

Deutsche Rohstoff



Equity Forum

September 2022

Deutsche Rohstoff

Established German O&G producer

RHEIN PETROLEUM
SOUTH GERMANY
COMPANY HQ
MANNHEIM

US Oil & Gas

- 4 US subsidiaries
- 3.5 million BOE Annual production
- Successful since market entry in 2012

- Headquartered in **Mannheim**
- **Scale Segment** Frankfurt (FRA: DRO)
- **EUR 120 to 130 million EBITDA** in 2022
- **35 employees** Germany & USA
- **Focus on US oil and gas production**
- **EUR 330 million** Balance sheet total
- **Commitment in the area of Metalls**

Strongest operating result in the company's history

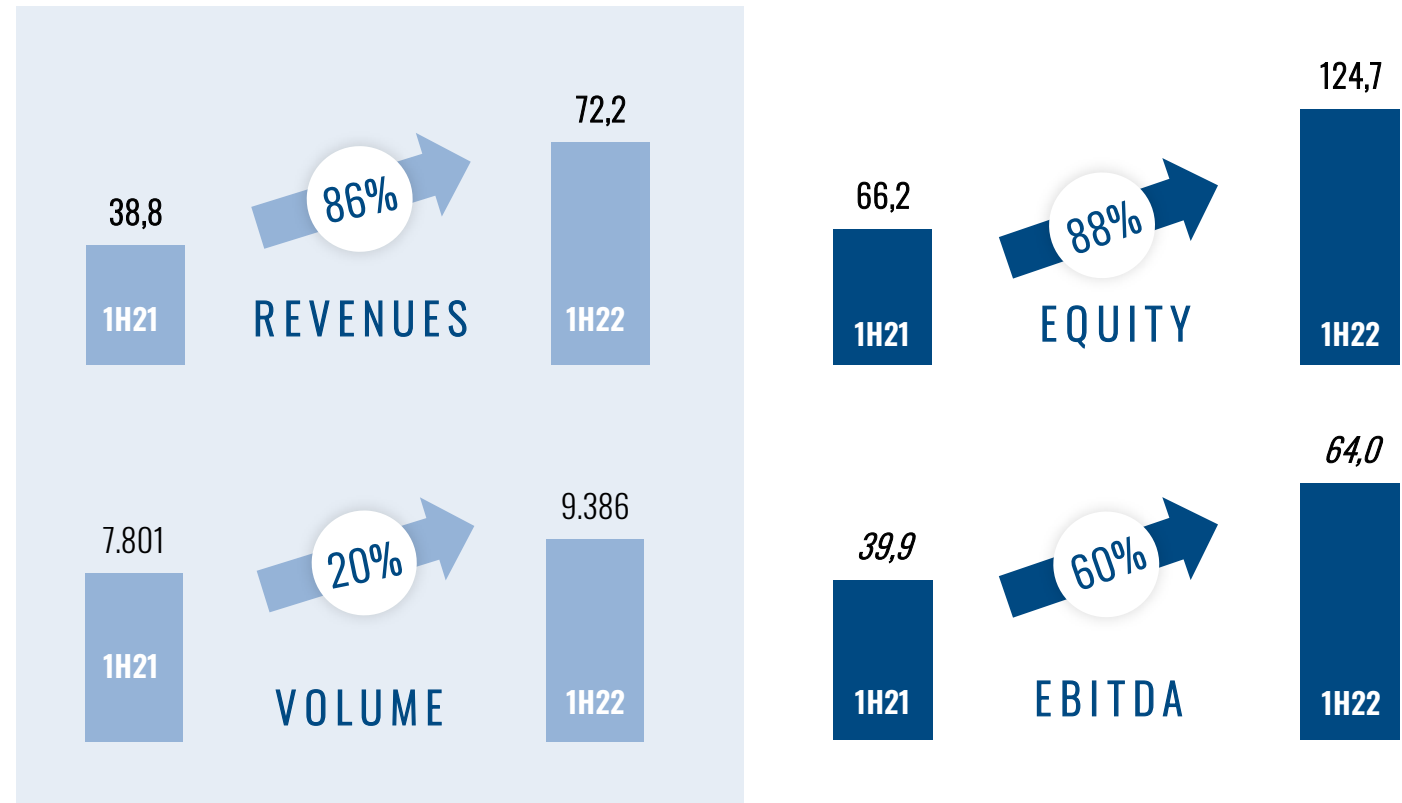
1. half year 2022

EUR m	H1/2022	H1/2021
Production in BOEPD ¹	9.386	7.801
Group result	32,5	17,5
Balance sheet total	337,8	226,6
Cash and cash equivalents ²	79,8	62,6
Net debt ³	54,5	58,0

¹ Barrel of oil equivalent per day

² Definition of cash and cash equivalents expanded to include trade accounts receivable and payable: cash, marketable securities, and trade accounts receivable, less trade accounts payable.

