



Penser Access by Carnegie

Oil, Gas & Consumable Fuels | Sweden | 03 March 2025

Maha Energy

Movement in Brava share and developments in Venezuela are key catalysts

Production in US operations increased in Q4

Production in Illinois Basin, Maha's producing asset in the US, increased by 38% sequentially and 130% Y/Y in Q4. As the oil price (WTI) fell 10% Y/Y and 7% Q/Q, operating netback decreased slightly both Q/Q and Y/Y. Although positive, the development in Brava Energia (Brava) – the recently merged 3R–Enauta entity, of which Maha owns 4.76% – will be the main share price driver going forward, together with any development in its interest in Venezuela. We leave our fair value of Maha, which mainly comprises the value of its US assets and the market value of its stake in Brava, unchanged at SEK8–10.

Significant progress by Brava Energia, according to Maha

Towards the end of the year, Brava announced the restart of production at its two largest growth assets, Atlanta and Papa Terra. Atlanta, which produced at reduced capacity for most of H2(24), resumed production with two wells and has scheduled ramp up in H1(25), as four previously producing wells will come back online in the coming six months. Maha expects Brava to reach production levels up towards 100,000 boepd by H2(25) and management expects the positive trend in Brava's share price in Q4(24) to continue.

Progress achieved in Venezuela position

Its PetroUrdaneta development project was advanced during the period. Technical discussions with PDVSA, the Venezuelan state-owned oil and natural gas company, have been concluded and a final business plan will be agreed during Q1(25). The next step is approvals from PDVSA. Contract negotiations will start by the end of Q1(25) and the target is to get a similar framework agreement as Chevron and M&P, allowing the production of oil and gas despite US sanctions on Venezuela. Maha applied for a specific licence with the OFAC (Office of Foreign Assets Control) in Q1(24) and remains in communication with Washington DC and the US State Department.

Change in estimates				Forecasts (USDm)				Value and risk			
	25e	26e	27e		2024	2025e	2026e	2027e	Fair value	SEK 8.0 - 10.0	
Total Revenues	13.7%	13.7%	13.7%	Total Revenues	8	9	9	5	Share price	SEK 5.3	
EBITDA, adj.	36.1%	36.1%	36.1%	Revenue growth	62%	1%	0%	-42%	Risk level	High	
EPS, adj.	11.7%	11.0%	45.8%	EBITDA, adj.	-5	-2	-2	-1	Price Performance 12 months		
Upcoming events				EBIT, adj.	-9	-5	-5	-3			
Q1 - report	20 May 2025			EPS, adj.	-0.3	0.0	0.0	0.0			
Company facts (USDm)				EPS growth, adj.	N.m.	N.m.	N.m.	N.m.			
Number of shares	172m			BV/share	0.7	0.7	0.6	0.6			
Market capitalisation	84			EBIT margin	Neg.	Neg.	Neg.	Neg.			
Net debt	-10			ROE, adj.	Neg.	Neg.	Neg.	Neg.			
EV	74			ROCE, adj.	Neg.	Neg.	Neg.	Neg.			
Free float	72%			EV/Sales	11.1x	8.6x	8.6x	14.8x			
Daily trading volume, average	151k			EV/EBITDA	Neg.	Neg.	Neg.	Neg.			
Bloomberg Ticker	MAHAA SS EQUITY			EV/EBIT	Neg.	Neg.	Neg.	Neg.			
Analyst				P/E, adj.	Neg.	Neg.	Neg.	Neg.	Conflicts of interest		
Markus Almerud				P/BV	0.9x	0.7x	0.8x	0.8x		Yes	No
markus.almerud@carnegie.se				FCF yield	Neg.	Neg.	Neg.	Neg.	Liquidity provider		✓
				Net debt / EBITDA	N.m.	N.m.	N.m.	N.m.	Certified adviser		✓
									Transactions 12m		✓

Investment case

Undergoing transformation...: Since the end of September 2022, when Starboard, a Brazilian investment firm, became its main owner, Maha has undergone a transformation. It has sold Maha Brazil (including the Tie field and Tartaruga) for USD138m plus potential earn-outs and acquired an interest in 3R Offshore's two assets through the business combination with DBO 2.0.

...and there is upside from value creation in the merged 3R–Enauta: According to Brava Energia (the merged 3R and Enauta), there is around USD1.2bn in potential synergies for the integrated company. There are also plans to raise production in the combined company by 85–90% over the next couple of years. We do not see this reflected in the valuation of the merged company, and thus anticipate potential for appreciation of the shares.

