, creating the potential for upside to our current numbers for 2022 and beyond if these are maintained.
- **Busy 2022 work programme.** Serinus is planning numerous work programme items in 2022, including an ESP installation and workover in Tunisia, and new 2D seismic followed by three exploration wells in Romania. This creates regular news flow for the stock.
- **Upside potential from Romania exploration and Tunisia increased recovery.** There is considerable room to run on Serinus' Romania acreage, with up to 151mmboe of P50 prospective resource identified, some of which will be pursued by the 2022 programme. In Tunisia the ESP programme on the Sabria field could materially increase recovery.
- **Recent buybacks have been supportive.** Serinus has bought back 5.9m shares in recent weeks, at prices ranging from 1.47p to 1.55p.
- **Forecast update.** We have taken this opportunity to update our forecasts for 2021 oil and gas prices, as shown below.
- **Valuation and recommendation.** Our total risked NAV for Serinus is 6.0p, and we have a Buy recommendation, in anticipation of ongoing strong cash flows, upside from higher oil and gas prices, and a busy 2022 work programme to help create distinct value events for the market.

Key Data	
Market Capitalisation	£17.6m
Shares in Issue	1,134.7m
Free Float	79.9%
Average Daily Volume (k)	4,363
12 Month Trading Range	1.43p - 4.00p

Price Performance (p/share)



Source: Bloomberg

Analyst Details

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Financial Forecasts				
Year To: December	2019A	2020A	2021E	2022E
Net Production (mboe/d)	1.4	2.3	1.7	2.0
Oil Price (US$/bbl)	64	46	71	65
Sales (US$m)	24.4	24.0	39.1	50.2
EBITDA (US$m)	8.0	7.1	13.8	16.1
Free Cash Flow (US$m)	3.0	1.9	1.2	(0.6)
Net Cash/(Debt) (US$m)	(28.3)	6.0	7.2	6.6
DPS (¢)	--	--	--	--
Valuation				
Core NAV (p/share)	2.9			
Total Risked NAV (p/share)	6.0			
Total Unrisked NAV (p/share)	7.3			

Financial Forecast Changes			
21E Old	22E Old	21E %	22E %
1.7	2.0	0.0	0.0
65	65	8.5	0.0
41.2	50.2	(5.0)	0.0
14.2	16.1	(2.3)	0.0
1.4	(0.6)	(15.8)	0.0
7.4	6.8	(3.0)	(3.5)
n/a	n/a	n/a	n/a

** Arden Partners acts as corporate broker to this company.*

Investment case

Existing producer benefiting from strong oil and gas prices

Serinus reported 1.8mboe/d of net production for the Q1-Q3 2021 period (74% gas, the vast majority of which was in Romania). This resulted in US$9.2m of EBITDA for the period, highlighting the advantageous position that the company enjoys as a producer in a strong oil and gas price environment.

Going forward, Serinus is well placed to benefit from even higher prices. On the oil side, prices are currently around US$80/bbl despite the impact of the omicron coronavirus variant. On the gas side, from the beginning of Q4 2021 the company began selling around half of its Romania gas via its own trading platform, with the balance through a revised contract with Vitol. These arrangements increase Serinus' exposure to spot gas prices, which continue to exhibit very high levels. Having existing gas production to sell into this exceptional European gas market is a strong advantage for the company.

Upside to our forecast from higher oil and gas prices

Our existing Serinus forecasts use Brent oil and Romania gas prices that are more conservative than those implied by current forward curves. Our existing 2022 forecast uses a Romania gas price of US$12.9/mcf, whereas a combination of the NBP and TTF forward curves for 2022 implies US$28/mcf for the year. Even if we assume Serinus achieves 20% below European averages (to account for the lower liquidity of the Romanian market and the Vitol contract sales), this still implies substantial upside to our numbers.

If we then look further out to 2023, we are using a Romania gas price of US$9.4/mcf in our model. The NBP and TTF forward curves imply US$16/mcf, again substantial upside to our number even with an assumed 20% discount.

For oil, the Brent forward curve is at US$77/bbl for 2022 against our US$65/bbl assumption. For 2023 this is US$72/bbl, against our US$65/bbl model assumption. Again, this implies upside to our forecasts, particularly as the Tunisia ESP installations should increase the percentage of oil production in the company's overall mix going forward.
Below we show a table of our existing Serinus forecasts, alongside a sensitivity using Romania gas pricing and Brent oil pricing based on forward curves, as discussed above. This shows revenues and cash flows rising sharply for the higher oil and gas prices, particularly for 2022, alongside the impact of the Romania windfall tax.

