

# Deutsche Rohstoff

Full-Year Report Webcall 2023

April 24, 2024

# 2023 Highlights...

... show that the record year of 2022 was no exception

**12,762** BOEPD

Record production

Last year: 9,600 BOEPD (+33 %)

**35.35** EUR

All-time high stock

Nov. 01, 2023

**EUR 198.4m**

Investment record

Last year: EUR 82.9m (+139 %)

**EUR 187.5m**

Record equity

Last year: EUR 132.4m (+42 %)

**EUR 65.2m**

Record profit

Last year: EUR 60.8m (+7 %)

**EUR 100.0m**

Bond issue

Fully placed for the first time

**EUR 15.6m**

Record shareholder return

Dividend, cash compensation  
and share buyback planned

**2.0m** BO

Record hedgebook

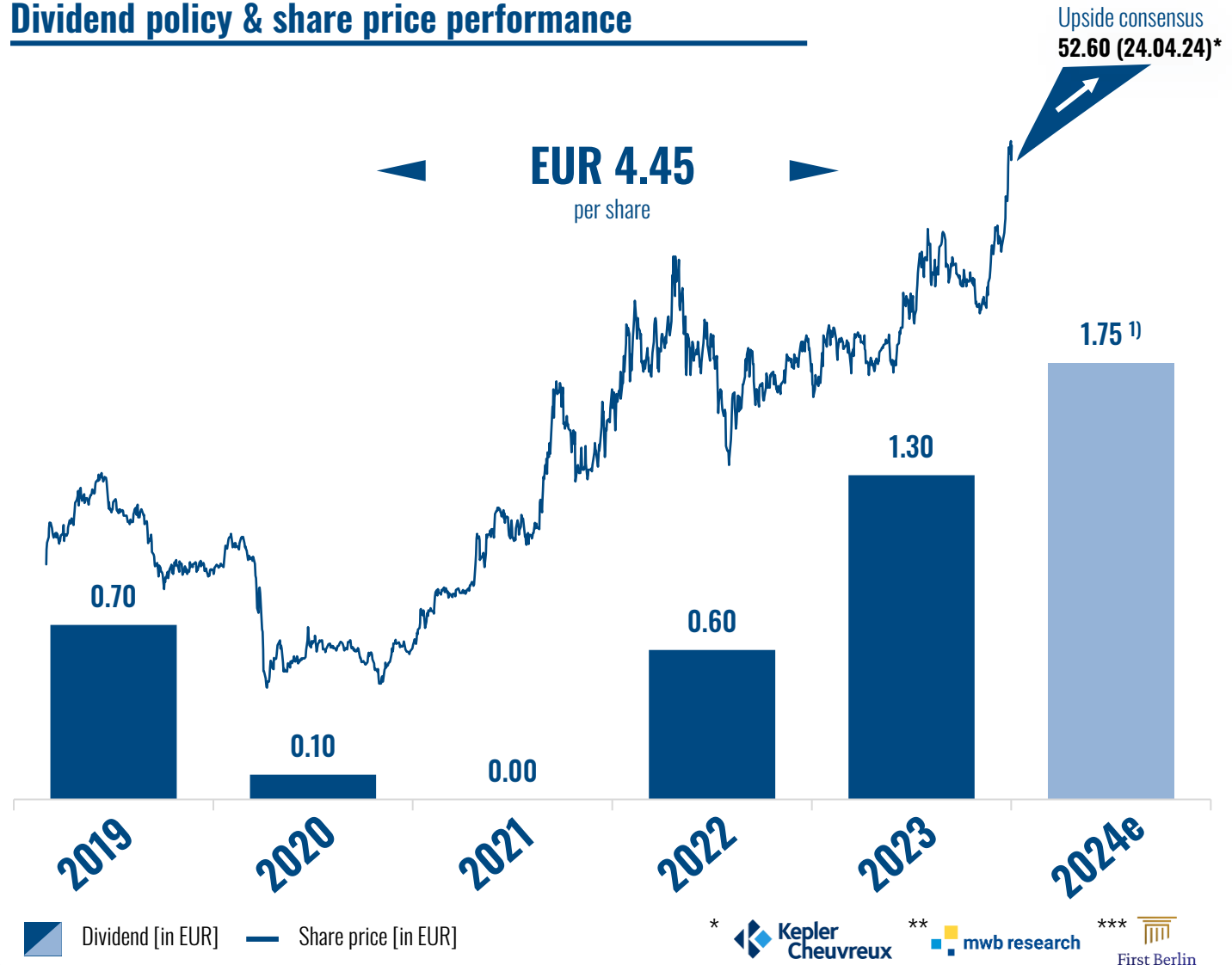
Last year: 0.7m BO (+181 %)



Deutsche Rohstoff

# EUR 15.6m - Dividend, cash compensation and share buyback

## Dividend policy & share price performance



## Shareholder return package 2024

- Largest shareholder return package in the company's history EUR 15.6m or EUR 3.15 per share
- <sup>1)</sup> Proposed dividend of EUR 1.75 (Last year: +35%)
- Share buyback program of up to EUR 4.0m or EUR 0.60 per share
- Cash settlement of all outstanding share options from the 2018 share option program in the amount of around EUR 3.0m or EUR 0.80 per share
- Avoided dilution of around 3.7%

# Key figures of the Group 2023

## Profit & Loss items

<i>mEUR</i>	2023	2022	↑ in %
<b>Revenue</b>	<b>196.7</b>	<b>165.4</b>	<b>19%</b>
Other operating income	20.6	25.9	-21%
Cost of materials	34.3	30.4	13%
Personnel expenses	10.3	6.5	59%
Other expenses	14.4	15.3	-6%
<b>EBITDA</b>	<b>158.3</b>	<b>139.1</b>	<b>14%</b>
Depreciation & Amortization <sup>1)</sup>	64.3	47.7	35%
<b>EBIT</b>	<b>94.0</b>	<b>91.4</b>	<b>3%</b>
Financial result	-8.2	-5.5	-50%
<b>EBT</b>	<b>85.7</b>	85.9	-
Taxes	18.3	19.8	-8%
<b>Group result</b>	<b>65.2</b>	<b>60.7</b>	<b>7%</b>
<i>Earnings per Share</i>	<b>13.02</b>	12.15	7%

