Deutsche Rohstoff

Annual Report 2024

Deutsche Rohstoff group at a glance

OVERVIEW

in EURm

	2024	2023	Change
Revenue	235	197	20%
EBITDA	168	158	6%
Operating Cash Flow	146	139	4%
BOEPD	14,721	12,762	15%
Reserve value in USDm	493	420	17%
Balance sheet total	553	494	12%
Debt to Equity ratio in %	43	38	5%P
Earnings per share (EUR)	10.26	13.02	
Proposed dividend (EUR/share)	2.00	1.75	

CORPORATE BODIES

as of 31/12/2024

EXECUTIVE BOARD	SUPERVISORY BOARD
Jan-Philipp Weitz (CEO)	**Dr. Thomas Gutschlag** (Chairman)
Henning Döring (CFO)	**Martin Billhardt** (Deputy Chairman)
	Dr. Werner Zöllner

Natural resources are the future.

Highlights 2024 Deutsche Rohstoff Group

February 2024

Reserve Report 2024: Value of oil and gas reserves increases despite record production in the previous year and sale of the Utah assets

April 2024

Forecast for 2024 raised to EUR 210 to 230 million in revenue and EUR 160 to 180 million in EBITDA

June 2024

Annual General Meeting approves dividend of EUR 1.75 per share

July 2024

Six wells go into production mid-year: Three from Bright Rock in June, three from 1876 in July

August 2024

Half-year results with record revenue of EUR 112 million and EBITDA of EUR 84 million

November 2024

Almonty reports significant progress on the construction of the tungsten mine in South Korea

November 2024

Completion of share buyback program: 109,700 shares repurchased

December 2024

Repayment of the outstanding amount of the 2019/24 bond in the amount of EUR 20.5 million

December 2024

Consolidation of acreage in the Powder River Basin under the roof of 1876 Resources

Contents

Letter to the shareholders

Ladies and Gentlemen

We are very pleased to look back on a successful financial year. Deutsche Rohstoff AG once again achieved record financial results in 2024. At the same time, we achieved strong operational performance and once again significantly increased our oil and gas production. In total, we produced 5.4 million barrels of oil equivalent.

FINANCIAL PERFORMANCE: ANOTHER YEAR OF RECORDS

Following very good financial results in 2022 and 2023, we have also succeeded in setting new records in 2024. Revenue rose by 20% to EUR 235.4 million (previous year: EUR 196.7 million), while EBITDA increased by 6% to EUR 167.6 million (previous year: EUR 158.3 million). Revenue thus exceeded the upper end of the forecast range of EUR 210 to 230 million by 2%, and EBITDA came in at the midpoint of the projected range of EUR 160 to 180 million. Since the exceptional year 2020, we have consistently met or outperformed our published guidance.

Our net income amounted to EUR 50.2 million or EUR 10.26 per share, representing a decline compared to the previous year (EUR 65.2 million or EUR 13.02 per share). Adjusted for the extraordinary effects from the asset sale in the previous year, however, the core business from oil and gas production showed a positive development: the earnings contribution rose by nearly EUR 7.7 million from around EUR 49.7 million in 2023 to over EUR 57.4 million in 2024 - a new high.

Our equity recorded the highest percentage increase, rising by 27% to around EUR 237.5 million (previous year: EUR 187.5 million). This corresponds to a book value per share of around EUR 48.50. The equity ratio rose significantly to 43% (previous year: 38%). The company's solid financial position gives our group strong risk-bearing potential in volatile times and markets.

OPERATIONAL PERFORMANCE: VOLUME AND EFFICIENCY TAKEN TO A NEW LEVEL

Our oil and gas production volumes increased by 15% to a new record of 5.4 million BOE, or from 12,700 BOEPD in 2023 to over 14,700 BOEPD in 2024. Due to the higher proportion of oil from wells in Wyoming, the oil volumes produced grew disproportionately by 27%. The share of oil in the production volume rose from 55% to 60%.

A total of 25 new wells were brought into production in the Powder River Basin in Wyoming in 2024. 15 of them as operators and 10 as part of the joint venture with Oxy. In the previous year, there were 24 wells, 9 of which were drilled as an operator and 15 in the joint venture. We have therefore

Jan-Philipp Weitz
CEO Deutsche Rohstoff AG

Henning Döring
CFO Deutsche Rohstoff AG

brought significantly more wells from planning to production under our own responsibility and under our own steam.

We have made significant operational progress in our second year as operator in the Powder River Basin:

1. **Drilling costs significantly reduced:** Our main operating company 1876 Resources has significantly reduced the costs per 2-mile horizontal well in the important Niobrara formation to an average of less than USD 10 million. The company's first own well in Wyoming in 2023 had cost over USD 12 million. Some wells even cost only slightly more than USD 9 million. Costs for the Teapot formation averaged less than USD 7 million (previous year: USD 11 million). The last two wells in this formation were drilled in less than nine days, which is a record within the Powder River Basin.

   These efficiency gains are the result of a focus on maximum capital efficiency that was launched at the end of 2022. They can only be achieved through a high level of continuity in drilling activities and a corresponding number of wells and are also absolutely necessary in order to enable the development of the acreage even at lower prices and to be able to survive in the capital-intensive oil business.

   We are also focusing on strengthening our staff and maximizing professionalization in all functions. To this end, we have hired over 20 new colleagues in the USA in the last two years and have switched from service providers to our own employees. Many of them are specialists with many years of experience in much larger oil companies. We have set up a field office in Douglas, Wyoming, to provide the team with optimal support in the field. By purchasing and expanding a gas pipeline and setting up our own water supply, we can drive our development forward independently of third parties at any time. We are now one of the ten most active operators in Wyoming. In recent years, the state has grown more than any other state in the USA in terms of the number of drilling rigs in operation.

2. **Production volumes per well improved:** At the same time, we have increased production volumes, not only in absolute terms from around 12,700 BOEPD to currently over 14,700 BOEPD, but also in terms of initial production volumes per well. In the first six months after the start of production, the cumulative oil volume for our own wells drilled in 2024 was already higher than the wells drilled in 2023. This increase in productivity is the result of continuous technical optimization, including seismic analyses, studies on reference wells, the ongoing optimization of drilling technology, the spatial and temporal spacing between wells and fine adjustments to the design. To summarize, over the last 24 months we have initiated a trend of „doing more with less", i.e. more oil per well at lower costs per well. It is precisely this „doing more with less" that is the key to greater capital efficiency and our central lever for further improving profitability. This required high investments and not every well has met our expectations, but the poorer wells and the wells with excessive costs are also an important part of a learning curve that we believe we have mastered well.

3. **Wyoming acreage unified under one management:** In order to continue on this path for capital efficiency and profitability in the future, we have consolidated our land position in the Powder River Basin under a single management and responsibility. With the contribution of the highly prospective Bright Rock acreage to 1876 Resources, we have further strengthened our operating unit's inventory of potential wells in Wyoming. With an increased land position of approximately 73,000 acres, 1876 will have even greater operational flexibility to respond to oil prices, service availability and infrastructure. At the same time, the established and existing resources will be optimally utilized in order to achieve economies of scale. This creates a further prerequisite for continuing successfully on the path we have taken in 2025.

HIGH INVESTMENTS AS A FOUNDATION FOR THE FUTURE

Overall, we once again made extensive investments in 2024. They amounted to around EUR 185 million (previous year: EUR 198.4 million), of which around EUR 172 million was for new wells and around EUR 13 million for infrastructure measures. As outlined above, the high level of investment also lays the foundation for development in subsequent years. Nine wells went into production in the fourth quarter. We paid a large proportion of the invoices in 2024 in order to realize discounts. This had a negative impact on our free cash flow, which was negative again in 2024 at EUR -36.8 million after EUR -10 million in 2023.

However, it was not only the investments, but also the transfer of operating activities to Wyoming that caused this liquidity burden. The „entry ticket" to a new market is no bargain. Operational efficiency in a capital-intensive business does not happen overnight. The same applies to starting production in a new oil field. The infrastructure, the build-up of personnel, the learning curve and the progress made in drilling in the Powder River Basin therefore come at a price.

In Wyoming, we have achieved a lot on the existing sites and can continue to grow. At the same time, however, we are still a young and agile company. We are constantly keeping our eyes open for further opportunities in Wyoming, but also in other states.

RESERVES: ANOTHER SIGNIFICANT INCREASE DESPITE RECORD REVENUE

Despite record production of 5.4 million BOE in 2024, we were able to significantly increase the value of our oil and gas reserves due to the high level of investment. The proved, developed and producing "PDP"reserves grew by 30% to 25 million BOE (previous year: 19 million BOE). In the future, they will lead to an expected net cash flow of USD 562 million based on the forward curve at the end of the year. This corresponds to more than three times our net financial liabilities as

1876 Resources drilling in the Teapot and Niobrara formation, Wyoming of the reporting date and continues to signal to our creditors the high financial solidity of Deutsche Rohstoff AG.

The value of "PDP" production, discounted with 10%, increased to USD 381 million as of 31 December 2024 (previous year: USD 313 million). The discounted value of the total proved reserves amounted to USD 452 million as of 31 December 2024 (previous year: USD 386 million) and the combined value of the proved and probable reserves amounted to USD 493 million (previous year: USD 420 million).

METAL SECTOR: ALMONTY IS ABOUT TO START PRODUCTION IN KOREA

Our investment in Almonty Industries represents by far the largest investment outside the oil & gas sector, accounting for just under 6% of our total assets. Deutsche Rohstoff AG currently holds around 30 million shares and options on a further 8 million shares from convertible bonds. In addition, there are receivables from promissory note loans of around EUR 10 million. The carrying amount according to HGB as of 31 December 2024 is EUR 30.9 million.

In operational terms, Almonty reported impressive progress in 2024 in the construction of the Sangdong mine in South Korea, which is expected to be the world's largest tungsten mine outside China. Preparations for the underground mine were completed. Work on the above-ground processing plant is progressing rapidly. If production is successfully ramped up, Sangdong will become a globally relevant supplier of tungsten concentrate, which is of great strategic importance due to its wide range of uses.

There is further growth potential for Almonty through the second expansion phase planned for 2026, which envisages a doubling of tungsten production. The company can also grow in the medium term by developing a molybdenum deposit that was explored in the 1980s and is below the tungsten ore body. To this end, Almonty recently concluded an off-take agreement with a price floor for 100% of the molybdenum to be produced with a major Korean customer.

At the end of February 2025, the shareholders approved the relocation of the company's headquarters from Canada to the USA. The global discussion about restricting trade relations, military conflicts and the shortage of Chinese tungsten exports have made headlines in the tungsten sector. The capital market is increasingly recognizing the potential of the stock. Having already risen by around 60% in 2024, Almonty's share price has more than doubled again since the beginning of 2025. On individual days, the market value of our investment in Almonty was already over EUR 12.00 per Deutsche Rohstoff share. This shows the value this investment already contributing.

SHAREHOLDER RETURN: RECORD PAYOUT TO SHAREHOLDERS AS PARTICIPATION IN SUCCESS

In 2024, we implemented the most comprehensive shareholder return package in our company's history. We significantly increased the dividend from EUR 1.30 to EUR 1.75 per share, carried out a share buyback program with a volume of around EUR 4 million and implemented a cash settlement for the outstanding share options from the 2018 program. In total, these measures amounted to around EUR 3.00 per share.

We will continue this profit-sharing in 2025 in the form of a dividend proposal of EUR 2.00 per share and a further share buyback program of EUR 4 million. In addition to our operating performance, our share therefore remains a highly attractive value on the German capital market. Our dividend yield is once again above the average of all comparative indices. At 7%, the liquidity of our share rose more than twice as much as the overall market (Prime Standard and Scale segment) in the past year and is among the top 3 in the Scale segment. We were not satisfied with the performance of the share price, which closed at EUR 32.10, slightly below the previous year's level. Of course, our share price correlates strongly with the oil price. At times, however, we manage to break this correlation in our favor - a result that is reflected in the fact that the Deutsche Rohstoff AG share has outperformed almost all companies in our peergroup for years. We want to continue this development in the future with a clear strategy and transparent communication.

OUTLOOK: FOCUS ON CAPITAL EFFICIENCY

The 2025 financial year got off to a very good start for us with high production and attractive oil prices in the first quarter. The turbulence surrounding tariffs, distortions on the capital market and falling oil prices since the beginning of April has now led to a certain degree of uncertainty.

We are therefore pleased that we are very well positioned with an attractive hedge book and strong production volumes. Difficult times show how resilient we are as a company.

The hedging transactions and recent strong production mean that we are still able to provide an encouraging forecast for 2025. In response to the fall in oil prices, we have slightly postponed the completion of the first well site, immediately negotiated cost reductions and canceled two wells from the planned drilling program. Nevertheless, assuming a very low oil price of USD 60 for the rest of the year, we are forecasting sales of EUR 170 to 190 million and EBITDA of EUR 115 to 135 million. Our previous forecast was based on a WTI price of USD 75 for expected sales of EUR 180 to 200 million and EBITDA of EUR 125 to 145 million. We can now achieve these figures even if the price is USD 70. And this is despite the fact that we have planned fewer wells. We have raised our assumption for the natural gas price from USD 2.0 to USD 3.0 - it currently stands at around USD 3.50. We have adjusted our exchange rate assumption from 1.12 EUR/USD to 1.10 EUR/USD.

For 2026, we are aiming for sales and earnings in the same order of magnitude as 2025, but have not yet finalized a development program due to the strong price fluctuations and high level of uncertainty. Overall, the forecast once again underlines the stability and strength of our earnings power. We have achieved sustainable EBITDA of over EUR 130 million per year since 2022.

In 2025, for the first time, we will almost exclusively bring wells into production that we are responsible for as operator. 1876 Resources drilled nine of its own wells in 2023 and twelve in 2024. In 2025, we are now planning to drill ten of our own wells with the clear objective that these ten wells will once again set records in terms of costs and production volumes in their respective formations. With this focus, we are taking account of the efficiency gains we have achieved and focusing on capital efficiency. Particularly in times of increased uncertainty and volatile markets, the focus on capital efficiency is the best answer for securing and optimizing profitability and risk-bearing capacity. At the same time, we maintain our flexibility and can shift up or down a gear at any time and at short notice.

Despite the recent developments on the markets, we are therefore looking to the coming years with great confidence and are determined to our strategic plans into practice. We thank you for your trust and are firmly convinced that Deutsche Rohstoff will continue to create considerable value for all stakeholders in the future.

Yours sincerely from Mannheim,

Jan-Philipp Weitz
CEO

Henning Döring
CFO

Supervisory Board

Dr. Thomas Gutschlag
Chairman of the Supervisory Board

Dr. Thomas Gutschlag was co-founder of Deutsche Rohstoff AG in 2006 and has been a member of the company's Executive Board since then. He has been Chairman of the Supervisory Board of DRAG since June 2022.

Martin Billhardt
Member of the Supervisory Board

Managing Director of Sidlaw GmbH. From 2004 to 2008, Chief Financial Officer and from 2008 to 2015, CEO of PNE Wind AG. Prior to that, he was Managing Director of a large family office for over ten years.

Dr. Werner Zöllner
Member of the Supervisory Board

Entrepreneur. In private equity for 25 years. Has served and continues to serve on supervisory and advisory boards of companies in Germany, Switzerland, and the United States.

Share & bond

NEW ALL-TIME HIGH, STRONG RALLY AND CORRELATION WITH OIL PRICE

The Deutsche Rohstoff AG share (ISIN DE000AOXYG76, WKN A0XYG7) averaged EUR 35.80 in 2024, up 24% on the previous year (EUR 28.80). A new all-time high of EUR 44.90 was reached in April, but the share price subsequently fell back from this level.

2024 began with an opening price of EUR 32.15. The share initially rose to EUR 35.45 (+10%) by the end of March. This was followed by a strong rally to a new all-time high of EUR 44.90 in April, which was supported by the publication of the financial figures for 2023, the increase in guidance for 2024 and the shareholder return package. During this phase, the share price was able to decouple somewhat from the oil price (WTI).

SHARE DETAILS
as of 31/12/2024

Total number of shares	4,895,738.00
Amount of share capital	4,895,738.00 EUR
Stock exchange	XETRA , Tradegate, Frankfurt, Berlin, Düsseldorf, Stuttgart
ISIN/WKN	DE000A0XYG76/A0XYG7
Stock exchange segment	Scale Standard, Member of Scale 30
Designated Sponsor	ICF Bank AG

In the second half of the year, the share price again developed with a strong correlation to the WTI oil price. As a result, the share price fell and closed the year at EUR 32.10, slightly below the previous year's level (EUR 32.40). Immediately after the turn of the year, the share price recovered and remained relatively stable in the first quarter, ranging between EUR 35 and EUR 39.

Market capitalization fell slightly from EUR 162.4 million at the end of 2023 to EUR 157.2 million at the end of 2024, mainly due to the share buyback program. Market capitalization on 31 March 2024 was EUR 176.7 million.

TOTAL RETURN ANALYSIS: PEERGROUP AND SECTOR INDEX OUTPERFORMED AGAIN

Deutsche Rohstoff AG achieved a total return performance (share price development including dividend) of around 4%, while the US peergroup, consisting of the DJA E&P Index[1] (-6%), a small-cap peergroup[2] (-8%) and a big-cap peergroup[3] (-9%), closed the year with negative returns. Only the DAX was able to outperform DRAG thanks to a strong year-end rally, posting a 20% increase.

Compared to the peergroup and sector index, the shares of Deutsche Rohstoff AG were able to decouple from the oil price. The WTI price has followed a clear downward trend since the middle of the year. As a result, oil stocks, which had performed stable to positive until mid-year, came under increasing pressure and closed the year with slightly negative returns.

Deutsche Rohstoff AG also outperformed in a multi-year comparison, regardless of whether a period from 2019 or 2023 was used as the basis.

HIGH LIQUIDITY: AVERAGE TRADING VOLUME OF 12,800 SHARES PER DAY

In 2024, an average of around 12,700 shares in Deutsche Rohstoff AG were traded daily (previous year: around 12,000 shares). This equals an increase of 7%. This increase is more than twice as high as the total market (Prime Standard and Scale Segment), whose liquidity grew by an average of 3.1%. Trading volume was particularly strong in the second quarter of 2024, with an average of 19,200 shares per day. The highest-turnover trading day was 22 April, when 64,189 shares were traded, corresponding to a total turnover of around EUR 2.8 million. In 2024, shares with a total value of €117.7 million were traded based on the closing price.

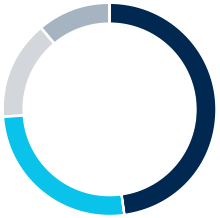
With a 60% XETRA share, the majority of the trading was carried out on the electronic platform of Deutsche Börse, while Tradegate was the second most important trading platform with 34%.

In comparison to the Scale All Share segment of Deutsche Börse, DRAG ranked third out of 43 Companies in terms of liquidity (previous year: TOP 5), making it one of the most liquid stocks in this market segment. In an aggregated

1 Dow Jones U.S. Select Oil Exploration & Production Index
2 Consists of: REI; REPX; EP; PNRG; VTS; TXO
3 Consists of: OXY; DVN; EOG; HES; BP; SHEL; FANG; SM; NOG

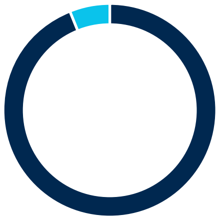
SHAREHOLDER STRUCTURE

by investor type



SHAREHOLDER STRUCTURE

by region



analysis of the German stock market (Scale and Prime segment), Deutsche Rohstoff AG is ranked 175th out of a total of 317 companies, putting it in the midfield of the list. This position also underscores the good progress made in recent years.

ANNUAL GENERAL MEETING GOES BACK TO IN-PERSON ATTENDANCE AND HIGH PARTICIPATION

On 18 June 2024, the Annual General Meeting was held as a physical meeting at Rosengarten in Mannheim, as in the previous year. With 34% of shareholders entitled to vote in attendance, participation was slightly below the previous year's level.

LARGEST SHAREHOLDER RETURN PROGRAM SUCCESSFULLY IMPLEMENTED

Deutsche Rohstoff AG completed its most extensive shareholder return program to date in 2024, with a total volume of EUR 15.6 million. It included dividends, share buybacks, and cash settlement of stock options. The program amounted to a total of EUR 3.15 per share.

A key component was the share buyback program worth around EUR 4.0 million, which has now been completed. Under this program, 109,700 shares were repurchased at an average price of EUR 36.53 by the beginning of December 2024, which was earlier than announced. The number of shares entitled to dividends fell by 2.2% to 4,895,738. The acquired shares were withdrawn in April 2025. In addition, around 190,000 share options from the 2018 program have either already been settled in cash or corresponding provisions for expenses have been created, thus avoiding a dilution of almost 4% in the long term.

In addition, a dividend of EUR 1.75 per share was distributed to the shareholders for the 2020 financial year, which corresponds to a dividend yield[1] of 5.5% (previous year: 4.0%). This makes Deutsche Rohstoff AG one of the most attractive dividend stocks on the German stock market. In both years, it outperformed both its own segment (Scale) with an average dividend yield of 4.0% (previous year: 3.7%) and the German leading index DAX, whose dividend yield averaged 3.2% (previous year: 3.1%).[2]

SOLID SHAREHOLDER BASE FURTHER EXPANDED

As of 31 December 2024, Deutsche Rohstoff AG had a share capital of 5,005,438 shares. The share capital is divided into the same number of registered shares. At the end of the year, the Management Board and Supervisory Board held 10% of the shares. At the end of 2023, 50% of the outstanding share capital was held by around 80 shareholders (previous year: 69 shareholders). The other 50% is shared by around 8,800 shareholders (previous year: 8,400 shareholders), an increase of around 5%. Around 26% of the shares are held by institutional investors. The vast majority (86%) are based in Germany.

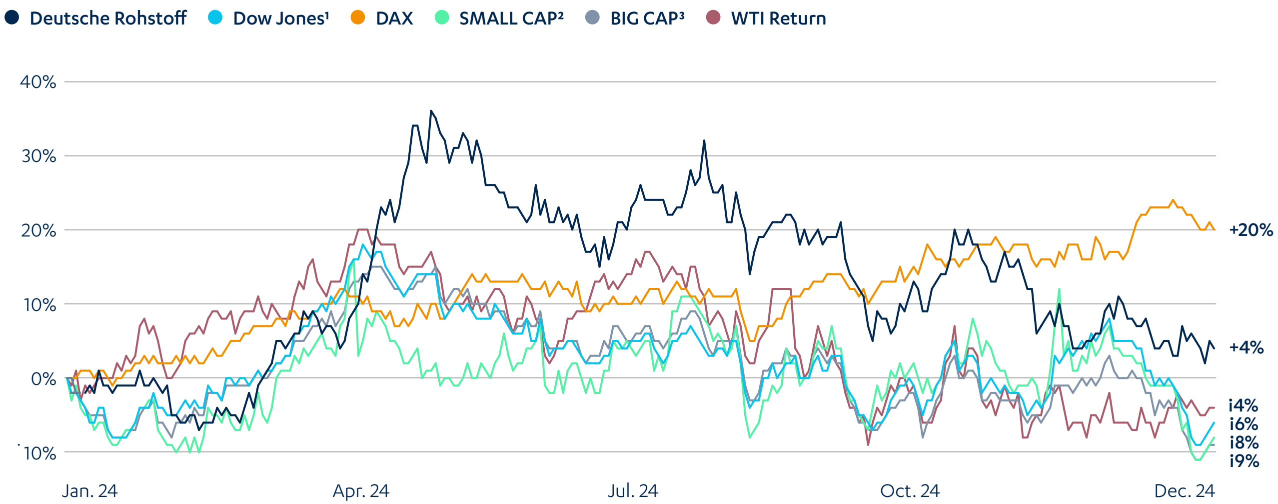
1 The information in this file is based on the dividends paid in the last 12 months/the last price on the last business day of the year.

2 Source: Bloomberg

BOND

	Bond 2023/2028
Issuer	Deutsche Rohstoff AG
Issue Date	27/09/2023
Issued Volume	EUR 100 million
Outstanding Volume	EUR 100 million
Coupon	7.5%
Interest Payment	Semi-annually, 27 March and 27 September
Term/maturity	5 years; 27/09/2028 (subject to early repayment in accordance with the bond terms)
Denomination/issue price	EUR 1,000/100%
WKN/ISIN	A3510K, DE000A3510K1
Exchange	Exchange Frankfurt, Open Market (Quotation Board)

TOTAL RETURN 2024



1 Dow Jones U.S. Select Oil Exploration & Production Index

2 Small Cap. peergroup Median consists of: REI; REPX; EP; PNRG; VTS; TXO

3 Big Cap. peergroup Median consists of: OXY; DVN; EOG; HES; BP; SHEL; FANG; SM; NOG

STRONG PERFORMANCE AND HIGH DEMAND BOND 2023/2028

The bond 2023/2028 issued in September 2023 (WKN/ISIN: A3510K/DE000A3510K1) continued to be very popular in 2024 and, with an average price of around 109.5%, was trading well above comparable bonds from other issuers. In February 2024, the bond was named "Best German Issuer SME Bonds 2023" by Bond Magazine. In addition to the strong performance, the decisive factors for this were the bond-specific key figures and the reliable ability of Deutsche Rohstoff AG to make interest and principal payments. In August 2024, the bond reached an all-time high with a closing price of 112.4%. The bond has an outstanding volume of EUR 100 million and matures on 27 September 2028. It bears interest semi-annually and has an annual coupon of 7.5%. In the 2024 reporting year, the closing price fluctuated between 106.5% and 112.4%, averaging around 109.5%.