Serinus Oil and Gas Price Forecast Sensitivity

Current Arden Forecasts		2021E	2022E	2023E
Net Production	mboe/d	1.7	2.0	2.2
Average Brent Oil Price	US$/bbl	70.5	65.0	65.0
Average Romania Gas Price (Realised)	US$/mcf	11.0	12.9	9.4
Revenue	US$m	39.1	50.2	47.1
EBITDA	US$m	13.8	16.1	19.3
Operating Cash Flow	US$m	12.8	13.1	13.5
CAPEX	US$m	(11.1)	(13.2)	(2.9)
Free Cash Flow	US$m	1.2	(0.6)	10.1
Year End Net Cash/(Debt)	US$m	7.2	6.6	16.6

Forward Curve-Based Pricing		2021E	2022E	2023E
Net Production	mboe/d	1.7	2.0	2.2
Average Brent Oil Price	US$/bbl	70.5	77.0	72.0
Average Romania Gas Price (Realised)	US$/mcf	11.0	22.4	12.8
Revenue	US$m	39.1	75.2	56.5
EBITDA	US$m	13.8	22.9	22.8
Operating Cash Flow	US$m	12.8	18.5	16.0
CAPEX	US$m	(11.1)	(13.2)	(2.9)
Free Cash Flow	US$m	1.2	4.7	12.6
Year End Net Cash/(Debt)	US$m	7.2	11.9	24.5

Source: Arden Research.

Low onshore costs help underpin cash flows and work programmes

Serinus' assets in Romania and Tunisia are all onshore, creating a low-cost environment for the company. On the OPEX side, this has allowed Serinus to deliver unit OPEX of US$13.4/boe over Q1-Q3 2021, helping preserve margins when oil and gas prices fell in 2020, and boosting them now in the current stronger price environment. This increases the resilience of company cash flows.

On the CAPEX side, Serinus can drill wells in Romania for around US$2.5-3.5m gross, with a new gas plant costing around US$7-8m gross. Workover and ESP installation costs in Tunisia are also relatively modest. This all allows Serinus to fund significant work programmes on its assets out of cash flow: the 2022 programme consists of an ESP installation in Tunisia alongside a 2D seismic programme and three exploration wells in Romania – a full schedule.

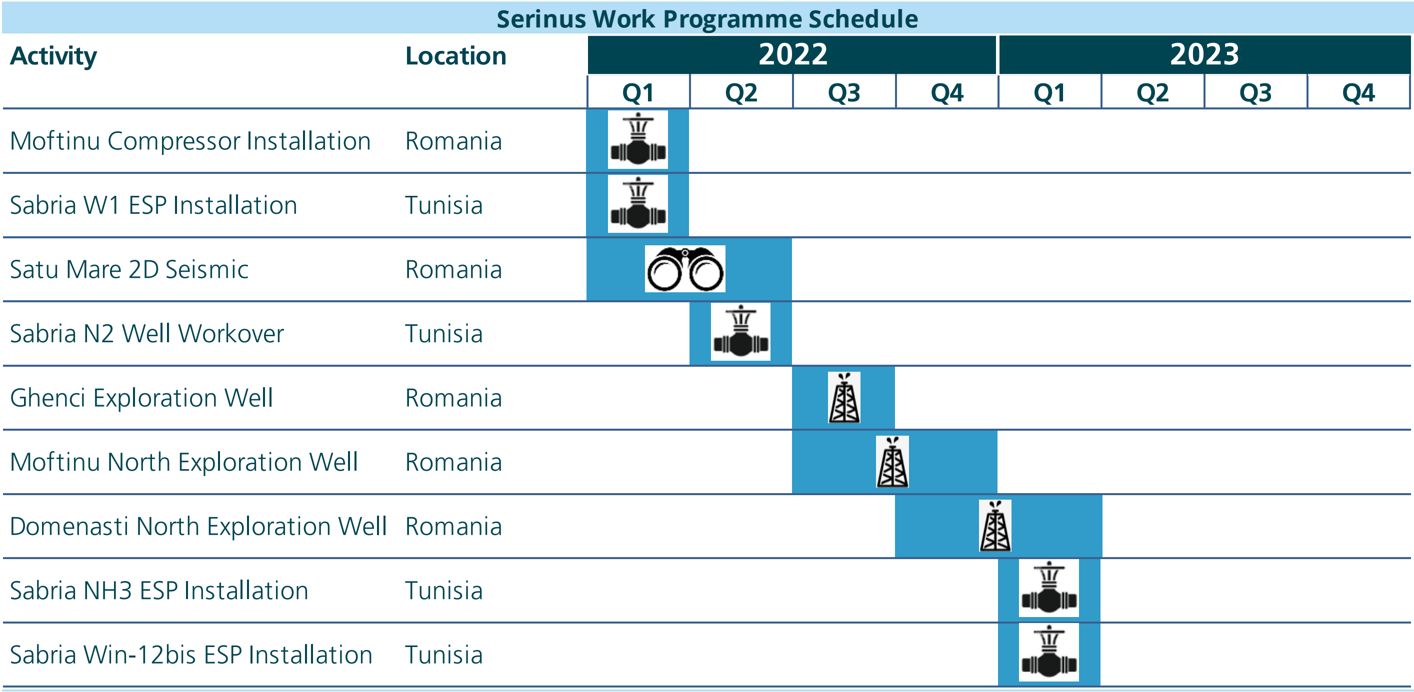
Busy 2022 work programme to provide news flow, new production and asset value augmentation

Serinus has a busy 2022 work programme planned, with the potential to add both new production and new discovered resources. In Tunisia, the company is planning the installation of an ESP in the W1 well on its Sabria asset (Serinus 45%, operator) in late Q1 2022. This is expected to bring this well onstream for production, and based on existing analysis this could add c.400boe/d net for Serinus – important volumes that will also increase the oil weighting of the production base.

