



wintershall dea

# WINTERSHALL DEA

Q1 2023 RESULTS PRESENTATION

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26 April 2023

## Q1 2023 RESULTS PRESENTATION

# DISCLAIMER

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### Forward-Looking Statements

This document includes projections and other "forward-looking statements", which are based on expectations of the company's management and projections about future events and financial performance as of the date of the presentation. These forward-looking statements involve a number of risks, uncertainties, and assumptions about the company and its subsidiaries, which are beyond the control of the company. In light of these risks, uncertainties and assumptions, actual results may not occur or may differ materially from those predicted in the forward-looking statements and from the past performance of the company. As a result, you should not rely on these forward-looking statements. The company accepts no obligation to update any forward-looking statements set forth herein or to adjust them to future events or developments.

If the company uses terms like "Net zero by 2030", "Net zero GHG emissions by 2030" or similar expressions they refer to the target to reduce the Scope 1 and Scope 2 greenhouse gas emissions of the upstream activities, operated and non-operated at equity basis to net zero by 2030.

### Non GAAP and Non IFRS Financial Measures

This document contains certain non GAAP and non IFRS measures and ratios, including for example EBITDAX, net debt, net working capital, coverage ratios and EBITDAX per boe that are not required by, or presented in accordance with, any GAAP or IFRS.

These non GAAP and non IFRS measures and ratios may not be comparable to similarly titled measures used by other companies and have limitations as analytical tools and should not be considered in isolation or as a substitute for analysis of our operating results as reported under IFRS or any GAAP. The company's management uses these measures to measure operating performance and liquidity as a basis for strategic planning and forecasting, as well as monitoring certain aspects of our operating cash flow and liquidity. Non GAAP and non IFRS measures and ratios such as EBITDAX, coverage ratios and EBITDAX per boe are not measurements of the company's performance or liquidity under IFRS and should not be considered as alternatives to operating profit, profit for the year, capital expenditure or any other performance measures derived in accordance with IFRS or any GAAP or as alternatives to cash flow from operating, investing or financing activities.

Some of the limitations of EBITDAX are:

- They do not reflect the company's cash expenditures or future requirements for contractual commitments
- They do not reflect changes in, or cash requirements for, our working capital needs
- They do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on our debt
- Although depreciation and amortization are non cash charges, the assets being depreciated and amortized will often need to be replaced in the future and EBITDAX does not reflect any cash requirements that would be required to make such replacements; and
- They do not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations

Because of these limitations, EBITDAX should not be considered as measures of discretionary cash available to us to invest in the growth of our business or as measures of cash that will be available to us to meet our obligations.

As a result of the ongoing exit from Russia, all figures attributable to it will be excluded hereafter unless otherwise stated.



# Q1 2023 REVIEW

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# KEY MESSAGES

## OPERATIONAL PERFORMANCE

- Production **318 mboe/d (Q1 '22 318 mboe/d)**;
- **Njord (NOR)** tie-in fields Hyme and Bauge achieved first production;
- **Dvalin development (NOR)** expected on stream in Q2;
- The **Zama project (MEX)** partners submitted Unit Development Plan;
- **Fénix development (ARG)** progressing, expected 1<sup>st</sup> gas in 2025;
- **Oil discovery in Mexico** (Kan – Block 30) with the potential to contain 200 to 300 million barrels oil equivalent in place.

## FINANCIAL PERFORMANCE

- EBITDAX of **€1.14 billion (Q1 '22 €1.33 billion)**;
- Adjusted net income of **€298 million (Q1 '22 €271 million)**;
- Free cash flow of **€164 million (Q1 '22 €689 million)**;
- Strong cash position of **€2.93 billion**, Net debt at **€1.52 billion**, leverage at **0.27x**;
- **Moody's and Fitch reiterated current credit ratings** at Baa2 and BBB with stable outlooks, respectively.

## OTHER DEVELOPMENTS

- **Hokchi acquisition (MEX) completed:** 37% non-operated interest in the oil producing Hokchi Block offshore Mexico;
- **GHG intensity reduced** to 8 kgCO<sub>2</sub>e in 2022;
- **Carbon Management and Hydrogen**
  - Project Greensand in Denmark – first pilot injections commenced in March 2023;
  - Award of the 2<sup>nd</sup> operated CO<sub>2</sub> storage licence in the Norwegian North Sea ('Havstjerne') with the potential to store up to 7 million tonnes of CO<sub>2</sub> annually.