Huge potential in Venezuela at a low price: Maha paid an initial EUR4.6m for the right to acquire a stake in PetroUrdaneta. Although the risk is high, the potential is vast. It has filed an application for an exception to the US government's sanctions on the O&G sector in Venezuela.

Company profile

Maha Energy is a listed Swedish upstream oil and gas (O&G) producer. The company has begun a transformation that includes the sale of Maha Brazil and the acquisition of DBO 2.0 – providing new assets in Brazil – followed by the divestment of its interest in Oman, and the acquisition of the option to buy a working interest in a Venezuelan asset. Moreover, it has bought a stake in 3R Petroleum and recently rolled up its holding in 3R Offshore – and thus the interest in the assets in Brazil – for newly issued shares in the merged 3R and Enauta (named Brava Energia). It controls 4.76% of Brava. Following the roll-up, it has one producing asset: Illinois Basin in the US, a conventional light oil field.

Valuation

We use a sum-of-the-parts valuation when valuing Maha. We value Illinois Basin, the only producing asset in its portfolio, using an NPV analysis based on inputs from external sources and applying a WACC of 10%. We also add the potential earn-outs from the sale of Maha Brazil to Petroreconcavo and Block 70 in Oman as well as the market value of its 3R position. Our fair value is some USD200m, corresponding to a fair value range of SEK 8–10 per share.

Income statement									
	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Net sales	56	39	68	12	5	8	9	9	5
Other Operating Expenses	-20	-21	-21	-13	-8	-13	-10	-10	-6
EBITDA	36	-3	48	0	-5	-5	-2	-2	-1
Items affecting comparability	0	-21	0	0	-2	-1	0	0	0
EBITDA, adjusted	36	18	48	0	-3	-5	-2	-2	-1
Depreciation	-7	-6	-9	-3	-2	-4	-3	-3	-2
EBITA, adjusted	29	12	39	-3	-4	-9	-5	-5	-3
EBIT	29	-9	39	-3	-7	-10	-5	-5	-3
EBIT, adjusted	29	12	39	-3	-4	-9	-5	-5	-3
Net Financial Items	-4	-5	-10	-9	2	-40	-2	-3	-1
Profit before tax	25	-14	29	-13	-5	-50	-7	-7	-4
Profit before tax, adjusted	25	7	29	-13	-3	-49	-7	-7	-4
Taxes	-5	3	-8	0	0	0	0	0	0
Net income	20	-10	22	-13	-5	-50	-7	-7	-4
Net income, adjusted	20	11	22	-13	-3	-49	-7	-7	-4
Sales Growth	Neg.	-30%	75%	-82%	-58%	62%	1%	0%	-42%
Gross Margin	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.
EBIT Margin, Adjusted	52.5%	31.4%	57.4%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EPS, Adjusted	0.18	0.10	0.19	-0.10	-0.02	-0.29	-0.04	-0.04	-0.02
EPS Growth, Adjusted	N.m.	-45%	89%	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.

Source: Maha Energy, Penser by Carnegie

Cash flow statement									
	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EBIT	29	-9	39	-3	-7	-10	-5	-5	-3
Other Cash flow Items	0	28	-8	58	-6	0	2	1	1
Cash flow from operating activities	29	19	31	55	-13	-9	-3	-4	-2
Investments in Fixed Assets	-28	-20	-44	-48	-3	-4	-2	-2	0
Investments in intangible fixed assets	-1	0	-3	-15	-13	0	0	0	0
Cash flow from Investments	-28	-20	-47	-63	-16	-4	-2	-2	0
Free cash flow	0	-1	-16	-8	-29	-13	-5	-6	-2
Acquisitions & Divestments	0	-15	0	0	151	0	0	0	0
New share issue / repurchase	0	0	9	19	0	-1	0	0	0
Change in liabilities	0	0	19	-11	-14	-35	5	6	2
Other items	3	2	8	-1	-42	-30	0	0	0
Cash flow from financing	3	-13	36	6	94	-66	5	6	2
Cash flow	3	-14	20	-2	66	-79	0	0	0
Net debt	9	34	33	27	-53	-9	-4	2	5