Serinus is then planning a workover and recompletion of the N2 well in mid-2022, which is expected to also bring this well onstream, and could add 160-225boe/d of net production. Following this, there are a further two ESP installations planned in existing wells in early 2023.

In Romania, the first of two compressors was recently installed at the producing Moftinu field (Serinus 100%), with a second planned for early 2022. These are expected to stabilise and extend field production, potentially increasing long term recovery and overall reserves. There is then a new 2D seismic programme planned for H1 2022 on the wider Satu Mare block, which is expected to support a new three well exploration drilling programme to begin in H2 2022. Success in the drilling programme could lead to new production volumes, either from tying new wells back to the existing Moftinu gas plant, or from building a second gas plant, on requisite volumes.

Overall, this creates a regular, material news flow schedule for the stock throughout 2022 and into 2023.



Source: Serinus.

Upside potential: Satu Mare exploration in Romania

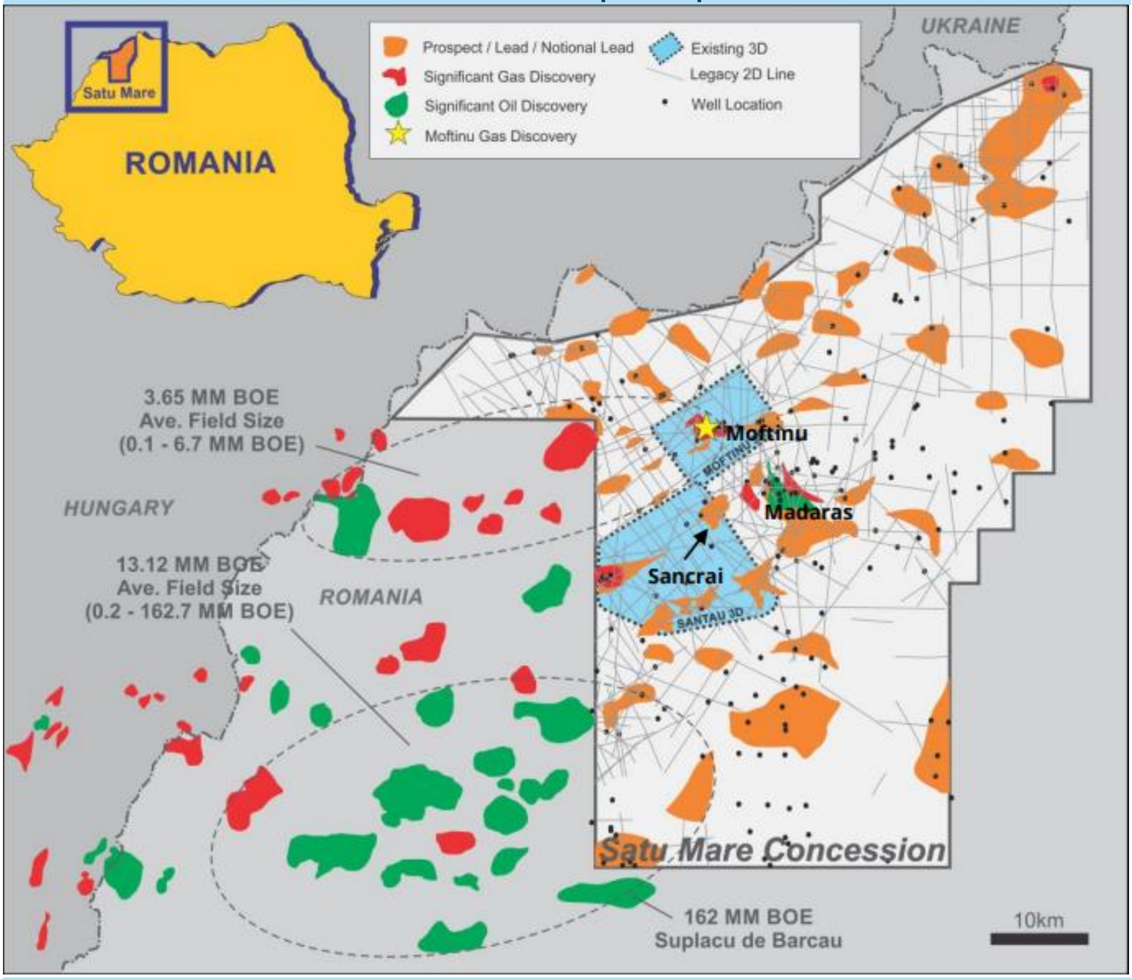
Serinus' Moftinu development on its Satu Mare licence (Serinus 100%) in Romania has successfully commercialised 14.8bcf (2.5mmboe) of gross 2P reserves and 6.3bcf (1.1mmboe) of gross 2C resources. This should only be the tip of the iceberg for Satu Mare, however.