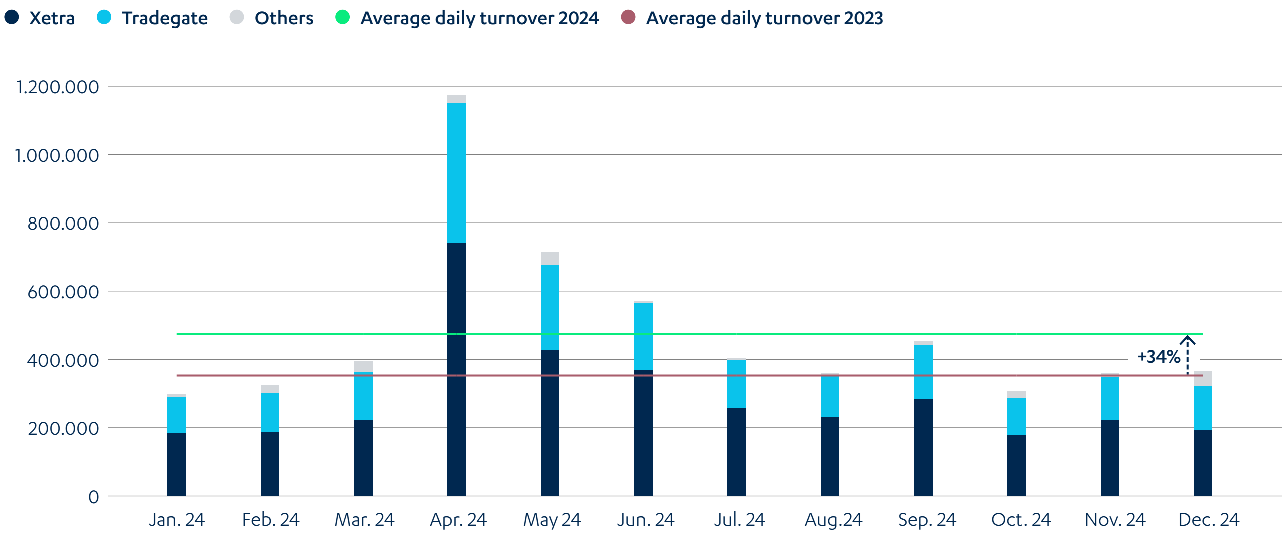
In December 2024, the outstanding amount of the 2019/2024 bond ("old bond", ISIN: DE000A2YN3Q8 / WKN A2YN3Q) was repaid in full and on time. The old bond was issued on 6 December 2019, had a coupon of 5.25% p.a. and, after conversion and half of it being called in, still had an outstanding balance of EUR 20.5 million. This is already the fourth bond that Deutsche Rohstoff AG has repaid in full.

ROADSHOWS, CONFERENCES AND CAPITAL MARKETS DAY

The Management Board of Deutsche Rohstoff AG presented the company's latest developments and equity story to international and national investors over a period of 17 days. In addition to classic roadshows, the company participated in seven

TRADING VOLUMES

per day



DEUTSCHE ROHSTOFF GROUP HEDGEBOOK

as of 31/03/2025

	Total	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026	Q3 2026	Q4 2026
Volumes in BBL (Oil)	1,180,600	311,300	259,100	223,400	109,900	100,100	91,700	85,100
Price floor in USD/BBL	68.9	69.7	69.5	69.6	68.7	68.9	65.5	66.2
Volumes in MMBtu (Gas)	2,825,678	749,147	684,908	829,123	292,500	270,000	–	–
Price floor in USD/MMBtu	2.9	3.1	2.9	3.0	2.3	2.3	–	–

capital market conferences and published numerous articles and interviews in various financial publications.

Another Capital Markets Day was held in 2024, where registered participants received a comprehensive update on business developments. Particular focus was placed on the consolidation of areas in Wyoming and the efficiency gains of the current drilling program.

ANALYSTS CONTINUE TO SEE FAIR VALUE WELL ABOVE SHARE PRICE

In 2024, the financial analysts at Alster Research, First Berlin and Kepler Cheuvreux regularly published reports and target price recommendations for the shares of Deutsche Rohstoff AG. The analysts agreed that the fair value of the share was well above the current price.

As of 31 December 2024, the consensus target price was EUR 42.8, which corresponded to a potential of over 33% (previous year: EUR 48.6). Over the year, the average consensus target price was EUR 50.4.

The latest research reports on Deutsche Rohstoff AG can be accessed directly on the company's website.

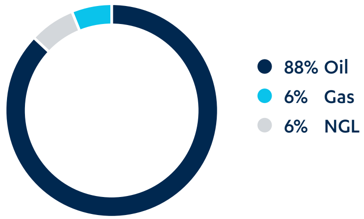
Operative charts

Revenues (in TEUR)	01/01/ – 31/12/2024	01/01/ – 31/12/2023
Oil Revenues	225,138	178,473
Gas Revenues	14,268	19,632
NGL Revenues	17,442	17,566
Production Tax	–25,426	–19,317
Profit(+)/Loss(-) from Hedging	4,004	296
Total Revenue	235,425	196,651
Total Revenue in TUSD	**254,464**	**212,507**
Volumes		
Oil (BBL)	3,245,980	2,557,234
Gas (Mcf)	7,900,624	7,602,981
NGLs (BBL)	825,066	833,581
BOE	5,387,817	4,657,979
BOEPD	14,721	12,762
Oil (in USD/BBL)		
Average WTI Price	76.63	77.58
Realized Price before Hedges	72.32	74.12
Profit(+)/Loss(-) from Hedging	0.72	–0.21
Realized Price after Hedges	73.04	73.91
Gas (in USD/MMBTU)		
Average Henry Hub Price	2.19	2.53
Realized Price before Hedges [1]	1.88	2.74
Profit(+)/Loss(-) from Hedging [1]	0.25	0.12
Realized Price after Hedges	2.13	2.86
OPEX (USD/BOE)	**9.00**	**7.96**
Depletion (USD/BOE) [2]	**16.46**	**14.54**

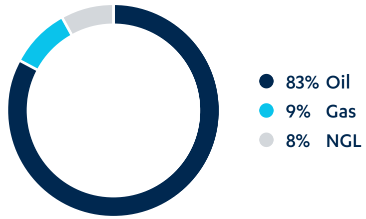
1 Derivatives are typically based on a local trading hub and not on HenryHub (e.g. CIG)
2 Depreciation on oil production facilities

SALES BY PRODUCT

2024

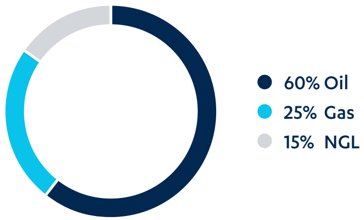


2023

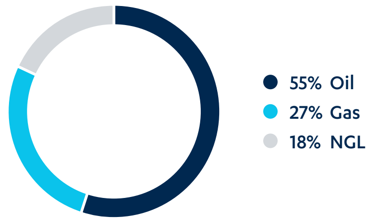


VOLUME BY PRODUCT

2024

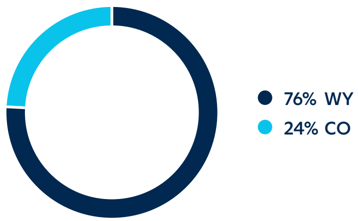


2023



VOLUME BY REGION

2024



2023

Financial calendar 2025

23 April 2025

Publication of Annual Report 2024

13 May 2025

Publication of Q1 2025 quarterly report

13 – 14 May 2025

Equity Forum – spring conference, Frankfurt/Main

17 June 2025

Annual General Meeting 2025, Mannheim

15 August 2025

Publication of half-year report 2025

27 – 28 August 2025

HIT (Hamburg Investor Days)

4 November 2025

Publication of Q3 2025 quarterly report

19 November 2025

Capital Markets Day, online

24 – 26 November 2025

German Equity Forum, Frankfurt/Main

Annual financials

Consolidated balance sheet

ASSETS

In EUR		31/12/2024	31/12/2023
A.	**Fixed assets**		
I.	Intangible assets		
1.	Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	24,216,556	22,185,406
2.	Goodwill	853,126	962,512
3.	Advance payments made	–	399,150
		25,069,682	**23,547,068**
II.	Property, plant and equipment		
1.	Petroleum extraction equipment	386,549,472	255,062,888
2.	Exploration and evaluation	5,656,823	24,389,243
3.	Plant and machinery	32,371,593	19,544,431
4.	Other equipment, furniture and fixtures	1,792,560	1,612,742
5.	Advance payments and assets under construction	–	17,005,771
		426,370,447	**317,615,075**
III.	Financial assets		
1.	Equity investments	16,186,765	15,406,652
2.	Loans to other investees and investors	7,156,476	6,822,854
3.	Securities classified as fixed assets	8,716,215	8,339,534
		32,059,456	**30,569,040**
B.	**Current assets**		
I.	Inventories		
1.	Raw materials and supply	655,587	1,521,130
		655,587	**1,521,130**
II.	Receivables and other assets		
1.	Trade receivables	40,698,591	29,603,344
2.	Other assets	3,982,114	5,422,459
		44,680,705	**35,025,803**
III.	Securities classified as current assets	2,911,815	6,380,308
VI.	Bank balances	16,798,784	75,807,436
C.	**Prepaid expenses**	**2,604,545**	**2,065,721**
D.	**Deferred tax assets**	**1,311,954**	**1,233,474**
	Total assets	**552,462,976**	**493,765,055**

Consolidated balance sheet

EQUITY AND LIABILITIES

In EUR			31/12/2024	31/12/2023
A.	**Equity**			
I.	Subscribed capital	5,005,438		5,005,438
	./. less nominal value of treasury shares	–109,700	4,895,738	
	Conditional capital EUR 2,395,000 (previous year: 2,395,000 EUR)			
II.	Capital reserve		31,297,014	31,297,014
III.	Retained income		–	–
IV.	Equity differences from currency translation		17,704,794	957,164
V.	Consolidated net retained profit		177,285,153	143,111,966
VI.	Non-controlling interests		6,275,453	7,109,423
			237,458,153	**187,481,005**
B.	**Provisions**			
1.	Tax provisions		693,369	996,845
2.	Other provisions		27,777,603	47,517,786
			28,470,972	**48,514,631**
C.	**Liabilities**			
1.	Bonds, thereof convertible EUR 0 (previous year: EUR 0)		100,000,000	120,516,500
2.	Liabilities to banks		76,732,228	40,806,709
3.	Trade payables		14,413,990	26,550,778
4.	Other liabilities		25,759,218	16,974,486
			216,905,437	**204,848,473**
D.	**Accruals and deferrals**		**–**	**83,724**
E.	**Deferred tax liabilities**		**69,628,414**	**52,837,222**
	Total liabilities		**552,462,976**	**493,765,055**

Consolidated income statement

In EUR		01/01/ – 31/12/2024	01/01/ – 31/12/2023
1.	**Revenue**	**235,425,175**	**196,650,984**
2.	Increase or decrease in finished goods and work in process	−22,097	29,383
3.	Other operating income	6,359,388	20,552,507
4.	Cost of materials	44,880,176	34,294,137
	Cost of purchased services	44,880,176	34,294,137
5.	Personnel expenses	11,393,535	10,275,218
	a) Wages and salaries	10,555,099	9,713,314
	b) Social security, pensions and other benefit costs – thereof for retirement plans 4,975 EUR (previous year: 4,989 EUR)	838,436	561,904
6.	Amortization, depreciation and write-downs	88,330,803	63,618,592
	a) of intangible assets and property, plant and equipment	88,038,094	63,383,797
	b) of current assets	292,709	234,795
	EBITDA	167,593,430	158,257,528
7.	Other operating expenses	17,895,325	14,405,990
8.	Other interest and similar income	1,890,430	1,490,367
9.	Amortization of financial assets and securities classified as current assets	649,627	671,044
10.	Interest and similar expenses	13,936,784	9,719,299
11.	Income taxes	13,869,592	18,252,150
12.	Earnings after taxes	52,697,053	67,486,811
13.	Other taxes	2,091	3,334
14.	**Net income**	**52,694,962**	**67,483,477**
15.	Profit (–) attributable to non-controlling interests	−2,479,089	−2,308,388
	Consolidated net profit after minority interests	50,215,873	65,175,089
16.	Profit carried forward (+)	130,967,101	77,936,877
17.	Transfer to retained earnings	−3,897,820	–
18.	**Consolidated net retained profit**	**177,285,153**	**143,111,966**

Consolidated Cash Flow statement

in EUR		01/01/ – 31/12/2024	01/01/ – 31/12/2023
	Net income for the period (consolidated net income/loss including profit shares attributable to non-controlling interests)	**52,694,962**	**67,483,477**
+/−	Write-downs/write-ups of fixed assets	88,038,094	63,383,797
+/−	Increase/decrease in provisions	−11,753,079	−5,306
+/−	Other non-cash expenses/income	−3,276,063	2,027,984
−/+	Increase/decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	−7,155,084	−4,625,717
+/−	Increase/decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	−4,833,272	2,618,799
−/+	Gains/losses from the disposal of fixed assets	1,619,529	−14,387,825
−/+	Profit/loss from the sale/valuation of marketable securities	−455,079	−2,883,531
+/−	Interest expenses/income	12,046,354	8,228,932
+/−	Income taxes paid/received	16,712,712	17,419,677
	Cash flow from operating activities	**143,639,074**	**139,260,287**
+	Proceeds from the disposal of intangible assets	387	10,054,488
−	Payments for investments in intangible assets	–	−294,847
+	Proceeds from disposals of property, plant and equipment	–	27,878,839
−	Payments for investments in property, plant and equipment	−185,285,570	−198,443,471
+	Proceeds from the disposal of financial assets	–	7,458,730
−	Payments for investments in financial assets	−246,442	–
+	Proceeds from financial investments as part of short-term financial management	16,749,808	13,872,499
−	Payments due to financial investments as part of short-term financial management	−12,845,768	−10,652,689
+	Interest received	1,171,123	760,001
	Cash flow from investing activities	**−180,456,463**	**−149,366,449**
+	Proceeds from contributions to equity from shareholders of the parent company	–	39,120
+	Proceeds from contributions to equity from other shareholders	787,805	2,088,130
−	Payments for the acquisition of shares from other shareholders	−7,244,692	−160,363
−	Payments for the repurchase of treasury shares	−4,007,520	–
+	Proceeds from the issue of bonds and the raising of (financial) loans	31,988,479	82,566,847
−	Payments from the repayment of bonds and (financial) loans	−20,516,500	−30,321,500
−	Interest paid	− 13,498,254	−7,938,999
−	Dividends paid to shareholders of the parent company	−8,732,567	−6,504,469
−	Dividends paid to other shareholders	−226,574	−207,607
	Cash flow from financing activities	**−21,449,824**	**39,561,159**
	Changes in cash and cash equivalents	−58,267,212	29,454,997
+/−	Exchange rate and valuation-related changes in cash and cash equivalents	894,013	−1,222,918
+/−	Consolidation-related changes in cash and cash equivalents	−1,767,465	–
+	Cash and cash equivalents at the beginning of the period	75,634,211	47,402,131
	Cash and cash equivalents at the end of the period	**16,493,546**	**75,634,211**

Group management report

I. Fundamental information of the Group

Deutsche Rohstoff AG, Mannheim, (hereinafter referred to as „Deutsche Rohstoff AG") is a stock corporation under German law. The company is registered in the commercial register at Mannheim Local Court under the number HRB 702881 and has its registered office at Q7, 24, Mannheim, Germany. The shares of Deutsche Rohstoff AG have been listed in the Scale segment of the Frankfurt Stock Exchange since 1 March 2017 (ISIN: DE000A0XYG76, WKN: A0XYG7).

ACCOUNTING AND AUDITING

Deutsche Rohstoff AG prepares its consolidated financial statements, the interim report and the annual financial statements in accordance with the provisions of the German Commercial Code (HGB). On 18 June 2024, the Annual General Meeting appointed FALK GmbH & Co KG Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Heidelberg, as the auditor for the annual and consolidated financial statements for the 2024 financial year.

DISTINCTION BETWEEN PARENT COMPANY AND GROUP

To clarify which disclosures relate to the parent company and which relate to the Group, „Deutsche Rohstoff AG" is always used for the parent company. For disclosures relating to the Group, „Deutsche Rohstoff Group" or „Group" is used. Where the above terms are not used and no other separate references are made, the information relates equally to the Group and the parent company.

FUTURE STATEMENTS

This management report contains forward-looking statements. These statements reflect our own estimates and assumptions - including those of third parties (such as statistical data relating to the industry and global economic developments) - at the time they were made or at the date of this report. Forward-looking statements are always subject to uncertainties. If the estimates and assumptions prove to be incorrect or only partially correct, actual results may differ from expectations, even significantly.

1. Business model

AT A GLANCE

- Core business: focus on oil and gas production in the USA
- Equity investments and investments in metals with a carrying amount of EUR 31.7 million

The core business of the Deutsche Rohstoff Group is the production of crude oil and natural gas in the USA. In addition, the Group is involved in strategic metals, battery metals and other raw materials, particularly in exploration and mining projects, as well as the processing of raw materials

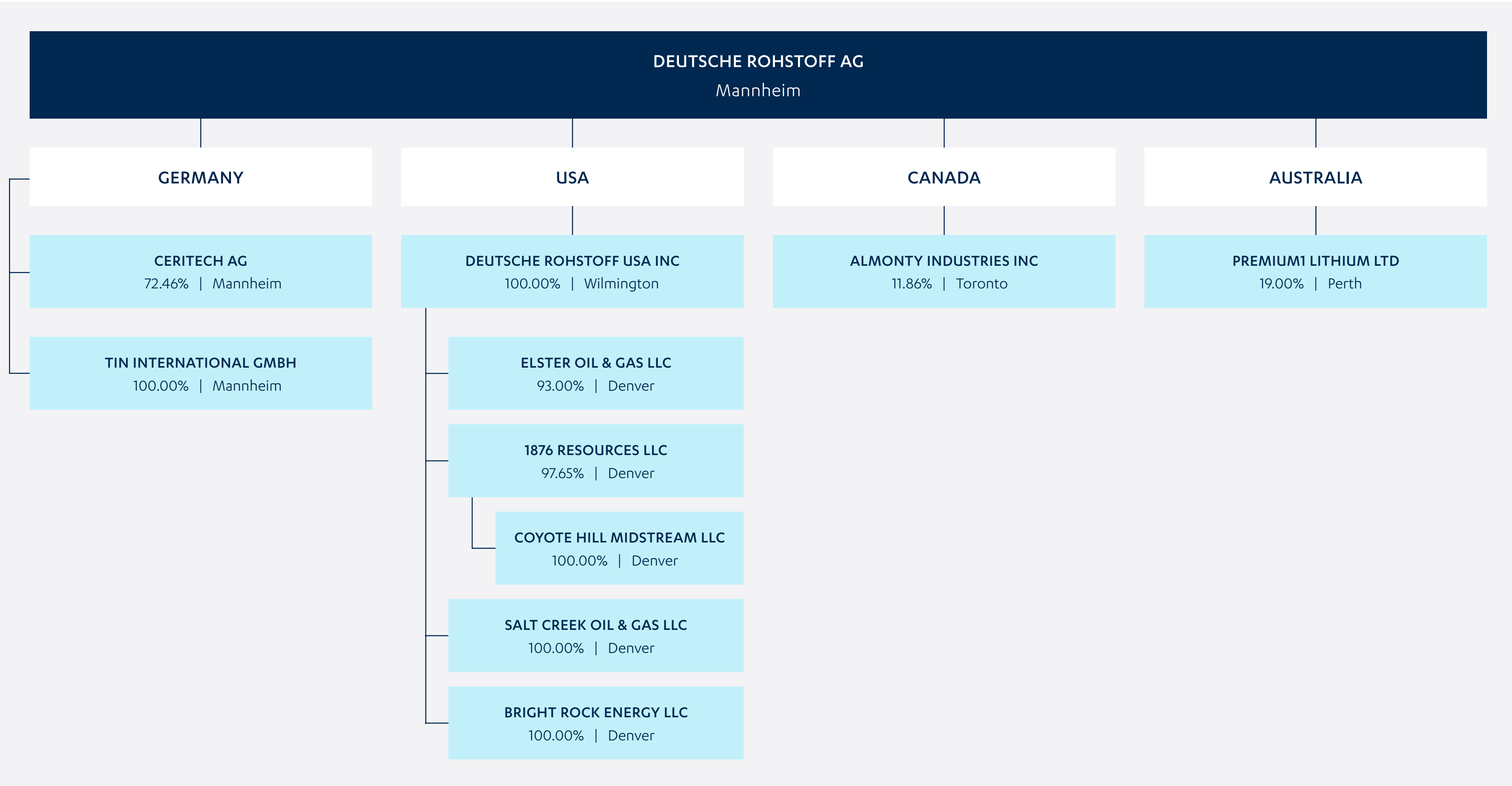
As the parent company, Deutsche Rohstoff AG manages the Group. It establishes subsidiaries and initiates new projects together with experienced and successful management in the various divisions. It also acquires stakes in companies. As is customary in the raw materials sector, the subsidiaries occasionally acquire and sell raw material deposits, production facilities and land as part of their operating business. Active management of the subsidiaries and the ability to take advantage of opportunities for acquisitions and divestments have enabled the Group to position itself successfully on the sometimes highly volatile commodities markets since it was founded.

The Group's management and employees play a central and critical role in this. The success of Deutsche Rohstoff is largely dependent on experienced management teams. The involvement and participation of employees in the success of the companies and projects is therefore a key success criterion for Deutsche Rohstoff AG.

Operating and investment activities are focused on countries with a stable political and legal system. In the 2024 financial year, all activities were located in the USA, Australia, Western Europe and South Korea. The Group is present in these countries with subsidiaries, equity investments or cooperation agreements. All major subsidiaries and companies in which the Group holds a majority interest are based in the USA.

STRUCTURE OF THE CORPORATION

as of 31/12/2024



Deutsche Rohstoff AG finances the activities or procures financing partners, decides on the strategic direction, new investments and divestments and handles public relations and capital market communications. Experienced managers, mostly specialized engineers and geologists with many years of industry experience, are responsible for the operational business on site.

As of 31 December 2024, the Deutsche Rohstoff Group consisted of the following significant Group companies and participations. Subsidiaries and participations that are to be held permanently are considered significant.

Compared to the previous year, there have been some changes in the legal structure of the Group and the size of the shareholdings:

- The shareholding in Prime Lithium AG initially decreased from 88% to 85% during the year as a result of capital contributions and sales to the CEO and co-founder. As of 31 December 2024, the entire 85% stake was sold to Dr. Axel C. Heitmann.
- The shareholding in 1876 Resources LLC slightly increased from 96.09% to 97.65% due to the withdrawal of minority shareholders and the contribution of the Bright Rock areas.
- As part of an area transaction at Bright Rock, all minority interests were acquired, increasing the shareholding in the company from 98.49% to 100%.
- The stake in Almonty Industries decreased from 13.11% to 11.86% as a result of further capital increases by third parties in which Deutsche Rohstoff did not participate.
- Exploration Ventures AI Pty Ltd („EXAI“), which was established as part of a joint venture with SensOre in 2023, was contributed to the listed SensOre at the beginning of 2024 and subsequently converted into Premier1 Lithium. Deutsche Rohstoff initially held a 19.9% stake in the company following the transaction. Following a capital increase at the end of 2024, the stake fell slightly to 19.0%. In addition, DRAG holds 37.76 million options which, if exercised, would increase the stake to 20.23%.

The companies Almonty Industries Inc. and Premier1 Lithium shown in the chart were held as investments at the end of 2024. All other companies were fully consolidated.

Deutsche Rohstoff USA Inc. acts as an intermediate holding company for holding the US investments and for tax consolidation purposes, but has no operating business of its own.

In 2024, **1876 Resources** produced from its acreage in the Powder River Basin in Wyoming and the Denver-Julesberg Basin in Colorado. In 2024, **1876 Resources** drilled a total of twelve oil wells as operator in Wyoming, three of which started production in the middle of the year and nine wells in the last quarter of 2024. As part of an intra-group acreage transfer, **1876 Resources** acquired almost all of Bright Rock Energy's acreage at the end of 2024.

In 2024, **Elster Oil & Gas** continued to operate exclusively in the production of crude oil in the Denver-Julesberg Basin in Colorado. As a non-operator, Elster Oil & Gas is only involved in oil wells drilled by other companies.

Bright Rock Energy completed the three wells started in 2023 in the Powder River Basin in Wyoming in 2024 and brought them into production in the middle of the year. At the end of the year, Bright Rock Energy's acreage was acquired by its sister company 1876 Resources. Bright Rock Energy therefore no longer holds any significant shares or acreage and is focused on examining and implementing new acquisitions, partnerships and business opportunities for the Deutsche Rohstoff Group together with the experienced and successful management team.

In 2024, **Salt Creek Oil & Gas** further expanded its interests as a non-operator in oil wells drilled by other companies. In two joint ventures with Occidental Petroleum in Wyoming, the last ten of a total of 31 wells were put into operation.

Almonty Industries, which specializes in tungsten mining, operated the Panasqueira mine in Portugal in 2024 and made such progress with the construction of the Sangdong mine in South Korea that production is expected to start by mid 2025.

Ceritech AG has been held as a „shell company“ since the shares were listed on the open market of the Düsseldorf

Stock Exchange with the intention of contributing its own or third-party business to the company.

At the end of the year, **Tin International GmbH** only had cash at its disposal, which was used for new projects and intra-group loans.

Premier1 Lithium Pty Limited („P1L") is focused on the exploration of lithium and gold in the state of Western Australia.

In the 2024 financial year, the Deutsche Rohstoff Group generated revenue almost exclusively from the production of crude oil and natural gas in the USA. In addition to revenue from the production of raw materials and related rights, e.g. royalties, the business model also consists of the favorable acquisition, development and sale of raw material projects.

2. Objectives and strategies

PERFORMANCE FOR OUR SHAREHOLDERS

The goal of Deutsche Rohstoff AG is to operate an economically successful raw materials production and investment company geared towards long-term success. The company thus contributes to meeting the continuously increasing global demand for raw materials in a responsible manner. Raw materials are the basis for improving the standard of living of people worldwide. Solid and balanced financing of the Group is a key success factor in times of volatile markets.

The primary economic objective for the company is to continuously increase its market capitalization. After the previously announced target range of EUR 150 million to EUR 200 million in market capitalization was achieved, a new target range of EUR 200 million to EUR 250 million was set for 2024. This target can be achieved within the next twelve months, provided that commodity prices, in particular the oil price, stabilize at a level in line with the average of the last five years (WTI of around USD 71/BBL). Other prerequisites include achieving the planned production volumes and continuing the development projects on our own land or together with joint venture partners in the USA.

BUSINESS SEGMENTS

The company's activities continue to focus on oil and gas production in the USA. In the reporting year, the company benefited from oil prices that were at a relatively high level compared to the average of the last ten years. At the same time, prices for natural gas and condensates were significantly lower than in previous years. The production of oil and gas was further expanded in the course of 2024. A total of 14,721 BOEPD (barrels of oil equivalent per day) were produced in 2024, bringing the year as a whole to 5.4 million BOE (previous year: 4.7 million BOE).

At the end of 2024, the Group had interests in a total of 111 independently operated horizontal wells in the US oil fields Denver-Julesberg Basin, Colorado, and in the Powder River Basin, Wyoming, as well as 104 partner-operated wells. In total, this corresponds to around 115 net wells, i.e. wells operated by the Group with an arithmetical share of 100%

In the Metals segment, the Group held an interest of over 10% in Almonty Industries and an interest in Premier1 Lithium Pty Limited („P1L") (Australia) as of 31 December 2024. This company pursues projects in mining and lithium and gold exploration.

EMPLOYEES

The commitment and expertise of our employees form an important basis for our economic success. We ensure the recruitment and retention of highly qualified specialists and managers through targeted talent selection, long-term incentives in the form of participation programs, individually tailored further development measures and company health management.