Source: Maha Energy, Penser by Carnegie

Balance sheet									
	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ASSETS									
Tangible fixed assets	76	86	113	14	14	15	14	13	11
Shares in associated companies	0	0	0	0	35	0	0	0	0
Other fixed assets	30	27	22	184	32	14	14	14	14
Total fixed assets	106	112	135	198	81	29	27	26	25
Accounts receivable	5	3	6	1	1	1	0	0	0
Other current assets	3	1	1	1	31	89	89	89	89
Cash and cash equivalents	22	7	26	20	88	9	9	9	9
Total current assets	30	12	33	21	121	99	98	98	98
TOTAL ASSETS	136	124	168	218	202	128	126	125	123
EQUITY AND LIABILITIES									
Equity	88	56	91	141	155	120	113	106	102
Total equity	88	56	91	141	155	120	113	106	102
Long-term interest-bearing liabilities	31	0	44	27	12	0	5	11	13
Long-term lease liabilities	0	3	2	0	0	0	0	0	0
Other long-term liabilities	10	7	3	22	8	7	7	7	7
Total long-term liabilities	41	11	50	48	21	7	12	18	20
Short-term interest-bearing liabilities	0	36	11	20	23	0	0	0	0
Accounts payable	5	11	10	4	3	1	1	1	0
Short-term lease liabilities	0	1	1	0	0	0	0	0	0
Other current liabilities	2	10	5	6	1	0	0	0	0
Total current liabilities	7	58	27	29	26	1	1	1	1
TOTAL EQUITY AND LIABILITIES	136	124	168	218	202	128	126	125	123

Source: Maha Energy, Penser by Carnegie

Growth and margins									
	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Revenue growth	Neg.	-30%	75%	-82%	-58%	62%	1%	0%	-42%
EBITDA growth, adjusted	Neg.	-50%	164%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EBIT growth, adjusted	Neg.	-58%	221%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EPS growth, adjusted	N.m.	-45%	89%	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.
Gross margin	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.	N.m.
EBITDA margin	64.5%	Neg.	69.9%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EBITDA margin, adjusted	64.5%	46.4%	69.9%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EBIT margin	52.5%	Neg.	57.4%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EBIT margin, adjusted	52.5%	31.4%	57.4%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
Profit margin, adjusted	35.4%	27.5%	31.6%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.

Source: Maha Energy, Penser by Carnegie

Return									
	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
ROE, adjusted	Neg.	15%	29%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
ROCE, adjusted	Neg.	11%	32%	Neg.	2%	Neg.	Neg.	Neg.	Neg.
ROIC, adjusted	Neg.	13%	37%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.

Source: Maha Energy, Penser by Carnegie

Capital efficiency

	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Inventory / total revenue	1%	1%	0%	1%	4%	2%	2%	2%	2%
Accounts receivable / total revenue	9%	8%	9%	5%	21%	15%	4%	4%	4%
Total short-term liabilities / total cost	36%	>100%	>100%	>100%	>100%	9%	12%	12%	12%
Working capital / total revenue	2%	-40%	-11%	-67%	>100%	>100%	>100%	>100%	>100%
Capital turnover rate	0.5x	0.4x	0.5x	0.1x	0.0x	0.1x	0.1x	0.1x	0.0x

Source: Maha Energy, Penser by Carnegie

Financial position

	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
Net debt	9	34	33	27	-53	-9	-4	2	5
Equity ratio	65%	45%	54%	65%	77%	94%	90%	85%	83%
Net debt / equity	0.1x	0.6x	0.4x	0.2x	-0.3x	-0.1x	0.0x	0.0x	0.0x
Net debt / EBITDA	0.2x	N.m.	0.7x	-63.6x	N.m.	N.m.	N.m.	N.m.	N.m.

Source: Maha Energy, Penser by Carnegie

Per share data

	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
EPS	0.18	-0.10	0.19	-0.10	-0.03	-0.29	-0.04	-0.04	-0.02
EPS, adjusted	0.18	0.10	0.19	-0.10	-0.02	-0.29	-0.04	-0.04	-0.02
FCF per share	0.00	-0.01	-0.14	-0.07	-0.16	-0.08	-0.03	-0.04	-0.01
Book value per share	0.81	0.52	0.81	1.16	0.87	0.70	0.66	0.62	0.59
Number of shares, m	108	106	113	121	178	171	171	171	171
Number of shares after dilution, average	108	106	113	121	178	171	171	171	171