Using existing seismic data, Serinus has worked up a series of prospects broadly similar to Moftinu across Satu Mare, with total P50 prospective resources of 151mmboe identified. This leaves an enormous amount of room to run for further exploration drilling and subsequent development via new gas plants.

Serinus has already drilled the Sancrai well during 2021, and now has a plan to run new 2D seismic in an area to the north of the Moftinu field in H1 2022. Based on this, the company is then planning to drill the Ghenci, Moftinu North and Domanesti North wells beginning in H2 2022. We allocate 16bcf (2.7mmboe) of gross resources to each well in our model. The wells should cost US$2.5-3.0m gross each, and on success could be tied back to the existing Moftinu gas plant (they range from 5.0km to 8.5km away). If enough gas is discovered, it could also support installation of a new gas plant similar to Moftinu (which has a capacity of 15mmcf/d, or 2.5mboe/d), which would cost around US$7-8m gross.

The planned 2022 exploration wells could represent a second phase of production on Satu Mare as Moftinu declines, but there is significantly more potential beyond this. The existing identified prospective resources could, on drilling success, support numerous new Moftinu-size gas plants across the block. Success in the 2022 programme could lead the market to begin allocating some value for this long-term potential in the stock price.

Satu Mare Prospect Map



Source: Serinus.

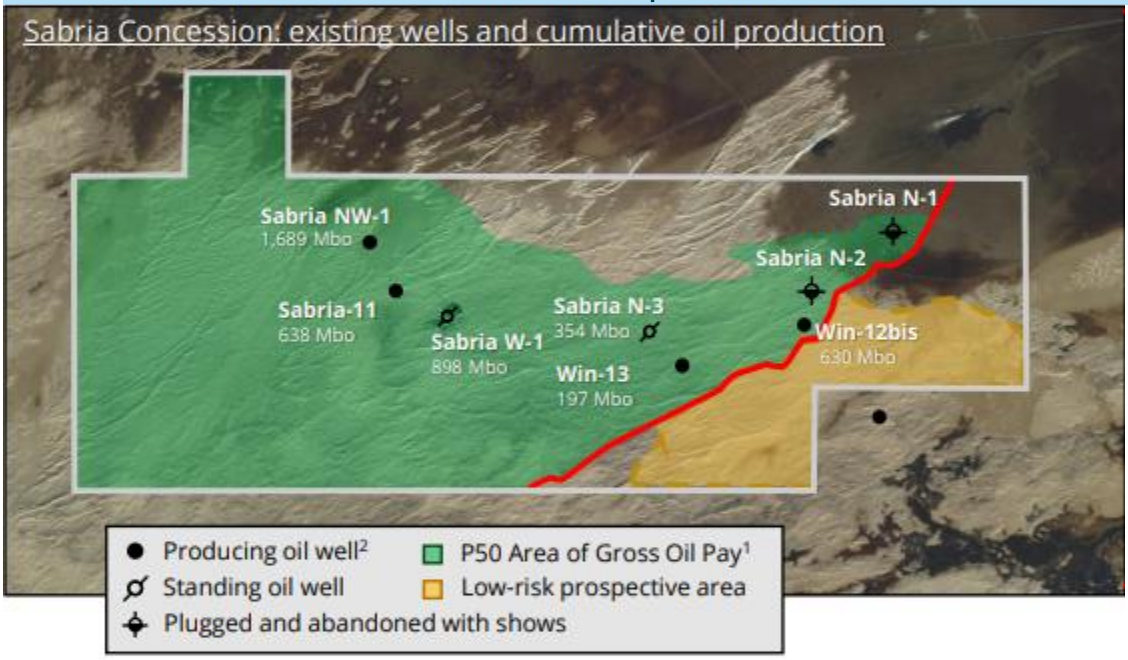
Upside potential: increased Sabria recovery in Tunisia

Serinus' Sabria field in Tunisia (Serinus 45%, operator) is assessed as having 445mmbbl of gross oil in place. Of this, 1.1% has been recovered to date, leaving a significant opportunity to increase the recovery factor and extract additional volumes. The 2017 RPS CPR uses an estimated total 2P recovery number of 16.4mmbbl gross (12.3mmbbl of which was remaining at the time), implying total recovery potential of 3.7%, supporting this additional potential. Even 3.7% recovery is a relatively low number globally, however.