1) Depreciation and amortization also includes write-downs of financial assets and marketable securities

## Balance sheet & Cash Flow items

<i>mEUR</i>	2023	2022	↑ in %
<b>Balance Sheet Total</b>	<b>493.8</b>	<b>350.3</b>	<b>41%</b>
Property, plant and equipment	317.6	192.6	65%
Equity	187.5	132.4	42%
<b>Equity Ratio</b>	<b>38.0%</b>	<b>37.8%</b>	-
Liabilities	204.8	149.9	37%
Financial liabilities	161.3	109.9	47%
Cash and cash equivalents <sup>2)</sup>	82.2	54.2	52%
Net debt	79.1	55.6	42%
<b>Net Debt/EBITDA Ratio <sup>3)</sup></b>	<b>0.5</b>	<b>0.4</b>	<b>25%</b>
<b>Operating Cash Flow</b>	<b>139.3</b>	<b>142.7</b>	<b>-2%</b>
<b>Investing Cash Flow</b>	<b>-149.4</b>	<b>-72.2</b>	<b>107%</b>
<b>Free Cash Flow</b>	<b>-10.1</b>	<b>70.6</b>	-
<i>Dividend proposal</i>	1.75	1.3	35%

<sup>2)</sup> Cash and cash equivalents are defined as bank balances plus marketable securities

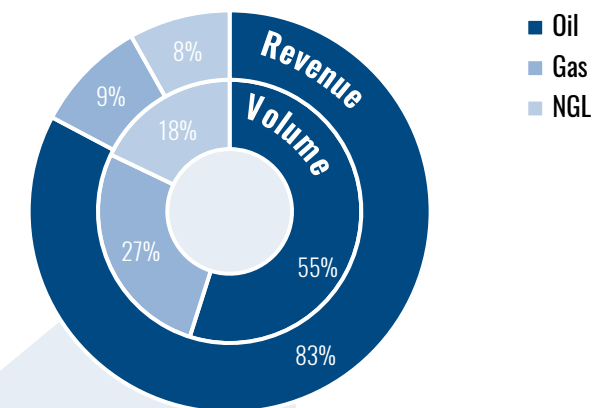
<sup>3)</sup> Leverage ratio is defined as Net Debt / EBITDA



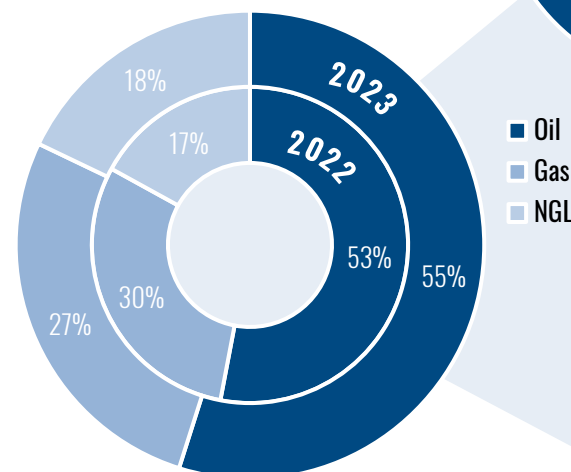
# Operating figures

	FY 2023	FY 2022
<b>REVENUES (in 000'EUR)</b>		
Oil Revenues	178,473	163,511
Gas Revenues	19,632	38,568
NGL Revenues	17,566	22,263
Production tax	-19,317	-20,315
Hedging	296	-38,588
<b>Total revenue</b>	<b>196,651</b>	<b>165,439</b>
Total revenue in 000' USD	212,507	171,453
<b>Volumes</b>		
Oil (bbl)	2,557,234	1,861,269
Gas (mcf)	7,602,981	6,317,164
NGLs (bbl)	833,581	587,696
BOE	4,657,979	3,501,826
BOEPD	12,762	9,594
<b>Oil (in USD/BBL)</b>		
Average WTI Price	77.58	94.90
Realized price before hedges	74.12	91.48
Profit(+)/Loss(-) from hedging	-0.21	-14.89
Realized price after hedges	73.91	76.59
<b>Natural gas (in USD/MMBTU)</b>		
Average Henry Hub Price	2.53	6.45
Realized price before hedges*	2.74	6.36
Profit(+)/loss(-) from hedges*	0.12	-2.11
Realized price after hedges	2.86	4.25
<b>OPEX (USD/BOE)</b>	<b>7.96</b>	<b>9.04</b>
<b>Depletion (USD/BOE)</b>	<b>14.54</b>	<b>12.46</b>

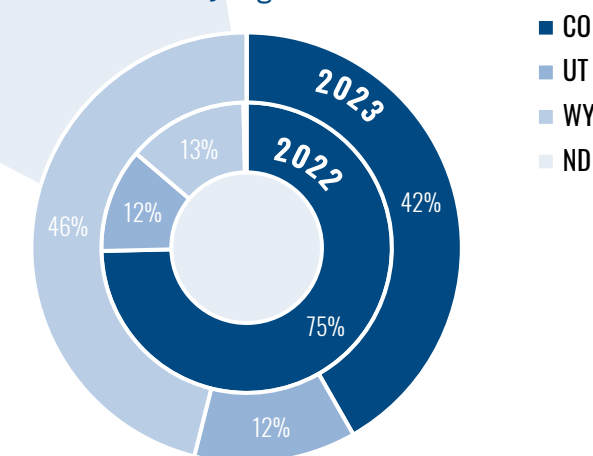
2023 Revenues and volumes per product



Volumes per product



Volumes by region



\*Derivatives generally do not refer to the Henry Hub gas price, but to a local trading point (e.g. CIG)

# Forecast 2024 & 2025

## Forecast figures

### Base scenario

	2024e	2025e
<b>Turnover</b> <i>mEUR</i>	210-230	180-200
<b>EBITDA</b> <i>mEUR</i>	160-180	125-145
Underlying assumptions:		
Oil price USD	75.00	75.00
Gas price USD	2.00	2.00
USD/EUR exchange rate	1.12	1.12

### Elevated scenario

	2024e	2025e
Turnover <i>mEUR</i>	235-255	210-230
EBITDA <i>mEUR</i>	180-200	150-170
Underlying assumptions:		
Oil price USD	85.00	85.00
Gas price USD	3.00	3.00
USD/EUR exchange rate	1.12	1.12