3. Research and development

The Group only conducts research and development to a limited extent, which is aimed at supporting or optimizing the development of existing projects. The extraction of crude oil and natural gas and ore mining generally rely on existing processes that are freely available through service providers. The Group uses service providers who carry out the work in accordance with the current state of the art. Overall, the Group spent EUR 1.4 million on development in 2024.

II. Economic report

1. 1. Macroeconomic and sector-specific framework conditions

AT A GLANCE

- Economic growth of 3.2% worldwide and 2.8% in North America in 2024
- Average oil price falls slightly from USD 77.58/BBL to USD 76

GLOBAL ECONOMIC DEVELOPMENT

The global economy showed mixed development in the past financial year 2024. Despite interest rate cuts by the major central banks to support the economy, growth remained subdued in many regions. The interest rate cuts were a reaction to easing inflation concerns. Nevertheless, some economies recorded resilient growth rates. In the USA, our sales region, the economy remained stable. Growth in the eurozone remained mixed, with some countries such as Spain and France providing positive impetus. Different trends were evident in Asia: China's growth remained moderate in view of the local challenges posed by the ongoing real estate crisis, while India's economy proved robust.

In its latest World Economic Outlook (WEO) from January 2025, the International Monetary Fund (IMF) guidances global real growth of +3.3% for the years 2025 and 2026. The guidance for 2025 is largely unchanged compared to the WEO of October 2024, which is primarily due to an upward trend in the United States offsetting downward revisions in other major economies. Global headline inflation is expected to fall to 4.2% in 2025 and to 3.5% in 2026, returning to the 2% target sooner in developed economies than in emerging and developing economies.

Economic growth in our North American sales market rose by 2.8% in 2024 and is expected to remain above the average for other industrialized nations with growth of 2.2% in 2025.[1]

DEVELOPMENT OF PRICES FOR OIL, GAS AND TUNGSTEN

Despite extensive production restrictions imposed by OPEC+ and geopolitical tensions, prices on the oil commodities market moved sideways, falling slightly by around 1% compared to the previous year. Global demand for oil continued to develop positively in 2024, growing by around 1.0 million barrels of oil per day (BOPD) to around 103 million BOPD. Emerging Asian economies, particularly China and India, are responsible for the growth in global demand.[2]

The average price for West Texas Intermediate (WTI) was around USD 70.00 per barrel at the end of 2024. The average WTI price in 2024 was around USD 76.63 per barrel, slightly below the average price in 2023 (USD 77.58 per barrel). By contrast, the average gas price (Henry Hub) fell by 13.5% to USD 2.19 per MMBTU in 2024.

Due to our significant stake in Almonty, tungsten is the most important industrial metal for us. In 2024, the tungsten APT price remained stable at between USD 310 and 350 per metric ton unit (MTU). It averaged USD 327.

INFLUENCE OF CURRENCY CHANGES

Currency fluctuations have a significant impact on the Group's business performance. The EUR/USD exchange rate is of particular importance, as all important raw materials are settled in USD. A stronger USD leads to raw materials becoming more expensive outside the USA and to corresponding gains in the income statement or positive effects on the currency translation reserve in equity as part of the exchange rate translation or conversion into EUR. Conversely, exchange rate losses arise on exchange or negative effects on the currency translation reserve in the event of a weaker USD. The USD exchange rate has been volatile over the course of 2024 due to the interest rate policy of the US Federal Reserve as part of the fight against inflation. At the end of 2024, the USD was 6% lower than the previous year at 1.038 USD/EUR (previous year: 1.105 USD/EUR). At 1.082 USD/EUR, the average exchange rate for the year was therefore slightly above the previous year's average (previous year: 1.081 USD/EUR). This had a correspondingly moderate impact on the Group's sales revenue invoiced in USD compared to the previous year.

1 WEO, accessed March 14, 2025 at: https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025

2 IEA, accessed on March 14, 2025 at: https://www.iea.org/reports/oil-2024

2. Business performance

AT A GLANCE

- Production: record volume of around 14,721 BOEPD achieved
- Drilling costs in Wyoming significantly reduced and areas consolidated
- High investments of around EUR 185 million made
- Metal division: Almonty is approaching the start of production in Sangdong

CORE BUSINESS OIL AND GAS

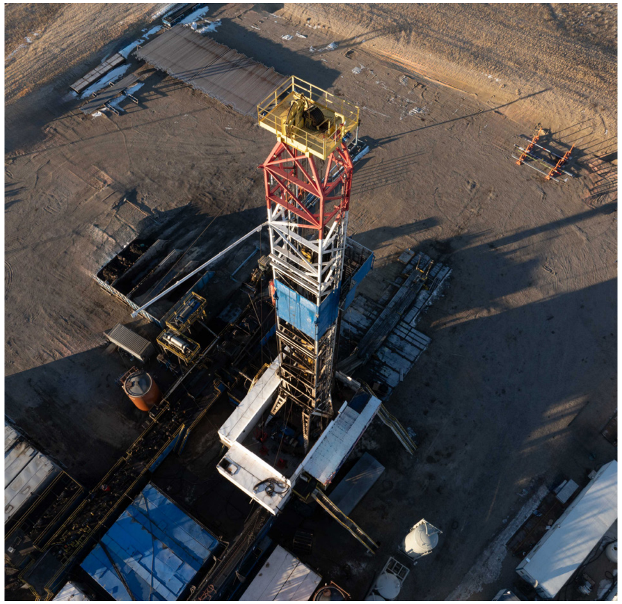
Oil and gas production increased significantly again in the 2024 financial year. Daily production climbed by 15% year-on-year from 12,762 BOEPD to 14,721 BOEPD, setting a new record for the Deutsche Rohstoff Group. Production at all subsidiaries was successful in 2024, the expected results were exceeded and new drilling programs were launched. Despite the slight decline in the oil price, the sharper fall in gas prices and the more volatile USD, the company exceeded its revenue guidance and achieved its EBITDA target.

1876 Resources successfully expanded and optimized its operating activities in the Powder River Basin in Wyoming in the 2024 financial year. After nine own wells in 2023, the number of wells drilled and brought into production rose to twelve in 2024. At the beginning of 2024, the last two wells from the previous year were completed and brought into production. The next three wells followed in the middle of the year and the last nine wells in Q4 2024. Overall, 1876 was able to produce in line with planning, the Wilma well brought into production in July initially fell short of expectations, while the last nine wells have so far delivered very positive production results overall. On average, the results of the wells were slightly above expectations after the first few months.

Significant cost reductions were achieved as part of the 2024 drilling program. The cost per well in the Niobrara formation fell to less than USD 10 million in 2024. The first wells last year cost over USD 12 million. Drilling in the shallower Teapot formation was completed for less than USD 7 million (previous year: USD 11 million). The main drivers of the low costs were the continuity of the drilling program and constant adjustments to the design of the wells based on ongoing experience as well as falling prices for service providers and materials.

The gas infrastructure acquired in 2023, consisting of around 68 km of pipelines, was also expanded further in 2024. The USD 11 million investment in a compressor station more than quintupled the throughput capacity for the gas produced from 4,000 mcf/d to 21,000 mcf/d and will now enable efficient and comprehensive acreage development on the eastern areas of the Powder River Basin over the next few years. In addition to the operating cash flow, the company financed the high investments totaling around USD 115 million by drawing down its credit line with a US-bank in the amount of USD 79.4 million as of 31 December 2024.

At the end of 2024, around 34,000 acres of land from the subsidiary Bright Rock Energy were transferred to 1876 Resources as part of an internal restructuring within the Group, which now operates around 73,000 acres as operator. With the increased acreage, 1876 will have the operational flexibility to respond optimally to oil prices, the availability of services and the availability of infrastructure. At the same time, existing resources will be optimally utilized to achieve further economies of scale and synergies.



First drilling in the Mowry formation, Wyoming

The subsidiary **Salt Creek Oil & Gas** continued its activities in 2024 under two joint venture agreements with the US company Occidental Petroleum („Oxy"). The company is involved in a total of 31 wells at four different drilling locations in the Powder River Basin in Wyoming. Around USD 177 million was invested in these locations between 2022 and mid-2024, of which around EUR 48 million was invested in 2024. The last ten wells at the „William" well site went into production in 2024. During the year, some of these wells were affected by maintenance work on the gas infrastructure, which temporarily led to slightly lower production volumes. The wells in the JV with Oxy are secured through direct ownership of the well. Salt Creek received around USD 6 million per month as a result of the high return flows from production. This makes the company a significant source of high cash inflows from the operating business for the Group and also for Deutsche Rohstoff AG.

In the 2024 financial year, **Bright Rock Energy** completed the drilling program of three wells started in the previous year. One of the Niobrara wells had to be limited from the originally planned two miles to one horizontal mile due to technical difficulties. The other well in the Niobrara and Mowry formations was completed on schedule. Overall, the drilling program was significantly above the originally planned costs due to the technical difficulties. However, the Group's first ever well in the Mowry formation already produced around 100,000 barrels of oil in the first four months and thus produced at an extremely high level. At the end of 2024, the Bright Rock acreage of 34,000 acres was transferred to 1876 Resources. The majority of this acreage is undeveloped and has the potential for over 100 additional wells in various formations.

Deutsche Rohstoff AG changed its shares in the US subsidiaries only insignificantly in the course of 2024. The minority interests in Bright Rock Energy were acquired as part of an area transaction, increasing the stake in the company from 98.49% to 100.00% at the end of the year. The stake in 1876 Resources from 96.09% to 97.65%. The remaining minority interests are mainly held by the local management teams. When new subsidiaries are established, Deutsche Rohstoff offers central employees the opportunity to acquire a share. In addition, members of the management of US subsidiaries are incentivized via so-called „profits units". These „profits units" then receive a share of the profits after Deutsche Rohstoff AG has received back 100.00% of the capital invested in the subsidiaries, including an appropriate return (see also the comments on incentives and remuneration of the management and supervisory bodies in the US companies in the financial position section).

METALS DIVISION

The most important component of the Metals investment portfolio in 2024 was once again the long-standing tungsten investment Almonty Industries. Not only did the share price perform very positively up to the end of 2024 and beyond, but Almonty also made great operational progress in the construction of the Sangdong mine in South Korea, the world's largest tungsten mine outside of China. Preparations for the underground mine have already been completed. Work on the above-ground ore processing plant is progressing rapidly and the mine is expected to be commissioned in stages by the middle of the year. The loan of USD 75.1 million from KfW-IPEX Bank was drawn down as planned. As of 31 December 2024, around USD 8.6 million was still available. If production is successfully ramped up, Sangdong will become a globally relevant supplier of tungsten concentrate. Due to the outstanding importance of tungsten for various industrial and military applications and the current Chinese dominance of the tungsten market, Sangdong has a high strategic value as an independent tungsten deposit.

In addition to doubling tungsten production through the second expansion phase planned for 2026, Almonty has further growth potential from the development of the already known and partially explored molybdenum deposit. To this end, Almonty recently concluded an offtake agreement for 100% of the molybdenum to be produced with the Korean SeAH Group. Similar to the tungsten offtake agreement, this offtake agreement also provides for a price floor of 19.00 lb/USD.

In January 2025, Almonty was able to raise fresh capital of AUD 18.45 million by issuing new shares to improve its balance sheet structure. At the end of February 2025, the shareholders approved the relocation of the registered office from Canada to the USA.

Deutsche Rohstoff AG's 85% stake in Prime Lithium AG was sold to the Prime Lithium CEO and minority shareholder, Dr. Axel C. Heitmann, with effect from 31 December 2024. The exit was associated with deconsolidation expenses of EUR 1.8 million and impairment losses on development costs of EUR 1.1 million. The decision to withdraw from Prime Lithium AG was immediately preceded by the completion of planning for an innovative pilot plant. The next steps can now be accompanied by other investors and provide a good basis for further development and the acquisition of public funding.

In January 2024, the contribution of the Australian Exploration Ventures AI Pty Ltd („EXAI") to the listed company Premier1 Lithium (ASX: PLC) was successfully completed. As a result of capital measures, Deutsche Rohstoff AG's stake in the exploration company has been reduced from 19.90% to 19.00%. Under the impression of a weak lithium market, the drilling program carried out in the first half of 2024 at Abbotts North to explore lithium pegmatites was not expanded. However, with Yalgoo and Abbotts North, PLC has attractive areas that appear prospective not only for lithium but also for gold. Following the evaluation of historical drill results and current sampling at the Yalgoo project, PLC commenced a 3,000 meter drilling program in mid-March 2025. The results will be published subsequently.

Almonty Industries

With the construction and commissioning of the South Korean Sangdong mine, Almonty is aiming to become the largest tungsten producer outside of China. The mine is scheduled to start production in mid-2025. The construction is being co-financed by the Frankfurt-based KfW IPEX-Bank, a wholly owned subsidiary of the state-owned KfW, with a low-interest loan of USD 75.1 million.

In CADm	2024	2023	In %
Revenue	28.8	22.5	28
Production costs	24.7	19.3	28
Net income	–16.3	–8.8	85
Per share in CAD	–0.06	–0.04	50
Share price in CAD	0.91	0.54	69
Equity	39.1	48.5	–19
Equity ratio	15%	21%	–

In the 2024 financial year, Almonty increased its revenue by 28% as a result of higher volumes of tungsten concentrate sold. The global tungsten price consolidated in a stable corridor between USD 310 and USD 350 per metric ton unit (MTU). Production costs in relation to sales remained at a constant level of 86%. Due to higher interest expenses, non-cash valuation and currency losses and expenses for the share-based payment program as a result of the positive share price performance, the loss increased by 85% to CAD -16.3 million (previous year: CAD -8.8 million).

In the 2024 financial year, Almonty utilized two further tranches of the USD 75.1 million in project financing it had concluded with KfW IPEX-Bank in 2022. As of 31 December 2024, a loan facility of around USD 8.6 million was still outstanding. A total of USD 66.4 million had therefore been drawn down by the end of the year (previous year: USD 55.8 million). As of 31 December 2024, the company had cash and cash equivalents of CAD 7.8 million (previous year: CAD 22.0 million) and a working capital deficit (current receivables less current liabilities) of CAD 30.5 million (previous year: CAD 30.5 million). Non-current financial liabilities increased from CAD 95.9 million to CAD 136.1 million as a result of the additional loan drawings plus accrued interest for the Sangdong mine and the conversion of the UniCredit loan of CAD 19.8 million into a long-term KfW loan. The conversion of a convertible loan of almost CAD 6.0 million plus interest into almost 10.2 million shares had the effect of strengthening equity.

Almonty has implemented further capital measures and renegotiated repayment dates in order to improve liquidity and match maturities. Various loans totaling USD 29.1 million were extended until October 2026. Deutsche Rohstoff AG contributed to this by, among other things, extending the maturity dates of loans including accrued interest totaling EUR 15.4 million until 31 October 2026. Almonty's equity decreased by CAD 9.4 million to CAD 39.1 million, which corresponds to an equity ratio of approximately 15%.

In January 2025, Almonty raised fresh capital of AUD 18.45 million through the issue of new shares to improve its balance sheet structure. Almonty believes that based on these further refinancings, the current price of tungsten concentrate (APT) and its guidance production plan for the 2025 financial year, it will be able to generate sufficient cash flow to meet its ongoing obligations.

The carrying amount of the fixed assets of the subsidiaries and the carrying amount of the investments in the Metal division amounted to EUR 31.7 million as of 31 December 2024.

INVESTMENT PORTFOLIO

In the 2024 financial year, Deutsche Rohstoff AG generated net income of around EUR 1.2 million in the investment portfolio. At the end of the year, unrealized income from the investment portfolio amounted to EUR 0.9 million.

FINANCING AND CHANGES IN CAPITAL

As at the reporting date, the Deutsche Rohstoff Group had a stable and long-term financing structure.

The Group's most important financing instrument is the 2023/2028 bond placed in September 2023 (WKN A3510K, ISIN DE000A3510K1) with a volume of EUR 100,000,000, a coupon of 7.5% and a term until 26 September 2028. The old 2019/2024 bond with ISIN DE000A2YN3Q8 / WKN A2YN3Q was repaid in full and on time in December 2024 in the remaining amount of EUR 20,516,500.

In addition to the German bond, the Group has two „Reserved Based Lending Facilities" (RBL) in the USA, local credit lines that are secured by the reserves of the producing wells. The largest RBL of the subsidiary 1876 Resources was transferred to a syndicated loan from a group of American banks led by the Bank of Oklahoma (BOK) in mid-2024 and extended for four years until the end of June 2028. The current credit line under this facility amounts to USD 100 million and was drawn down in the amount of USD 79.4 million at the end of the year. BOK has another unused credit line of up to USD 15 million with its subsidiary Salt Creek. Due to Salt Creek's high positive cash flow over the next few years, this credit line could be increased in the short term.

1876 Resources: Completion of 7 wells on the Cottonwood Pad, Wyoming

A total of 109,700 treasury shares were acquired as part of a share buyback program in the 2024 financial year. As a result, the number of shares entitled to dividends fell to 4,895,738 as of 31 December 2024 (previous year: 5,005,438).

3. Results of operations, financial position and net assets

EARNINGS SITUATION

AT A GLANCE

- Sales revenue up 20% to EUR 235.4 million
- Consolidated net profit and earnings per share of EUR 50.2 million and EUR 10.26 per share

REVENUE AND EARNINGS

Revenue rose by around 20% to an average of around 14,721 BOEPD (previous year: 12,762 BOEPD) due to the increase in oil and gas volumes produced and the higher proportion of oil in the volumes produced of 60% (previous year: 55%). Price effects had a predominantly negative impact in the past financial year. The average realized oil price fell slightly by 1% to USD 73.04/BBL (previous year: USD 73.91/ BBL). The gas price fell by around 26% to USD 2.13/Mcf (previous year: USD 2.86/Mcf), while the price of NGL remained virtually unchanged. The slightly stronger USD (+1%) had a slightly positive effect. Production taxes of EUR 25.4 million (previous year: EUR 19.3 million) as well as realized gains from hedging transactions on oil and gas amounting to EUR 4.0 million (previous year: EUR 0.3 million) were offset against gross revenue in accordance with the HGB definition of revenue. Of the overall 20% increase in sales, 25% is attributable to volume increases for oil and gas, -4% to price reductions and -1% to other effects.

The main components of other operating income amounting to EUR 6.4 million (previous year: EUR 20.6 million) are income from the holding and sale of shares in current assets amounting to EUR 2.6 million and exchange rate gains amounting to EUR 2.9 million. In the previous year, income of EUR 18.6 million was realized from the sale of land in Utah and from the sale of shares in NOG and other mining companies. Net income consisting of all gains and losses from the sale of shares, including exchange rate effects, amounted to a gain of 1.2 million in 2024.

The total operating performance of EUR 241.8 million (previous year: EUR 217.2 million) was offset by expenses of EUR 74.2 million (previous year: EUR 59.0 million), resulting in EBITDA of EUR 167.6 million (previous year: EUR 158.3 million).

OPERATIVE COSTS

The cost of materials comprises the operating costs of oil and gas wells and increased by EUR 10.6 million to EUR 44.9 million in 2024 (previous year: EUR 34.3 million). Operating costs per output volume produced (BOE) rose by 13% from USD 7.96/BOE to USD 9.00/BOE, mainly due to increased operating costs for the further expansion of the gas infrastructure in Wyoming in 2024, higher workover costs incurred for the electrification of well pads, among other things, and increased costs for older wells in Colorado. The cost of materials ratio rose from 17.4% in the previous year to 19.1% in 2024.

SELECTED DATA ON THE INCOME STATEMENT

In EURm	2024	2023	In %
Revenues	235.4	196.7	20
Overall performance [1]	241.8	217.2	11
Gross profit [2]	196.9	182.9	8
EBITDA[3]	167.6	158.3	6
EBIT[4]	78.6	94.0	–16
Net income before minorities	52.7	67.5	–22
Net income after minorities	50.2	65.2	–23
EBITDA margin	71%	80%	–
EBIT margin	33%	48%	–
Gross profit margin	84%	93%	–
Return on sales (after minority interests)	21%	33%	–
Earnings per share	10.26	13.02	–21
Dividend Proposal per share	2.00	1.75	14

1 Total operating performance is defined as sales revenue plus increase or decrease in inventories of finished goods and work in progress plus own work capitalized plus other operating income plus income from disposal/deconsolidation.

2 Gross profit is defined as total operating revenue less cost of materials.

3 EBITDA is defined as earnings for the period before interest, taxes, depreciation and amortization of tangible and intangible fixed assets and before depreciation and amortization of non-current and current securities.

4 EBIT is defined as earnings before interest and taxes for the period.

The Group's personnel expenses increased by 11% to EUR 11.4 million (previous year: EUR 10.3 million). The increase in personnel expenses is due to the recruitment of additional employees. In 2024, the average number of employees in the Group rose by around a third to 66 (previous year: 44). In the USA, the increased number of employees is due in particular to the strong growth of the subsidiary 1876 Resources and the insourcing of infrastructure services for gas transportation and water supply in the service area („Field Staff"). Prime Lithium AG hired additional employees in Germany. As of 31 December 2024, the number of employees was 51.

At the level of Deutsche Rohstoff AG, personnel expenses amounted to EUR 2.6 million (previous year: EUR 4.2 million). In 2023, the decision was made to settle all unexercised subscription rights from the 2018 share option program in cash, which led to expenses and provisions of EUR 2.1 million.

Other operating expenses increased by 24% to EUR 17.9 million (previous year: EUR 14.4 million) and include general administration costs amounting to EUR 4.5 million (previous year: EUR 3.6 million) (including for insurance, rents, IT systems, monetary transactions, the Annual General Meeting, investor relations, committees, travel expenses, external accounting in the USA), losses from the sale of shares in mining companies held by Deutsche Rohstoff AG in the amount of EUR 1.7 million (previous year: EUR 1.7 million), currency losses of EUR 2.0 million (previous year: EUR 1.2 million), legal and consulting costs in the amount of EUR 3.1 million (previous year: EUR 3.3 million), losses from the disposal of property, plant and equipment in the amount of EUR 1.6 million (previous year: EUR 0.0 million), expenses from the deconsolidation of companies in the amount of EUR 1.8 million (previous year: EUR 0.0 million), additions to provisions for obligations to recultivate land following the completion of extraction activities in the amount of EUR 0.5 million (previous year: EUR 1.1 million) and costs for project

REVENUE GROWTH BY ORIGIN

		Volume effects			Price effects			Change	
In TEUR	31/12/2023	Oil	Gas	NGL	Oil	Gas	NGL	Tax & hedging	31/12/2024
Revenues	196,651	48,069	769	–179	–1,404	–6,133	55	–2,401	235,425
In %	–	24	–	–	–1	–3	0	–1	20
Sum in %	**–**	**25**			**–4**			**–1**	**20**

development and exploration activities in the amount of EUR 0.3 million (previous year: EUR 0.7 million). The net exchange rate effects recognized in profit or loss amounted to a gain of EUR 0.9 million (previous year: loss of EUR 0.6 million).

As a result, earnings before interest, taxes, depreciation and amortization (**EBITDA**) rose by 6% to EUR 167.6 million (previous year: EUR 158.3 million). The **EBITDA margin** fell year-on-year from 80.5% in 2023 to 71.2% in 2024, in particular due to lower other operating income, which in the previous year still included the gains from the sale of the Utah assets.

DEPRECIATION AND AMORTIZATION

In the 2024 financial year, depreciation and amortization at the Deutsche Rohstoff Group totaled 88.3 million (previous year: EUR 63.6 million). Of this amount, EUR 82.0 million (USD 88.7 million) was attributable to the depreciation of oil and gas producing assets in the USA and EUR 2.8 million (USD 3.0 million) to the midstream infrastructure for gas transportation.

Depreciation per BOE produced amounted to USD 16.46/ BOE. This corresponds to an increase of around 13 % compared to the previous year (USD 14.54/BOE). The increase is mainly due to the higher proportion of production in Wyoming, particularly as a result of more capital-intensive drilling in the Powder River Basin. Depreciation on the gas pipelines amounted to USD 0.56/BOE. The impairment losses of EUR 1.1 million relate to the deconsolidated Prime Lithium AG.

Earnings before interest and taxes (**EBIT**) amounted to EUR 78.6 million (previous year: EUR 94.0 million). The **EBIT margin** fell from 48% in 2023 to 33%.

FINANCIAL RESULT AND TAXES

The financial result includes interest payments on the outstanding bonds at the level of Deutsche Rohstoff AG and interest payments to US banks in connection with the lending of reserves. These expenses were offset by interest income and income from investments

The tax result amounted to EUR -13.9 million (previous year: EUR -18.3 million) and primarily includes the deferred tax expense on the earnings of the US subsidiaries. The average tax rate in the Group has fallen due to the increasing activity in the state of Wyoming, which, unlike the state of Colorado, does not require a state tax. Deutsche Rohstoff AG had already used up all trade tax loss carryforwards in the previous year. A loss carryforward of EUR 7.4 million (previous year: EUR 9.9 million) remains in the area of corporation tax. In the USA, there are loss carryforwards of USD 78.0 million for Colorado state taxes, which, however, can only be offset against income from Colorado.

CONSOLIDATED NET PROFIT FOR THE YEAR AND EARNINGS PER SHARE

The consolidated net profit for the year before minority interests fell to EUR 52.7 million (previous year: EUR 67.5 million) and after deduction of minority interests to EUR 50.2 million (previous year: EUR 65.2 million). The minority interest of EUR 2.5 million (previous year: EUR 2.3 million) includes EUR 0.7 million in shares of voting minorities of subsidiaries and EUR 1.8 million in accruals for non-voting shares from so-called „profits incentives" of two US subsidiaries. As a result of the buy-back of 109,700 shares, the number of shares entitled to dividends fell. With 4,895,738 shares (previous year: 5,005,438), this results in earnings per share after deduction of minority interests of EUR 10.26 (previous year: EUR 13.02). This corresponds to a decrease of 21%.

EARNINGS PERFORMANCE IN THE CORE OIL & GAS BUSINESSS

The core business of the Deutsche Rohstoff Group is the production of crude oil and natural gas in the USA. Income from the core business is generated regularly, while income from divestments and from strategic metals, battery metals and other raw materials is generated irregularly.

	2024 In TEUR	2023 In TEUR	Change In TEUR	Change In %
Net income after minorities	50,216	65,175	−14,959	−23
Earnings per share in EUR	10.26	13.0	−2.74	−21
thereof:				
Earnings: oil & gas production	57,364	49,658	4,847	10
Earnings per share in EUR	11.72	9.92	1.21	12
Earnings: investments & metals	−7,148	15,517	−22,665	
Earnings per share in EUR	−1.46	3.10	−4.56	

In the previous year, Deutsche Rohstoff AG sold land in Utah and shares in Northern Oil & Gas held since 2018, generating extraordinary income from asset sales of around EUR 15 million, while the earnings contribution from the Investments & Metals segment in 2024 was negative at around EUR 7 million. In an adjusted comparison excluding divestments, securities, and the metals business, the contribution to earnings from oil and gas production rose by EUR 7.7 million from around EUR 49.7 million in 2023 to around EUR 57.4 million in 2024, reaching a new operating record. Earnings per share from oil and gas production rose to EUR 11.72 per share (previous year: EUR 9.92 per share).