This demonstrates that there is much more to go for on Sabria than the existing production levels would imply (total Serinus net Tunisia production in Q1-Q3 2021 was 568boe/d, with a little less than half of this from Sabria, we estimate). While realisation of the full 2P reserves would require new drilling, Serinus' plans to install ESPs in up to four wells is expected to potentially result in an additional 1.5mboe/d of net incremental production, which should significantly increase recovery compared with existing field production.

As such, the large oil in place underpins the potential increased production from the Sabria ESP programme.

Sabria Field Map



Source: Serinus.

Forecast update

We have today updated our forecasts for 2021 oil and gas prices. We move our Brent oil price from US$65.0/bbl to US$70.5/bbl. We move our realised Romania gas price from US$12.4/mcf to US$11.0/mcf, after substantial volatility in the last few weeks of the year. We move our realised Tunisia gas price from US$8.0/mcf to US$9.0/mcf. Overall, this sees our 2021 EBITDA adjust marginally from US$14.2m to US$13.8m.

Valuation and recommendation

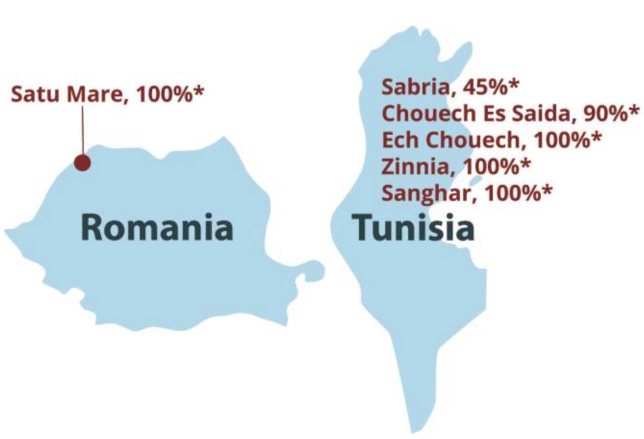
Our DCF-based valuation for Serinus returns a total risked NAV of 6.0p, going to 7.3p fully unrisked. Looking at cash flows, Serinus is trading on consensus EV/EBITDA of 1.2x for 2021 and 1.1x for 2022, against 3.1x going to 1.8x for UK-listed onshore focused producers, and 4.0x going to 2.3x for the wider UK-listed E&P sector.

In our view, the company's cash flow profile, which should be augmented by ongoing strong oil and gas prices, is currently undervalued by the market. The full 2022 work programme should provide ongoing news flow to help close this gap to our NAV. We have a Buy recommendation and 6.0p price target.

Summary

Market Data	
Share Price	1.6p
Market Capitalisation	£17.6m
Shares Out	1,135m
Net Cash/(Debt) (US$m) end 2020	6.0
Target Price	**6.0p**

Asset Locations



Summary Income Statement (US$m)

Year to Dec	2018A	2019A	2020A	2021E	2022E
Sales	8.7	24.4	24.0	39.1	50.2
Royalties	(0.9)	(1.9)	(1.8)	(3.2)	(4.2)
OPEX	(3.0)	(7.0)	(8.3)	(9.2)	(10.2)
DD&A	(1.8)	(10.5)	(15.3)	(10.9)	(13.1)
Windfall Tax	--	(3.2)	(1.5)	(8.3)	(15.2)
G&A	(4.2)	(4.3)	(5.4)	(4.5)	(4.5)
Decomm	--	--	--	(0.4)	(0.4)
Op Profit	**(1.2)**	**(2.4)**	**(8.2)**	**2.5**	**2.6**
EBITDA	**0.6**	**8.0**	**7.1**	**13.8**	**16.1**
EBITDAX	**0.6**	**8.0**	**7.1**	**13.8**	**16.1**
Net Interest	(4.6)	(4.8)	(3.8)	--	--
PBT (Adj)	**(5.8)**	**(7.2)**	**(12.0)**	**2.5**	**2.6**
Tax	(1.7)	(1.7)	(0.8)	(2.0)	(4.0)
PAT (Adj)	**(7.5)**	**(8.9)**	**(12.8)**	**0.5**	**(1.4)**
EPS (Adj)	(3.9)	(3.8)	(4.7)	0.0	(0.1)

Summary Cashflow Statement (US$m)

Year to Dec	2018A	2019A	2020A	2021E	2022E
EBITDA	0.6	8.0	7.1	13.8	16.1
Op CF	**(5.9)**	**8.8**	**6.8**	**12.8**	**13.1**
CAPEX	(11.4)	(4.9)	(4.4)	(11.1)	(13.2)
Investment CF	**(11.3)**	**(4.9)**	**(4.3)**	**(11.1)**	**(13.2)**
FCF	**(17.8)**	**3.0**	**1.9**	**1.2**	**(0.6)**
Net Debt Draw	--	(5.4)	(18.5)	--	--
Cash Interest	(0.4)	(0.4)	--	--	--
Financing CF	**12.2**	**(3.4)**	**0.7**	**(0.5)**	**(0.5)**
Net Change in Cash	(5.0)	0.5	3.2	1.2	(0.6)
Net Cash/(Debt)	**(31.0)**	**(28.3)**	**6.0**	**7.2**	**6.6**