³ Net debt: Bond and bank liabilities less cash and cash equivalents



Share price on a good path despite minor setback

Deutsche Rohstoff share price since IPO

EUR

40

30

20

10

0

2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023



First Berlin

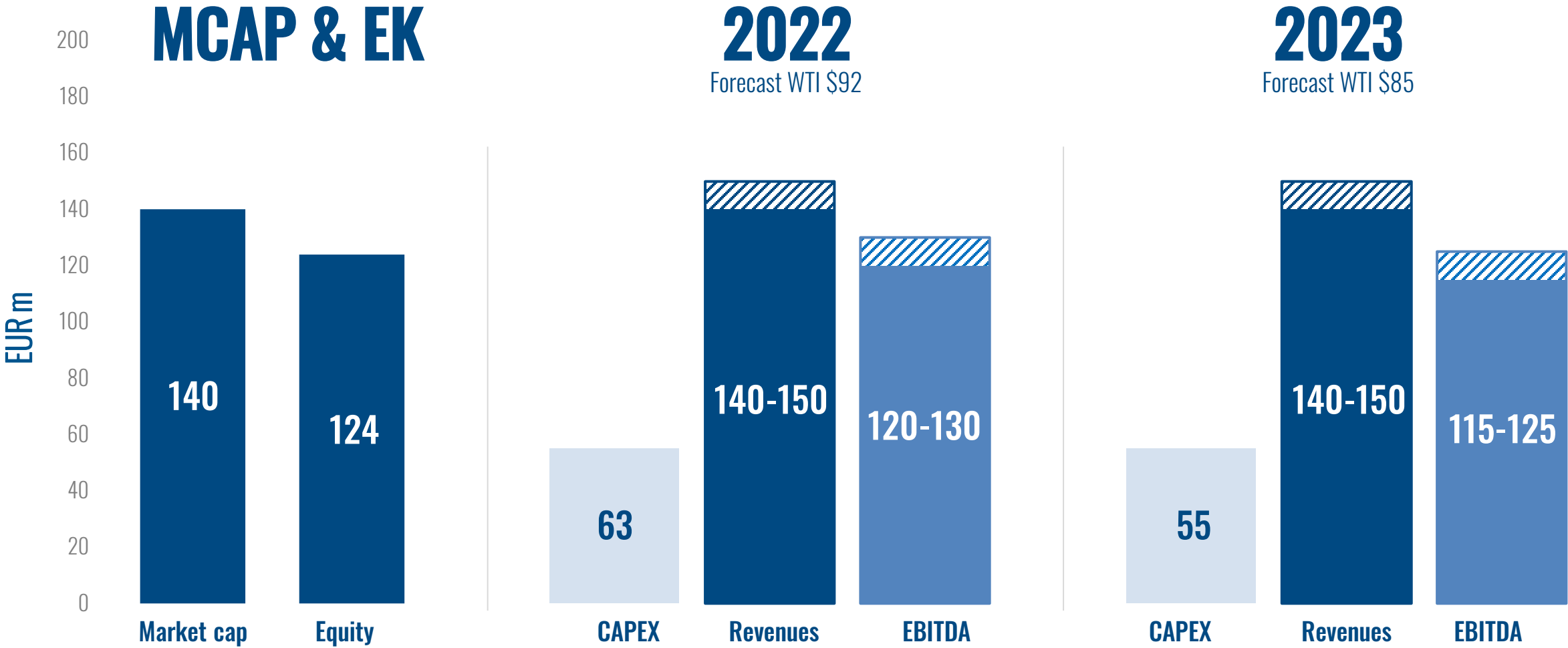


43 EUR (9 Jun 2022)

40 EUR (14 Jun 2022)

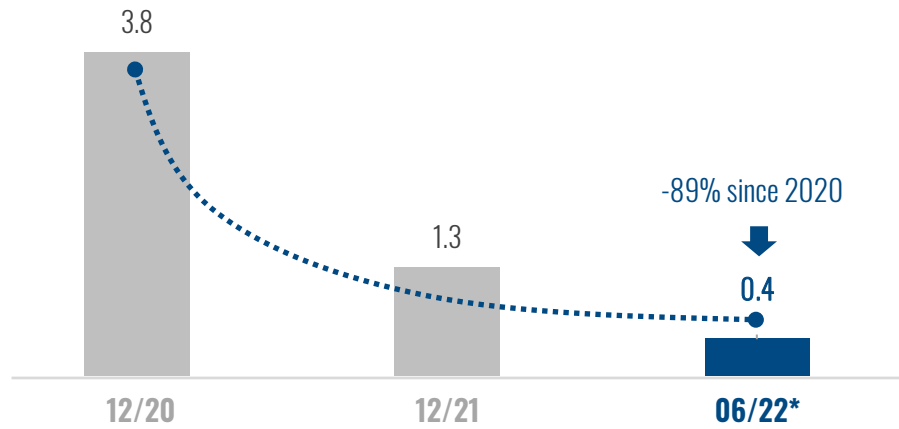
27.30 EUR

Market capitalization lower than sales and close to equity

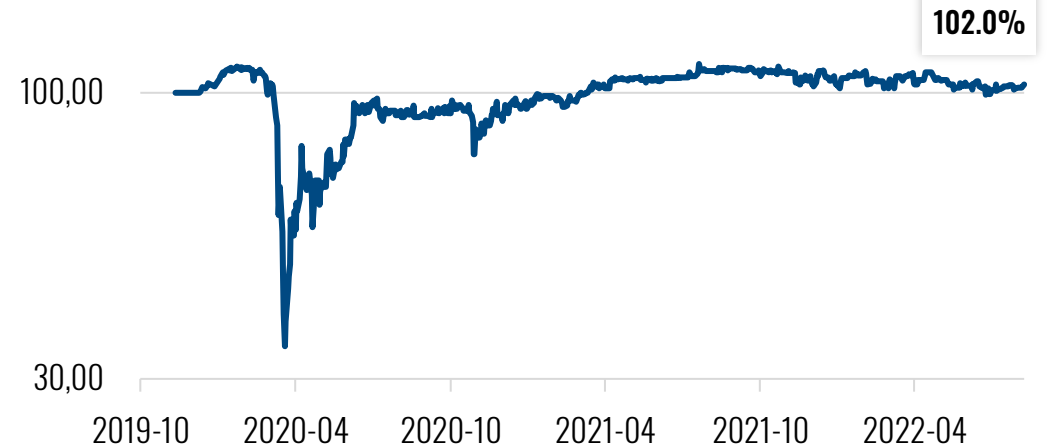


High cash flows provide security and reduce debt

Net debt/EBITDA



Bond-Price 5.25% 19/24



<i>mEUR</i>	2020	2021	1H22*
EBITDA*	23.9	66	125*
Cash and cash equivalents	36.6	33.2	79.8
Net debt	91.7	84.2	54.5
Net debt/EBITDA	3.4	1.2	0.4

* Ratios based on annualized EBITDA forecast for 2022

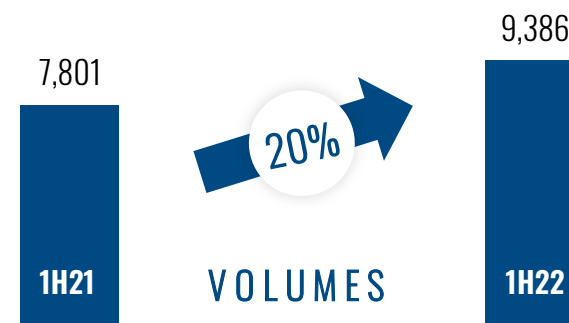
Strong 1st Half-Year 2022

VOLUMES		1H 22	1H 21
	Oil(bbl)	930,658	660,682
	Gas and NGL (MCF)	4,553,248	4,508,019
	BOE	1,689,532	1,412,019
	BOEPD	9,386	7,801

REVENUE*		1H 22	1H 21
	Revenue from oil sales (TEUR)	82,614	31,921
	Revenue from gas and NGL sales (TEUR)	26,096	15,775
	Production tax (TEUR)	-9,641	-5,004
	Hedging (TEUR)	-26,834	-3,879
	Total revenue (TEUR)	72,225	38,812

OIL		1H 22	1H 21
	Average WTI price (USD/BBL)	101.54	62.21
	Realized price excl. hedging (USD/BBL)	96.26	58.21
	Profit(+)/loss(-) from hedging (USD/BBL)	-23.22	-5.90
	Realized price incl. hedging (USD/BBL)	73.04	52.30

NATURAL GAS		1H 22	1H 21
	Average Henry Hub price	6.07	3.21
	Realized price excl. hedging (USD/MMBtu)	6.21	4.22
	Profit(+)/loss(-) from hedging (USD/MMBtu)	-1.65	-0.17
	Realized price incl hedging (USD/MMBtu)	4.55	4.04