Source: Maha Energy, Penser by Carnegie

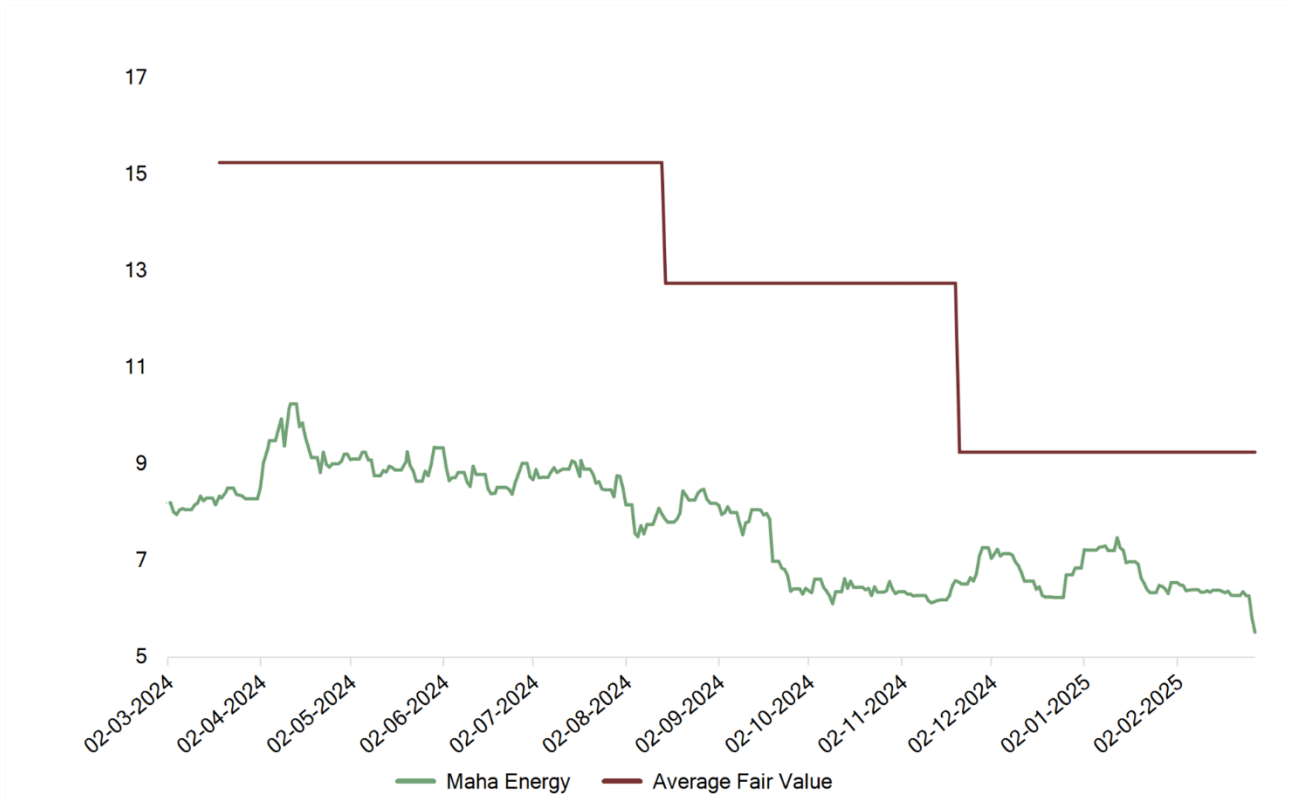
Valuation

	2019	2020	2021	2022	2023	2024	2025e	2026e	2027e
P/E, adjusted	14.6x	18.0x	6.4x	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
P/BV	3.3x	3.5x	1.5x	0.7x	1.1x	0.9x	0.7x	0.8x	0.8x
P/FCF	100x	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
FCF-yield	0%	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
Dividend yield	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Payout ratio, adjusted	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
EV/Sales	4.9x	5.6x	2.6x	11.7x	22.5x	11.1x	8.6x	8.6x	14.8x
EV/EBITDA, adjusted	7.6x	12.0x	3.8x	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EV/EBIT, adjusted	9.3x	17.8x	4.6x	Neg.	Neg.	Neg.	Neg.	Neg.	Neg.
EV	272	218	180	144	118	94	74	74	74
Share price, year end	24.8	14.9	11.1	8.5	9.7	6.6	5.3	5.3	5.3

Source: Maha Energy, Penser by Carnegie

Share Price and Average Fair Value Chart

Maha Energy (MAHAA SS EQUITY)



Source: Penser by Carnegie, IDC

Disclosures and disclaimers

Carnegie Investment Bank AB

Carnegie Investment Bank AB (publ.) is a leading investment bank with a Nordic focus. The Carnegie group of companies, together "Carnegie", generates added value for institutions, companies and private clients in the areas of trade in securities, investment banking and private banking. Carnegie has approximately 600 employees, located in offices in six countries.