### ► Volume - 14,700-15,700 BOEPD in 2024e

- Of which 8,800-9,400 BOPD

### ► Revenue split

- Oil 80-85%
- Gas 15-20%

### ► Investments - EUR 145-165m in 2024e 2024

- 8-10 wells at 1876 Resources
- 3 Bright Rock wells in production from summer
- 10 wells in the Oxy & Salt Creek JV

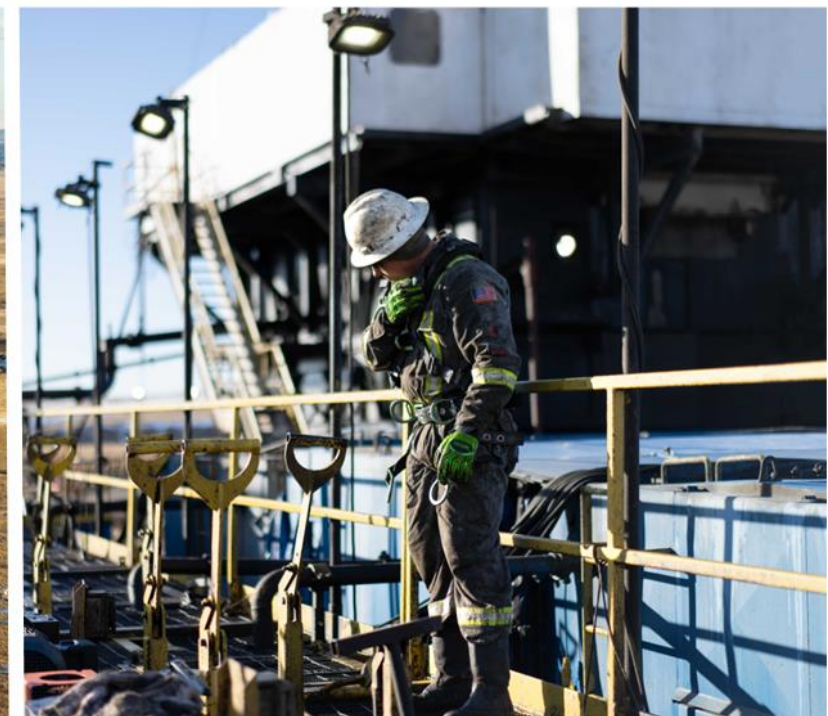
### ► Investments - EUR 100-110m in 2025e 2025

- 11 wells in Wyoming



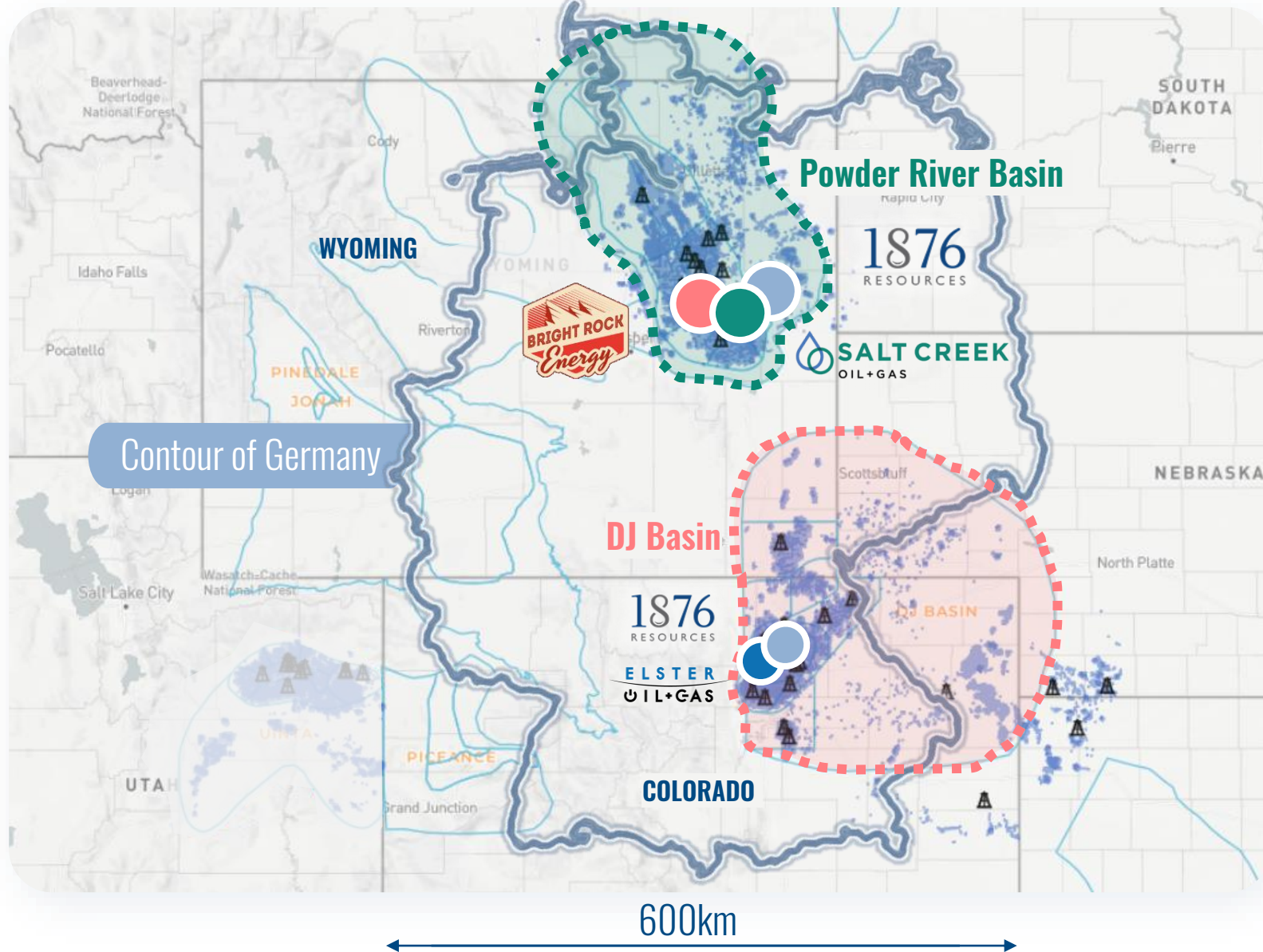


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# We produce in two US states with high levels of activity