COSTS	1H 22	1H 21
Opex (USD/BOE)	7.16	7.03
Depletion (USD/BOE)	12.07	13.96

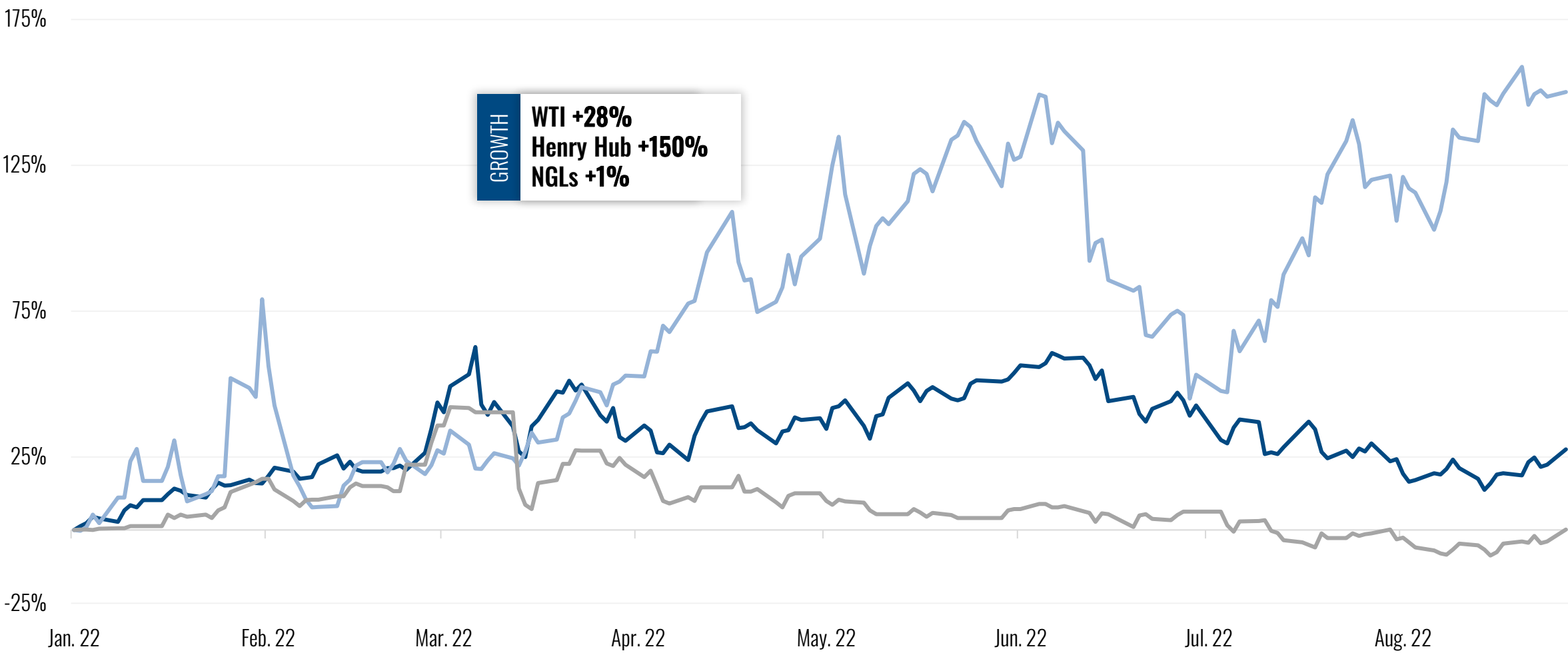
* EUR/USD exchange rate - 1.0965

Crude Oil Market



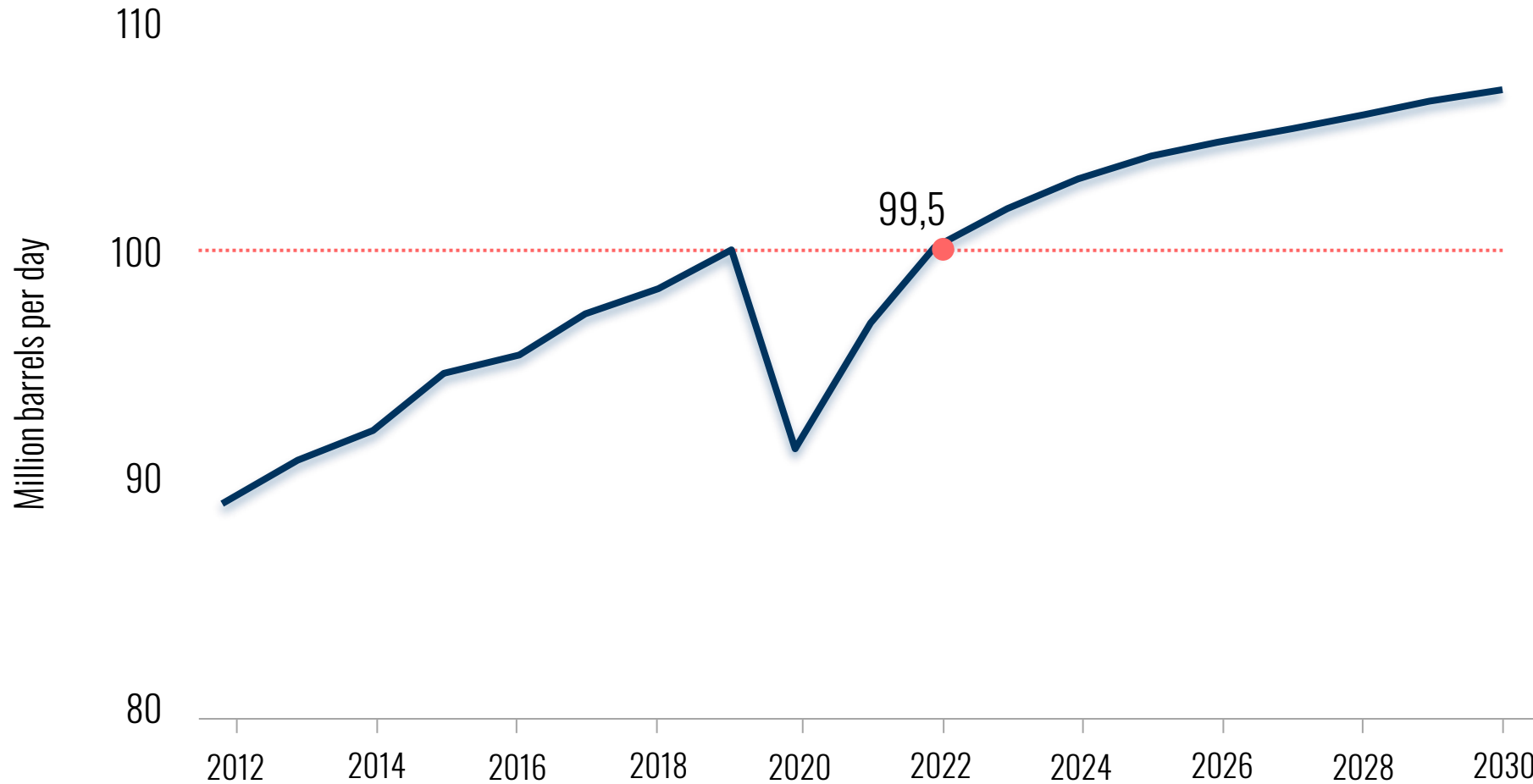
Energy prices remain at a high levels

US oil, gas and NGLs



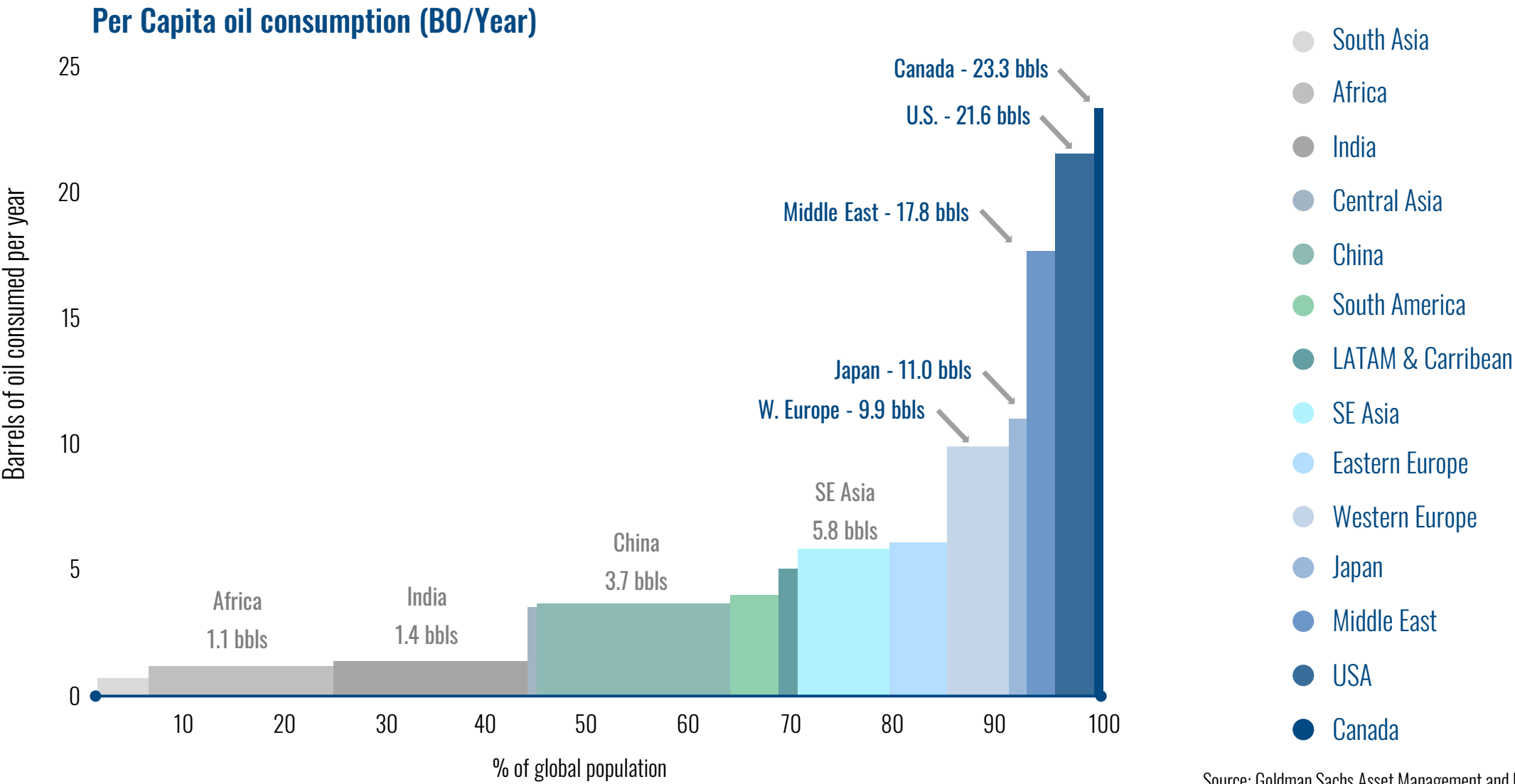
Rising demand, unlikely to peak before 2030...