Penser by Carnegie

In November 2023, Carnegie acquired the commissioned research business from Erik Penser Bank AB. This included the business under which Erik Penser Bank AB e.g. has published its Penser Access and Penser Future research services. This business continues to be operated by Carnegie under the trademark Penser by Carnegie.

Valuation, methodology, and assumptions

Penser Access by Carnegie

Commissioned research reports under Penser Access by Carnegie include the analyst's assessment of a fair value range on the date the research was published based on various fundamental valuation methods. A commonly used method is DCF valuation, where future cash flows are discounted to today. Analysts may also use different valuation multiples, e.g. P/E ratio and EV/EBIT multiples, relative to industry peers to obtain a target price. For companies where it is appropriate, a fair value range can also be based on the analyst's assessment of a fair ratio relative to the net asset value of the company. Fair value ranges represent the assessment of the analyst(s) at the time of writing. For more information on valuation models, click [here](#)

Penser Future by Carnegie

Commissioned research reports under Penser Future by Carnegie do not contain a fair value range. Instead, the analyst assesses the company and sheds light on the strengths and weaknesses observed based on four areas. The four areas are assessed based on the following criteria: Potential, Risk, Financial Position and History & Merits. The results are presented on a scale of 1-5 where 5 represents the highest rating in each area. For example, a rating of 5 for Potential means that we see strong potential in the business while a rating of 5 for Risk means that we assess the risk as high.

Frequency of update

Penser by Carnegie's research analysis consists of case-based analyses, which implies that the frequency of the analytical report may vary over time. Unless otherwise expressly stated in the report, the analysis will be updated quarterly or when considered necessary by the research department, for example in the event of significant changes in market conditions or events related to the issuer/the financial instrument.

Analyst certification

The research analyst or analysts responsible for the content of this commissioned research report certify that, notwithstanding the existence of any potential conflicts of interests referred to herein, the views expressed in this commissioned research report accurately reflect the research analyst's personal views about the companies and securities covered. It is further certified that the research analyst has not been, nor is or will be, receiving direct or indirect compensation related to the specific ratings or views contained in this commissioned research report.

Potential conflicts of interest

Carnegie, or its subsidiaries, may from time to time perform investment banking or other services for, or solicit investment banking or other business from, any company mentioned in this report. Any such publicly announced business activity, during the past 12 months, will be referred to in this commissioned research report. A set of rules handling conflicts of interest is implemented in the Carnegie Group. Investment Banking and other business departments in Carnegie are surrounded by information barriers to restrict the flows of sensitive information. Persons outside such barriers may gain access to sensitive information only after having observed applicable procedures. The remuneration of persons involved in preparing this commissioned research report is not tied to investment banking transactions performed by Carnegie or a legal person within the same group.

Confidential and non-public information regarding Carnegie and its clients, business activities and other circumstances that could affect the market value of a security ("sensitive information") is kept strictly confidential and may never be used in an undue manner.

Internal guidelines are implemented in order to ensure the integrity and independence of research analysts. In accordance with the guidelines the research department is separated from the Investment Banking department and there are no reporting lines between the research department and Investment Banking. The guidelines also include rules regarding, but not limited to, the following issues; contacts with covered companies, prohibition against offering favourable recommendations, personal involvement in covered companies, participation in investment banking activities, supervision and review of research reports, analyst reporting lines and analyst remuneration.

Other material conflicts of interest

This report was commissioned and sponsored by the issuer (issuer-paid research).

Distribution restrictions

This commissioned research report does not have regard to the specific investment objectives, financial situation or particular needs of any specific person who may receive it. Investors should seek financial advice regarding the appropriateness of investing in any securities discussed in this commissioned research report and should understand that statements regarding future prospects may not be realized. Past performance is not necessarily a guide to future performance. Carnegie and its subsidiaries accept no liability whatsoever for any direct or consequential loss, including, without limitation, any loss of profits arising from the use of this commissioned research report or its contents. This commissioned research report may not be reproduced, distributed or published by any recipient for any purpose. The document may not be distributed to persons that are citizens of or domiciled in any country in which such distribution is prohibited according to applicable laws or other regulations.