# Strong production growth in Wyoming and Colorado

## Group production & EBITDA

■ Oil ■ Gas

**2020**

EBITDA  
24  
mEUR

mBOEPD  
4.2



**2021**

EBITDA  
66  
mEUR

mBOEPD  
7.1



**2022**

EBITDA  
139  
mEUR

mBOEPD  
9.6



**2023**

EBITDA  
158  
mEUR

mBOEPD  
12.8



**2024e**

EBITDA  
160-180  
mEUR

mBOEPD  
14.7-15.7



**2025e**

EBITDA  
125-145  
mEUR



## Production of 4,658 mBOE in 2023



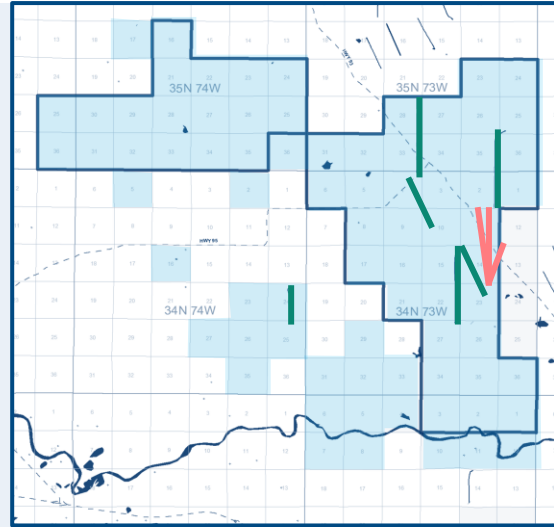
### Diversified production base

- ✓ Oil, gas and NGL sales from two US states
- ✓ Production from over 170 wells - as "operator" & in JVs
- ✓ 4 US subsidiaries allow competitive management

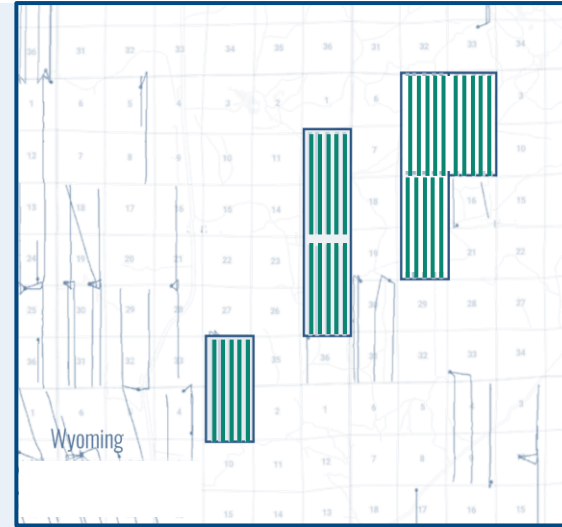
### USA offers optimal environment for Oil & Gas

- ✓ USA is the "Tier 1" regulatory and operating environment
- ✓ Cumulative EBITDA 2020 to 2025e of around EUR 692m

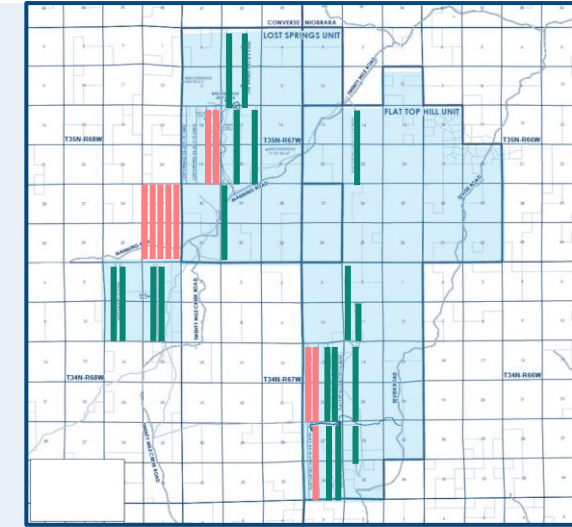
# Powder River Basin 2023 & 2024



- Start of drilling Bright Rock



- Huckleberry & Woody Pad came online throughout 2023, Lund Pad since 2022
- William Pad drilled



- 9 wells brought online: Lost Springs (3), Ethel (4) & Tina Pad (2)
- Acquisition midstream/pipeline
- Construction of water infrastructure

## 2023

## 2024

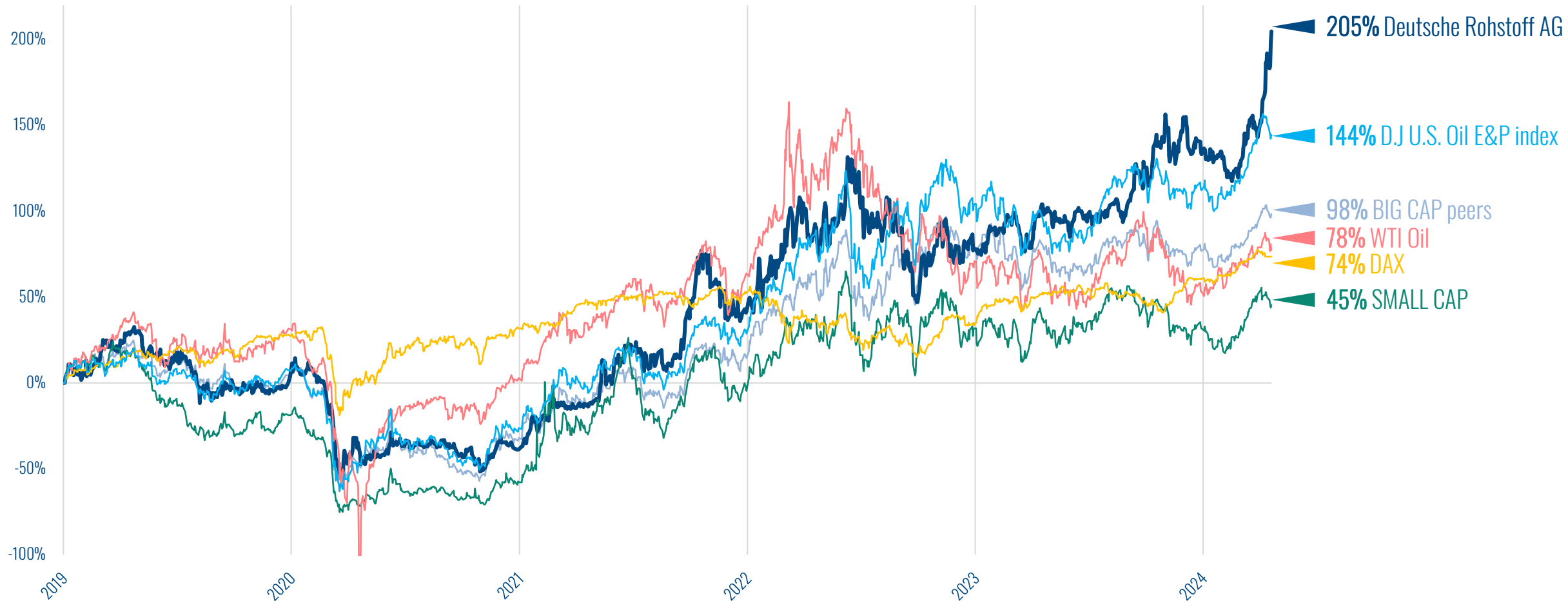
- Development of 3 new wells, including 1 Mowry Formation