Oil demand to reach 107.5 mbd by 2030



Source: J.P. Morgan Commodities Research

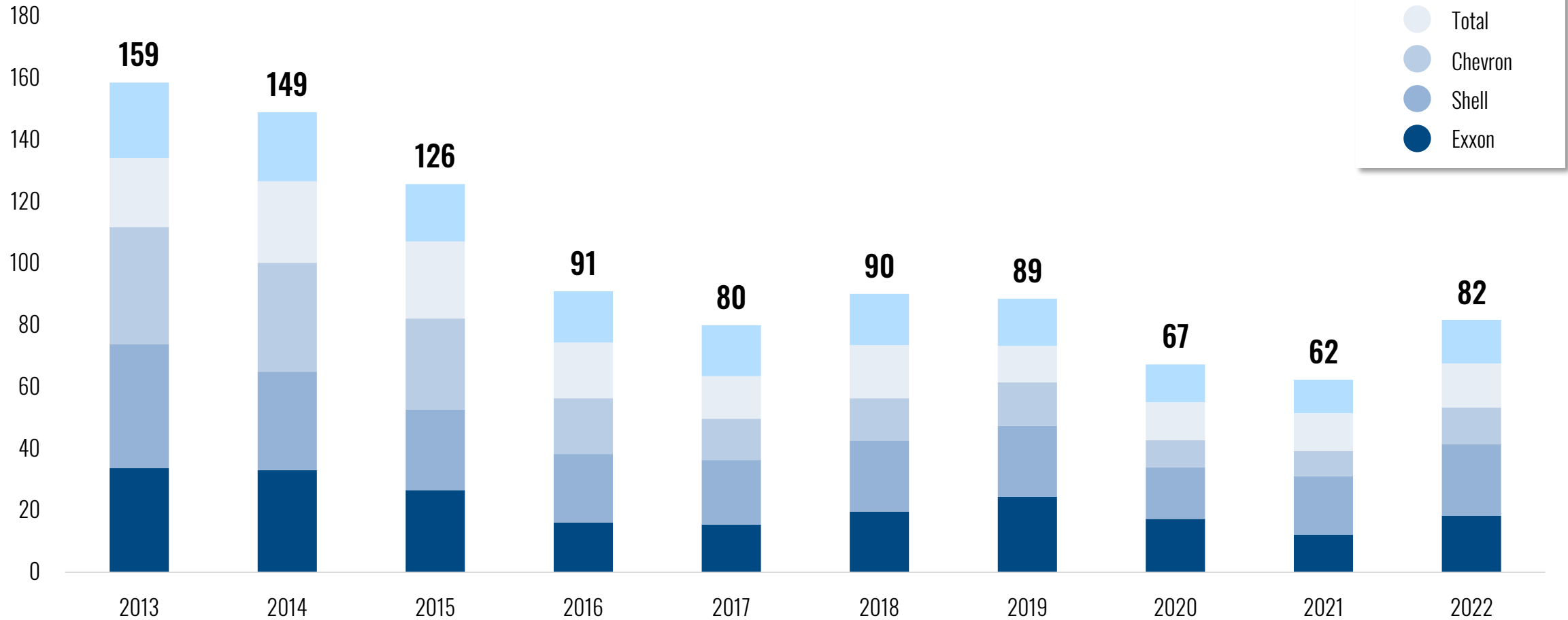
World oil consumption



Source: Goldman Sachs Asset Management and BP Statistical Review.

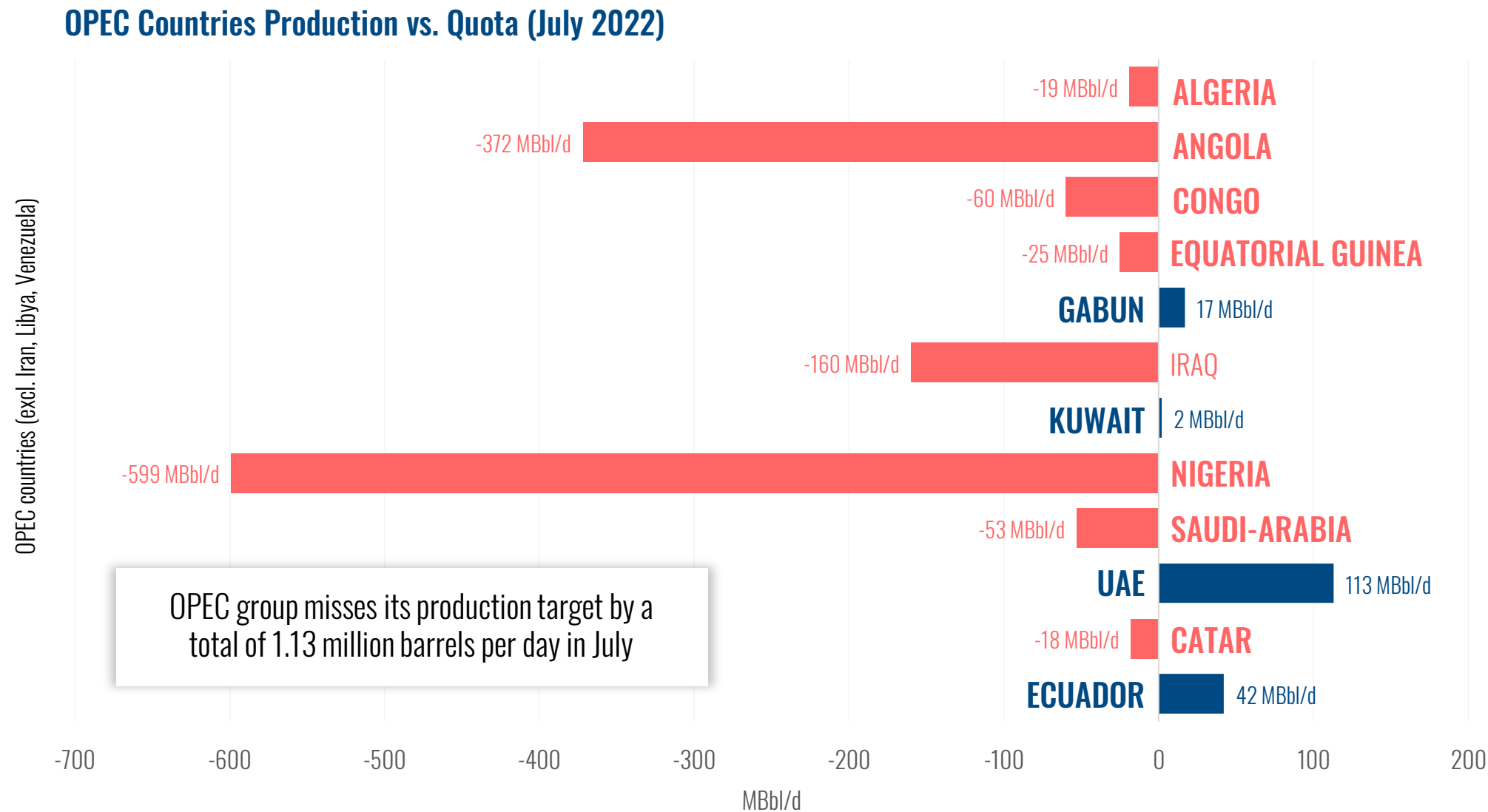
Investments of Supermajors halved since 2013