Summary Balance Sheet (US$m)

Year to Dec	2018A	2019A	2020A	2021E	2022E
PPE	107.5	94.2	78.3	78.5	78.7
Cash and Equivalents	2.3	2.8	6.0	7.2	6.6
Restricted Cash	1.1	1.1	1.2	1.2	1.2
Total Assets	**121.0**	**110.5**	**94.4**	**95.7**	**95.3**
Long-Term Debt	(27.7)	(23.4)	--	--	--
Short-Term Debt	(5.6)	(7.7)	--	--	--
Total Liabilities	**(107.7)**	**(95.9)**	**(63.0)**	**(63.4)**	**(63.8)**
Equity	13.3	14.5	31.4	32.4	31.5
Liabilities + Equity	**121.0**	**110.5**	**94.4**	**95.7**	**95.3**

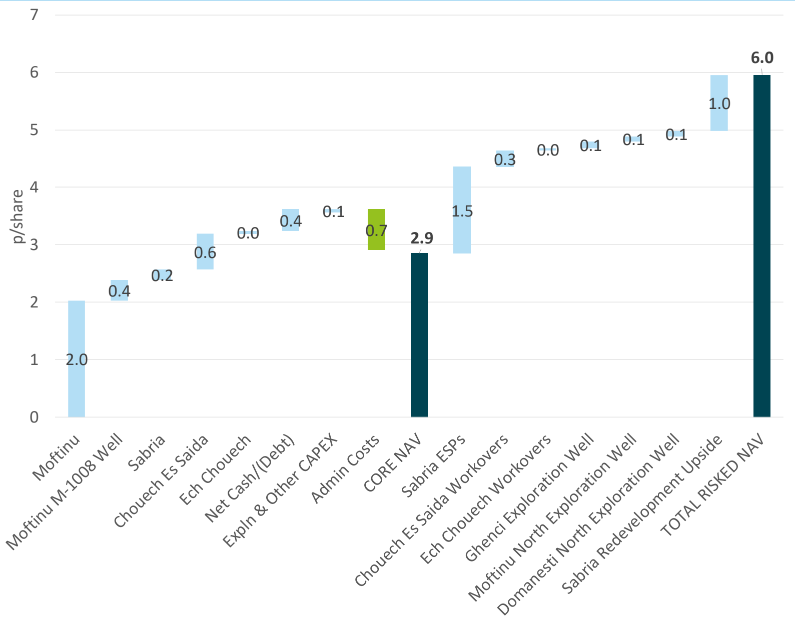
Valuation and Production Data	
Discount Rate	10.0%
LT US$/£	1.30
Diluted NOSH (m)	1,196
Long-Term Brent Assumption (US$/bbl)	65.0
Long-Term Romania Gas Assumption (RON/MWH)	95.0

Year to Dec	2018A	2019A	2020A	2021E	2022E
Net Oil Production (mbbl/d)	0.3	0.3	0.5	0.5	0.7
Net Gas Production (mmcf/d)	0.6	6.2	11.3	7.1	7.5
Net Total Production (mboe/d)	**0.4**	**1.4**	**2.3**	**1.7**	**2.0**
Brent Oil Price (US$/bbl)	71.2	64.0	45.7	70.5	65.0
Romania Gas Price (RON/MWH)	89.8	103.7	62.2	158.0	185.0
Romania Gas Price (US$/mcf)	6.7	7.2	4.3	11.0	12.9
Unit OPEX (US$/boe)	23.7	13.9	9.7	15.3	14.1

Summary NAV

	Interest (%)	Net Unrisked (mmboe)	Unrisked value (US$/boe)	Unrisked value (p/share)	Risked value (US$m)	Risked value (p/share)
Production						
Moftinu	100%	3.0	10.4	2.0	32	2.0
Moftinu Upside	100%	0.5	10.4	0.4	6	0.4
Sabria	45%	1.1	2.7	0.2	3	0.2
Chouech Es Saida	91%	2.0	4.9	0.6	10	0.6
Ech Chouech	100%	0.2	3.8	0.0	1	0.0
Total Production		**6.8**		**3.2**	**50**	**3.2**
Net Cash/(Debt)					6	0.4
Exploration and Other CAPEX					(1)	(0.1)
Admin Costs					(11)	(0.7)
CORE NAV				**2.9**	**44**	**2.9**
Upside						
Sabria ESP Installation	45%	2.2	11.8	1.7	23	1.5
Chouech Es Saida Wrk's	91%	2.0	2.5	0.3	4	0.3
Ech Chouech Workovers	100%	0.2	3.6	0.0	1	0.0
Ghenci Expln Well	100%	2.7	2.2	0.4	2	0.1
Moftinu North Expln Well	100%	2.7	1.8	0.3	1	0.1
Domanesti Nth Expln Well	100%	2.7	1.8	0.3	1	0.1
Sabria Redev't Upside	45%	2.8	7.7	1.4	15	1.0
Total Appraisal/Development		**15.2**		**4.4**	**48**	**3.1**
TOTAL CORE + UPSIDE NAV				**7.3**	**93**	**6.0**

NAV Distribution Chart



Source: Arden Research.