- 10 wells on William Pad came online end of March

- 8-10 wells – drilling program since April 2024
- Expansion of midstream infrastructure



# Very good share price development



BIG CAP Peer group consists of: BP;OXY;EOG;DVN;FANG;HES;SHEL

SMALL CAP Peer group consists of: NOG;REI;AMPY;EPM;PNRG;EP;SBOW;SM;CPE;TXO;VTS

# 2023 Stock facts & highlights\*

ISIN/WKN: DE000A0XYG76/A0XYG7

Stock price performance

**+25%**

Last year: +26%

Year-end price

**32.45 EUR**

Previous year: EUR 26.00 (+25%)

Market capitalization

**EUR 162.4m**

Last year: EUR 130.1m (+25%)

Share turnover

**~ 354k per day**

TOP 5 in the segment: Scale All Share

Dividend

**1.75 EUR**

Last year: EUR 0.60 (+117%)

P/E ratio

**2.5x**

Last year: 2.1x (+19%)

Price-to-book ratio

**0.87x**

Last year: 0.98x (-11%)

Additional Return

- Share buyback agreed
- Convertible bond redeemed
- Cash compensation agreed





# Deutsche Rohstoff

Q7, 24

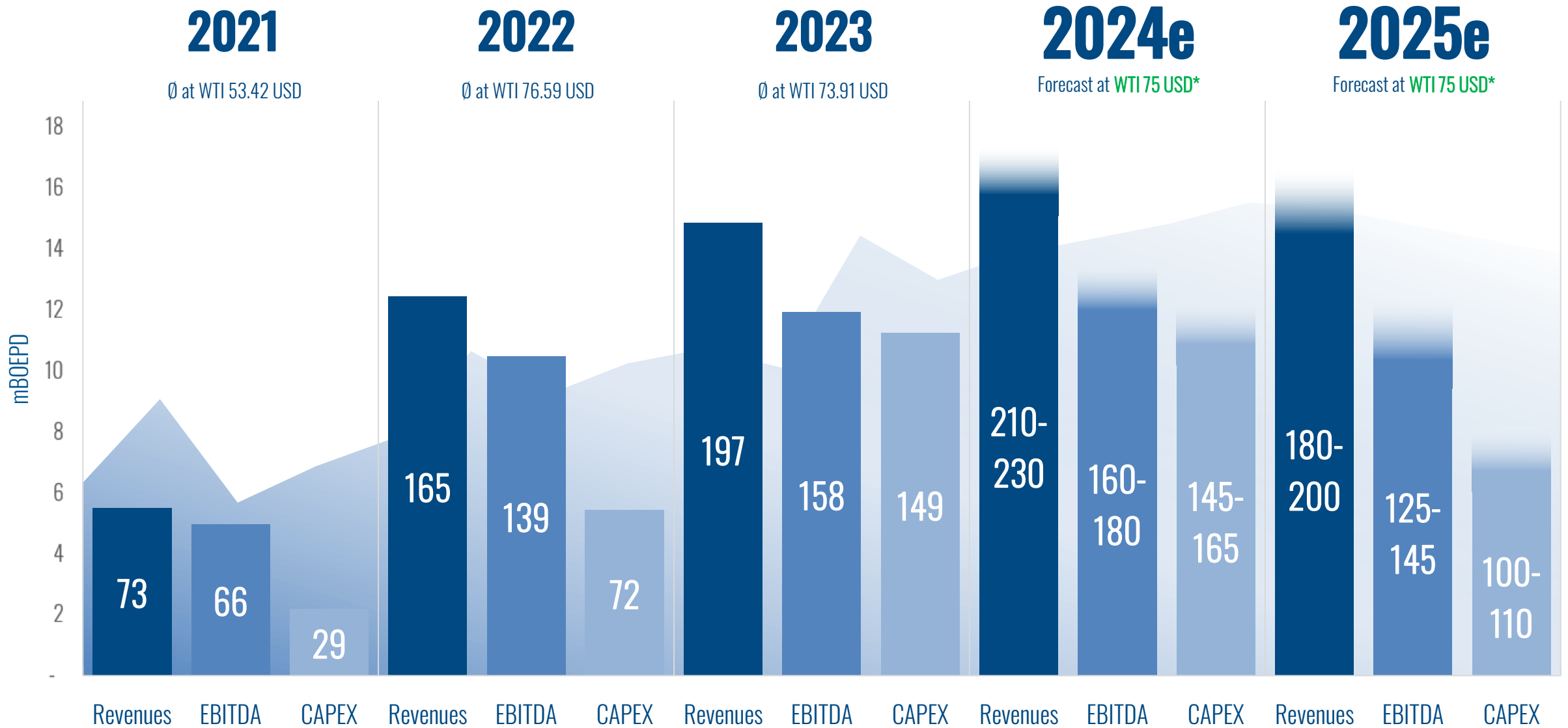
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# Further sales growth