CAPEX
in USD billion

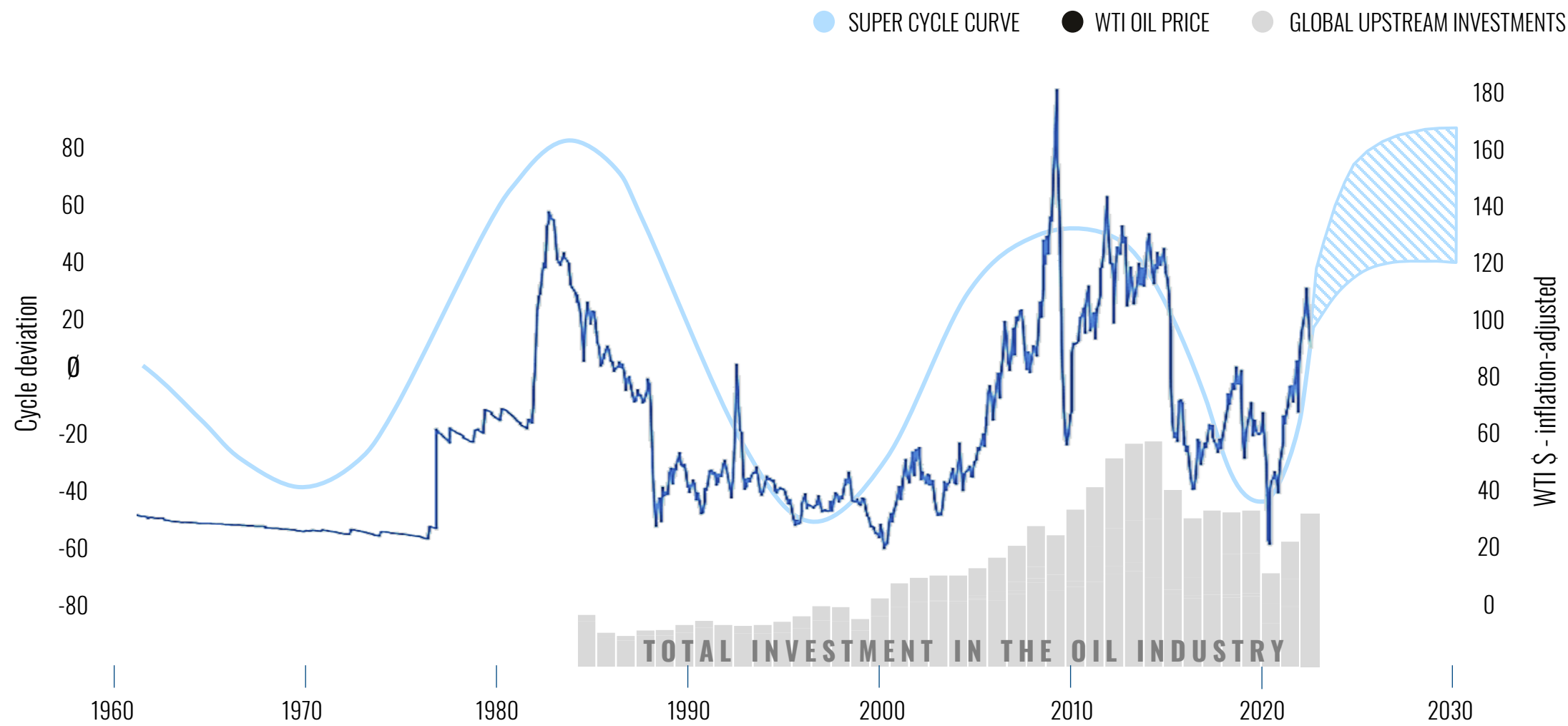


Source: Bloomberg

OPEC countries fall significantly short of their production quotas



Low investment drives up oil price

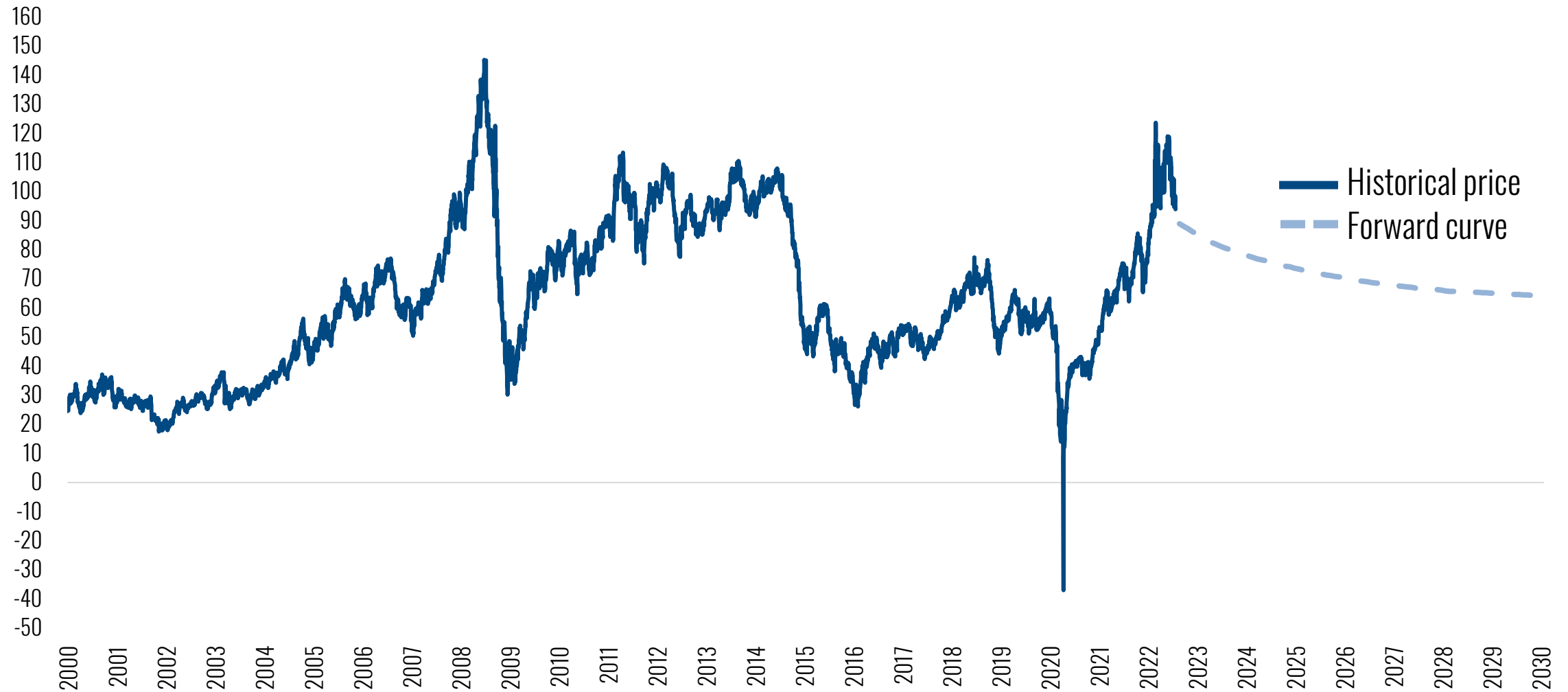


Source: Bank of Canada, Rystad Energy, Deutsche Rohstoff AG

WTI still below all-time high, supported fundamentally