Somero Enterprises

Buy

Target Price: 750p

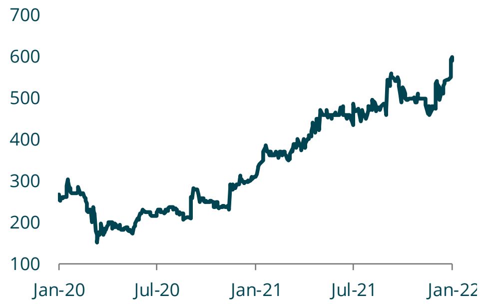
Underlying Secular Growth Playing Out

SOM.L **Current Price: 590.0p**

- **Remains a key pick** – In our view, 11.5x FY22E PE and 7x FY22E EV/EBITDA is undervaluing the clear growth opportunity at Somero, driven in part by the warehousing sector and the high levels of e-commerce demand. With secular growth becoming a larger contributor to top-line expansion, we believe there is significant re-rating potential. We reiterate or BUY and 750p PT.
- **The opportunity** - In the US, nationwide industrial vacancy rates are at historic lows (3.6%) and in the UK it is a similar picture. There was 7.1m sq ft of logistics space available at the end of September 2021, implying a vacancy rate of 1.53% (the lowest level on record). A recent report from CBRE indicated that the US will need to add 330m sq ft of warehouse space dedicated to online fulfilment by 2025. On a global basis, there will need to be an increase of 1.5bn sq ft to keep pace with the $1.5trn uptick in e-commerce sales by 2025. The growth potential is therefore clear.
- **All pointing one way currently -** Structural growth (in relation to both end market exposure and product lines) looks to be emerging and its global reach should leave it in a strong position to capitalise on these trends. The strength of its balance sheet also means that there is a meaningful cash return story. We estimate that the group could return 20% of its current market cap (c£60m) over the next three years. This is a very different business from the last cycle.
- **View** - We have argued for some time that the mix of non-residential construction (and therefore Somero's relationship to the cycle) has changed since the financial crisis. This is now playing out in underlying statistics – with warehouse and storage buildings now the most common type of commercial building in the country. Ashtead (NR) on 25x PE provides a good example of the re-rating potential, when the through-cycle earnings profile changes, and structural growth enters the mix. We are 18.5% ahead of consensus EBITDA for FY22 and happy to be there.

Key Data	
Market Capitalisation	£335.1m
Shares in Issue	56.0m
Free Float	99.9%
Average Daily Volume (k)	167
12 Month Trading Range	330p - 598p

Price Performance (p/share)



Source: Bloomberg

Analyst Details

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Financial Forecasts				
Year To: December	**2019A**	**2020A**	**2021E**	**2022E**
Sales (US$m)	89.3	88.6	129.2	138.8
Adj. Operating Profit (Loss) (US$m)	26.7	24.0	43.1	48.6
Adjusted PBT (US$m)	27.2	24.8	43.9	49.4
Adjusted EPS (¢)	37.2	33.2	57.8	65.0
DPS (¢)	18.8	16.8	29.0	33.0
Valuation				
P/E (x)	21.3	24.6	14.0	12.5
EV/EBITDA (x)	6.6	n/a	8.9	7.8
Dividend Yield (%)	2.4	2.1	3.6	4.1
FCF Yield (%)	7.4	n/a	6.8	7.7
Net Cash/(Debt) (US$m)	23.8	35.4	43.0	49.3

Income Statement (US$m)						
Year To: December	**2018A**	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**
Revenue	94.0	89.3	88.6	129.2	138.8	148.7
Revenue Growth (%)	*9.8*	*(5.0)*	*(0.8)*	*45.8*	*7.4*	*7.4*
Cost of Sales	(40.4)	(38.6)	(39.7)	(54.2)	(59.7)	(63.9)
Gross Profit	53.6	50.7	48.8	75.0	79.1	84.8
Gross Margin (%)	*57.0*	*56.8*	*55.1*	*58.0*	*57.0*	*57.0*
Total Expenses	(24.5)	(24.1)	(25.0)	(29.7)	(31.0)	(31.7)
Share Based Payments	(0.5)	(0.8)	(0.9)	(1.3)	(1.5)	(1.8)
Adj. Operating Profit (Loss)	**29.2**	**26.7**	**24.0**	**43.1**	**48.6**	**53.0**
Operating Margin (%)	*31.0*	*30.0*	*27.1*	*33.4*	*35.0*	*35.6*
Finance (Costs)/Income	0.1	0.2	0.2	0.2	0.2	0.2
Adj. Profit Before Tax	**29.1**	**27.2**	**24.8**	**43.9**	**49.4**	**53.8**
Tax Charge	(7.5)	(5.9)	(5.8)	(11.0)	(12.0)	(13.0)
Effective Tax Rate (%)	*25.9*	*21.8*	*23.6*	*25.1*	*24.3*	*24.2*
Profit Attributable to Minorities	--	--	--	--	--	--
Net Income	**21.4**	**21.1**	**18.9**	**32.9**	**37.4**	**40.8**
EPS (¢)	**37.7**	**37.2**	**33.2**	**57.8**	**65.0**	**69.7**
DPS (¢)	19.0	18.8	16.8	29.0	33.0	35.0