DEVELOPMENT AND ASSESSMENT OF THE GUIDANCE

The drilling program for 2024 was finally approved in April 2024 and the guidance for the year was published at the same time. The final business figures were slightly above the upper end of the guidance range of EUR 210 to 230 million at 2% and EBITDA in the middle of the guidance range of EUR 160 to 180 million. The underlying assumptions for the most important parameter, the realized oil price of USD 73.04/BBL, were around 3% below the expected value of USD 75/BBL. The gas price amounted to USD 2.13/Mcf and was therefore around 6% above the guidance of USD 2.00/Mcf. A value of USD 1.12/EUR was assumed for the exchange rate, which corresponds to a 3% weaker USD compared to the average exchange rate in 2024 of USD 1.082/EUR. In retrospect, the quality of the guidance is rated as very good, as in the previous year. Once again, and with seamless continuity since the exceptional year 2020, the business figures were in line with or slightly above the announced guidance.

Parameter	Guidance 10/04/2024	Annual Report 2024	In %
Revenue in EURm	210 – 230	235.4	7
EBITDA in EURm	160 – 180	167.6	−1
Underlying assumptions:			
Oil price in USD	75.00	73.04	−3
Gas price in USD	2.00	2.13	6
Exchange rate	1.12	1.08	−3

COMPARISON WITH INTERNATIONAL FINANCIAL REPORTING STANDARDS

The peer companies („peers") of the Deutsche Rohstoff Group are listed on stock exchanges outside Germany and therefore prepare their accounts almost exclusively in accordance with US GAAP or International Financial Reporting Standards (IFRS). In order to make the key figures of the Deutsche Rohstoff Group more comparable with its peers, we show below a reconciliation of our consolidated income statement in accordance with IFRS. The presentation does not correspond to full IFRS application and is therefore to be understood as a pro forma statement. Only effects that have an impact of at least EUR 100 thousand on sales, EBITDA and/or the consolidated result have been taken into account. No conversion was made for the standards IFRS 2, IFRS 5 and IFRS 8.

The main differences between HGB and IFRS with regard to the earnings position result from the following effects:

1) Gross reporting of sales: While production taxes and effects from hedging transactions for oil and gas recognized in profit or loss are deducted from gross revenue under HGB and thus reported „netted" in sales, this is reported „unnetted" under IFRS. As a result of the transition to IFRS, sales increased by EUR 21.4 million, with the largest effect resulting from the gross presentation of production taxes in the amount of EUR 25.4 million. Other operating income and expenses also increased accordingly. There is no effect on earnings figures (EBITDA, consolidated net income).

2) Fair value accounting of financial instruments: Under HGB, securities are accounted for using the cost principle. IFRS 9 uses various categories for the measurement of financial assets, which provide for either amortized cost or measurement at fair value through other comprehensive income or fair value through profit or loss. Measurement through profit or loss is considered relevant for securities classified as current assets and, for the first time, for all securities classified as non-current assets, resulting in an effect on other operating income totaling EUR 4.2 million. The other earnings figures (EBITDA, consolidated net income) increase by a corresponding amount.

CONVERSION IN THE AREA OF REVENUE

In EUR	GERMAN GAAP	Transfer	IFRS
Gross revenue from oil and gas sales	256,846,970	–	–
+ Profits from hedging	4,933,932	−4,933,932	–
./. Losses from hedging	−929,649	929,649	–
./. Production taxes	−25,426,078	25,426,078	–
Revenues	235,425,175	21,421,795	256,846,970
Other operating income	–	4,933,932	4,933,932
Other operating expenses	–	−26,355,727	−26,355,727
EBITDA	–	–	–
Consolidated net income	–	–	–

CONVERSION OF SECURITIES

In EUR	GERMAN GAAP	Transfer	IFRS
Other operating income	–	4,156,226	4,156,226
EBITDA	–	4,156,226	4,156,226
Consolidated net income	–	4,156,226	4,156,226

3) Fair value accounting of derivative financial instruments: In the area of derivative financial instruments (hedging) to hedge the oil and gas price risk, HGB requires accounting in accordance with Section 254 HGB (valuation unit) with the result that unrealized gains and losses from hedging transactions have no effect on the income statement. Under IFRS, it is assumed for the sake of simplicity that all hedging agreements outstanding on the reporting date are fully effective prospectively and retroactively and that there is also no effect on earnings.

4) Capitalization of restoration obligations: Under HGB, provisions for the restoration and recultivation of well pads are accumulated in installments over the term of the well (so-called accumulation provision). Under IFRS, on the other hand, restoration obligations are initially recognized as an asset and a provision at the start of production with no effect on profit or loss and then amortized accordingly over the term (asset) or compounded (provision) as part of the reduction of the discount period. The reconciliation to IFRS results in a reduction in other operating expenses of EUR 0.6 million. Depreciation and amortization increased by EUR 0.3 million and interest expenses by EUR 0.3 million. The reclassification has a positive effect on EBITDA. The consolidated result remains unchanged.

CONVERSION OF ASSET RETIREMENT OBLIGATION

In EUR	GERMAN GAAP	Transfer	IFRS
Other operating expenses	−600,929	600,929	–
EBITDA	–	600,929	600,929
Depreciation	–	−318,492	−318,492
Interest expenses	–	−282,436	−282,436
Consolidated net income	–	–	–

5) On-balance sheet leases: Under HGB, leases are recognized as expenses, while IFRS generally requires leases and rights of use to be capitalized. As part of the transition, rental agreements for office space in Germany and the USA were transferred to lease accounting in accordance with IFRS 16. For the production facilities in the oil and gas fields and the infrastructure, the interpretations according to US GAAP were followed in a simplified manner and leases in the area of compressors for the transport infrastructure were identified as a result. As a result of the conversion effects, there was a reduction in other operating expenses of EUR 1.1 million. Depreciation and amortization increased by EUR 1.0 million and interest expenses by around EUR 0.1 million. The reclassification has a positive effect on EBITDA. The consolidated result remains unchanged.

CONVERSION OF LEASES

In EUR	GERMAN GAAP	Transfer	IFRS
Other operating expenses	−1,095,796	1,095,796	–
EBITDA	–	1,095,796	1,095,796
Depreciation	–	−1,009,773	1,009,773
Interest expenses	–	−86,023	86,023
Consolidated net income	–	–	–

6) Interest expense: Under HGB, transaction costs for the issue and increase of bonds are recognized in the income statement under other operating expenses in the year in which they are incurred. Under IFRS, however, transaction costs are included in the calculation of the effective interest rate and are spread over the term. In the transition to IFRS, transaction costs of EUR 1,449 thousand were spread over the remaining term of the 2023/2028 bond. This leads to an increase in interest expenses of EUR 0.3 million.

CONVERSION OF EFFECTIVE INTEREST METHOD

In EUR	GERMAN GAAP	Transfer	IFRS
Interest expenses	–	−289,800	−289,800
Consolidated net income	–	−289,800	−289,800

7) Loss carryforwards: The option under HGB to capitalize deferred tax assets on loss carryforwards is not exercised. Under IFRS, however, loss carryforwards that are sufficiently likely to be realized within the next few years must be capitalized. The further development of the loss carryforwards in the 2024 financial year led to a pro rata realization of the loss carryforwards, which resulted in a tax expense of EUR 0.5 million in the IFRS view.

CONVERSION OF LOSS CARRYFORWARD

In EUR	GERMAN GAAP	Transfer	IFRS
Tax expense	–	−479,784	−479,784
Consolidated net income	–	−479,784	−479,784

8) The following illustration summarizes the effects described see table on the following page:

INCOME STATEMENT

In EUR		GERMAN GAAP 31/12/2024 EUR	Conversion to IFRS (pro Forma)	IFRS 31/12/2024 EUR	Change in %
1.	**Revenue**	**235,425,175**	**21,421,795**	**256,846,970**	**9**
2.	Increase or decrease in finished goods	–22,097	–	–22,097	–
3.	Other capitalized own work	–	–	–	–
4.	Other operating income	6,359,388	9,090,158	15,449,546	143
5.	Cost of materials	44,880,176	–	44,880,176	–
6.	Personnel expenses	11,393,535	–	11,393,535	–
7.	Other operating expenses	17,895,325	24,659,002	42,554,327	138
	EBITDA	**167,593,431**	**5,852,951**	**173,446,381**	**3**
	EBITDA margin in % of revenue	71%	–	68%	
8.	Amortization and depreciation	88,330,803	1,328,265	89,659,068	2
9.	Amortization of financial assets	649,627	–	649,627	–
	EBIT	**78,613,001**	**4,524,685**	**83,137,685**	**6**
	EBIT margin as % of revenue	33%	–	32%	
10.	Interest and similar income	1,890,430	–	1,890,430	–
11.	Interest and similar expenses	13,936,784	658,259	14,595,043	–
12.	Income taxes	13,869,592	479,784	14,349,376	3
13.	Earnings after taxes	52,697,056	3,386,642	56,083,696	6
14.	Other taxes	2,094		2,094	–
15.	**Net income for the group before minorities**	**52,694,962**	**3,386,642**	**56,081,603**	**6**
16.	Minorities	2,479,089	–	2,479,089	–
17.	**Net income for the group after minorities**	**50,215,873**	**3,386,642**	**53,602,514**	**6**
	Profit margin in % of revenue	21%	–	21%	
	Earnings per share (EPS)	**10.26**	**–**	**10.95**	**7**

Conversion to IFRS has a positive effect on all relevant KPIs of the Deutsche Rohstoff Group. The greatest effect is in the area of sales revenues, which at EUR 256.8 million are 9% higher than the figure under HGB. EBITDA changed by EUR 5.9 million or 3% to EUR 173.5 million and consolidated net income increased by 7% to EUR 53.6 million.

The effects recognized in profit or loss are mainly the result of fair value accounting, which is more strongly pursued under IFRS and which in summary, is mainly due to the disclosure of hidden reserves in the area of securities held.

ASSET POSITION

AT A GLANCE

- Balance sheet total increases by 12% to EUR 552.5 million as a result of investment activity
- Equity ratio increases significantly by 5 percentage points to 43.0%

DEVELOPMENT OF ASSETS

	31/12/24		31/12/23		Change	
	In EURm	In %	In EURm	In %	In EURm	In %
Non-current assets	483.5	88	371.7	75	111.8	30
Current assets	65.0	12	118.7	24	−53.7	45
thereof cash and cash equivalents	19.7	4	82.2	17	−62.5	76
Total assets	**552.5**	**–**	**493.8**	**–**	**58.7**	**12**

Property, plant and equipment and intangible assets

The consolidated balance sheet total rose from EUR 493.8 million to EUR 552.5 million in the reporting year, an increase of 12%. Property, plant and equipment rose to EUR 426.4 million (previous year: EUR 317.6 million) due to the high level of investment after deduction of depreciation. Intangible assets rose from EUR 23.5 million to EUR 25.1 million as a result of acquisitions. As of 31 December 2024, intangible assets consisted of promotion rights amounting to EUR 24.2 million (previous year: EUR 22.2 million) and goodwill amounting to EUR 0.9 million (previous year: EUR 1.0 million). Property, plant and equipment mainly consists of producing oil production facilities amounting to EUR 386.5 million (previous year: EUR 255.1 million) and technical facilities for the transportation of gas (pipeline) and water infrastructure amounting to EUR 32.4 million (previous year: EUR 19.5 million).

Development of financial assets and receivables

The main components of financial assets are shares in Almonty Industries amounting to EUR 15.4 million (previous year: EUR 15.4 million) and loans in the form of loans and convertible bonds to Almonty Industries amounting to EUR 15.4 million (previous year: EUR 14.8 million).

Receivables with a term of up to one year and other assets amounted to EUR 44.7 million as of 31 December 2024 (previous year: EUR 35.1 million). The main item here is trade receivables with a value of EUR 40.7 million (previous year: EUR 29.6 million), the disproportionate increase in which is due in particular to the start of nine wells in the fourth quarter.

DEVELOPMENT OF EQUITY AND LIABILITIES

	31/12/24		31/12/23		Change	
	In EURm	In %	In EURm	In %	In EURm	In %
Equity	237.5	43	187.5	38	50.0	27
Liabilities	216.9	39	204.8	41	12.1	6
Provisions	28.5	5	48.5	10	−20.0	−41
Deferred taxes	69.6	13	52.8	11	16.8	32
Bilanzsumme	**552.5**	**–**	**493.8**	**–**	**58.7**	**12**

Cash and cash equivalents

Marketable securities amounted to EUR 2.9 million (previous year: EUR 6.4 million). Bank balances fell to EUR 16.8 million (previous year: EUR 75.8 million) as a result of investments and the reduction in trade payables and provisions.

Increase in equity

Equity rose to EUR 237.5 million as of 31 December 2024 (previous year: EUR 187.5 million) as a result of the consolidated net profit for the year and the stronger USD. The equity difference from currency translation increased by EUR 16.7 million to EUR 17.7 million as a result of the stronger USD. All minority interests in Bright Rock (1.51%) and all profits units of the US management were acquired as part of the consolidation of the Powder River Basin. In addition, around 45% of the outstanding profits units of Salt Creek's US management were acquired. A total of EUR 6.3 million was spent on profit units held by US management and a further EUR 0.7 million on profit units held by German management for the two purchases. The purchases did not impact earnings but were offset against reserves in consolidated equity. The equity ratio rose to 43.0% in the financial year (previous year: 38.0%).

Provisions fell to EUR 28.5 million as of 31 December 2024 (previous year: EUR 48.5 million) and mainly relate to local taxes not yet due for the US oil and gas companies in the amount of EUR 6.3 million, services not yet invoiced by oilfield service companies in the amount of EUR 8.4 million and provisions for dismantling obligations of the US subsidiaries in the amount of EUR 5.8 million.

Development of liabilities

Following the timely redemption of the 2019/2024 bond, the **bonds** item with a volume of EUR 100.0 million (previous year: EUR 120.5 million) exclusively comprises the 2023/2028 bond with a coupon of 7.5%, which matures on 26 September 2028.

In the USA, the subsidiary 1876 Resources utilized a reserve-based lending facility (RBL) in the amount of EUR 76.4 million (USD 79.4 million) (previous year: EUR 44.9 million). At the end of the year, 1876 Resources and Salt Creek Oil & Gas also had unused RBL credit lines totaling USD 35.6 million.

Trade payables halved to EUR 14.4 million (previous year: EUR 26.6 million) due to earlier payments of drilling program-related invoices to realize discounts compared to the previous year.

The **other liabilities** of EUR 25.8 million (previous year: EUR 17.0 million) result in particular from tax liabilities and sales payments at 1876 Resources, which are still to be paid to royalty owners and partner companies involved in the drilling projects. In line with the increase in trade receivables, the increase is due to the high number of wells that were put into production shortly before the end of the year.

Deferred tax liabilities of EUR 69.6 million (previous year: EUR 52.8 million) result from the tax treatment of oil and gas wells in the USA, for which US tax law predominantly permits immediate amortization, which is associated with the recognition of deferred tax liabilities.

FINANCIAL POSITION

AT A GLANCE

- Cash and cash equivalents amounted to EUR 19.7 million (previous year: EUR 82.2 million)
- Leverage ratio (net debt/EBITDA) increases to 0.9
- Strong free cash flow expected in Q1 2025

Principles and objectives of financial management

Deutsche Rohstoff AG has a centralized financial management system whose most important objective is to secure the Group's long-term financial strength. Deutsche Rohstoff's financial management comprises capital structure management, cash and liquidity management and the management of commodity, currency and investment risks. Financial processes and responsibilities are defined and monitored throughout the Group. The investment policy is approved by the Supervisory Board.

Capital structure management aims to establish an appropriate capital structure for each company within the Group while minimizing costs and risks. An appropriate structure must comply with tax, legal and commercial requirements. The Group increases or decreases the capital within the Group companies in line with the strategic orientation of the companies.

Liquidity management aims to ensure the effective management of cash flows within each company and to optimize interest income. The finance department and local management monitor cash flows within the Group several times a week and take corrective action if necessary. Financing requirements are covered from cash within the Group through intra-Group loans, changes in equity or by drawing on credit lines from the US subsidiaries.

The parent company's dividend policy aims to distribute an appropriate dividend to the shareholders of Deutsche Rohstoff AG each year. The distribution potential depends on the net retained profits of Deutsche Rohstoff AG (31 December 2024: EUR 16.1 million) and, in a broader sense, is limited by the following influencing factors, among others, but not conclusively:

- The amount of the parent company's annual expenses in the form of personnel expenses, other operating expenses, depreciation, amortization and interest, which must be covered by sufficient income from investments in order to maintain or further increase the distribution substrate,
- A minimum equity ratio for the Group and the parent company of 25% as a commitment in the prospectus for the 2023/2028 bond,
- The annual ability of subsidiaries to distribute dividends, which may be temporarily excluded, for example, due to the drawing of local credit lines,
- Local tax requirements that require at least a balanced mix between dividends and repayments when granting shareholder loans,
- The equity base of the subsidiaries, the current investment policy, the cost of raising capital and the level of local taxes.

The investment policy is determined by the Executive Board in consultation with the management of the subsidiaries and approved by the Supervisory Board of Deutsche Rohstoff AG. Ongoing controlling at both subsidiary and Group level reviews and monitors investments from the initial idea through to realization and exit.

Due to its international business activities, the Deutsche Rohstoff Group makes its investments primarily in USD and, to a much lesser extent, in AUD and CAD. The associated exchange rate risk is monitored centrally and taken into account as part liquidity management. Speculative foreign currency transactions are not concluded.

Funding

Die Eigenkapitalquote hat sich im Laufe des Geschäftsjahres weiter deutlich auf 43,0% erhöht (Vorjahr: 38,0%).

The equity ratio continued to increase significantly over the course of the financial year to 43.0% (previous year: 38.0%).

The share capital of Deutsche Rohstoff AG amounted to EUR 4,895,738 as of 31 December 2024 after deduction of 109,700 repurchased shares (previous year: EUR 5,005,438). It is divided into 4,895,738 no-par value registered ordinary shares with a pro rata amount of the share capital of EUR 1.00 per share. All shares are fully paid up. The change in the share capital is exclusively to the acquisition of treasury shares as part of the share buy-back program announced in May 2024.

In the 2024 financial year, no share options from past share option programs were exercised (previous year: 2,000 options) and a cash settlement was made for 77,500 shares (previous year: 15,000 options). No share options expired (previous year: 4,500) and 10,000 new share options were issued (previous year: 0 options).

The most important financing instruments in the Deutsche Rohstoff Group were two bonds.

The first bond 2019/2024 with ISIN DE000A2YN3Q8 / WKN A2YN3Q (hereinafter also referred to as the „old bond") was issued on 6 December 2019 and was placed in full on 1 January 2023 with a volume of EUR 100,000,000. This non-convertible bond had a final maturity date of 6 December 2024 and bore interest at 5.25% p.a. As part of the issue of the new 2023/2028 bond (WKN A3510K, ISIN DE000A3510K1) in September 2023, the old 2019/2024 bond was exchanged for the new 2023/2028 bond at a nominal value of EUR 58,967,000. Furthermore, the right to call the old bond was exercised in December 2023 and half of the remaining volume (EUR 20,516,500) was repaid at 101% of the agreed nominal amount. The old 2019/2024 bond was repaid on time on 6 December 2024 in the amount of the outstanding volume of EUR 20,516,500.

The second, also non-convertible, new bond 2023/2028 was issued on 27 September 2023 and has a five-year term until 26 September 2028. It has a bullet maturity and bears interest at 7.50% p. a. As of 31 December 2024, the bond had an outstanding volume of EUR 100,000,000 and a term until 26 September 2028. In the reporting year, the bond traded between 106.5% and 112.4%, with an average of 109.6%.

As of 31 December 2024, the Group's US companies had drawn down loans in the amount of USD 79.4 million (previous year: USD 44.9 million) and had undrawn credit lines of USD 35.6 million as at the reporting date (previous year: USD 45.1 million).

SUBSCRIPTION OF RIGHTS TO SHARES

	31/12/2023	Execution	Cash comp.	Expired	Allocation	31/12/2024
Subscription rights to shares	270,000	–	77,500	–	10,000	202,500

Cash and cash equivalents

As of 31 December 2024, the Group's cash and cash equivalents including marketable securities amounted to EUR 19.7 million (previous year: EUR 82.2 million), of which EUR 16.8 million (previous year: EUR 75.8 million) was in the form of bank balances.

Cash flow - cash flow statement

Cash flow from operating activities amounted EUR 143.6 million in 2024 (previous year: EUR 139.3 million). This positive cash flow is primarily the result of revenue from the US subsidiaries 1876 Resources (EUR 134.3 million), Elster Oil & Gas (EUR 4.3 million), Salt Creek Oil & Gas (EUR 80.7 million) and Bright Rock Energy (EUR 16.2 million). The cash income was offset by cash expenses from operating activities, primarily for the operating costs of the wells (EUR 44.9 million) and personnel expenses (EUR 11.4 million). Interest income and expenses (EUR 12.7 million) as well as gains and losses from the sale/valuation of marketable securities and other non-cash effects are fully eliminated from the operating cash flow. The reduction in working capital of around EUR 23.7 million had a one-off negative impact on operating cash flow in 2024, particularly in order to take advantage of discounts to reduce costs in the completed drilling program. The Group therefore expects a strong positive free cash flow in the first quarter of 2025.

Cash flow from investing activities in 2024 is mainly characterized by investments in the US oil and gas activities amounting to around EUR 185.3 million, of which around EUR 172 million for the drilling of 1876 Resources and Bright Rock as well as the non-operated wells of Salt Creek in the Oxy and around EUR 13 million for midstream, infrastructure and partial additions to land areas. Divestments from share purchases and sales as well as interest received in the amount of around EUR 5.1 million led to cash inflows from investing activities. Investments at 1876 Resources amounted to around EUR 107 million, at Salt Creek Oil & Gas to around EUR 44 million and at Bright Rock Energies to around EUR 34 million.

Cash flow from financing activities amounted to EUR -21.4 million (previous year: EUR -39.6 million). Here, the proceeds from the drawdown of the loan facility in the USA in the amount of around EUR 32.0 million were primarily offset by the repayment of the 2019/2024 bond in the amount of EUR 20.5 million, payments for dividends (EUR 8.7 million), interest (EUR 13.8 million), minority interests and share buyback (EUR 11.5 million).

From today's perspective, the Executive Board believes that the Deutsche Rohstoff Group will continue to be able to meet its future obligations and make investments on the basis of a very good equity and liquidity position at all times.

In the following, the company provides an overview of other key figures that are not used for the direct management of the company and that are particularly important for assessing the ability to service debt. This is a reporting date analysis as of 31 December 2024.

Further selected financial information

Other selected financial information includes key figures that are frequently used to assess the financial position or debt capacity and relate to the interest coverage ratio and the leverage ratio in various definitions. All key figures deteriorated slightly in the past financial year, but are all still in a good to very good range.

In EUR	2024	2023	In %
EBIT Interest Coverage Ratio[1]	5.6	9.7	–41.7
EBITDA Interest Coverage Ratio[2]	12.0	16.3	–26.1
Financial Debt/EBITDA[3]	1.1	1.0	3.4
Financial Net Debt/EBITDA (Verschuldungsgrad)[4]	0.9	05	87.4

1 Ratio of EBIT (EBIT is defined as sales revenue plus changes in inventories plus other own work capitalized plus other operating income less cost of materials less personnel expenses less depreciation and amortization less other operating expenses less other taxes plus income from investments) to interest expenses and similar expenses.

2 Ratio of EBITDA (EBITDA is defined as EBIT plus depreciation and amortization) to interest expenses and similar expenses.

3 Ratio of financial liabilities (financial liabilities are defined as liabilities to banks plus liabilities from bonds plus other interest-paying liabilities) to EBITDA.

4 Ratio of net financial liabilities (net financial liabilities are defined as total debt less cash and cash equivalents) to EBITDA. Cash and cash equivalents are defined as marketable securities plus bank balances.

Non-financial performance indicators

The management strives to completely avoid incidents in the area of HSE (health, safety, environment). There are clear and detailed processes, procedures and rules that employees and visitors must observe, which have been continuously developed and therefore also in the past financial year. As part of this further development, the measurement of incidents was also revised and the TRIR, Total Reportable Incident Rate, a common indicator in the USA for measuring reportable work accidents in the workforce in relation to hours worked, was introduced. The TRIR for the operating companies was 0.00 in 2024 (previous year: 0.00). [1] There were also no incidents in the German and other non-US companies. In this respect, the goal was achieved.

Incentives and remuneration of management and supervisory board in the US companies

The recruitment and long-term retention of experienced and entrepreneurial managers is a key success factor for the Group. The US subsidiaries are the main contributors to sales and earnings. Managers and central employees of the US subsidiaries therefore participate in the success of the subsidiaries via so-called „profits interests" (for the history and background of the management participation, see Group management report 2023).

This type of incentive or participation in the company and its profits for the management is common for US companies. The non-voting profit shares are structured as „Profits Interests" or „Series B Incentive Units" under US LLC law. As a rule, a payment is only made when the shares in the subsidiary in question or its assets are sold („exit") or when a subsidiary distributes long-term profits.

1 The figure is calculated from the reportable incidents for employees of the operating companies 1876 Resources and Coyote Hill x 200,000 (equivalent to 100 FTEs) divided by the number of hours worked by the companies in the year. The total TRIR for all industries in the USA is 2.4, in the oil & gas industry 0.24.

This model, which is very common in the USA, essentially has two objectives:

1) To align the interests of the management in the USA with the interests of Deutsche Rohstoff AG and its shareholders and at the same time create an incentive to create the highest possible value in the shortest possible time.

2) To be able to offer competitive remuneration in relation to US groups and companies in the oil & gas sector, to be able to keep US salaries at a moderate level and not to have to issue Deutsche Rohstoff AG share options to US management.

Compared to the model of an equity investment, the granting of „profits interests" has the advantage that the management has virtually no co-determination rights under company law. All major decisions can be made by Deutsche Rohstoff AG. The Group has the option at any time to terminate a manager or director who holds „profits units" and to buy back at fair value all „profits units" that do not expire upon termination. There are no notice periods.

At present, there are no binding guaranteed claims to payouts. If long-serving managers leave the company, they may receive compensation for their „profits units" under certain conditions, provided that the „profits units" are assigned a fair value. In 2024, three managers left the company 1876 Resources. Their „profits incentives" expired worthless.