Forward curve at 65 USD at the long end of the forward curve

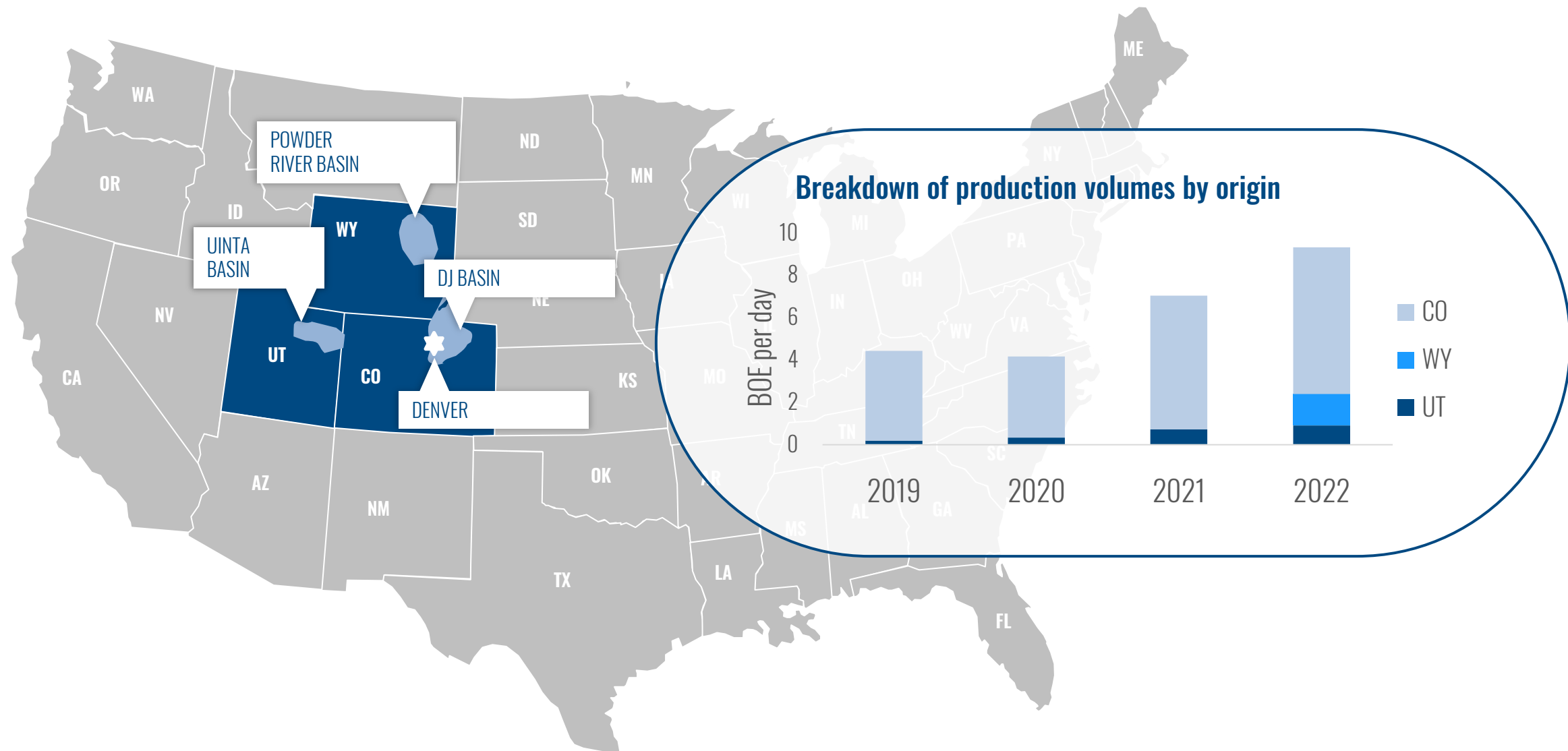
USD/BBL



US OIL AND GAS BUSINESS



Wyoming builds basis for future growth



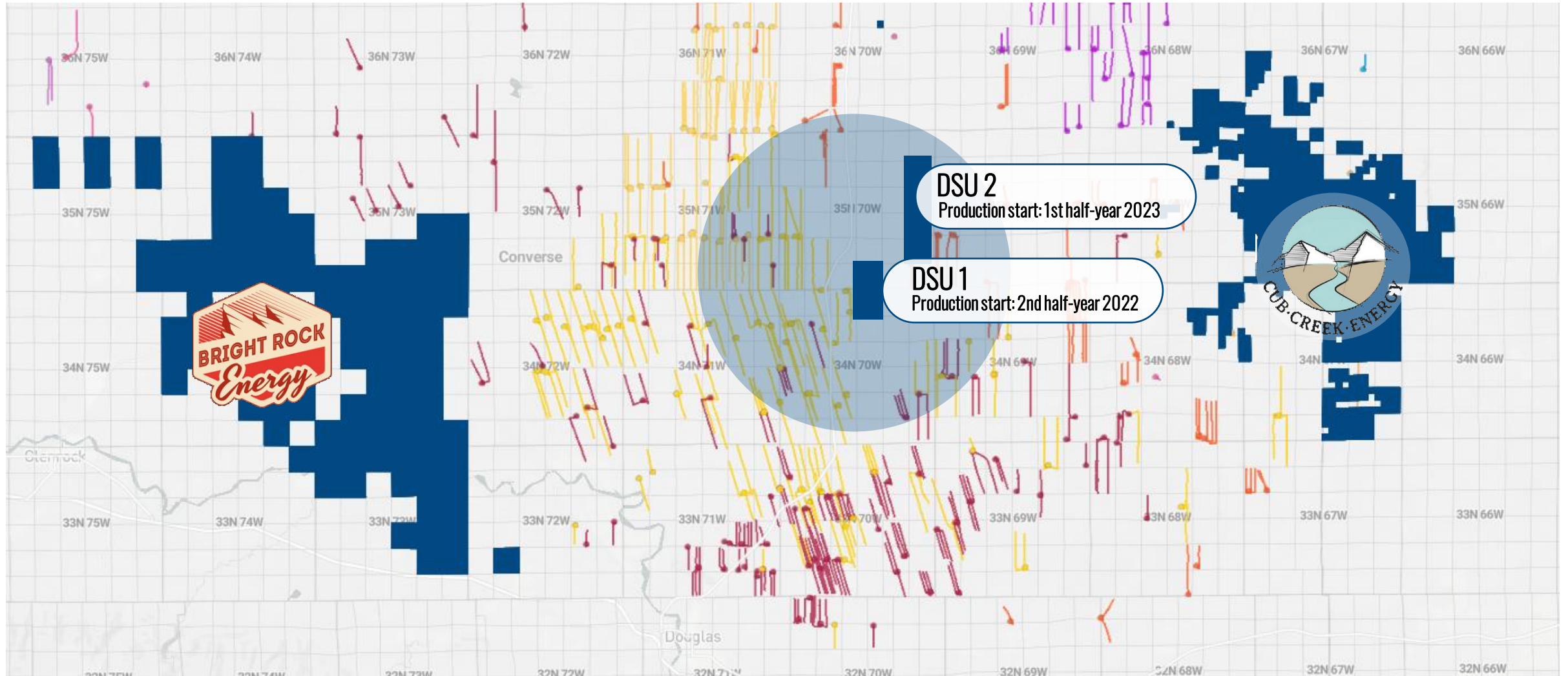
Production from operated wells in WY has started



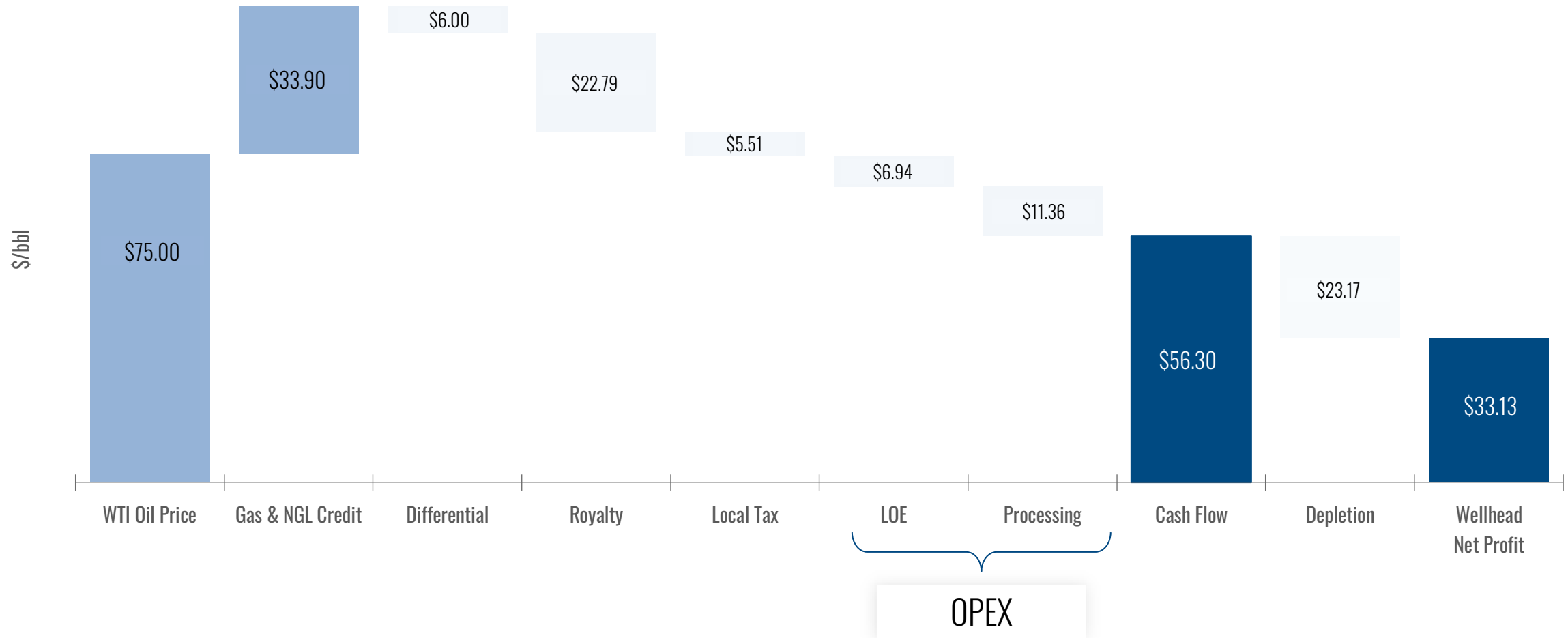
WY offers very good conditions for oil and gas development