Forecast corresponds to base scenario: Oil: USD 75/BBL (2024) and USD 75/BBL (2025); Gas: USD 2.0/MCF (2024) and USD 2.0/MCF (2025); EUR/USD: 1.12 (2024) / 1.12 (2025)  
 (Further information on the guidance is available at [www.rohstoff.de/guidance/](http://www.rohstoff.de/guidance/))



# Consolidated balance sheet

ASSETS	31.12.2023		31.12.2022		31.12.2021		31.12.2020	
	kEUR	in %	kEUR	in %	kEUR	in %	kEUR	in %
<b>A. FIXED ASSETS</b>								
I. Intangible assets	23,547	5%	33,929	10%	29,822	11%	21,892	11%
II. Property, plant and equipment	317,615	64%	192,640	55%	149,056	56%	112,778	55%
III. financial assets	30,569	6%	33,944	10%	32,963	12%	35,697	17%
<b>B. CURRENT ASSETS</b>								
II. Receivables and other assets	35,026	7%	33,617	10%	26,427	10%	10,832	5%
III. Securities held as current assets	6,380	1%	6,717	2%	10,792	4%	14,606	7%
IV. Bank balances	75,807	15%	47,479	14%	12,700	5%	8,210	4%
<b>C. PREPAID EXPENSES</b>	2,066	0%	863	0%	893	0%	1,047	1%
<b>D. DEFERRED TAX ASSETS</b>	1,233	0%	1,008	0%	2,164	1%	1,474	1%
<b>TOTAL ASSETS</b>	<b>493,765</b>	<b>100%</b>	<b>350,326</b>	<b>100%</b>	<b>264,991</b>	<b>100%</b>	<b>206,722</b>	<b>100%</b>
<b>PASSIVA</b>								
<b>A. EQUITY</b>	187,481	38%	132,365	38%	80,074	30%	45,589	22%
<b>B. PROVISIONS</b>	48,515	10%	32,653	9%	18,842	7%	7,335	4%
<b>C. LIABILITIES</b>	204,848	41%	149,942	43%	148,092	56%	138,610	67%
<b>D. ACCRUALS AND DEFERRALS</b>	84	0%	175	0%	-	0%	-	0%
<b>E. DEFERRED TAX LIABILITIES</b>	52,837	11%	35,192	10%	17,982	7%	15,187	7%
<b>TOTAL LIABILITIES</b>	<b>493,765</b>	<b>100%</b>	<b>350,326</b>	<b>100%</b>	<b>264,991</b>	<b>100%</b>	<b>206,722</b>	<b>100%</b>

# Profit & loss statement

	31.12.2023		31.12.2022		31.12.2021		31.12.2020	
	kEUR	in %	kEUR	in %	kEUR	in %	kEUR	in %
<b>1. SALES REVENUE</b>	<b>196,651</b>	<b>100%</b>	<b>165,439</b>	<b>100%</b>	<b>73,321</b>	<b>100%</b>	<b>38,683</b>	<b>100%</b>
2. INCREASE OR DECREASE IN FINISHED GOODS AND WORK IN PROCESS	29	0%	(45)	0%	(11)	0%	21	0%
3. OTHER OPERATING INCOME	20,553	10%	25,855	16%	22,974	31%	7,692	20%
4. COST OF MATERIALS	34,294	17%	30,443	18%	18,106	25%	11,630	30%
5. PERSONNEL EXPENSES	10,275	5%	6,458	4%	5,110	7%	3,647	9%
6. OTHER OPERATING EXPENSES	14,406	7%	15,261	9%	7,009	10%	7,185	19%
<b>EBITDA</b>	<b>158,258</b>	<b>80%</b>	<b>139,088</b>	<b>84%</b>	<b>66,058</b>	<b>90%</b>	<b>23,935</b>	<b>62%</b>
7. DEPRECIATION AND AMORTIZATION	63,619	32%	42,168	25%	30,311	41%	31,458	81%
8. AMORTIZATION OF FINANCIAL ASSETS AND SECURITIES CLASSIFIED AS CURRENT ASSETS	671	0%	5,489	3%	3,157	4%	8,613	22%
<b>EBIT</b>	<b>93,968</b>	<b>48%</b>	<b>91,431</b>	<b>55%</b>	<b>32,590</b>	<b>44%</b>	<b>(16,135)</b>	<b>-42%</b>
9. OTHER INTEREST AND SIMILAR INCOME	1,490	1%	1,385	1%	743	1%	565	1%
10. INTEREST AND SIMILAR EXPENSES	9,719	5%	6,878	4%	6,277	9%	6,954	18%
11. INCOME TAXES	18,252	9%	19,752	12%	699	1%	(6,425)	-17%
12. EARNINGS AFTER TAXES	67,487	34%	66,186	40%	26,357	36%	(16,098)	-42%
13. OTHER TAXES	3	0%	-	0%	-	0%	-	0%
<b>14. CONSOLIDATED NET INCOME (+) / LOSS (-) FOR THE YEAR</b>	<b>67,483</b>	<b>34%</b>	<b>66,186</b>	<b>40%</b>	<b>26,357</b>	<b>36%</b>	<b>(16,099)</b>	<b>-42%</b>
15. PROFIT (-)/LOSS (+) ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(2,308)	-1%	(5,420)	-3%	(1,563)	-2%	589	2%
16. PROFIT CARRYFORWARD	77,937	40%	23,408	14%	9,505	13%	25,015	65%
17. CONSOLIDATED NET RETAINED PROFIT	143,122	73%	84,174	51%	34,299	47%	9,505	25%