Form of the incentive

The profit participation granted through „Profits Interest" in the subsidiaries amounts to a percentage of the income that remains after Deutsche Rohstoff AG has received back its invested funds plus interest. This usually occurs when assets of the subsidiary are sold. Alternatively, this may be the case if a subsidiary distributes long-term profits to Deutsche Rohstoff that exceed the capital invested by Deutsche Rohstoff.

For example, if Deutsche Rohstoff AG invests USD 100 million in a subsidiary, it will initially receive around USD 146 million back after four years and with a preferred return of 10%, before management profit participation comes into effect. The management participates in the profit of USD 146 million in accordance with Table 1. If Deutsche Rohstoff invests USD 50 million in a newly founded subsidiary, no exit takes place and around USD 150 million flows back over around seven years, the „profits interests" could be worth around USD 20 million if fully allocated.

To illustrate the possible economic implications of the „profits interests" for the Group, Table 1 shows the key parameters of the „profits interests" and Table 2 scenarios of a possible performance of the „profits interests" in the event of an exit.

The scenarios in Table 2 outline a possible performance of the „profits interests". The case is simulated in which the Group's entire US business is liquidated in three years, i.e. all assets of the four US subsidiaries are sold at book value (as of 31 December 2024) or a multiple thereof at the end of 2027. It is assumed that the assets will be sold and that all US liabilities will be repaid in full and the liquidity distributed to the US holding company Deutsche Rohstoff USA („DRUSA").

The scenarios outline the returns that Deutsche Rohstoff AG and Deutsche Rohstoff USA („Group") could expect after payment of the „profits interests". In the scenarios shown, the „profits interests" amount to 0%-3.0% of the assets sold. They can increase with rising proceeds for the Group. The values of the „profits interests" result primarily from the subsidiary 1876, as there are currently no „profits interests" at Bright Rock and Salt Creek's „profits interests" only account for 1.6% of potential income.

Changes in the „Profits interest" in 2024

Eleven members and employees of the US Boards of Salt Creek Oil & Gas and 1876 „profits interests" are therefore currently held. As of 31 December 2024, there were accruals of EUR 0.5 million for the „Proftis Interests".

The outstanding „profits interests" were significantly reduced in the 2024 financial year. Around 45% of all outstanding „profits interests" from Salt Creek Oil & Gas and 100% of all „profits interests" from Bright Rock Energy were settled. Deferrals of around EUR 3.4 million that had already been recognized in minority interests in the past were reversed for the acquisition and a further EUR 3.8 million was used from retained earnings.

TABLE 1: KEY PARAMETERS OF THE PROFIT INTERESTS

	Salt Creek	1876 Resources	Bright Rock
Interest rate 2024 - „preferred return" Deutsche Rohstoff	10%	8%	Currently no „profit interests". New award planned for 2025.
Profit participation of profit interests after return of capital incl. interest to Deutsche Rohstoff AG	1.6% potential income, no deviation	Parameters 1876 20% of income after return of capital incl. interest can be allocated to profit participation 25% of income above 150% return of capital 27.5% of income above 200% return 35% of income above 300% return flow 40% of income above 400% return	

TABLE 2: PERFORMANCE OF THE "PROFIT INTERESTS" IN THE "EXIT CASE" [1]

	Scenario 1	Scenario 2	Scenario 3
Sale of US assets at the end of 2027	Sale at book value	Sale 20% above book value	Sale 40% above book value
Possible inflow to the Group after repayment of all third-party liabilities and deduction of profit interest, before taxes	Approx. EUR 291 million	Approx. EUR 375 million	Approx. EUR 454 million
Possible value „Profits Interests" US manager	EUR 0-1.5 million	EUR 3-5 million	EUR 11-13 million
% share of „profit interests" vs. inflow Group	approx. 0.5%	approx. 1.1%	approx. 3.0%

1 The table shown serves as an example of the possible performance of „Profit Interests(„ in the Group. A large number of assumptions have been made for the calculation. In principle, an „exit case" is a purely hypothetical scenario in order to simulate a valuation of the „Profits) Interests(„ on the reporting date).

In the case of Bright Rock, the background to this was the internal restructuring of the land in Wyoming, which was treated as an exit for Bright Rock's management and all „profits interests" were withdrawn. With a new strategic direction for Bright Rock Energy, „profits interests" are to be awarded to the US management again in future.

In the case of Salt Creek Oil & Gas, the background was the acquisition of the shares of the executive bodies of Deutsche Rohstoff (see half-year report 2024) and, in this context, the acquisition of around 45% of the shares of the other members of the management of Salt Creek Oil & Gas well below fair value.

At the beginning of 2025, the remaining shares of Mr. Weitz (see half-year report 2024) in Salt Creek Oil & Gas in the amount of EUR 0.2 million were settled, so that no executive bodies of Deutsche Rohstoff AG or executive bodies of German companies hold „profits interests" in subsidiaries of DRAG and do not receive any other remuneration for their activities as Board members of the US subsidiaries or depending on their development.

Equity investments - „A shares"

Irrespective of the „profit interests", there are several cases in which members of the Board of Directors have acquired an equity interest, so-called A-shares, on the same terms as Deutsche Rohstoff AG. Five managers of 1876 Resources currently hold 0.98% of the respective companies. They have invested around EUR 1.4 million in this since 2018. Dr. Gutschlag has directly held around 0.7% of 1876 Resources (formerly Cub Creek Energy) since 2015, which he acquired on the same terms as Deutsche Rohstoff AG. Former managers of Elster Oil & Gas (formerly: Tekton Energy) hold 7% of the shares in Elster Oil & Gas.

These equity investments are reported in the balance sheet of the Deutsche Rohstoff Group as „Non-controlling interests" in equity and with their share of earnings as minority interests in the income statement.

Overall statement

The 2024 financial year another record year for the Deutsche Rohstoff Group

Production increased significantly once again. The four subsidiaries in the USA produce oil & gas from around 215 wells (gross) or 115 net wells with a calculated share of 100%. This represents a production level of 14,721 barrels of oil equivalent per day (BOEPD) after an average of around 12,762 BOEPD in the previous year, which corresponds to a 15% increase in production volumes.

A total of around EUR 185 million was invested in oil & gas drilling in 2024. Of this, around EUR 44 million was invested in the drilling program with Oxy, around EUR 107 million in drilling in Wyoming by 1876 Resources and EUR 34 million by Bright Rock. Significant cost reductions were realized in the development of wells due to efficiency improvements and also as a result of the deflationary trend. In addition, EUR 13 million was invested in gas transportation and water infrastructure.

The value of the oil and gas reserves increased further as a result of the investments. The secure, already producing reserves increased by 30% to 24.6 million BOE/54% oil (previous year: 18.9 million BOE/52% oil). They will lead to an expected net cash flow of USD 562 million in the future. The discounted value of the producing wells amounts to USD 381 million as of 31 December 2024 (previous year: USD 313 million). Despite record production of around 5.4 million BOE in 2024, this more than replaced the reserves produced. This was primarily due to the commissioning of new wells in Wyoming and higher production at numerous well pads. As of 31 December 2024, the 10% discounted value of the proved reserves amounted to USD 452 million (previous year: USD 386 million), while the combined value of the proved and probable reserves was USD 493 million (previous year: USD 420 million). As at the end of the year, the safe reserves were calculated at BOE 44.8 million (previous year: BOE 31.4 million) and the probable reserves at BOE 9.5 million (previous year: BOE 11.9 million).

Compared to the previous year, the oil and gas volumes produced rose by 15%, with the oil volumes produced increasing disproportionately by 27% due to the higher oil content of the wells in Wyoming. The decline in realized prices for oil by 1% year-on-year to USD 73.04/BBL, gas by 26% year-on-year to USD 2.13/Mcf and the rise in the USD exchange rate by around 1% resulted in record sales of EUR 235.4 million (+20% year-on-year).

As a result of the strong sales performance, EBITDA also improved again, rising by 6% to EUR 167.6 million (previous year: EUR 158.3 million). In contrast to the previous year, when land in Utah and shares in Northern Oil & Gas held since 2018 were sold, there were no significant divestments in 2024. As a result, consolidated net income fell to EUR 50.2 million (previous year: EUR 65.2 million). In an adjusted comparison excluding divestments and the metals business, the earnings contribution from the production of oil and gas rose by EUR 7.7 million from around EUR 49.7 million in 2023 to around EUR 57.4 million in 2024, setting a new operating record.

The net assets and financial position also improved further in the 2024 financial year. Equity reached a new high of EUR 237.5 million (31 December 2023: EUR 187.5 million). The equity ratio increased to 43.0% (31 December 2023: 38.0%), while the net debt/EBITDA ratio rose to 0.9 (previous year: 0.5) as a result of the high investments.

Looking ahead, the Deutsche Rohstoff Group believes it is well equipped to continue to ensure a stable level of sales and profitability in the future, following on from the record years since 2022. An important milestone in 2024 was the consolidation of the land packages in Wyoming under the banner of 1876 Resources. Through massive efficiency gains, 1876 has significantly reduced the cost per 2-mile well in the Niobrara formation to less than USD 10 million and further expanded and optimized the midstream infrastructure. The acreage to the west of the Powder River Basin has yielded promising production volumes from Bright Rock's previous wells. The consolidation of acreage has thus created the conditions for „doing more with less" - i.e. more oil per well at lower costs per well. This is the key to capital efficiency and the central lever for further optimization of profitability and shareholder return.

Significant progress was also made in the metals sector during the reporting period. Almonty is about to commission the largest tungsten mine outside China and has taken the first steps towards gaining better access to the extremely broad American capital market by relocating its headquarters to the USA. This also provides the opportunity for a sustainably higher valuation level as an American tungsten producer. With the sale of the Prime Lithium AG shares and the focus of Premier1 Lithium on a fully financed gold exploration program, Deutsche Rohstoff's exposure to the recently highly volatile lithium market has been significantly reduced.

With the further strengthened financial figures and increased reserves, the efficiency gains, the combined areas, the ongoing projects in the core oil and gas business the Almonty Industries investment, we therefore believe we are well equipped to continue our successful business model.

III. Guidance, opportunity and risk report

1. Guidance

The Group's business activities focus on the production of oil and gas in the USA. At the end of 2024, 111 wells in which the Group is the operator and 104 wells in which the Group holds a minority interest were producing.

GUIDANCE 2025 & 2026

The guidance is essentially based on the currently producing wells in Wyoming and Colorado. In addition, the planning includes further wells of the subsidiary 1876 Resources that are currently being drilled or have been decided by the management (wells 2025), as well as a probable number of wells currently planned for 2026.

For 2025, a specific range for revenue and EBITDA is forecast depending on various oil prices and parameters.

In response to volatile market conditions and falling oil prices, the company has already taken initial measures. The drilling program originally planned for 2025 has been reduced by two wells. At the same time, significant cost reductions of over USD 1 million per well have been negotiated for the four wells currently in progress. Based on an oil price of USD 60/BBL ("base scenario") from April 2025, the forecast range for revenue and EBITDA is only slightly, i.e. on average between 5% and 7%, below the previous forecast based on a price of USD 75/BBL.

Due to the strong production volumes of the nine wells brought into production in the fourth quarter of 2024 and the hedging transactions completed by the end of March, the forecast range originally estimated for a price level of USD 75/BBL can already be achieved at a price level of around USD 70/BBL ("high scenario").

The management currently expects sales and earnings to remain at a similar level in 2026. However, due to the current high volatility of oil prices, no concrete drilling program is planned at this time. If WTI prices deviate significantly from the current level of USD 60-70/BBL, this could have a significant impact on the 2026 forecast.

Daily production is expected to reach 13,500 to 14,500 BOE by 2025. In terms of volume, production is expected to be distributed as follows: 60% oil and 40% natural gas and condensates. In terms of value, this corresponds to a share of approximately 85% for oil and approximately 15% for natural gas and condensates. In 2025, the Group will, for the first time, bring almost exclusively wells to production that were drilled as operator.

The guidance for 2025 and 2026 is based on the following key components:

2025:

1) The wells already producing at the beginning of 2025

2) Start of production from ten gross wells (approx. 90% working interest) in Wyoming, four of which have already been drilled, with the remaining six to be drilled by 1876 starting in April and expected to begin production in the fourth quarter of 2025.

The limited availability of drilling equipment or other materials or service providers due to various factors, as well as the limited availability of infrastructure for water and gas transportation, have always represented a premise that is difficult to plan in the past. For this reason, the timing of the planned drilling operations is also subject to increased uncertainty in this forecast. There is also a risk that drilling will not be completed as planned or that production rates will deviate from expectations. In particular, the drilling that forms the basis for the 2026 forecast has not yet been specifically planned or approved.

There is also a risk that wells will not be completed as planned or that production rates will deviate from the expected values. In particular, the wells that form the basis for the 2026 guidance have not yet been specifically planned or approved.

In addition, the current disruptions in global capital markets and the declining oil price are contributing to further uncertainty. Based on developments over the coming months, the management will continuously review the planned development and implementation of the investment program. The high flexibility of the US-shale oil business and the service provider market allows projects to be accelerated or halted at any time without incurring significant financial obligations. Based on the price decline in recent weeks, the company has already reduced its originally planned drilling program by two wells and renegotiated the completion of the first drill site this year in order to benefit from decreasing costs.

The investment budget, as part of the forecast for drilling activities in Wyoming, amounts to approximately EUR 90–100 million in 2025. As of mid-April, around EUR 14 million had already been invested. Additional production and further investments may result from acquisitions or the execution of, or participation in, new drilling projects. Conversely, a reduction in production and the cancellation of potentially planned drilling projects may result from the sale of acreage. Such transactions or developments are not included in the forecast.

In the metals segment, the Group currently has no ongoing production. Income can therefore only be generated through the sale of assets or investments. As such income is inherently difficult to forecast, it is not included in the forecast. The same applies to gains or losses from exchange rate fluctuations and to impairment losses. Hedging transactions concluded by March have been taken into account in the scenarios. The management expects to achieve a clearly positive consolidated result in both years. Hedges concluded up to March were taken into account accordingly in the scenarios. The Executive expects to be able to achieve a clearly positive consolidated result in both years.

GUIDANCE 2025 & 2026

	2025		2026
	Base scenario	High scenario	Base scenario
Revenue in EURm	170-190	180-200	At the level of the 2025 forecast
EBITDA in EURm	115-135	125-145	At the level of the 2025 forecast
Underlying assumptions:			
Oilprice in USD	60.00	70.00	60.00 - 70.00
Gasprice in USD	3.00	3.00	3.00
Exchange rate	1.10	1.10	1.10

2. Risks and opportunities

RISK AND OPPORTUNITY MANAGEMENT

Deutsche Rohstoff AG itself only conducts a subordinate operating business. All significant activities take place in the subsidiaries and equity investments, each of which has its own management. Activities in the mining and oil and gas sector are subject to a variety of external and internal risks and opportunities. We try to identify and exploit opportunities at an early stage without neglecting or underestimating the associated risks. The management of Deutsche Rohstoff AG and the management of the Group companies attach particular importance to identifying risks in good time, assessing the consequences of the respective risk occurring, evaluating the probability of occurrence on an ongoing basis and quantifying it where possible.

The Executive Board of the holding company in Mannheim uses a range of tools to identify opportunities, recognize risks and take countermeasures at an early stage:

- The annual financial plan is prepared on a monthly basis for both the holding company and the subsidiaries and is subject to an ongoing target/actual comparison. Significant deviations are taken as an opportunity to immediately review the corresponding costs or adjust the planning if necessary.
- The liquidity situation of all Group companies is monitored centrally on a weekly basis and the subsidiaries' credit and cash management is coordinated with the parent company. No major transactions take place without the approval of the parent company.
- The hedging policy for oil and gas price risks using derivative financial instruments (portfolio hedges) is monitored and coordinated centrally by the parent company. Minimum hedging requirements for local loan agreements, the existing production volume, the timing of new wells and the current price level are included in the decision-making process in order to ensure sufficient predictability of cash flows for risk hedging on the one hand and to participate in opportunities for future price increases on the other. In principle, the Group aims to secure around 50% of the existing production volume for the next twelve months and a further 20-30% for the period between 13 and 24 months.
- As the parent company, Deutsche Rohstoff AG is represented in all supervisory bodies of the Group companies and also the equity investments. Board meetings and Supervisory Board meetings are held at regular intervals, at which business policy is discussed in detail. The representative of Deutsche Rohstoff chairs the Supervisory Board of all Group companies. In the companies in which the Group holds a majority stake, the majority of votes are held by the Group representatives.
- Detailed telephone or video conferences are held with the management of the subsidiaries two to three times a month or more frequently if necessary. In these telephone conferences, the Executive Board is informed about all current developments and discusses upcoming measures.
- The CEO and the Chairman of the Supervisory Board of Deutsche Rohstoff AG are members of the boards of the US subsidiaries. They are therefore involved in all important decisions at an early stage, also for the Supervisory Board.

Personal visits on site or to the management of subsidiaries in Mannheim also provide an opportunity to discuss the situation in detail and plan operations for the coming months/years. Under normal circumstances, such personal visits take place at least four times a year. There is also a regular exchange with the portfolio companies at management level, both during on-site visits and by telephone and in writing during the year.

RISKS AND OPPORTUNITIES

Risk assessment

Risks are assessed on the basis of the probability of occurrence and the possible extent of the risk (economic relevance), in each case according to the levels „low", „medium" and „high".

The management of the individual companies focuses on the main opportunities and risks. Such significant opportunities and risks are discussed with the Group Executive Board on an ongoing basis. They are the subject of regular telephone calls, reports, minutes and discussions during on-site visits. It is generally the responsibility of the subsidiary's top management level to assess significant opportunities and risks and report regularly to the Group management. Together with those responsible, the Group management defines measures to limit the risks.

STRATEGIC RISKS AND OPPORTUNITIES

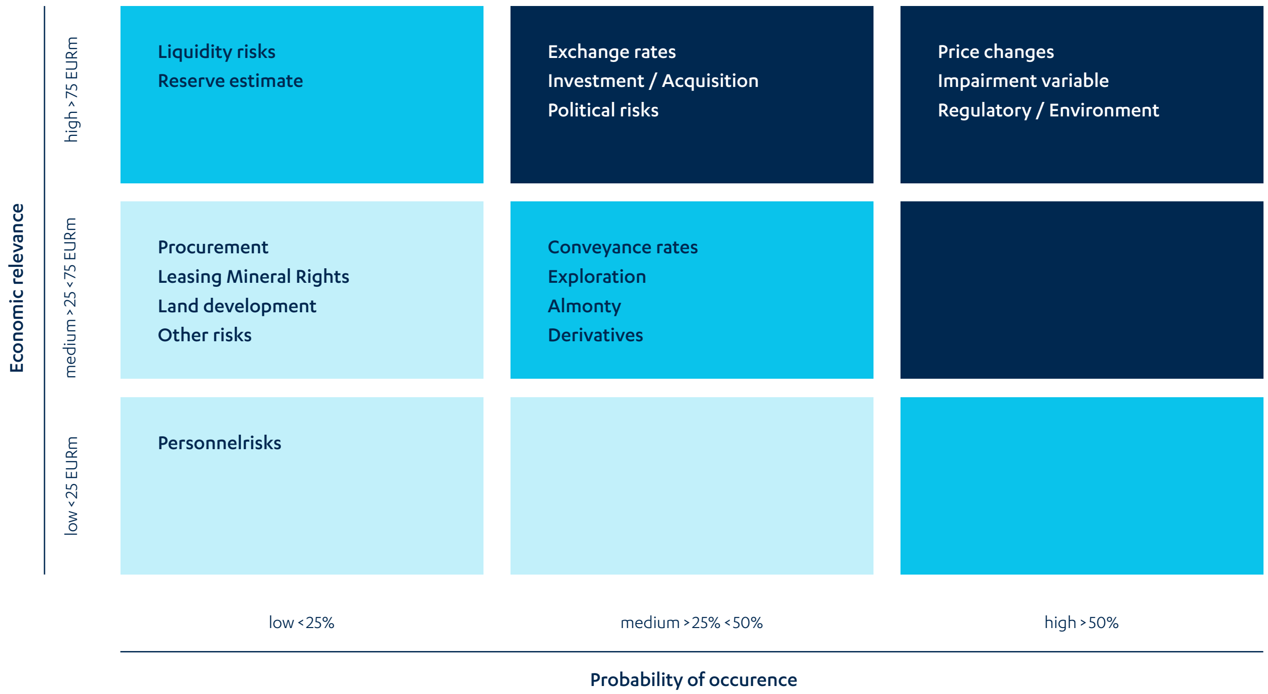
Investment and acquisition risks and opportunities

The Deutsche Rohstoff Group had and has the intention to grow organically. Investments can be made in existing and new subsidiaries in the Oil & Gas and Metals divisions. Investment and acquisition projects in and of subsidiaries are regularly associated with complex risks. If economic or legal conditions change unexpectedly, the respective costs of an investment and acquisition project may increase or project deadlines may be delayed. Investment and acquisition decisions of the Deutsche Rohstoff Group are therefore carried out in accordance with specific processes and procedures, carefully reviewed and continuously monitored by project and cost controlling.

Investments can also be made in subsidiaries that are in an early phase and are associated with considerable investments and risks, but can also open up enormous potential opportunities in the long term. In the case of investments in subsidiaries, there is a risk that they will not be economically successful and that the invested capital will be returned to the parent company. There are high risks at an early stage, particularly in the area of exploration and development of processes for processing mining precursors.

Depending on the size of a potential acquisition or investment, even far-reaching changes in business activities and

RISK ASSESSMENT



thus a profound change in the Group's risk profile cannot be ruled out.

Conversely, divestments are also associated with risks. It cannot be ruled out that the respective selling company will be held liable by the buyer under warranties, guarantees or indemnities, or that the relevant tax authorities will subsequently impose taxes on the sale.

Political and geopolitical risks and opportunities

As raw material deposits are localized, they are highly dependent on the political and legal framework conditions. The Deutsche Rohstoff Group operates in countries where a stable and reliable framework can be assumed. Nevertheless, regulatory changes can occur that have a significant impact on projects.

Ban on fracking
In particular, a ban on hydraulic fracturing (fracking) would have a significant impact on Deutsche Rohstoff's business. Some communities in the USA are trying to ban fracking in general. Possible legislative changes or increased social pressure could make it impossible for the US subsidiaries to carry out fracking, which would have a direct impact on future development and reserves.

Protectionist measures
Due to protectionist measures worldwide, there is a risk that governments or administrative units could demand the nationalization or forced sale of raw material deposits. In the USA, the Committee on Foreign Investment in the United States (CFIUS) could implement such measures.

Global trade conflicts
The latest political decisions and negotiations by the new US administration indicate that international trade conflicts could increase in the future. The extent to which this will specifically affect the supply or demand for oil is not yet foreseeable from today's perspective. However, due to the strong dependence of production volumes and the oil price on political decisions, we see this as a high risk for the Deutsche Rohstoff Group.

Opportunities and risks from changes in commodity prices
The Group depends on global market prices for crude oil, natural gas and possibly other commodity prices. These commodity prices are volatile and depend on numerous parameters over which Deutsche Rohstoff has no influence. The historically recurring distortions on the oil market clearly underline this risk. Current guidance for the development of the oil price and the latest decisions by OPEC+ to reverse production cuts from April 2025 indicate a growing risk of lower oil prices. Price changes have a significant impact on the profitability of the commodities business and the liquidity requirements of the respective Group company. Falling prices therefore represent one of the Group's main risks. If the achievable prices permanently fall below the production, financing and administrative costs of such a unit, the existence of the company may be jeopardized. In the Group, the price risk currently exists primarily for crude oil and natural gas. For crude oil/natural gas, 1876 Resources, Elster Oil & Gas, Bright Rock Energy and Salt Creek Oil & Gas regularly use sensitivity analyses to calculate how earnings and cash flow will change if prices vary. If the price of WTI crude oil were to fall below USD 50/BBL on a sustained basis, new horizontal wells would no longer amortize as quickly as the management considers sensible from a risk/reward perspective. In this respect, no new wells would be drilled if the price level fell below this threshold. Even above this threshold of USD 50/barrel, significant and sustained low prices for crude oil and natural gas could already have an impact on the economic profitability of Deutsche Rohstoff's current and future development activities in the areas of crude oil and natural gas. Under these conditions, investments already made in development activities would be partially or completely lost (see also the comments under impairment risk).

Not drilling new wells would have an impact on the earnings, financial and asset situation. As of the balance sheet date, prices were above this threshold. A sustained or very long-term oil price level below USD 50/BBL poses a significant risk to the business model of Deutsche Rohstoff AG, the further development of the areas in the USA and the overall economic situation of the Group.

The Group permanently hedges price risks for oil and gas using derivative financial transactions (portfolio hedges). In 2024, the Group exercised the option under Section 254 HGB to recognize the economic hedging relationship in the context of transactions to hedge the WTI oil price and the Henry Hub gas price by forming a valuation unit. The effective portion of the valuation unit formed is recognized using the net hedge presentation method.

The derivative financial instruments hedge a total production volume (underlying transaction) of 1.30 million BO and 3.5 million Mcf. The transactions entered into hedge against a fall in the price of crude oil below around USD 70.00 and the price of gas below around USD 2.90. As of 31 March 2025, the Group had 0.93 million BO at USD 70.04 for the remainder of the year and 3.9 million BO at USD 67.41 for 2026 The hedging transactions for gas as of 31 March amounted to 2.53 million Mcf for 2025 at USD 3.02 and 0.56 million Mcf for 2026 at a minimum of USD 2.30. Income is generated for the corresponding forward transactions if the price of the commodity is below the hedged value at the respective maturity date. If the price is higher, a loss arises from the individual valuation of the unrealized forward transaction at market prices.

Crude oil is already being produced from existing production facilities at the time of hedging, so that the effectiveness of the hedging method is guaranteed and anticipatory valuation units have been formed in view of the reliably predictable volume and timing. The opposing effects of the hedged item and the hedging transaction therefore offset each other with a high degree of probability during the hedging period. The volume hedged by the hedging transaction is offset by volumes of crude oil and natural gas produced in at least the same amount. The loss from the derivative financial instruments is therefore offset by income from the production of raw materials, as production can also be operated profitably at the hedged price level. The effective effect of the loss is therefore a reduction in revenue. The risk that the derivatively hedged volume is not matched by corresponding production of crude oil and natural gas is therefore considered to be very low.

In a sensitivity analysis, a change in the oil price of USD 1 and a change in the gas price of USD 0.1 for the full year or the remainder of 2025, taking into account the current hedging transactions, has the following impact on revenue and EBITDA:

	2025	2026
Oil price change by 1 USD	+/− 1.0 EURm	+/− 2.2 EURm
Change in gas price of 0.1 USD	+/− 0.3 EURm	+/− 0.5 EURm

These hedging transactions are concluded for a significant portion of Deutsche Rohstoff's production and comprise various derivative financial instruments, mostly swaps, which mean a fixed sales price, or a combination of call and put options that are concluded simultaneously, so-called costless collars. Accordingly, Deutsche Rohstoff's income can be affected by changes in the value of the derivatives acquired by Deutsche Rohstoff.