...and becomes very important for our future growth



USD/Barrel Oil Cost Breakdown - Example KNIGHT Single Well Economics



* 2.25 miles horizontal Niobrara well, DJ Basin, Colorado / gas price \$4 / drilling cost \$5,064 MM / 100% interest

Significant investments and extensive development potential



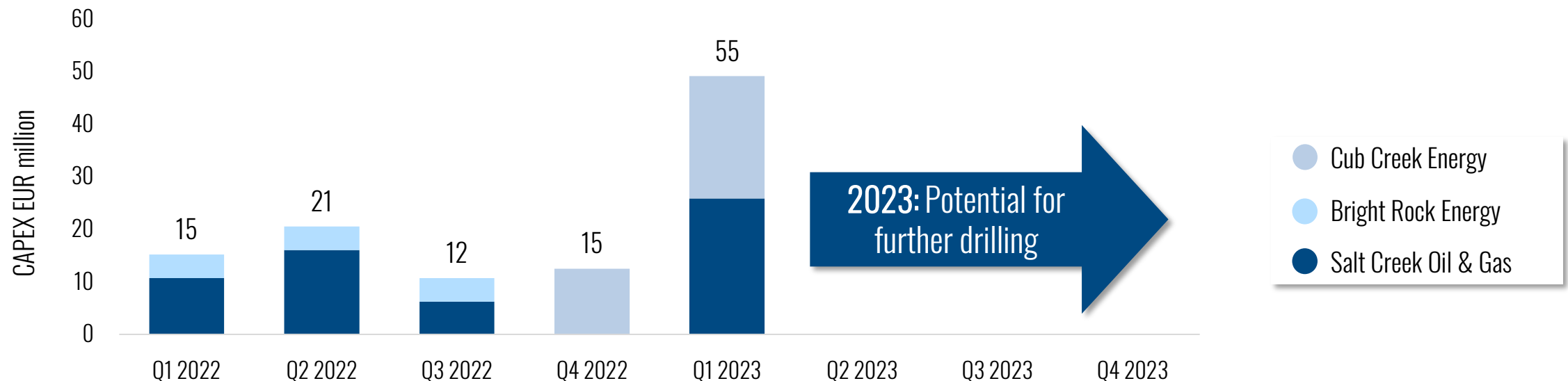
Own Land leases

- Over 100 wells possible
- Currently about 20 permits
- Capex per well around USD 9 to 11 million
- Payback for WTI USD 75 approx. 2.5 to 3.5 years



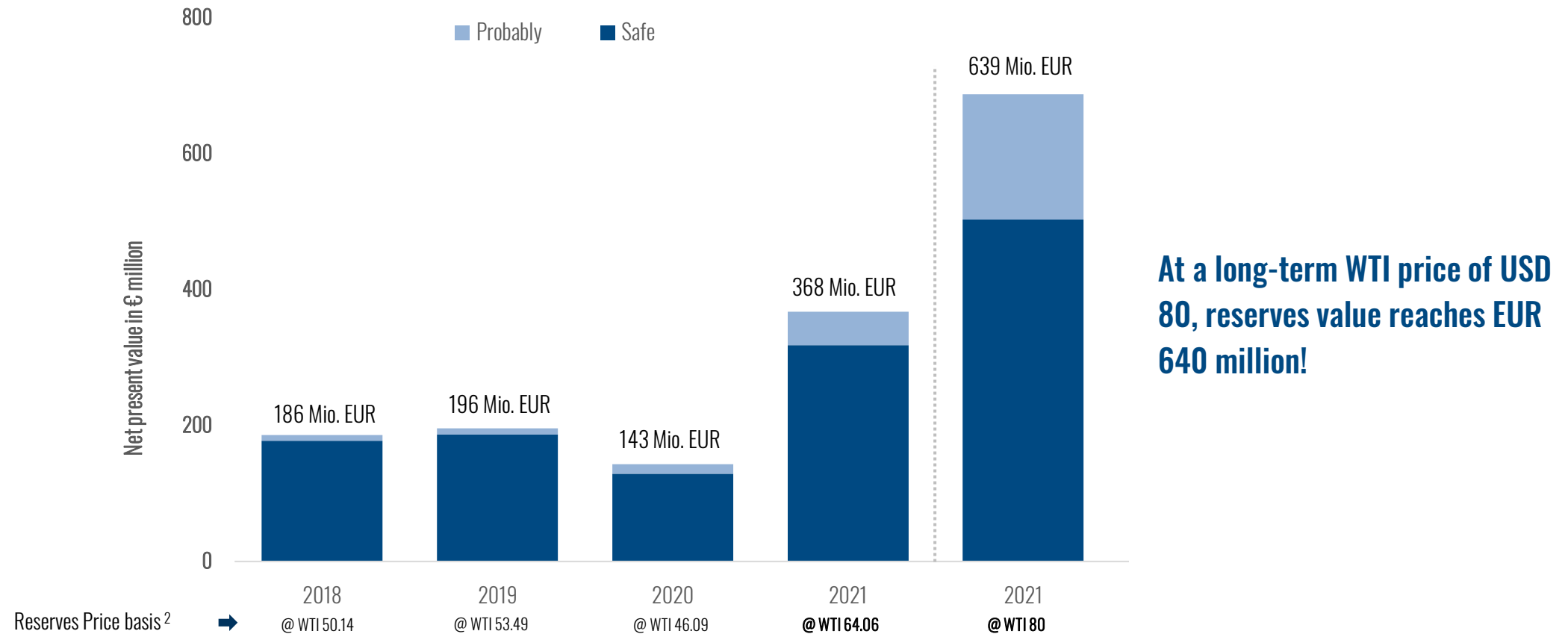
Joint venture

- JV with Oxy Petroleum, MCAP USD 60 bn.
- Investments of approx. USD 75 million
- Deutsche Rohstoff established partner for US companies



Rising net present value of oil reserves

Development of the Net Present Value (NPV) of company reserves



¹ Reserves include those of the subsidiaries Cub Creek Energy, Elster Oil & Gas, Bright Rock Energy and Salt Creek Oil & Gas. Reserves of Cub Creek Energy, Elster Oil & Gas and Bright Rock Energy were prepared by independent reserve auditors. Salt Creek Oil & Gas reserves were prepared by Salt Creek Oil & Gas without an outside auditor.

² Price shown is based on the 5-year average of the CME NYMEX futures price strip on the respective reserve date.

