

# Texas Pacific Land (TPL)



ROIC (Current): 56.90%



WACC: 6.20%



Net Profit Margin: 65%

## MOAT ANALYSIS & COMPETITIVE STRENGTHS

### COST ADVANTAGE (Asset Light)



Leverages a unique asset-light business model with minimal capital expenditures and operating costs, deriving high profit margins from oil and gas royalties, surface land uses, and water resource sales across vast land holdings.

## ADDITIONAL KEY INSIGHTS

- Royalties & Water Sales: Generates significant passive income from mineral rights and water resources on its land.
- Land Holdings: Owns extensive surface and mineral rights across the Permian Basin.
- Asset Light Model: Maintains exceptionally low overhead and operating costs, maximizing free cash flow generation.