Derivatives may give rise to the risk of financial losses in the following cases, for example:

- the prices of the hedged commodity rise above the hedged value,
- the production volume is below the quantities covered by the derivatives,
- the counterparty to the financial contract does not fulfill its contractual obligations,
- there are difficulties with the legal enforcement of the financial contract.

The financial contracts concluded by Deutsche Rohstoff entail the risk of a loss if the counterparty does not fulfill its contractual obligations. Distortions on the financial markets can lead to a sudden and unexpected drop in the liquidity of a counterparty, with the result that this counterparty is unable to fulfill the financial contract and Deutsche Rohstoff is accordingly unable to enjoy the benefits of the financial contract. Deutsche Rohstoff cannot foresee sudden changes in the creditworthiness and performance of a counterparty.

If the creditworthiness of the counterparty deteriorates and causes it to default on the financial contract, this could lead to a material loss for Deutsche Rohstoff with regard to its hedging transactions. During periods of rising commodity prices, the risk of realized and unrealized losses from hedging transactions generally increases.

Similar to oil and gas production, there is also a price risk in the production of tungsten concentrates. Should the price of concentrates fall below production costs on a sustained basis, this could pose a risk to the continued existence of the Almonty Industries investment. In contrast to the Deutsche Rohstoff Group's oil production, Almonty has to cover relatively high operating costs, most of which are fixed and can only be reduced with a certain lead time. Almonty believes that, based on the price of tungsten concentrate (APT) of USD 347 during Q1 2025 and its guidance production plan for FY 2025, it will be able to generate sufficient cash flow to cover its ongoing obligations from the producing mine and cash operating costs for existing production volumes.

OPERATIONAL OPPORTUNITIES AND RISKS

Risks and opportunities arising from deviating funding rates

One of the main operational risks in the production of shale oil is that the expected production rates are not achieved. If this happens, the result is a lower cash flow at the same oil price and a lower than expected return on investment. A well that does not recoup the investment results in a loss. In such a case, unscheduled depreciation of the capitalized value may be necessary, with the corresponding impact on earnings and assets. Conversely, production rates may exceed expectations, which represents an opportunity.

The economic success of the wells depends on the production rates or the total possible production that can be achieved over the lifetime of a well (EUR - Estimated Ultimate Recovery). In general, volumes (EUR) have risen continuously in recent years, particularly due to improved fracking methods. Technical progress therefore also represents a significant opportunity in the future that more oil and gas can be extracted from the same formation or that further formations - which are not yet economically accessible today - can be developed.

Risks and opportunities from the development of the areas

Development plans exist for the areas that have not yet been developed. These plans provide for multi-year drilling activities on the existing areas of the Deutsche Rohstoff Group. These deposits represent a significant part of the Group's growth strategy. The ability to develop these deposits depends on a number of factors, such as market prices for crude oil and natural gas, the availability and cost of capital, the operating costs for drilling and production, the availability of service providers and materials, the results of drilling, the term of surface leases, restrictions due to storage and transportation capacities, access to and availability of water, government approvals, possible legal disputes and other factors. Due to these uncertain factors, it is not possible for the Group to say with certainty whether or when it will be possible to drill wells in all of the deposits it has identified or whether it will be possible to produce oil or gas from the wells. However, with each new well brought into production, the reservoir and the adjacent areas become more visible, so that the profitability calculation of the wells can again be based on several and more recent data points.

Risks and opportunities due to geographical concentration of areas

Deutsche Rohstoff operates through its subsidiaries in the Wattenberg field in Colorado, USA, and primarily in the Powder Basin in Wyoming. The current geographical concentration on the region mentioned means that development and production are influenced by the same local events that affect the respective region. These include, in particular, natural disasters, bad weather, production delays or reductions, e.g. due to congestion on existing regional or interregional gas pipelines, unavailability of equipment, facilities, water or services, delays in or reductions in the availability of transportation, gathering or production capacity, changes in environmental regulations at the level of the US government authorities, by the respective state or the respective municipalities in whose territory the respective US subsidiary operates.

Risks in connection with oil and reserves

Information about the size and grade of mineral reserves and the economics of their extraction, including reserve reports such as those published by Deutsche Rohstoff, are estimates based on modeling assumptions, theoretical deductions and practical experience. These estimates are inherently imprecise and are based on the subjective interpretation of certain actual findings. Although they are prepared by specialists in accordance with precise specifications, they may prove to be incorrect or inaccurate. This applies to all information on raw material reserves or resources of the individual subsidiaries of Deutsche Rohstoff. In addition, these estimates may change over time due to newly available information, such as the evaluation of new data or current production results, for example because production profiles of individual wells or well pads rise or fall faster or slower than previously assumed by experts or the company's own engineers.

Risks in connection with mineral leasing contracts for undeveloped areas

The Deutsche Rohstoff Group holds around 73,000 acres of land leased under mineral leases in its subsidiaries. Approximately 50% of the areas leased in the USA are undeveloped, i.e. there is no drilling or production on these areas. There is a risk that Deutsche Rohstoff will not be able to develop these areas or bring them into the production phase. In this case, the mineral leasing contracts, and thus the rights from these contracts, could expire. This could have a material adverse effect on the Group.

Under the terms of the mineral leases, the acreage must be transferred to the production phase before the end of the lease term in order for the Group to retain the acreage for production. The competitive environment for acreage is intense and if Deutsche Rohstoff is unable to drill a sufficient number of wells to retain the acreage, this could result in significant costs for a renewal of the mineral leases. If renewal of these contracts is not an option, the acreage and potential drilling opportunities would be lost to the Group.

Future reserves and future production of crude oil and natural gas, and therefore also future cash flows, therefore depend on whether the undeveloped areas can be successfully developed. Furthermore, the US subsidiaries could have legal deficiencies in their production rights that could impair their legal position or render the rights worthless.

Exploration risks and opportunities

Exploration in the commodity sector entails high risks in that the capital invested in exploratory drilling can be completely lost if the results are uneconomical, meaning that the investment may be worthless.

Procurement risks

Business success also depends on the cost-efficient development and production of projects on the leased areas. There is a risk that increasing costs for services or materials for the wells or operation of existing or future oil and gas wells could make the further development or operation of wells economically unattractive.

Personnel risks

The commitment and expertise of our employees are an important basis for our economic success. For this reason, we counter the risk of staff availability with targeted talent selection, long-term incentives in the form of share options and participation programs, individually tailored further development measures and company health management.

FINANCIAL OPPORTUNITIES AND RISKS

Opportunities and risks from exchange rate changes

The Deutsche Rohstoff Group holds the vast majority of its investments and assets in other currency areas, particularly in USD, and to a much lesser extent in AUD and CAD. The associated exchange rate risk is considerable and is reflected in the consolidated financial statements both through profit or loss and directly in equity. Exchange rate risks arise initially from the fact that raw materials on the global market are usually paid for in USD, meaning that the Deutsche Rohstoff Group's potential future sales from the raw materials obtained are invoiced in USD. The Group's expenses - apart from the activities of the issuer - are also primarily incurred in USD. Exchange rate risks result from the fact that the activities of the US subsidiaries are invoiced in USD, whereas the repayment of the bond and the interest payments by the issuer must be made in EUR. The translation of the individual financial statements of the foreign subsidiaries from the local currencies into EUR also entails exchange rate risks. Finally, exchange rate risks arise from loans that the issuer has extended to the US subsidiaries in their local currency and is also expected to extend in the future (possibly indirectly via Tin International GmbH).

To date, the Deutsche Rohstoff Group has hedged exchange rate risks selectively with hedging transactions. Nevertheless, it cannot be ruled out that the Group could suffer losses from exchange rate fluctuations in the future, for example because it is unable to enter into hedging transactions to protect against exchange rate fluctuations, or is unable to do so to a sufficient extent and/or only on unfavorable terms. Such constellations could occur, for example, if volatility in the currency markets increases significantly, banks do not grant the Group a line or no corresponding contracts are offered on the futures exchanges. Exchange rate fluctuations, in particular the devaluation of the USD against the EUR, could therefore have a significant negative impact on the Deutsche Rohstoff Group and thus on the Issuer itself. This applies in particular if a devaluation of the USD is not compensated for by rising commodity prices. It cannot be ruled out that the Deutsche Rohstoff Group will also be exposed to exchange rate risks with regard to other currencies as it continues to internationalize its business activities.

The Executive Board rates the materiality of this risk factor as high. In the opinion of the Executive Board, one of the greatest risks for the Group is currency-related on an ongoing basis. The development of the EUR/USD in the past year led to a net currency gain of EUR 0.9 million (previous year: net currency loss of EUR 0.6 million).

In a sensitivity analysis, a change in the USD by 1 cent has the following effect on sales and EBITDA:

Change of 1 USD cent	USD
Effect on revenue	+/− 1.6 Mio. EUR
Effect on EBITDA	+/− 1.1 Mio. EUR

The management constantly examines the possibilities of hedging or reducing the currency risk through forward exchange transactions.

Almonty's business model also gives rise to a risk from exchange rate movements in the countries in which Almonty operates.

Liquidity risks

The ability to finance the project development of the Group's activities is one of the key success factors in raw materials extraction. At the end of 2024, Deutsche Rohstoff a good equity base and sufficient cash reserves to meet all financial obligations and finance the ongoing operations of all Group companies. Nevertheless, the parent company may need to raise additional funds in order to carry out future horizontal drilling in the USA or to acquire new projects. The need for funds may also be higher than planned due to delays or cost increases in the projects. Whether additional funds can be raised depends on the success of current and future project activities, capital market conditions and other factors.

A possible financing risk is the risk of not being able to secure existing capital requirements by raising funds - particularly on the bond market - or refinancing at appropriate conditions, which may result in operating expenses having to be delayed, limited or discontinued and, depending on the duration and scope, may subsequently have a significant negative impact on the business, net assets, financial position or results of operations of the Deutsche Rohstoff Group.

Some of the US subsidiaries of Deutsche Rohstoff AG have concluded collateralized loan agreements with the Bank of Oklahoma (BOKF, NA) or a banking syndicate led by BOK as part of a „Reserved Based Lending Facility" (RBL), which is customary in the industry. This type of loan agreement is collateralized by the existing oil and gas production reserves, the value of which is regularly determined on the basis of current market prices and determines the credit line in accordance with the contractual provisions. Should there be a massive drop in the price of crude oil and/or natural gas, there is a risk that the credit line utilized at that time will exceed the credit limit. This could lead to a breach of contractual obligations towards the Bank of Oklahoma. In such a case, the US subsidiary concerned might have to make at least a partial unscheduled repayment of the loan, which could lead to liquidity problems. The Bank of Oklahoma could also not extend a local credit line for these or other reasons, which would mean that Deutsche Rohstoff would have to fully finance the US subsidiary in question, with corresponding negative effects on the Group's financial resources and the availability of cash for further investments.

Impairment risks

Goodwill, property, plant and equipment for the extraction of raw materials and financial assets are tested for impairment annually on the basis of reserve appraisals and plans based on past experience, current business results and the best possible estimate of future developments. Changes in conditions on the sales, procurement and financial markets in particular may result in impairment risks.

If commodity prices (particularly oil and natural gas prices) fall to such an extent that the future income from the production sites is below their carrying amounts for a considerable period of time, the Group may be forced to write down the carrying amounts of its production sites due to accounting regulations. The carrying amounts of the production sites are regularly reviewed for possible impairment („impairment test").

Due to the specific circumstances at the time of such a review and in light of the ongoing evaluation of development plans, production data, profitability data and other factors, it may be necessary to recognize an impairment loss. The carrying amount of the Group's oil & gas assets currently amounts to around USD 467 million (previous year: USD 373 million). If oil prices and prices for gas and NGL fall significantly and permanently, investments for drilling increase significantly or production volumes deviate significantly from the expected volumes, this may result in high write-downs on the assets.

A write-down reduces income and, in the event of losses, burdens equity. If market conditions or other macroeconomic conditions deteriorate or if commodity prices (particularly oil and gas prices) fall, the resulting write-downs could have a negative impact on the DRAG Group's earnings and net assets. Assuming a long-term reduction in the price of WTI to USD 50/BBL and the price of gas to USD 3/Mcf, there would probably be a need to write down property, plant and equipment by more than EUR 100 million. Even with a lower price decline, there could already be a significant need for write-downs at individual production sites, which would have a negative impact on the Group's equity.

The Executive Board considers this impairment risk to be high in view of the fall in the oil price at the end of the year. The risk is continuously monitored through ongoing monitoring of drilling costs, production rates and prices. Measures to mitigate the risk include a permanent hedging policy, particularly of the oil price, a certain opportunistic investment policy that only considers expanding drilling programs if prices and hedging transactions guarantee a sufficient return and the sustainable expansion of Group equity as a „risk buffer".

Some Group companies have significant tax loss carryforwards or the possibility of offsetting future investments against profits. This applies in particular to Deutsche Rohstoff USA and Deutsche Rohstoff AG. The Executive Board assumes that, due to current tax legislation, these loss carryforwards or tax offsetting options can be carried forward and used to offset future or previous profits in accordance with the tax framework (e.g. minimum taxation). If it is not possible to use the tax loss carryforwards in full or in part, because it is not possible to operate raw material projects at a profit in the long term, due to short-term changes in legislation, changes in capital resources or ownership structures or other events, income tax payments would be incurred on the expected profits in the future if the respective subsidiaries develop successfully. These tax payments would have a negative impact on liquidity. The DRAG Group does not recognize deferred tax assets on loss carryforwards. Nevertheless, the Executive Board regularly monitors the offset ability of loss carryforwards. Local tax advisors in all countries in which the consolidated group is based have been commissioned to identify and eliminate tax risks at an early stage. The Executive Board classifies the materiality of this risk factor as low.

Financing and impairment risks of Almonty

Deutsche Rohstoff AG holds a stake in Almonty Industries, Inc., which has a producing tungsten mine and also has a promising tungsten deposit in Sangdong, South Korea. Tungsten prices are volatile and, beyond the DRAG Group's control, depend on factors such as global supply and demand for tungsten, demand for capital goods containing tungsten, exchange rate fluctuations, key interest rates and inflation rates, climatic conditions, speculative transactions and global and regional political events. In 2024, the tungsten APT price remained stable at between USD 310 and 350 per metric tonne unit (MTU). It averaged USD 327. In the first quarter of 2025, the average price for tungsten was USD 347/mtu. Should the price of tungsten concentrates fall below the production costs on a sustained basis, or should the start of production or the investment volume of the Sangdong deposit be significantly delayed or increased, or should unforeseen start-up problems at the start of mining significantly delay production, this could pose a risk to the continued existence of Almonty Industries, Inc. as a going concern. In this case, DRAG's investment and the convertible bonds held by DRAG in Almonty Industries, Inc. could become worthless, and there would also be a risk of default on the loans extended by DRAG to Almonty Industries, Inc. The maximum default risk corresponds to the carrying amount of the investment, the loans and the convertible bonds in the amount of EUR 30.9 million. As Almonty has recently reported significant progress in the completion of the mine and has continuously improved the financing of the holding company and the individual projects, the Executive Board classifies this risk factor as medium.

LEGAL RISKS AND OTHER OPPORTUNITIES AND RISKS

Risks of joint ventures and consortium agreements

In the past, the US subsidiaries have entered into joint ventures or consortium agreements with other companies, in particular to participate in higher-volume or a larger number of lower-risk projects. There are various risks inherent in the co-investors that cannot be controlled by the US subsidiaries. For example, the economic or entrepreneurial interests of the co-investors may differ from those of the US subsidiaries, or the co-investors may not be able to fulfill their financial and other obligations under the joint venture, existing claims of the US subsidiaries or the consortium agreement, or exercise their (veto) rights against the objectives and interests of the US subsidiaries. Furthermore, the co-investors could get into financial difficulties or become insolvent.

Issuing and withdrawing drilling and production licenses

The US subsidiaries have either already received drilling permits from the relevant authorities or are dependent on future permits. The authorities can be both local and national bodies such as the Bureau of Land Management. Some licenses are located on federal land owned by the US government.

Interruptions or restrictions in the granting of permits or production due to official or court orders could have a negative impact on the Group. There is no guarantee that regulatory approvals will be granted or renewed on time, and such approvals could be contested by third parties. In view of the concentration of land in Wyoming (cluster risk) and existing lawsuits against permits from various operators in the Converse County of the Powder River Basin, this risk is classified as high.

Legal disputes

The Group's activities entail the risk of legal disputes that could affect various areas such as land rights, contractual disputes, environmental damage or personal injury and property damage. Successful lawsuits, particularly in the USA and the states of Wyoming and Colorado, could result in high claims for damages and impact the Group's business, as well as defense and settlement costs and negative press coverage. An unfavorable outcome of legal disputes could lead to operational changes, liability, fines or other sanctions and have a significant negative impact on the Group, possibly even exceeding existing provisions and, in extreme cases, could pose a significant risk to the Group's continued existence.

Effects of climate protection laws

In recent years, international, national and local authorities have taken measures to reduce greenhouse gas emissions. Deutsche Rohstoff's business operations result in the emission of greenhouse gases and are therefore subject to relevant laws, directives and regulations relating to the emission of greenhouse gases, including the Paris Agreement and related laws and regulations enacted to implement the objectives of the Paris Agreement. Compliance with new obligations or those still in the legislative process could result in significant costs or impacts on business operations that cannot be reliably quantified at this time.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

The development of oil and gas reserves involves various risks, including unexpected geological conditions, operational accidents such as blowouts or explosions and specific hazards associated with horizontal drilling and fracking. These events could lead to environmental damage, injury or even death and affect production. They could also lead to delays, suspension of operations, damage to equipment and legal consequences, including lawsuits, fines and criminal penalties.

Since the start of fracking technology, a dense network of regulatory provisions has developed in the USA to ensure that the extraction of oil and gas is carried out in fair competition and taking into account the interests of all stakeholders. The protection of the environment and local residents plays a special role in this. In Colorado and Wyoming, for example, there are extensive laws that we comply with at all times through trained personnel and ensure by way of example through the following measures:

- Protection of groundwater: Wells, and in particular, the correct cementing of the well is continuously monitored and documented. This ensures that no oil, gas or fluids can escape into groundwater-bearing layers.
- Protection of wildlife: The nesting sites of rare birds, including the bald eagle, golden eagle and the endangered ground-nesting Sage-Grouse, are documented at regular intervals on publicly available maps. If these are in critical

proximity to our well pads, no drilling activities are carried out during the nesting period from 1 February to 31 July of each year.

- Protection of local residents: We minimize noise emissions with noise barriers and, in selected areas, by electrifying the conveyor technology and are in constant communication with the authorities about emission values.
- Protection of the atmosphere: All production sites are equipped with emission control devices that check whether gas is escaping from the well into the atmosphere. The emission limits have been continuously reduced in recent years and we comply with them. Increasingly, emissions are also being further reduced during drilling, e.g. through the use of generators that use compressed natural gas (CNG) instead of conventional diesel fuels, thereby reducing the CO_2 impact on the environment. In addition, the infrastructure at the well pad is monitored at regular intervals using special equipment that can detect methane gas emissions. In the state of Colorado, these checks are carried out several times a quarter, in most cases even monthly.
- Cleanliness of roads: The arrival and departure of conveyor systems, water and, ultimately, oil that is not sold through pipelines is transportation-intensive. Damage or contamination of roads is constantly monitored by us and any contamination is removed promptly.
- Fluid monitoring: Wyoming was the first state to require disclosure of the additives (called fluids) to fracking water that ensure oil flowability, control microbial growth and prevent corrosion. Today, this transparency is required in all federal states in which we are active. Overall, it should be noted that due to their low concentration and composition, these fluids do not pose a risk to groundwater or to the water quality of oil and gas-bearing strata.
- Renaturation of the well pads: As soon as the drilling work is completed, the areas outside the direct production facilities are re-vegetated, so that - measured against the depth of a well - a very manageable visual impact on nature remains.
- Dismantling the production facilities: After the end of oil and gas production, all facilities are uninstalled, the well is professionally sealed and capped and the surface is completely renaturalized. We set aside appropriate provisions for this every year, which amounted to EUR 5.8 million as of 31 December 2024.

The Deutsche Rohstoff Group naturally complies with all regulatory requirements. Nevertheless, violations of the law that are due to oversights or circumstances beyond the control of Deutsche Rohstoff cannot be ruled out. Violations of relevant laws, regulations or standards, in particular environmental protection law, can result in considerable sanctions, in particular fines and regulatory measures, costs for clean-up work or even restrictions on business activities ordered by the authorities. Compliance with future, stricter regulations may result in an increase in the operating costs of exploration, development and production projects, which may impact their profitability.

OTHER RISKS

The internationalization of Deutsche Rohstoff's business activities entails various risks, including legal disputes before foreign courts, tax challenges, regulatory changes, compliance with foreign laws and regulations and trade restrictions. The operation and protection of IT structures and the implementation of risk management and controlling structures also pose challenges.

The risks arising from the group structure and the role of the Issuer as a management holding company as well as from the financing structure of the Issuer and its subsidiaries mainly consist of the fact that the Issuer is heavily dependent on the profit distributions of its operating subsidiaries in order to meet its obligations. The insolvency of a subsidiary could lead to considerable value adjustments and a reduction in equity and could even result in the insolvency of the Issuer. The Issuer classifies the materiality of this risk as medium.

In the area of other risks, the risk of accidents affecting employees, or third parties should be mentioned in particular. Such accidents can lead to high claims for damages and also damage the company's reputation. Both can have a negative impact on earnings and assets, and in extreme cases can even jeopardize the company's continued existence.

Overall picture of the risk situation

The main risks for the business model of Deutsche Rohstoff AG are the oil price and the natural gas price, the currency risk, the recoverability of investments (including Almonty) and property, plant and equipment for raw materials extraction and the risks from the area of oil & gas reserve estimates and the associated expected production volumes. In addition, relevant risks arise from the US land system, regulatory/environmental issues and claims for damages. However, in the opinion of the Executive Board, all risks are currently manageable. The Executive Board is therefore of the opinion that the company risk is moderate (medium) overall. The main risks are also offset by opportunities arising from current and potentially rising commodity prices, continued favorable currency developments, a stable regulatory environment in the USA and successful project development by the exploration companies. In addition, the company's solid liquidity position and good reputation on the capital market give it the opportunity to financially advance promising ongoing activities and invest in new activities. In summary, we therefore continue to see a very attractive opportunity and risk profile for our business model and therefore an attractive starting point for further value growth for our shareholders.

IV. SUBSEQUENT EVENTS

After the balance sheet date, the following events had a significant impact on the further course of business until the beginning of April 2025:

In mid-February 2025, Deutsche Rohstoff AG announced the status of its reserves as of 31 December 2024. The discounted value of the secure reserves increased from USD 386 million to USD 452 million. The discounted value of producing wells as of 31 December 2024 amounted to USD 381 million (previous year: USD 313 million). Despite record production of 5.4 million BOE in 2024 and a net operating cash flow at project level of around USD 200 million, the reserves thus produced were not only replaced but also further expanded.

The capital reduction by the 109,700 shares acquired as part of the share buyback program was registered on 8 April 2025. The company's new share capital thus amounts to 4,895,738 shares.

1876 Resources began its 2025 drilling program in the 1st quarter. A total of four wells have been drilled and are expected to be completed in Q2 2025.

On April 17, 2025, Deutsche Rohstoff AG successfully increased the outstanding 2023/2028 corporate bond by around EUR 40 million to a total of around EUR 140 million in a private placement to institutional investors.