Reserves as of January 1, 2022¹

in USD million	SAFE		Total Proved	TRUE APPARENT	SUM
	Proved Developed	Proved Undeveloped		Probable	Proved + Probable
BOE in € million	14.4	14.8	29.2	19.4	48.6
Sales ²	531	694	1,225	904	2,129
Production taxes	44	78	122	103	225
OPEX	151	145	296	187	482
Operating cash flow	336	471	807	614	1,421
CAPEX	3.5	260	263	366	630
Net drillings	92.1	30	122	39	161
Cash flow	333	211	544	248	791
Base scenario Present value DCF (10%)	251	67	318	50	368
at \$60/bbl Present value DCF (10%)	222	63	286	58	343
at \$80/bbl present value DCF (10%)	327	176	503	185	688

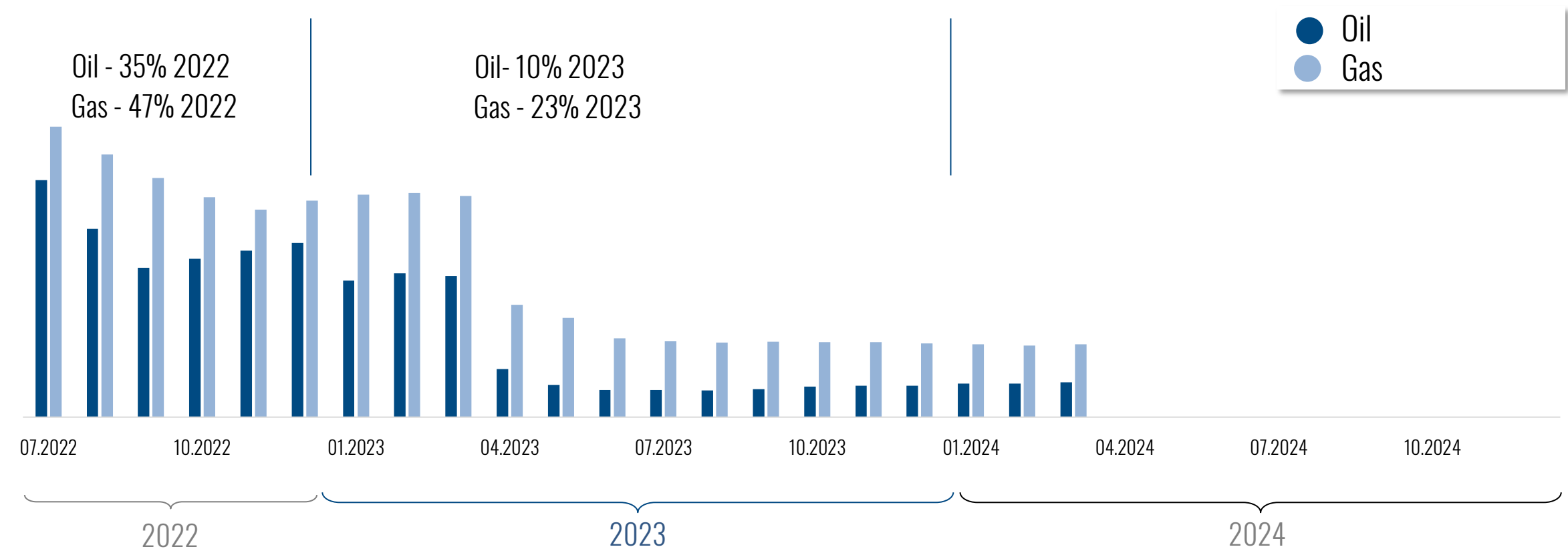
+345 million USD

¹ Reserves include the reserves of the subsidiaries Cub Creek Energy, Elster Oil & Gas, Bright Rock Energy and Salt Creek Oil & Gas. Reserves of Cub Creek Energy, Elster Oil & Gas and Bright Rock Energy were prepared by independent reserve auditors. Salt Creek Oil & Gas reserves have been prepared by Salt Creek Oil & Gas without external auditors.

² Sales are net of partner and royalty shares

For 2nd Half-Year 35% are Hedged at a Minimum of 65.67 USD/bbl








Hedged Volume in Barrel Oil



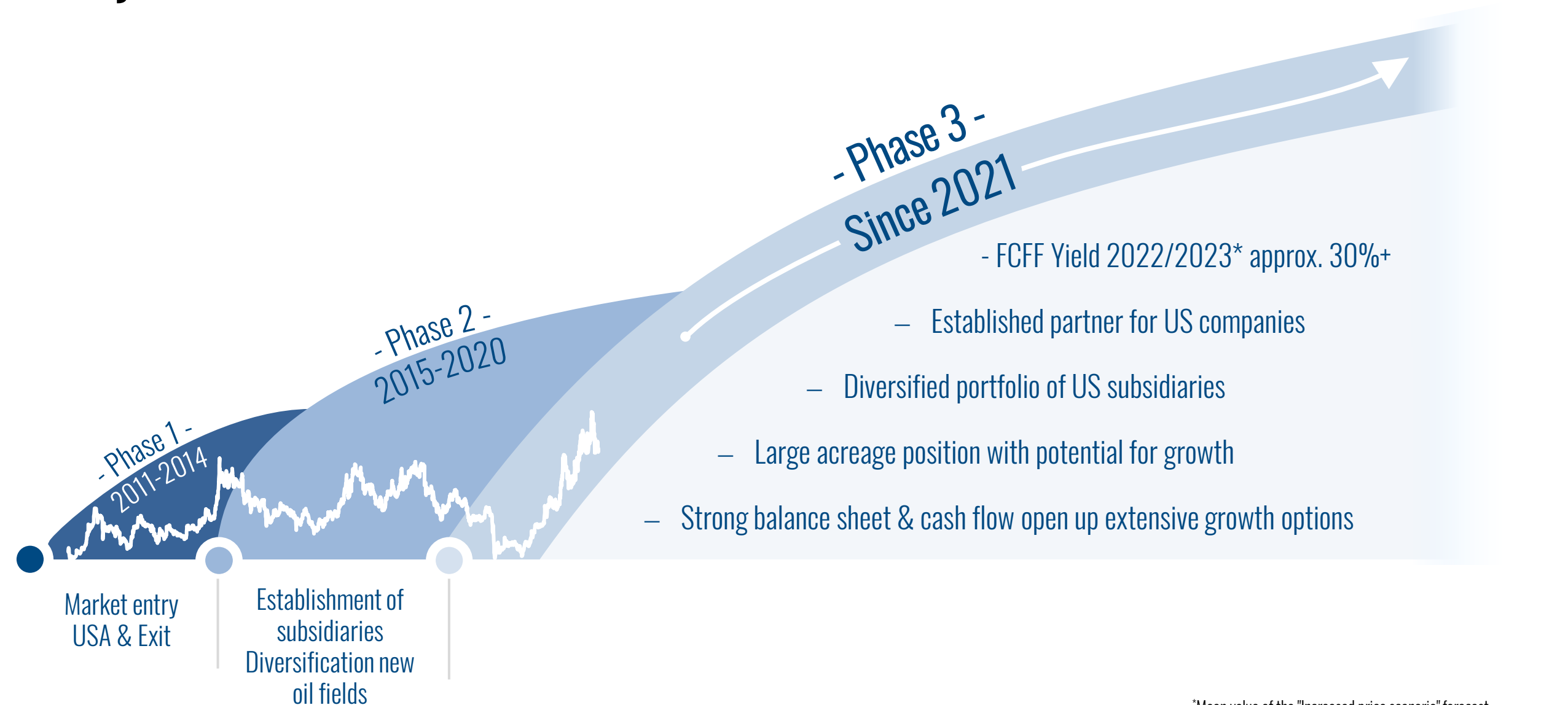
	2022	2023	2024
Hedged Volume (bbl / MMBtu)	309,100 / 1,738,000	177,000 / 1,325,000	23,000 / 167,500
Price (USD/bbl / USD/MMBtu)	65.67 / 3.52	73.79 / 3.90	79.83 / 3.78

INVESTMENT CASE & KEY FIGURES

Strongly Undervalued Compared to Peer Group

E&P Peer Group						Other Peers		
	DRAG	Chord Energy	Northern Oil & Gas	Civitas Petroleum	US OIL MIDCAP	SHELL	DAX	NASDAQ 100
								
	EUR million	USD Bn.	USD Bn.	USD Bn.		USD bn		
Market Cap	140	5.2	2.1	4.8		190.3		
Net Debt	55	-	1.1	0.4		47.7		
Enterprise Value (EV)	195	5.2	3.2	5.2		238.0		
EBITDA 22e	120-130 **	2.2*	1.1*	2.5*		~80.0		
* Bases on higher WTI-price expectations averaging \$105 in 2022								
EV/EBITDA	1.6	2.4	2.9	2.0	3.0*	3.0	10.9	19.4
Implied Market Cap at EV/EBITDA of 3.0		➔ 325€ million	65€ per share					
						* Stifel U.S. Equity Research - E&P Comparables - 06/21/2022 ** Base scenario: WTI 85 USD 2022, 75 USD 2023, gas 4 USD, 1.12 EUR/USD		

Why invest now?



*Mean value of the "Increased price scenario" forecast
First Berlin Stock Analysis as of 06/14/2022
Kepler Cheuvreux Stock Analysis as of 09.06.2022



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