Balance Sheet (US$m)						
Year To: December	**2018A**	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**
Property, Plant and Equipment	12.0	13.7	16.5	18.5	19.8	21.8
Deferred Tax Assets	0.9	0.6	0.1	0.1	0.1	0.1
Intangibles	2.9	5.0	4.8	4.7	4.7	4.7
Total Non-Current Assets	**16.3**	**22.2**	**24.2**	**25.4**	**27.1**	**29.1**
Inventory	10.8	12.3	11.1	12.1	0.2	0.2
Trade and Other Receivables	10.2	12.0	6.4	14.9	16.4	18.1
Cash and Cash Equivalents	28.2	23.8	35.4	43.0	49.3	54.7
Other Current Assets	1.5	1.3	1.7	2.0	16.6	18.3
Total Current Assets	**50.8**	**49.3**	**54.6**	**72.1**	**82.5**	**91.2**
Total Assets	**67.1**	**71.5**	**78.8**	**97.4**	**109.6**	**120.3**
Pension Obligation	--	--	--	--	--	--
Borrowings and Other Fin Liab (Non-Current)	0.0	1.2	1.4	1.2	1.2	1.0
Deferred Tax Liabilities	--	--	--	--	--	--
Total Non-Current Liabilities	**0.4**	**2.8**	**3.0**	**2.8**	**2.8**	**2.6**
Trade and Other Payables	2.1	2.2	4.4	5.6	6.8	6.8
Borrowings and Other Fin Liab (Current)	0.0	0.4	0.4	0.4	0.4	0.4
Other Current Liabilities	9.4	7.0	7.6	7.6	7.6	7.6
Total Current Liabilities	**11.5**	**9.7**	**12.3**	**13.5**	**14.7**	**14.7**
Total Liabilities	**12.0**	**12.5**	**15.3**	**16.3**	**17.5**	**17.3**
Share Capital	(0.3)	(0.2)	(1.0)	(1.1)	0.0	0.0
Share Premium	17.0	17.0	17.6	17.0	0.0	0.0
Other Reserves	(2.8)	(2.7)	(2.8)	4.5	92.1	94.6
Retained Earnings	41.3	44.9	49.8	60.7	0.0	8.4
Total Shareholder Equity	**55.1**	**59.0**	**63.5**	**81.1**	**92.1**	**103.0**

Cash Flow Statement (US$m)						
Year To: December	**2018A**	**2019A**	**2020A**	**2021E**	**2022E**	**2023E**
EBITDA	30.8	28.7	26.1	46.0	52.0	57.0
Change in Working Capital	(1.6)	(2.8)	9.2	(2.4)	(3.0)	(3.2)
Net Interest Charge	--	--	--	--	--	--
Tax	(5.5)	(7.6)	(5.8)	(11.0)	(12.0)	(13.0)
Pension Payments	--	--	--	--	--	--
Other Operating Cash Flow	--	--	--	--	--	--
Net Cash Flow from Operations	**23.8**	**18.9**	**30.6**	**33.5**	**37.9**	**41.7**
Growth Capex	(0.8)	(3.2)	(3.7)	(2.6)	(2.7)	(2.9)
Acquisition of Business	0.0	(2.1)	0.0	0.0	0.0	0.0
Disposal of Business	--	--	--	--	--	--
Disposals of PPE	0.0	0.0	0.1	0.0	0.0	0.0
R&D (Capitalised)	--	--	--	--	--	--
Dividend Received	--	--	--	--	--	--
Net Cash Flow from Investment	**(0.8)**	**(5.2)**	**(3.7)**	**(2.6)**	**(2.7)**	**(2.9)**
New Share Issuance	--	--	--	--	--	--
Share Buyback	(0.6)	(0.6)	(1.2)	(0.7)	0.0	0.0
Net Borrowing Movements	0.0	0.0	0.0	0.0	0.0	0.0
Dividend Paid	(12.3)	(17.4)	(13.9)	(22.4)	(28.7)	(33.3)
Net Cash Flow from Financing	**(13.0)**	**(18.2)**	**(15.2)**	**(23.3)**	**(28.9)**	**(33.5)**
Opening Cash	19.0	28.2	23.8	35.4	43.0	49.3
Movement	10.1	(4.6)	11.7	7.6	6.3	5.4
Closing Cash	28.2	23.8	35.4	43.0	49.3	54.7