Mannheim, 23. April 2025

The Executive Board

Jan-Philipp Weitz **Henning Döring**

Consolidated statement of changes in equity

In TEUR	Equity of the parent company									Non-controlling interests				Group equity
		Reserves												
	Subscribed capital	Capital Reserves according to § 272 paragraph 2 nr. 1-3 HGB	Capital reserve according to § 272 paragraph 2 nr. 4 HGB	Retained income	Sum	Equity differences from currency translation	Consolidated profit / loss carried forward	Consolidated net profit / loss for the year attribu-table to the parent company	Sum	Non-controlling interests before equity diffe-rence from currency translation and net income	Currency translation differences attributable to non-controlling interests	Profit / loss attribu-table to onon-controlling interests	Sum	Sum
As of 31/12/2022	**5,003,081**	**31,250,251**	**–**	**–**	**31,250,251**	**8,533,708**	**23,408,411**	**60,765,991**	**128,961,442**	**−7,004,495**	**64,927**	**10,342,997**	**3,403,429**	**132,364,871**
Capital increase of parent company	2,357	46,763	–	–	46,763	–	–	–	46,763	–	–	–	–	49,120
Capital repayment and distribution to minority shareholders	–	–	–	–	–	–	–	–	–	−367,970	–	–	−367,970	−367,970
Change through capital increase with participation of minority shareholders	–	–	–	–	–	–	–	–	–	1,821,185	–	–	1,821,185	1,821,185
Change due to minority shareholders	–	–	–	–	–	–	266,944		266,944	–	–	–	–	266,944
Share buyback	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Allocation to the retained income	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Distribution	–	–	–	–	–	–	−6,504,469		−6,504,469	–	–	–	–	−6,504,469
Currency translation	–	–	–	–	–	−7,576,544	–	–	−7,576,544	–	−55,609	–	−55,609	−7,632,153
Other changes	–	–	–	–	–	–	60,765,991	−60,765,991	–	–	–	–	–	–
Consolidated net profit / loss for the year	–	–	–	–	–	–	–	65,175,089	65,175,089	–	–	2,308,388	2,308,388	67,483,477
As of 31/12/2023	**5,005,438**	**31,297,014**	**–**	**–**	**31,297,014**	**957,164**	**77,936,876**	**65,175,089**	**180,371,581**	**−5,551,280**	**9,318**	**12,651,385**	**7,109,423**	**187,481,005**
Capital increase of parent company	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Capital repayment and distribution to minority shareholders	–	–	–	–	–	–	−3,412,299	–	−3,412,299	−4,272,946	–	–	−4,272,946	−7,685,245
Changes in the scope of consolidation	–	–	–	–	–	–	–	–	–	12,038	–	–	12,038	12,038
Change through capital increase with participation of minority shareholders	–	–	–	–	–	–	–	–	–	435,305	–	–	435,305	435,305
Change due to minority shareholders	–	–	–	–	–	–	–	–	–	352,500	–	–	352,500	352,500
Share buyback	−109,700	–	–	−3,897,820	−3,897,820	–	–	–	−4,007,520	–	–	–	–	−4,007,520
Allocation to the retained income	–	–	–	3,897,820	3,897,820	–	−3,897,820	–	–	–	–	–	–	–
Distribution	–	–	–	–	–	–	−8,732,567	–	−8,732,567	–	–	–	–	−8,732,567
Currency translation	–	–	–	–	–	16,747,631	–	–	16,747,631	–	160,043	–	160,043	16,907,674
Other changes	–	–	–	–	–	–	65,175,089	−65,175,089	–	–	–	–	–	–
Consolidated net profit / loss for the year	–	–	–	–	–	–	–	50,215,873	50,215,873	–	–	2,479,089	2,479,089	52,694,962
As of 31/12/2024	**4,895,738**	**31,297,014**	**–**	**–**	**31,297,014**	**17,704,795**	**127,069,279**	**50,215,873**	**231,182,700**	**−9,024,383**	**169,361**	**15,130,474**	**6,275,452**	**237,458,153**

Development of consolidated fixed assets

ACQUISITION AND PRODUCTION COST

In EUR	01/01/2024	Additions	Disposals	Change in scope of consolidation	Reallocations	Foreign currency translation	31/12/2024
I. Intangible assets							
1. Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	39,879,469	2,261,601	–	−44,406	100,230	2,083,056	44,279,950
2. Goodwill	4,222,786	–	–	–	–	151,435	4,374,221
3. Advance payments	544,213	–	–	−544,213	–	–	–
	44,646,468	**2,261,601**	**–**	**−588,619**	**100,230**	**2,234,491**	**48,654,171**
II. Property, plant, and equipment							
1. Producing oil production facilitiess	490,046,129	29,901,556	–	–	161,743,361	39,443,401	721,134,447
2. Exploration and evaluation	27,294,786	112,684,973	–	–	−132,590,676	1,236,825	8,625,908
3. Technical equipment and machinery	20,439,257	12,708,948	–	−1,159,188	2,227,851	1,988,263	36,205,131
4. Other equipment, operating and office equipment	2,602,779	748,401	–	−217,178	21,395	174,770	3,330,166
5. Advance payments and assets under construction	17,005,771	15,407,485	–	–	−31,502,161	255,167	1,166,263
	557,388,722	**171,451,363**	**–**	**−1,376,366**	**−100,230**	**43,098,426**	**770,461,915**
III. Financial assets							
1. Equity investments	15,406,652	780,114	–	–	–	–	16,186,766
2. Loans to other investees and investors	6,950,913	333,622	–	–	–	–	7,284,534
3. Securities classified as fixed assets	8,339,534	376,680	–	–	–	–	8,716,213
	30,697,098	**1,490,415**	**–**	**–**	–	**–**	**32,187,514**
	632,732,288	**175,203,379**	**–**	**−1,964,985**	–	**45,332,917**	**851,303,599**

ACCUMULATED AMORTIZATION, DEPRECIATION AND WRITE-DOWNS

In EUR	01/01/2024	Additions	Disposals	Attributions	Change in scope of consolidation	Reallocations	Foreign currency translation	31/12/2024	Net book values 31/12/2024	Net book values 31/12/2023
I. Intangible assets										
1. Purchased franchises, industrial and similar rights and assets, and licenses in such rights and assets	17,694,063	1,772,544	–	–	–41,152	–	637,939	20,063,394	24,216,556	22,185,406
2. Goodwill	3,260,274	163,648	–	–	–	–	97,173	3,521,095	853,126	962,512
3. Advance payments	145,063	399,150	–	–	–544,213	–	–	–	–	399,150
	21,099,400	**2,335,342**	**–**	**–**	**–585,365**	**–**	**735,112**	**23,584,489**	**25,069,682**	**23,547,068**
II. Property, plant, and equipment										
1. Producing oil production facilitiess	234,983,241	80,950,292	–	–	–	–	18,651,443	334,584,975	386,549,472	255,062,888
2. Exploration and evaluation	2,905,544	–	–	–	–	–	63,543	2,969,087	5,656,822	24,389,243
3. Technical equipment and machinery	894,826	3,031,785	–	–	–254,966	–	161,895	3,833,539	32,371,592	19,544,431
4. Other equipment, operating and office equipment	990,037	554,413	–	–	–74,525	–	67,681	1,537,606	1,792,560	1,612,742
5. Advance payments and assets under construction	–	1,166,262	–	–	–	–	–	1,166,262	–	17,005,771
	239,773,648	**85,702,752**	**–**	**–**	**–329,492**	**–**	**18,944,561**	**344,091,469**	**426,370,446**	**317,615,074**
III. Financial assets										
1. Equity investments	–	–	–	–	–	–	–	–	16,186,765	15,406,651
2. Loans to other investees and investors	128,059	–	–	–	–	–	–	128,059	7,156,476	6,822,854
3. Securities classified as fixed assets	–	–	–	–	–	–	–	–	8,716,215	8,339,534
	128,059	**–**	**–**	**–**	**–**	**–**	**–**	**128,059**	**32,059,456**	**30,569,040**
	261,001,107	**88,038,094**	**–**	**–**	**–914,856**	**–**	**19,679,673**	**367,804,017**	**483,499,583**	**371,731,184**

Notes to the consolidated financial statement

Notes to the consolidated financial statement

for the fiscal year 1 January 2024 to 31 December 2024

1. General principles

The consolidated financial statements of Deutsche Rohstoff AG have been prepared in accordance with the accounting provisions of the German Commercial Code (Handelsgesetzbuch, HGB) (sections 290 et seq.) and the supplementary provisions of the German Stock Corporation Act (Aktiengesetz, AktG).

The consolidated income statement is structured according to the nature of expense method.

For reasons of clarity, individual items of the consolidated statement of financial position and consolidated statement of income have been combined and broken down and explained separately in these notes. For the same reason, the disclosures relating to other items and notes thereon have also been made in this section.

The consolidated financial statements are presented in Euro (EUR). Unless otherwise stated, all figures are rounded up or down to the nearest EUR in accordance with commercial rounding principles. Please note that differences may arise from the use of rounded amounts and percentages for computational reasons.

The registered office of the parent company Deutsche Rohstoff AG is in Mannheim. The company is entered in the register of the Mannheim Local Court under number HRB 702881.

2. Scope of consolidation

The consolidated financial statements include Deutsche Rohstoff AG as well as two domestic and eight foreign subsidiaries. In the previous year, the consolidated financial statements comprised three domestic and nine foreign subsidiaries.

- The shareholding in Prime Lithium AG initially decreased from 88% to 85% during the year as a result of capital contributions and sales to the minority shareholder. Under an agreement dated December 17, 2024, the entire shareholding of 85% was sold, meaning that the company was removed from the scope of consolidation.
- The shareholding in 1876 Resources LLC increased from 96.09% to 97.65% as a result of the transaction with Bright Rock and the withdrawal of minority shareholders.
- As part of a land transaction at Bright Rock, all minority interests were acquired, increasing the shareholding in the company from 98.49% to 100%.
- Due to the contribution of the shares in Exploration Ventures Al Pty LTD. to Premier1 Lithium Ltd. and the associated reduction in the shareholding to 19.90%, Exploration Ventures Al Pty LTD was deconsolidated at the beginning of the year. The share in the company Premier1 Lithium Limited is now reported under the item „ Equity investments“.

3. Consolidation principles

Capital consolidation for companies that are consolidated for the first time as a result of an acquisition is carried out using the purchase method at the time at which the companies became subsidiaries.

The carrying amount of the shares belonging to the parent company is offset against the amount of the subsidiary’s equity attributable to these shares. Equity is recognized at the amount that corresponds to the fair value of the assets, liabilities and prepaid expenses to be included in the consolidated financial statements at the time of consolidation. Any difference remaining after offsetting, if it arises on the assets side, is recognized as goodwill and, if it arises on the liabilities side, is reported separately in equity under the item difference from capital consolidation.

The relevant date for determining the fair value of the assets, liabilities and prepaid expenses to be included in the consolidated financial statements and for capital consolidation is generally the date on which the company became a subsidiary.

Receivables and liabilities, sales, expenses and income as well as interim results within the scope of consolidation were eliminated.

4. Recognition and measurement policies

The following accounting and valuation methods were used to prepare the annual financial statements.

The financial statements of the companies included in the consolidated financial statements were prepared in accordance with uniform accounting and valuation principles.

Purchased intangible fixed assets are recognized at acquisition or production cost and, if they are subject to wear and tear, are amortized over their useful life using the straight-line method. The useful life is between 3 and 5 years. Intangible assets mainly include extraction rights and exploration and mining licenses. Exploration licenses are amortized on a straight-line basis from the date of acquisition over the expected total exploration period. Mining licenses, on the other hand, are amortized on a straight-line basis over the expected remaining useful life of the deposit. There is an exception to the straight-line amortization method for extraction rights, which are amortized according to the degree of utilization. The degree of utilization reflects the economic depreciation process.

Impairment losses are recognized if the impairment is expected to be permanent.

Goodwill from the initial consolidation of shares prior to 1 January 2016 is amortized pro rata temporis over a period of 5 years. For goodwill arising after 31 December 2015, explanations on the determination of the respective useful life are provided in accordance with the provisions of the BilRUG as part of the explanations on fixed assets. The useful life estimate is based on the expected funding periods and funding volumes, whereby the appropriateness of the useful life is regularly reviewed and adjusted downwards if necessary.

Property, plant and equipment is recognized at acquisition or production cost and, if depreciable, is reduced by scheduled depreciation. The production costs of internally generated assets include direct costs and pro rata overheads.

Property, plant and equipment includes the classification item „oil extraction facilities „ due to the specifics of a commodity producing company. The producing oil production facilities relate to production facilities operated by 1876 Resources LLC in the Powder River Basin in Wyoming and in the Wattenberg field in Colorado (USA). This item also includes the producing oil production facilities in the USA in which the companies Elster Oil & Gas LLC, Salt Creek Oil & Gas LLC and 1876 Resources LLC hold interests as non-operators. These are non-operating interests in producing oil production facilities in the USA, specifically in the Powder River Basin in Wyoming (USA) via Salt Creek Oil & Gas LLC and 1876 Resources LLC and in the Wattenberg field in Colorado (USA) via Elster Oil & Gas LLC and 1876 Resources LLC.

The section „Technical equipment and machinery“ of property, plant and equipment includes infrastructure facilities that are required for drilling and operating the wells. The most significant items are a gas pipeline and various water basins belonging to the company 1876 Resources LLC.

The classification of property, plant and equipment also includes an exploration and evaluation item. This item includes expenditure in the exploration and evaluation phase that is directly related to a discovered, recoverable deposit and directly serves the extraction of commodities for which future cash flows are expected with a high degree of probability. Direct costs and pro rata overheads are capitalized.

From the time of commercial extraction, the assets are reclassified to the respective fixed asset items. If, due to events or changed circumstances, it becomes apparent that the estimated commodity deposits are not sustainable or significantly lower or that the yield is not sufficient for commercial extraction, the assets concerned are written down and recognized in profit or loss.

The most significant items of property, plant and equipment, the producing oil production facilities and the gas pipeline within the technical equipment and machinery, are depreciated according to the degree of utilization as part of a performance-based depreciation plan. The degree of utilization in the form of the quotient of carrying amounts and reserves per company and oil field multiplied by the quantities produced in BOE best reflects the economic depreciation trend and is reviewed annually on the basis of reserve appraisals, which, in the absence of sufficient empirical values in German accounting, are based on the extensively tested procedure in the USA, in particular the SEC and US GAAP. Other items of property, plant and equipment are depreciated on a straight-line basis in accordance with the expected useful life. The useful life for technical equipment and machinery is between eight and 25 years, and between three and 13 years for other equipment, factory and office equipment.

Impairment losses are recognized for impairments that are expected to be permanent. In addition to current and expected future production volumes at well field level, the most significant factors influencing the assessment of expected permanent impairment in the case of oil production facilities are the current and future prices for crude oil (WTI), gas (CIG) and condensates as well as current and future production costs (LOE).

Financial assets are recognized at the lower of cost or fair value.

Inventories are recognized at the lower of cost or market value.

Finished goods and merchandise are valued at production cost, taking into account direct material costs, direct labor and special direct costs as well as production and material overheads and depreciation. Interest on borrowed capital was not included in the production costs. General administration costs were also not capitalized.

In all cases, loss-free valuation was applied, i.e. deductions were made from the expected sales prices for costs still to be incurred.

Receivables and other assets were recognized at nominal value less value discounts for individual risks.

Derivative financial instruments are not recognized as pending transactions. Gains from hedging transactions that are not allocated to a specific underlying transaction are not realized until maturity. Unrealized losses from derivative financial instruments are recognized in profit or loss unless they are included in a valuation unit and the unrealized losses are compensated by offsetting changes in the value of the underlying transaction. The company has exercised the option under Section 254 HGB to recognize the economic hedging relationship in the context of transactions to hedge the WTI oil price and the CIG natural gas price by forming a valuation unit. The net hedge presentation method is applied here. The offsetting positive and negative changes in value are recognized without affecting the income statement.

Other marketable securities are recognized at acquisition cost or, if applicable, at lower values resulting from stock exchange or market prices on the reporting date.

Prepaid expenses include expenses prior to the balance sheet date that represent an expense for a certain period after that date.

Other provisions take into account all uncertain liabilities and impending losses from pending transactions. They are recognized at the settlement amount required according to prudent business judgment (i.e. including future cost and price increases). Provisions with a remaining term of more than one year were discounted. Recultivation provisions were mainly recognized for field clearance and well backfilling. These are accrued in installments, taking into account expected future price and cost increases and discounting in accordance with the respective remaining term.

Provisions are discounted at an interest rate appropriate to the term in accordance with the German Regulation on the Discounting of Provisions (Rückstellungsabzinsungsverordnung).

Liabilities were recognized at the settlement amounts.

To calculate **deferred taxes** due to temporary or quasi-permanent differences between the carrying amounts of assets, liabilities and prepaid expenses and deferred income under commercial law and their tax carrying amounts or due to tax loss carryforwards, the amounts of the resulting tax burden and relief are measured at the company-specific tax rates at the time the differences are eliminated and are not discounted. Differences resulting from consolidation measures in accordance with Sections 300 to 307 HGB are also taken into account, but not differences from the initial recognition of goodwill or a negative difference from capital consolidation. The option to capitalize deferred taxes on tax loss carryforwards was not exercised. Deferred tax assets and liabilities are netted where permissible.

Currency conversion: Assets and liabilities denominated in foreign currencies were generally translated at the mean spot exchange rate on the reporting date. If the remaining term to maturity is more than one year, the realization principle and the acquisition cost principle were applied.

With the exception of equity, the asset and liability items in the annual financial statements prepared in foreign currencies were translated into EUR at the mean spot exchange rate on the reporting date. Equity was translated using historical exchange rates. The items in the income statement are translated into EUR at the average exchange rate. The resulting translation difference is reported within Group equity under the item „Equity differences from currency translation".

5. Notes to the consolidated balance sheet

5.1. FIXED ASSETS

The development of fixed assets is shown in the statement of changes in fixed assets, including depreciation and amortization for the financial year.

In the 2013 and 2014 financial years, shares in Elster Oil & Gas LLC were acquired from minority shareholders. These capital increases revealed hidden reserves totaling EUR 8,569 thousand, which were capitalized in the item concessions, industrial property rights and similar rights acquired for consideration.

Furthermore, production rights in connection with potential and producing oil and gas wells are capitalized under this item.

Due to the acquisition of land by 1876 Resources LLC, Bright Rock Energy LLC no longer has a share of land as of 31 December 2024.

The item concessions, industrial property rights and similar rights and assets acquired for consideration as well as licenses to such rights and assets is made up as follows:

In EUR

Project / Company	Resource	2024	2023
Elster Oil & Gas LLC	Oil and gas	3,045,638	3,184,430
Salt Creek Oil & Gas LLC	Oil and gas	533,317	13,521
1876 Resources LLC	Oil and gas	21,419,684	12,353,196
Bright Rock Energy LLC	Oil and gas	–	6,627,848
Other	Others	71,043	6,411
		25,069,682	**22,185,406**

Exploration and evaluation includes drilling projects in the oil and gas sector that are under development at the relevant time but have not yet started production.

Goodwill of EUR 853,126 is still reported as of 31 December 2024, which relates to the company 1876 Resources LLC (previous year: EUR 962,512). Goodwill is amortized on a straight-line basis over a useful life of 15 years. The useful life was estimated on the basis of the average production periods of the oil wells of 1876 Resources LLC.

The „Exploration and evaluation" item includes EUR 5,656,823 (previous year: EUR 24,389,243) relating to investments by 1876 Resources LLC for two new wells.

The „Exploration and evaluation" item is composed as follows:

In EUR

Project / Company	Resource	2024	2023
Salt Creek Oil & Gas LLC	Oil and gas	63,140	–
1876 Resources LLC	Oil and gas	5,593,683	15,121,718
Bright Rock Energy LLC	Oil and gas	–	9,267,525
		5,656,823	**24,389,243**

The item „Producing oil production facilities“ is made up as follows:

In EUR			
Project / Company	**Resource**	**2024**	**2023**
Elster Oil & Gas LLC	Oil and gas	10,059,684	10,732,941
1876 Resources LLC	Oil and gas	246,838,818	155,038,388
Salt Creek Oil & Gas LLC	Oil and gas	129,650,971	81,969,304
Bright Rock Energy LLC	Oil and gas	–	7,322,255
		386,549,472	**255,062,888**

Due to the takeover by 1876 Resources LLC, Bright Rock Energy LLC currently no longer has any producing oil production facilities.

The following table provides an overview of the main number of net wells per company in each state.

Net drilling:

Society	Colorado	Wyoming	Total
1876 Resources LLC	50.1	37.0	87.1
Elster Oil & Gas LLC	12.8	–	12.8
Salt Creek Oil & Gas LLC	–	15.3	15.3
	62.9	**52.3**	**115.2**

The item „Technical equipment and machinery“ mainly comprises the acquisition costs in connection with the purchase of the pipeline infrastructure and the construction of water basins by 1876 Resources LLC.

5.2. INFORMATION ON SHAREHOLDINGS

INFORMATION ON SHAREHOLDINGS AS OF 31/12/2024

	Currency	Shareholding	Equity in national currency	Result in national currency
Domestic				
Tin International GmbH	EUR	100.00%	3,321,121	229,206
Ceritech AG	EUR	72.46%	111,465	−18,526
Foreign				
Deutsche Rohstoff USA Inc., USA	USD	100.00%	-1,001,445	15,737,537
Elster Oil & Gas LLC, USA	USD	93.00%[1]	8,008,843	-157,659
Diamond Valley Energy Park LLC, USA	USD	93.00%[2]	1,791,657	0
1876 Resources LLC, USA	USD	97.65%[1]	204,376,451	27,802,677
Coyote Hill Midstream LLC, USA	USD	97.65%[3]	0	4,828,645
Salt Creek Oil & Gas LLC, USA	USD	100.00%[1]	128,162,993	39,588,393
Bright Rock Energy LLC, USA	USD	100.00%[1]	2,092,722	6,331,871
Suomi Exploration Oy, Finnland	EUR	100.00%	−610	335,098
Other companies				
Almonty Industries Inc., Canada	CAD	11.86%	39,073,000	−16,298,000
Premier1 Lithium Ltd., Australia	AUD	19.00%	3,622,704	−5,238,523

1 Indirectly via Deutsche Rohstoff USA Inc., USA
2 Indirectly via Elster Oil & Gas LLC, USA
3 Indirectly via 1876 Resources LLC, USA

The investment in Almonty Industries Inc. was recognized at the carrying amount of EUR 15,406,651, exercising the valuation option pursuant to Section 253 (3) sentence 6 HGB.

The carrying amount of the investment as of 31 December 2024 is based on an average market value of CAD 0.72 (EUR 0.50) per share at the time of acquisition.

The share price as of 31 December 2024 was CAD 0.91/share (EUR 0.61/share). It should be noted that the share price rose by more than 123% to over CAD 2.25/share in the first three months of 2025.

Suomi Exploration Oy, Finland, pursued an early-stage metal exploration project in Finland in 2023. At the beginning of 2024, it was decided not to pursue this project any further and to liquidate the company. The liquidation has not yet been completed as of 31 December 2024.

5.3. INVESTMENT SECURITIES

Securities held as fixed assets increased slightly over the course of the year from EUR 8,340 thousand to EUR 8,716 thousand.

5.4. INVENTORIES

Inventories relate to gold in finished goods and steel pipes for drilling in the USA, which are either used for future own drilling or sold on to other operators. If the price of steel has fallen as of the reporting date, the steel pipes are written down to the lower fair value.

5.5. RECEIVABLES AND OTHER ASSETS

The breakdown of receivables and other assets by residual term is as follows:

31/12/2024

In EUR	< 1 year	> 1 year	Total
Trade receivables	40,698,591	–	40,698,591
Receivables from companies in which an equity investment is held	–	–	–
Other assets	1,400,026	2,582,089	3,982,114
			44,680,705

31/12/2023:

In EUR	<1 year	>1 year	Gesamt
Trade receivables	29,603,344	–	29,603,344
Receivables from companies in which an equity investment is held	–	–	–
Other assets	3,075,567	2,346,892	5,422,459
			35,025,803

Trade receivables relate to receivables from the sale of crude oil and natural gas and are generally due within 30 to 60 days.

Other assets mainly comprise deposits paid for drilling, infrastructure and rents as well as receivables for US tax refund claims and loans.

5.6. DERIVATIVE FINANCIAL INSTRUMENTS

Transactions of a derivative nature are regularly concluded as a key element of the risk policy. These transactions include derivative financial instruments in the form of „costless collars“, consisting of put and call options and swaps, which were concluded to hedge the oil and gas price risk in the USA. On the other hand, transactions with so-called foreign currency futures are carried out to hedge the currency risk in the EUR/USD area. There were no foreign currency futures as at the balance sheet date.

Derivative financial instruments are measured at fair value on the basis of published market prices. If no price quoted on an active market exists, other suitable valuation methods are used. The market values of the oil price hedging transactions were provided by the corresponding contractual partners (financial service providers) with whom the hedging transactions were concluded.

To determine the market value of the put and call options (costless collars) as at the balance sheet date, the values provided by the relevant contractual partner were also used. The market value of put and call options (costless collars) is determined on the basis of a mark-to-market valuation. The value of foreign currency futures is determined and made available on futures exchanges on an ongoing basis.

The company has exercised the option under Section 254 HGB to recognize the economic hedging relationship in the context of transactions to hedge the WTI oil price and the

CIG gas price by forming a valuation unit. The disclosures required in accordance with Section 314 (1) No. 15 HGB are presented in the Group management report in the section „Opportunities and risks from changes in commodity prices“.

5.7. PREPAID EXPENSES

This mainly relates to prepaid insurance and rental amounts as well as accrued interest expenses.

5.8. DEFERRED TAXES

Deferred taxes were calculated using a tax rate of 21.41% in accordance with local tax law. Deferred tax assets were capitalized on tax loss carryforwards at the local tax rate of 21.41%. The theoretical Group tax rate is 21.41%. Deferred tax assets were only recognized for tax loss carryforwards that are expected to be utilized within the next five years. The deferred tax assets and liabilities determined separately at country level are offset in the balance sheet at the level of the individual taxable entities.

In EUR	31/12/2024	31/12/2023
Deferred tax assets on differences between balance sheet valuations for		
Property, plant, and equipment	6,419,314	–
Other provisions	1,311,954	1,233,475
Accrued expenses	555,850	954,789
Total	**8,287,119**	**2,188,264**
Deferred taxes on losses carried forward	5,782,345	9,658,718
Total deferred tax assets	**14,069,463**	**11,846,981**

In EUR	31/12/2024	31/12/2023
Deferred tax assets on differences between balance sheet valuations for		
Intangible assets	320,578	339,760
Property, plant, and equipment	82,065,345	63,110,969
Total deferred tax liabilities	**82,385,923**	**63,450,729**
Total deferred taxes, net	**−68,316,460**	**−51,603,748**

5.9. EQUITY

The development of consolidated equity is shown in the consolidated statement of changes in equity (appendix 5).

The Annual General Meeting of Deutsche Rohstoff AG on June 28, 2022 authorized the Executive Board to acquire treasury shares. The authorization is limited until June 27, 2027 and restricted to 10% of the share capital.

The development of other provisions is as follows:

The share buyback program was launched with the aim of increasing earnings per share and thereby optimizing both the return for shareholders and potential inflows from future capital increases by the company.

The Executive Board of Deutsche Rohstoff AG has therefore resolved, with the approval of the Supervisory Board on April 23, 2024, to acquire treasury shares on the stock exchange for a total purchase price (excluding incidental costs) of up to EUR 4 million in the period from May 2, 2024, to May 2, 2025, at the latest. The buyback was completed ahead of schedule at the beginning of December.

Up to this point, a total of 109,700 shares with a par value of EUR 1.00 each had been repurchased. As of December 31, 2024, the number of treasury shares amounted to 109,700 with a par value of EUR 109,700.00 (2.19%).

In EUR	31/12/2023	Utilization	Closing	Allocation	Currency	Change in scope of consolidation	31/12/2024
Tax provisions	996,845	922,217	74,629	693,369	–	–	693,369
Other provisions	47,517,786	41,896,229	68,021	19,391,147	2,854,889	−21,969	27,777,603
Total provisions	**48,514,631**	**42,818,445**	**142,650**	**20,084,516**	**2,854,889**	**−21,969**	**28,470,972**

The treasury shares are valued at their average acquisition cost of EUR 36.53 per share, rounded, amounting to a total of EUR 4,007,520.49.

The shares are to be withdrawn.

The nominal amount of treasury shares was deducted from the subscribed capital in accordance with Section 272 (1a) of the German Commercial Code (HGB) (EUR 109,700.00).

Of the net income for the fiscal year, an amount of EUR 3,897,820.49 was allocated to other revenue reserves.

The difference between the par value of treasury shares and the acquisition cost of treasury shares was offset against retained earnings in the amount of EUR 3,897,820.49.

The capital reserve remains unchanged from the previous year (EUR 31,297,014).

5.10. PROVISIONS

The other provisions mainly relate to local taxes not yet due for the US oil and gas companies in the amount of EUR 6.3 million, services not yet invoiced by oilfield service companies in the amount of EUR 8.4 million and provisions for dismantling obligations of the US subsidiaries in the amount of EUR 5.8 million.

5.11. LIABILITIES

The item ‚Bonds, non-convertible' with a volume of EUR 100.0 million (previous year: EUR 120.5 million) includes only the 2023/2028 bond with a coupon of 7.5%, which matures on 26 September 2028, following the timely payback of the 2019/2024 bond.

Liabilities to banks as of 31 December 2024 include a loan of EUR 76,427 thousand from a reserve-based lending facility (RBL), which relates to the US subsidiary 1876 Resources LLC.