# Cash flow statement

	31.12.2023 KEUR	31.12.2022 KEUR	31.12.2021 KEUR	31.12.2020 KEUR
<b>Profit for the period</b>	<b>67,483</b>	<b>66,186</b>	<b>26,357</b>	<b>(16,099)</b>
+/- Write-downs / write-ups of fixed assets	63,384	39,790	32,805	37,702
+/- Increase / decrease in provisions	(5)	18,882	(927)	(11,411)
+/- Other non-cash expenses / income	2,028	268	(816)	2,843
-/+ Increase / decrease in inventories, trade receivables and other assets that cannot be allocated to investing or financing activities	(4,626)	(6,680)	(12,542)	4,935
+/- Increase / decrease in trade payables and other liabilities that cannot be allocated to investing or financing activities	2,619	9,206	19,449	(2,223)
-/+ Proceeds from disposals of intangible assets	(14,388)	(10,145)	(736)	(286)
-/+ Gains / losses from the disposal of fixed assets	(2,884)	1,868	(18,093)	(1,433)
+/- Interest expenses / income	8,229	5,493	5,533	6,388
+/- Income taxes payments / returns	17,420	17,863	792	(6,425)
<b>Cash flow from operating activities</b>	<b>139,260</b>	<b>142,732</b>	<b>51,822</b>	<b>13,991</b>
+/- Cash received / paid from disposals of intangible assets	9,760	(6,034)	(9,320)	(5,993)
+ Proceeds from disposals of intangible assets	27,879	6,490	-	2
- Cash paid for investments in property, plant and equipment	(198,443)	(82,915)	(41,876)	(30,731)
+ Cash received from disposals of fixed financial assets	7,459	11,327	1,088	416
- Cash paid for investments in fixed financial assets	-	(3,721)	(1,398)	(4,348)
+/- Cash received / paid in connection with short-term financial management of cash investments	3,220	2,059	21,907	(8,209)
+ Interest received	760	631	253	132
<b>Cash flow from investing activities</b>	<b>(149,366)</b>	<b>(72,164)</b>	<b>(29,346)</b>	<b>(48,731)</b>
+/- Proceeds from equity contributions from shareholders of the parent company	39	98	-	-
+/- Cash received / paid from equity contributions by other shareholders	1,928	(16,271)	(146)	(97)
+ Proceeds from the issue of bonds and the raising of (financial) loans	82,567	21,334	19,006	7,322
- Payments from the redemption of bonds and (financial) loans	(30,322)	(29,439)	(31,729)	(16,658)
- Interest paid	(7,939)	(6,725)	(6,515)	(7,515)
- Dividends paid to shareholders of the parent company	(6,504)	(2,666)	-	(495)
- Dividends paid to other shareholders	(208)	(1,063)	(328)	(249)
<b>Cash flow from financing activities</b>	<b>39,561</b>	<b>(34,732)</b>	<b>(19,711)</b>	<b>(17,692)</b>
Change in cash and cash equivalents	29,455	35,836	2,765	(52,432)
+/- Changes in cash and cash equivalents due to exchange rates and valuation	(1,223)	(45)	636	(639)
+ Cash and cash equivalents at the beginning of the period	47,402	11,611	8,209	61,281
<b>Cash and cash equivalents at the end of the period</b>	<b>75,634</b>	<b>47,402</b>	<b>11,611</b>	<b>8,210</b>



# Reserve Highlights

**+27%**

y-o-y

Discounted Cash Flow of producing reserves

**+10%**

y-o-y

Discounted Cash Flow of proven reserves

## Proved developed reserves (NYMEX 31 Dec 23)<sup>1</sup>

**Cash Flow:**  
USD 467.5m

**Discounted Cash Flow:**  
USD 313.4m

## Proved Reserves

**Cash Flow:**  
USD 686.6m

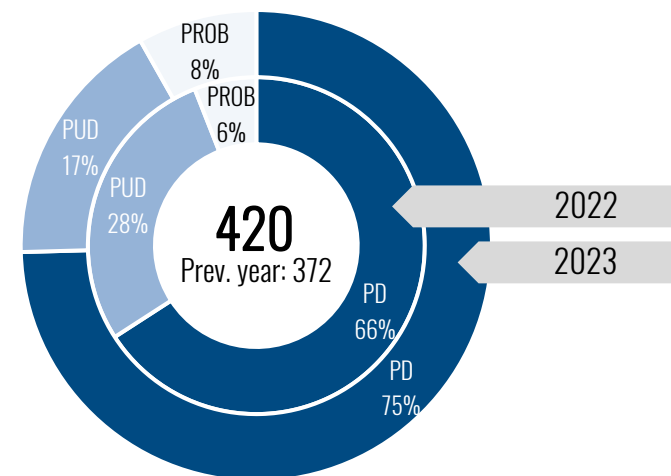
**Discounted Cash Flow:**  
USD 385.9m

## Proved reserves at WTI 80 USD<sup>2</sup>

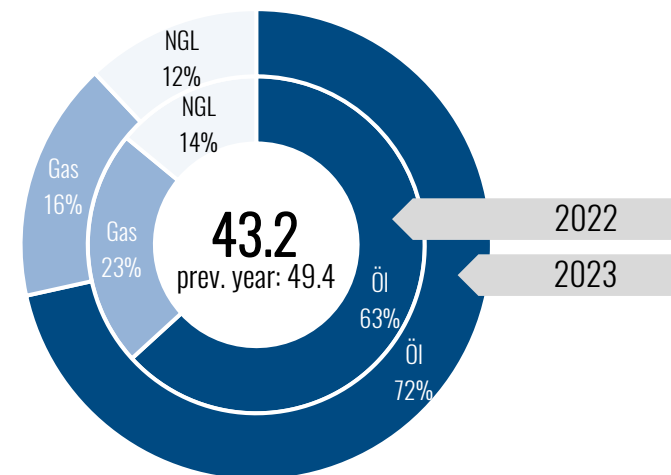
**Cash Flow:**  
USD 1,165.2m

**Discounted Cash Flow:**  
USD 585.9m

## Discounted Cash Flow in mUSD per reserve category<sup>3</sup>



## Reserves by product in Mio. BOE<sup>4</sup>



<sup>1</sup> HenryHub Strip 31.12.23

<sup>2</sup> HenryHub: 4 USD/MMBtu

<sup>3</sup> PD: Proved Developed, PUD: Proved Undeveloped, PROB: Probable

<sup>4</sup> Natural gas is converted to BOE with an industry standard of 6000 mcf

# Reserves as of 1 Januar 2024<sup>1</sup>

in mUSD	Proved			Probable	Total
	Proved Developed	Proved Undeveloped	Proved	Probable	
<b>Mio. BOE</b>	18.9	12.5	31.4	11.9	43.2
Revenue <sup>2</sup>	807.2	660.8	1,467.9	710.4	2,178.3
Production tax	91.4	80.4	171.9	85.1	257.0
OPEX	247.4	135.5	382.9	134.2	517.2
<b>Operational Cash Flow</b>	468.3	444.8	913.1	491.0	1,404.1
CAPEX	0.8	225.7	226.5	285.5	512.0
<b>Cash Flow<sup>3</sup></b>	<b>467.5</b>	<b>219.1</b>	<b>686.6</b>	<b>205.4</b>	<b>892.1</b>
<b>Discounted Cash Flow (10%)</b>	<b>313.4</b>	<b>72.5</b>	<b>385.9</b>	<b>34.4</b>	<b>420.3</b>
Net wells	96.1	22.4	118.5	26.7	145.2