This commissioned research report is distributed in Sweden by Carnegie Investment Bank AB. Carnegie Investment Bank AB is a bank incorporated in Sweden with limited liability which is authorised and regulated by the Swedish Financial Supervisory Authority (Finansinspektionen). In Finland this commissioned research report is issued by Carnegie Investment Bank AB, Finland Branch. The Finland branch is authorised by the Swedish Financial Supervisory Authority and subject to limited regulation by the Finnish Financial Supervisory Authority (Finanssivalvonta). In Norway this commissioned research report is issued by Carnegie AS, a wholly-owned subsidiary of Carnegie Investment Bank AB. Carnegie AS is regulated by the Financial Supervisory Authority of Norway (Finanstilsynet). In Denmark this commissioned research report is issued by Carnegie Investment Bank AB, Denmark Branch. The Denmark branch is authorised by the Swedish Financial Supervisory Authority and subject to limited regulation by the Danish Financial Supervisory Authority (Finanstilsynet).

This commissioned research report is distributed in the US by Carnegie, Inc., a US-registered broker-dealer and a member of FINRA and SIPC. Carnegie's research analysts located outside of the US are employed by non-US affiliates of Carnegie Inc. ("non-US affiliates") that are not subject to FINRA regulations. Generally, Carnegie research analysts are not registered with or qualified as research analysts with FINRA, and therefore are not subject to FINRA rule 2241 restrictions intended to prevent conflicts of interest by, among other things, prohibiting certain compensation practices, restricting trading by analysts and restricting communications with the companies that are the subject of the research report. Research reports distributed in the U.S. are intended solely for major US institutional investors and US institutional investors as defined under Rule 15a-6 of the Securities Exchange Act of 1934. This commissioned research report is provided for informational purposes only and under no circumstances is it to be used or considered as an offer to sell, or a solicitation of any offer to buy any securities. Reports regarding equity products are prepared by non-US affiliates of and distributed in the United States by Carnegie Inc. under Rule 15a-6(a)(3). When distributed by Carnegie Inc, Carnegie Inc. takes responsibility for the commissioned research report. Any US person who wishes to effect transactions based on this commissioned research report should contact Carnegie Inc. Investors in the US should be aware that investing in non-US securities entails certain risks. The securities of non-US issuers may not be registered with, or be subject to, the current information reporting and audit standards of the US Securities and Exchange Commission.

This commissioned research report has been issued in the UK by Carnegie UK which is the UK Branch of Carnegie Investment Bank AB. Carnegie UK is authorised and regulated by the Financial Conduct Authority (FCA).

Research Disclaimer

This commissioned research report is provided solely for information. It does not constitute or form part of, and shall under no circumstances be considered as an offer to sell or a solicitation of an offer to purchase or sell any relevant financial instrument.

This commissioned research report has been requested and paid for by the issuer and should therefore be considered a marketing communication (i.e not investment research). Payment for the report has been agreed in advance on a non-recourse basis. As commissioned research, this material can be considered an acceptable minor non-monetary benefit under MiFID II. It has not been prepared in accordance with the legal requirements designed to promote the independence of investment research. However, it is still subject to a prohibition on dealing ahead of the dissemination of the report.

Carnegie Investment Bank AB is responsible for the preparation of this commissioned research report in Sweden, Finland, Denmark, and the UK. Carnegie AS is responsible for the preparation of this commissioned research report in Norway. Carnegie Inc. is responsible for this research report in the US.

The information in this commissioned research report was obtained from various sources. While all reasonable care has been taken to ensure that the information is true and not misleading, Carnegie gives no representation or warranty, express or implied, about its accuracy or completeness. Carnegie, its subsidiaries and any of their officers or directors may have a position, or otherwise be interested in, transactions in securities that are directly or indirectly the subject of this commissioned research report. Any significant financial interests held by the analyst, Carnegie or a legal person in the same group in relation to the issuer will be referred to in the Company-specific disclosures below, and the Conflicts of interest on the front page of this report.

Company specific disclosures

Parts of this commissioned research report may have been submitted to the issuer prior to its publication.

Copyright © 2025 Carnegie

Carnegie Investment Bank AB
Regeringsgatan 56
SE-103 38 Stockholm
Tel: +46 8 676 88 00 Fax +46 8 676 88 95