The loan is used to finance ongoing oil and gas drilling and was transferred to a syndicated loan consortium led by the Bank of Oklahoma (BOK) in mid-2024. It has a term of four years until the end of June 2028.

The total available credit line amounts to USD 100 million, of which USD 79.4 million had been utilized by the end of the year. In addition, the subsidiary Salt Creek has another unused credit line from BOK at the amount of USD 15 million.

The interest rate of the RBL is variable. As of 31 December 2024, the weighted average interest rate was 8.30% (previous year: 9.03%).

The other liabilities of EUR 25.8 million (previous year: EUR 17.0 million) result in particular from tax liabilities and sales payments at 1876 Resources, which are still to be paid to royalty owners and partner companies involved in the drilling projects.

The liabilities are shown in the following table:

REMAINING TERM IN YEARS
31/12/2024

In EUR	< 1 year	1 - 5 years	> 5 years	Total	of which secured
Bonds, non-convertible	–	100,000,000	–	100,000,000	–
Bonds, convertible	–	–	–	–	–
Liabilities to banks	–	76,732,228	–	76,732,228	76,732,228
Trade payable	14,413,990	–	–	14,413,990	–
Other liabilities	25,759,218	–	–	25,759,218	–
of which social security	22,045	–	–	22,045	–
thereof from taxes	1,466,872	–	–	1,466,872	–
	40,173,208	**176,732,228**	**–**	**216,905,437**	**76,732,228**

REMAINING TERM IN YEARS
31/12/2023

In EUR	< 1 year	1 - 5 years	> 5 years	Total	of which secured
Bonds, non-convertible	20,516,500	100,000,000	–	120,516,500	–
Bonds, convertible	–	–	–	–	–
Liabilities to banks	40,806,709	–	–	40,806,709	40,806,709
Trade payable	26,550,778	–	–	26,550,778	–
Other liabilities	16,974,486	–	–	16,974,486	–
of which social security	31,692	–	–	31,692	–
thereof from taxes	416,683	–	–	416,683	–
	104,848,473	**100,000,000**	**–**	**204,848,473**	**40,806,709**

6. Notes to the consolidated income statement

6.1. REVENUE

Revenues of EUR 235.4 million (previous year: EUR 196.6 million) was generated almost exclusively from the production of oil, gas and condensates in the USA by the subsidiaries 1876 Resources, Salt Creek Oil & Gas, Bright Rock Energy and Elster Oil & Gas and their subsidiaries. Revenues from oil & gas are subject to production taxes, which are deducted directly from sales revenues and therefore reported on a net basis. Production taxes of EUR 25.4 million (previous year: EUR 19.3 million) were incurred in the financial year 2024. Gains from hedging transactions are also offset directly against revenue and amounted to EUR 4.0 million in the 2024 financial year (previous year: EUR 0.3 million).

6.2. OTHER OPERATING INCOME

Other operating income breaks down as follows:

In EUR	2024	2023
Income from the disposal of intangible assets	–	–
Income from the disposal of property, plant and equipment	387	10,945,560
Income from the disposal of financial assets	–	3,374,481
Income from the write-up of property, plant and equipment	–	–
Income from the revaluation of current and financial assets	730,575	1,417,938
Income from the sale of current assets	1,874,892	4,210,209
Income from foreign currency gains	2,898,190	531,664
Result from deconsolidation	592,281	–
Miscellaneous other income	263,063	72,655
	6,359,388	**20,552,507**

6.3. COST OF MATERIALS

As of 31 December 2024, expenses for purchased services amounting to EUR 44.9 million were reported (previous year: EUR 34.3 million). They mainly relate to ongoing operating costs incurred for ongoing drilling activities at the companies 1876 Resources LLC, Salt Creek Oil & Gas LLC, Bright Rock Energy LLC and Elster Oil & Gas LLC.

6.4. DEPRECIATION AND AMORTIZATION

Depreciation and amortization consists of scheduled depreciation and amortization of EUR 86.9 million (previous year: EUR 62.4 million).

Scheduled depreciation mainly relates to the oil production facilities in the USA. Depreciation is based on the degree of utilization of the reserves, which reflects the economic depreciation trend. The calculation of depreciation is based on the proven reserves per oil well on the respective reporting date, calculated in barrels of oil equivalent. These are set in relation to the total capitalized costs per well and multiplied by the quantity produced. The reserves of each oil well are recalculated annually. Depreciation per BOE produced amounted to USD 16.46/BOE. This corresponds to an increase of around 13% compared to the previous year (USD 14.54/BOE). The increase is mainly due to the higher proportion of production in Wyoming, particularly as a result of more capital-intensive drilling in the Powder River Basin. Depreciation of the gas transportation infrastructure amounted to USD 0.56/BOE.

6.5. IMPAIRMENT LOSSES

An impairment loss of EUR 1.1 million was recognized on the development costs of Prime Lithium AG.

Amortization is reported under the item „Amortization of intangible assets and depreciation of property, plant and equipment“.

6.6. OTHER OPERATING EXPENSES

The composition of the main items of other operating expenses is shown in the following table:

In EUR	2024	2023
Project development and exploration expenses	290,906	706,361
Expenses for exchange losses	2,038,529	1,174,196
Legal and consulting fees	3,122,044	3,310,509
Financial statement and audit expenses	457,617	340,407
Losses from the sale of current assets	1,748,108	1,740,552
Allocation to provisions for recultivation	499,485	1,112,247
Losses from the disposal of property, plant and equipment	1,619,915	2,929
General administration costs[1]	4,496,081	3,646,048
Costs of SME bond	129,024	1,527,213
Deconsolidation costs	1,832,674	–
Other expenses	1,660,942	845,529
	17,895,325	**14,405,991**

1 Insurance, rents, IT systems, monetary transactions, Annual General Meeting, investor relations, committees, travel expenses, external accounting in the USA

The item „Expenses for exchange rate losses“ mainly comprises expenses from exchange rate losses incurred at the level of Deutsche Rohstoff AG. These are primarily currency losses in connection with the sale of securities held as current assets and currency losses arising from the repayment of interest or loans by the US subsidiaries.

6.7. TAXES ON INCOME AND EARNINGS

The item „Taxes on income" is composed as follows:

In EUR	2024	2023
Actual taxes	923,703	–826,371
Refund of withholding tax	–	–
Income (-) / expense (+) from the change in deferred taxes	12,945,889	19,078,521
	13,869,592	**18,252,150**

7. Other notes

7.1. NOTES TO THE CONSOLIDATED CASH FLOW STATEMENT

Cash flow from operating activities of EUR 143.6 million in 2024 (previous year: EUR 139.3 million). This positive cash flow primarily resulted from revenues generated by the US subsidiaries 1876 Resources (EUR 134.3 million), Elster Oil & Gas (EUR 4.3 million), Salt Creek Oil & Gas (EUR 80.7 million), and Bright Rock Energy (EUR 16.2 million). These cash inflows were offset by cash expenses from ongoing operations, mainly operating costs of the wells (EUR 44.9 million) and personnel expenses (EUR 11.4 million). Interest income and expenses (EUR 12.7 million), as well as gains and losses from the disposal/valuation of marketable securities and other non-cash effects, are fully excluded from the operating cash flow. The reduction in working capital of around EUR 23.7 million led to a one-off burden on operating cash flow in 2024, primarily to take advantage of cost-reduction discounts within the completed drilling program. As a result, the Group expects a strong positive free cash flow in the first quarter of 2025.

Cash flow from investing activities in 2024 was primarily determined by investments in US oil and gas activities of approximately EUR 185.3 million, of which EUR 172 million was attributable to 1876 Resources, Bright Rock and to non-operated wells by Salt Creek in the Oxy area, and around EUR 13 million to midstream and infrastructure. Cash investments totaled approximately EUR 107 million at 1876 Resources, around EUR 44 million at Salt Creek Oil & Gas, and around EUR 34 million at Bright Rock Energy. Divestments from equity transactions and interest income of around EUR 5.1 million resulted in cash inflows in the investing segment.

Cash flow from financing activities amounted to EUR -21.4 million (previous year: EUR -39.6 million). Here, the proceeds from the drawdown of the loan facility in the USA in the amount of around EUR 32.0 million were primarily offset by the repayment of the 2019/2024 bond in the amount of EUR 20.5 million, payments for dividends (EUR 8.7 million), interest (EUR 13.8 million), minority interests and share buyback (EUR 11.5 million).

7.2. RELATED PARTY TRANSACTIONS

No material transactions were conducted with related parties at non-standard market conditions in the financial year.

7.3. CONTINGENT LIABILITIES, OTHER FINANCIAL OBLIGATIONS

Contingent liabilities

There were no liabilities from guarantee transactions as at the reporting date.

OFF-BALANCE SHEET TRANSACTIONS

	Purpose	Risks	Advantages
Operating leasing	Protecting the liquidity situation and improving the equity ratio	Risks exist in the non-cancellable basic rental period and the higher refinancing costs	Short contract term, allowing the leased items to be exchanged as technical progress is made

Other financial obligations

In addition to contingent liabilities, there are other financial obligations.

In EUR	Remaining term < 1 year	Remaining term > 1 year	2024
Office rent	588,357	2,247,555	2,835,912
Car leasing	19,117	25,525	44,642
Compressors	1,084,013	995,976	2,079,989
Other	2,322	768	3,090
			4,963,633

In EUR	Remaining term < 1 year	Remaining term > 1 year	2023
Office rent	460,982	650,773	1,111,755
Car leasing	17,365	10,361	27,727
Other	1,842	2,610	4,452
			1,143,934

Stock option programs

Based on the resolution of the Annual General Meeting of Deutsche Rohstoff AG on 10 July 2018, the Executive Board (or the Supervisory Board in the case of the issue of options to the Executive Board) was authorized to issue up to 200,000 share options with subscription rights to new registered shares in the company with a pro rata amount of the share capital of EUR 1.00 per share attributable to each share with a term of up to seven years to members of the Executive Board and members of the management of affiliated companies, selected employees of the company and affiliated companies, with the proviso that each share option generally grants the right to subscribe to one new share in the company.

The 200,000 share options were issued in full with the resolutions of 3 October 2018 (34,500 options to employees), 15 May 2019 (50,000 options to Executive Board members), 19 December 2019 (21,000 options to employees), 23 March (44,500 options to employees) and 9 July 2021 (50,000 options to Executive Board members).

Based on the resolution of the Annual General Meeting of Deutsche Rohstoff AG on 28 June 2022, the Executive Board (or the Supervisory Board in the case of the issue of options to the Executive Board) was again authorized to issue up to 200,000 share options with subscription rights to new no-par value registered shares in the company with a pro rata amount of the share capital of EUR 1.00 per share attributable to each share with a term of up to seven years to members of the Executive Board and members of the management of affiliated companies, selected employees of the company and affiliated companies, on the condition that each share option generally grants the right to subscribe to one new share in the company.

With the resolutions of 16 November 2022 (46,500 options to employees), 17 November 2022 (50,000 options to Executive Board members) and 18 September 18 2024 (10,000 options to employees), a total of 106,500 share options were issued.

Due to the exercise of 5,000 options to date in the 2022 financial year and 2,000 options in November 2023, the share option program led to an increase in share capital in the same amount in each case.

In the resolution of the Annual General Meeting of Deutsche Rohstoff AG on 10 July 2018, a cash settlement was excluded. However, in this resolution, the Annual General Meeting of Deutsche Rohstoff AG authorized the Executive Board (or the Supervisory Board in the case of the issue of options to the Executive Board) that the option conditions may also provide for a right of the company to make a cash settlement as an alternative to fulfilling the subscription rights.

The Executive Board therefore resolved on 1 December 2023, with the approval of the Supervisory Board on 1 December 2023, to pay cash compensation for all subscription rights issued in 2018 and 2019 and exercised or to be exercised in accordance with Section 8 of the 2018 share option program. Subscription rights of those subscription right holders who have signed the supplementary agreement to subscription agreements for share options as part of the 2018 share option program of Deutsche Rohstoff AG, to pay cash compensation in the amount of the difference between the exercise price pursuant to Section 6 (2) of the share option program and the closing price of the company's share in XETRA trading (or a comparable successor system) on the day the subscription right is exercised. Since the resolution until 31 December 2024, 92,500 subscription rights were settled in cash. Personnel costs of around EUR 1.6 million were set aside in the 2024 financial year for the further cash settlement of the remaining subscription rights as part of the 2018 share option program.

At the time they were granted, the share options had a value of EUR 0 thousand. As at the balance sheet date, this value amounted to EUR 0 thousand.

7.4. EMPLOYEES

Average number of employees during the financial year:

NUMBER OF EMPLOYEES

	2024	2023
Workers	13	5
Salaried Employees	53	39
Apprentices	–	–
	66	**44**

The average number of employees is the fourth part of the sum of the number of employees employed on 31 March, 30 June, 30 September and 31 December.

7.5. BODIES OF THE COMPANY

Board of Directors:

- **Jan-Philipp Weitz** Chairman of the Executive Board (CEO)
- **Henning Döring** Member of the Executive Board (CFO)

Supervisory Board:

- **Dr. Thomas Gutschlag** (Chairman), Mannheim, Entrepreneur and member of supervisory bodies
- **Martin Billhardt**, Brunnen (SZ)/Switzerland, Managing Director Sidlaw GmbH
- **Dr. Werner Zöllner**, Wörthsee, Main shareholder Seed GmbH

7.6. TOTAL REMUNERATION OF THE EXECUTIVE BOARD

The remuneration of the Executive Board of Deutsche Rohstoff AG for the performance of its duties in the parent company and subsidiaries amounted to EUR 1,227 thousand (previous year: EUR 883 thousand), including compensation payments for the acquisition of profits units in US subsidiaries. In addition, payments of EUR 339 thousand were made to settle claims from share options of a former member of the Executive Board.

7.7. TOTAL REMUNERATION OF THE SUPERVISORY BOARD

The remuneration of the Supervisory Board of Deutsche Rohstoff AG for the performance of its duties in the parent company and the subsidiaries amounted to EUR 203 thousand (previous year: EUR 203 thousand). In addition, profits incentives granted to US subsidiaries were compensated by a payment of EUR 327 thousand.

7.8. FEES FOR SERVICES PROVIDED BY THE AUDITOR

The total fee calculated for the fiscal year for the Group's auditor for audit services amounts to EUR 94 thousand.

7.9. SUBSEQUENT EVENTS

After the balance sheet date, the following events had a significant impact on the further course of business until the beginning of April 2025:

In mid-February 2025, Deutsche Rohstoff AG announced the status of its reserves as of 31 December 2024. The discounted value of the secure reserves increased from USD 386 million to USD 452 million. The discounted value of producing wells as of 31 December 2024 amounted to USD 381 million (previous year: USD 313 million). Despite record production of 5.4 million BOE in 2024 and a net operating cash flow at project level of around USD 200 million, the reserves thus produced were not only replaced but also further expanded.

The capital reduction by the 109,700 shares acquired as part of the share buyback program was registered on 8 April 2025. The company's new share capital thus amounts to 4,895,738 shares.

1876 Resources began its 2025 drilling program in the 1st quarter. A total of four wells have been drilled and are expected to be completed in Q2 2025.

On April 17, 2025, Deutsche Rohstoff AG successfully increased the outstanding 2023/2028 corporate bond by around EUR 40 million to a total of around EUR 140 million in a private placement to institutional investors.

Mannheim, 23. April 2025

The Executive Board

Jan-Philipp Weitz **Henning Döring**

Report of the Supervisory Board

Dear shareholders,

In the past financial year, the Supervisory Board of Deutsche Rohstoff AG (hereinafter also referred to as the „company") performed the duties incumbent upon it in accordance with the law, the articles of association and the rules of procedure and closely monitored the management of the business by the Executive Board in fulfillment of its advisory and supervisory function. The Supervisory Board was directly involved in all decisions of fundamental importance to the company. As part of the fulfillment of its duties, the Supervisory Board received regular, timely and comprehensive reports from the Executive Board on corporate planning, the situation and development of the company and its affiliated subsidiaries and associated companies, as well as on all significant business transactions, both in writing and verbally or by telephone. After careful examination and consultation, the Supervisory Board cast its vote on decisions or measures of the Executive Board that require approval in accordance with the law, the articles of association or the rules of procedure of the Executive Board, as well as on other decisions of fundamental importance.

In addition to the reports from the Executive Board, I maintained constant contact with the Executive Board in my role as Chairman of the Supervisory Board. I kept myself informed about current business developments within the Group, in particular the effects of the oil price trend, the development of oil and gas production in the USA, the progress of current investments and the liquidity and financing of the Group. Through my function as Chairman of the Boards of the US subsidiaries and as Chairman of the Supervisory Board of Ceritech AG and (in the reporting year) as a member of the Supervisory Board of Prime Lithium AG, I was kept informed in detail about the Group's activities at all times.

SUPERVISORY BOARD MEETINGS AND KEY TOPICS OF DISCUSSION

A total of seven Supervisory Board meetings were held in the 2024 financial year. All members of the Supervisory Board attended all meetings. No committees were formed. The meetings of the Supervisory Board in the 2024 financial year focused in particular on the following topics:

- the ongoing production of oil and gas in the USA at the various locations;
- the progress of the Farm-In and Development Agreement with Occidental Petroleum through the subsidiary Salt Creek Oil & Gas LLC;
- the development of the portfolio of shares and bonds;
- the development of land in Wyoming by the subsidiary 1876 Resources LLC, in particular the construction of a compressor plant to increase the capacity of the pipeline network;
- the development of costs for the new wells in Wyoming;
- the financing of the subsidiary Prime Lithium AG and the sale of the company's share package to the Executive Board and shareholder Dr. Axel Heitmann;
- the adoption of the annual financial statements and the approval of the consolidated financial statements of Deutsche Rohstoff AG for the 2023 financial year at the balance sheet meeting on 23 April 2024 after detailed discussion with the auditor of the annual and consolidated financial statements for the 2023 financial year;
- the business development and financial situation of Almonty Industries Inc. and the extension of existing loans and convertible bonds by Deutsche Rohstoff AG;
- the results of the company's interim financial statements as at 30 June 2024 and the quarterly report for the first nine months of 2024;
- a drilling program of the subsidiary Bright Rock Energy LLC with the corresponding financing;
- price hedging of the expected oil production in the years 2024 to 2026;
- the investment of the company's cash and cash equivalents;
- the development of commodity prices, in particular the price of oil in the USA and the European tungsten APT (ammonium paratungstate);
- the assessment of currency trends, in particular the EUR/USD;
- the investment and budget planning of the company and the Group for the 2025 financial year.

The budget planning prepared by the Executive Board for the 2025 financial year was reviewed and approved by the Supervisory Board. The strategic direction of the company and the Group was discussed, reviewed and adjusted on the basis of medium and long-term corporate planning and scenarios. The Supervisory Board analyzed and reviewed the information received from the Executive Board in detail and discussed it with the Executive Board. Particular attention was paid to the risk situation and risk management.

The Executive Board regularly informed the Supervisory Board about the net assets, financial position and results of operations of Deutsche Rohstoff AG and its subsidiaries and associated companies.

At various meetings and by means of resolutions outside of meetings, the Supervisory Board also gave its approval to transactions that require approval in accordance with the law, the company's articles of association or the rules of procedure for the Executive Board. In particular, this involved the approval of the following transactions or measures:

- the expansion of compressor capacity for the gas infrastructure in Wyoming;
- Group's capex budget and the budget for Deutsche Rohstoff AG for 2025;
- the increase in the capex budget for 2024 to accelerate the development of the 1876 Resources LLC sites and the granting of various loans;
- the purchase of the minority shareholders' shares in Bright Rock Energy LLC and the subsequent contribution of the shares to 1876 Resources LLC;
- the repurchase of treasury shares in the amount of up to EUR 4 million;
- compensation for the share options of the current Chairman of the Supervisory Board;
- the granting of various loans to Prime Lithium AG and the sale of the company's share package in Prime Lithium AG to the previous minority shareholder and Executive Board member Dr. Axel Heitmann;
- the settlement of the so-called B shares of Jan-Philipp Weitz and Thomas Gutschlag;
- the issue of share options from the 2022 share option program;
- the redemption of 109,700 shares acquired as part of the 2024/I share buyback program;
- the cash settlement of employee options and options held by the Executive Board;
- the granting of bonuses to the members of the Executive Board in accordance with the Executive Board contracts;
- the extension of the loans and convertible loans to Almonty Industries Inc. until October 2026.

In addition, the Supervisory Board resolved and implemented the new version of the Executive Board contracts of Jan-Philipp Weitz and Henning Döring and exercised its authority to amend the Articles of Association in the event of full or partial implementation of the conditional capital increase from Conditional Capital 2018.

ANNUAL FINANCIAL STATEMENTS, CONSOLIDATED FINANCIAL STATEMENTS, GROUP MANAGEMENT REPORT AND PROPOSAL FOR THE APPROPRIATION OF NET RETAINED PROFITS

Falk GmbH & Co KG Wirtschaftsprüfungsgesellschaft, based in Heidelberg, Im Breitspiel 21, 69126 Heidelberg („Falk" for short), was appointed as auditor and Group auditor for the 2024 financial year by the Annual General Meeting on 18 June 2024 and subsequently commissioned by the Supervisory Board to audit the company's separate and consolidated financial statements. Falk audited the separate and consolidated financial statements (including the Group management report) prepared by the Executive Board for the 2024 financial year and issued an unqualified audit opinion in each case.

All Supervisory Board members received the special documentation relevant to the financial statements, in particular the annual financial statements and consolidated financial statements, the associated audit reports from Falk and the Executive Board's proposal for the appropriation of net retained profits, in good time before the Supervisory Board's balance sheet meeting on 23 April 2025. All members of the Supervisory Board examined the aforementioned documents in detail in preparation for this meeting. At the balance sheet meeting, the annual financial statements, the consolidated financial statements, the Group management report and the proposal for the appropriation of the balance sheet profit were discussed in detail with the Executive Board. The Supervisory Board independently examined the annual financial statements prepared by the Executive Board as well as the consolidated financial statements and Group management report for legality, regularity, expediency and economic efficiency, as well as the Executive Board's proposal for the appropriation of net retained profits. The responsible partner from Falk and the audit manager also attended the balance sheet meeting on 23 April 2025. They reported on the audit, commented on the focal points of the audit and were available to answer additional questions and provide information to the Supervisory Board.

After a detailed examination of the annual financial statements and the consolidated financial statements as well as the Group management report for the 2024 financial year, the Supervisory Board raised no objections to this, nor to the Executive Board's proposal for the appropriation of net retained profits. The Supervisory Board concurred with Falk's audit findings and approved the annual financial statements and the consolidated financial statements of Deutsche Rohstoff AG. The annual financial statements of Deutsche Rohstoff AG are thus adopted.

The Supervisory Board would like to thank the members of the Executive Board and all employees for their great commitment and achievements in the 2024 financial year.

Mannheim, April 2024

For the Supervisory Board

Dr. Thomas Gutschlag
Chairman

Independent Auditor's Report

To Deutsche Rohstoff AG, Mannheim

AUDIT OPINIONS

We have audited the consolidated financial statements of Deutsche Rohstoff AG, Mannheim, and its subsidiaries (the Group) – which comprise the consolidated balance sheet as of 31 December 2024, and the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the financial year from 1 January to 31 December 2024, and notes to the consolidated financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the group management report of Deutsche Rohstoff AG, Mannheim, for the financial year from 1 January to 31 December 2024.

In our opinion, on the basis of the knowledge obtained in the audit

- the accompanying consolidated financial statements comply, in all material respects, with the requirements of German commercial law and give a true and fair view of the assets, liabilities and financial position of the Group as of 31 December 2024 and of its financial performance for the financial year from 1 January to 31 December 2024 in compliance with German Legally Required Accounting Principles, and
- the accompanying group management report as a whole provides an appropriate view of the Group's position. In all material respects, this group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to section 322 para. 3 sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and of the group management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the consolidated financial statements and of the group management report in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW).

Our responsibilities under those requirements and principles are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the consolidated financial statements and on the group management report.

OTHER INFORMATION

The Report of the Supervisory Board is the responsibility of the Supervisory Board. The executive directors are responsible for the other information. The other information includes:

- Letter from the Executive Directors to the Shareholders
- Comments on the shares and bonds in the Annual Report
- Report of the Supervisory Board

Our audit opinions on the consolidated financial statements and on the group management report do not extend to the other information, and accordingly, we do not express an opinion or any other form of assurance on it. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information referred to above and, in doing so, to consider whether the other information is

- materially inconsistent with the consolidated financial statements, the group management report or the knowledge obtained during our audit , or
- otherwise materially misstated.

If, as a result of our work, we conclude that there is a material misstatement relating to that other information, we are required to draw attention to that disclosure in the auditor's report. We have nothing to report.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE CONSOLIDATED FINANCIAL STATEMENTS AND THE GROUP MANAGEMENT REPORT

The executive directors are responsible for the preparation of the consolidated financial statements that comply, in all material respects, with the requirements of German commercial law and that the consolidated financial statements, in compliance with German Legally Required Accounting Principles, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, the executive directors are responsible for assessing the Group’s ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the group management report that, as a whole, provides an appropriate view of the Group’s position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the group management report.

The supervisory board is responsible for overseeing the Group’s financial reporting process for the preparation of the consolidated financial statements and of the group management report.

AUDITOR’S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS AND OF THE GROUP MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the group management report as a whole provides an appropriate view of the Group’s position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor’s report that includes our audit opinions on the consolidated financial statements and on the group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with section 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this group management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and of the group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the group management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with German Legally Required Accounting Principles.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express audit opinions on the consolidated financial statements and on the group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinions.
- Evaluate the consistency of the group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Heidelberg, 23 April 2025

FALK GmbH & Co. KG

Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

Steffen Ahrens	Bastian Wenk
Wirtschaftsprüfer	Wirtschaftsprüfer

Impressum

DISCLAIMER

FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements that reflect the manage ment's current views in respect of future developments. Such statements are subject to risks and uncertainties that are beyond the ability of Deutsche Rohstoff AG (DRAG) to control or estimate precisely. Such statements may include future market conditions and economic environment, the behaviour of other market participants, the successful acquisition or sale of group companies or interests and the actions of government bodies. Should any of the above stated risks or other risks and uncertainties occur, or should the assumptions underlying any of these statements prove incorrect, then the actual results may differ significantly from those expressed or implied by such statements. DRAG neither intends nor assumes any obligation to update any forward-looking statements to reflect events or developments that take place after the date of this report.

DEVIATIONS RESULTING FROM TECHNICAL GROUNDS

For technical reasons (e.g. resulting from the conversion of electronic for mats) deviations may arise between the accounting documents contained in this Annual Report and those submitted to the electronic Federal Gazette in Germany. In this case the version submitted to the electronic Federal Gazette shall be considered the binding version.

This English version of the Annual Report is a translation of the original German version; in the event of any deviation, the German version of the Annual Report shall take precedence over the English version.

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