## Discounted Cash Flow (10%) for different price scenarios

<b>60 USD/bbl and 3 USD/MMBtu</b>	265.9	46.0	311.8	20.3	332.1
<b>80 USD/bbl and 4 USD/MMBtu</b>	404.1	181.8	585.9	120.9	706.8

### Oil price sensitivity

An increase in the long-term oil price from USD 60 to USD 80 increases the value of the reserves by USD 375m

### High additional potential

A total of over 100 gross wells are possible on the acreage position

### No efficiency gains priced in

Significant efficiency gains in terms of CAPEX and OPEX are possible through continuous drilling programs

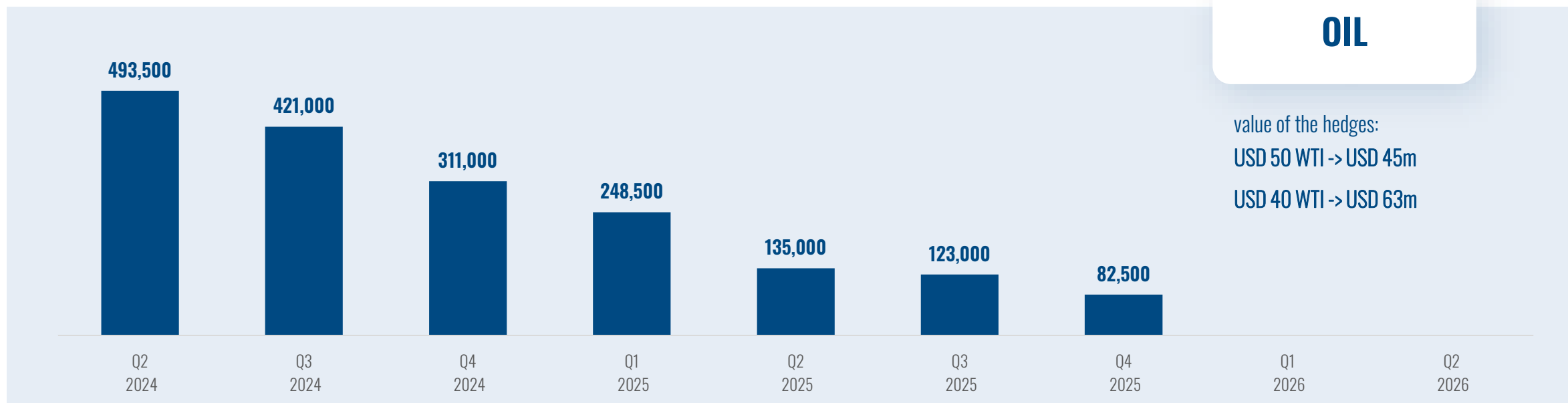
<sup>1</sup> The reserves include the reserves of the subsidiaries 1876 Resources, Bright Rock Energy, Elster Oil & Gas and Salt Creek Oil & Gas. Reserves of 1876 Resources, Bright Rock Energy and Salt Creek Oil & Gas were prepared by independent reserve auditors. The reserves of Elster Oil & Gas were prepared without an external auditor.

<sup>2</sup> Revenues are less the shares of partners and royalties.

<sup>3</sup> Cash flow is defined as 100% of sales attributable to the Group less production taxes, OPEX and CAPEX

# Strong hedge book - 2024 production hedged at around USD 75/BBL

## Hedged volume in barrels



**OIL**

value of the hedges:  
 USD 50 WTI -> USD 45m  
 USD 40 WTI -> USD 63m

	<b>TOTAL HEDGES</b>	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Q1 2026	Q2 2026
Volume in BBL	1,815,500	493,500	421,000	311,000	248,500	135,500	123,000	82,500	-	-
Price floor in USD/BBL	74.8	76.8	76.8	75.2	73.4	69.9	70.4	69.9	-	-
Volume MMBtu	1,166,250	248,750	255,000	235,000	220,000	207,500	-	-	-	-
Price floor in USD/MMBtu	3.44	3.5	3.4	3.4	3.4	3.6	-	-	-	-



# Glossary

BO or BBL	Barrel of oil or barrel
BOE	Barrels of oil equivalent (oil, gas, NGLs)
BOEPD / BOPD	Barrels of oil equivalent per day / barrels of oil per day
Brent	Brent is a European crude oil grade
CAPEX	Capital Expenditure (defined as Investing Cash Flow for reasons of simplification)
CF	Cash Flow
CO	Colorado
DRAG	Deutsche Rohstoff AG
DSU	Drilling spacing unit
E&P	Exploration and production
EBIT	Earnings before interest and taxes
EBITDA	Earnings before interest, taxes, depreciation and amortization
EBT	Earnings before taxes
Enterprise Value (EV)	Enterprise value is the measure of the total value of a company; EV = market capitalization + net debt
ESG	Environmental, social and corporate governance
EUR	Euro
FCF	Free cash flow
HGB	Commercial Code
Henry Hub (HH)	Pricing point for natural gas futures contracts traded on NYMEX, considered the benchmark for natural gas prices in North America
LOE	Lease operating expenses - operating expenses for leases (reported under cost of materials in the HGB income statement)

# Glossary

Market Cap	Market capitalization: Refers to the total market value of a company's outstanding shares
mBOPD/BOEPD	Thousand of barrels of oil per day/ Barrels of oil equivalent per day
MCF	Thousand cubic feet
m	million
Mi	Miles
billion.	billion
MMBTU	Million British Thermal Units
Mt	Metric tons
Net debt	Net debt
NGL	Liquid gas: ethane, propane, butane
OPEC	Organization of the Petroleum Exporting Countries
OPEX	Operating expenses
P&G	Processing & Gathering
TEUR or TUSD	Thousand euros or US dollars
TWh	terawatt hour
USD	US dollar
UT	Utah
WI	Working interest: share of producing wells, unweighted by length
WTI	West Texas Intermediate crude oil
WY	Wyoming