# FINANCIAL AND OPERATIONAL RESULTS

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Q1 2023 RESULTS PRESENTATION

# GAS AND OIL PRICE DEVELOPMENT

## TTF PRICE DEVELOPMENT (\$/MSCF)



SOURCE: HEREN/ARGUS; FX CONVERSION ACCORDING TO ECB

## BRENT PRICE DEVELOPMENT (\$/BBL)



SOURCE: PLATTS

# PERFORMANCE SUMMARY<sup>1</sup>

## HEALTH AND SAFETY

**3.24** **TRIR<sup>2</sup>**  
Q1 2022: 3.12

**1.13** **LTIR<sup>2</sup>**  
Q1 2022: 0.48

## OPERATIONAL

**318** **PRODUCTION<sup>3</sup>**  
mboe/d  
Q4 2022: 323 mboe/d  
Q1 2022: 318 mboe/d

**5.9** **PRODUCTION COSTS**  
€ per boe  
Q4 2022: €6.0/boe  
Q1 2022: €6.3/boe

**214** **CAPEX<sup>4</sup>**  
€ million  
Q4 2022: €226 million  
Q1 2022: €208 million

YoY



## FINANCIAL

**1,142** **EBITDAX**  
€ million  
Q4 2022: €1,258 million  
Q1 2022: €1,332 million

**298** **ADJ. NET INCOME**  
€ million  
Q4 2022: €73 million  
Q1 2022: €271 million

**164** **FREE CASH FLOW**  
€ million  
Q4 2022: €151 million  
Q1 2022: €689 million

YoY



1 | ALL FIGURES SHOWN EXCLUDE SEGMENT RUSSIA

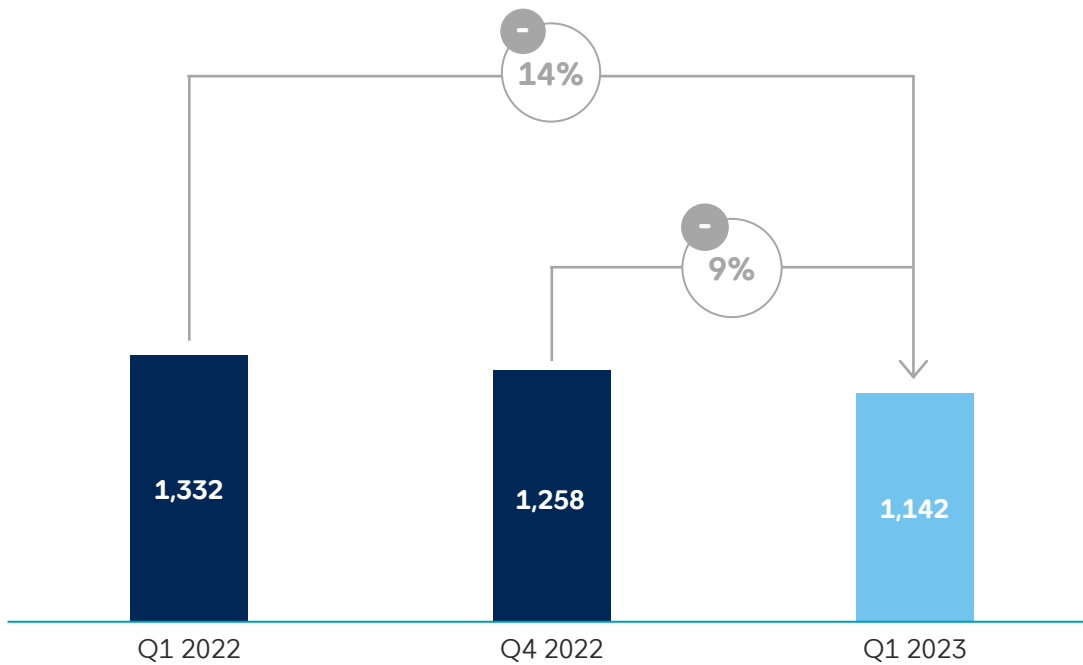
2 | BASED ON THE LAST 12 MONTHS PER MILLION HOURS WORKED

3 | ON A WORKING INTEREST BASIS, INCLUDING PROPORTIONAL PRODUCTION FROM AT EQUITY ACCOUNTED COMPANIES, EXCLUDING LIBYA ONSHORE PRODUCTION

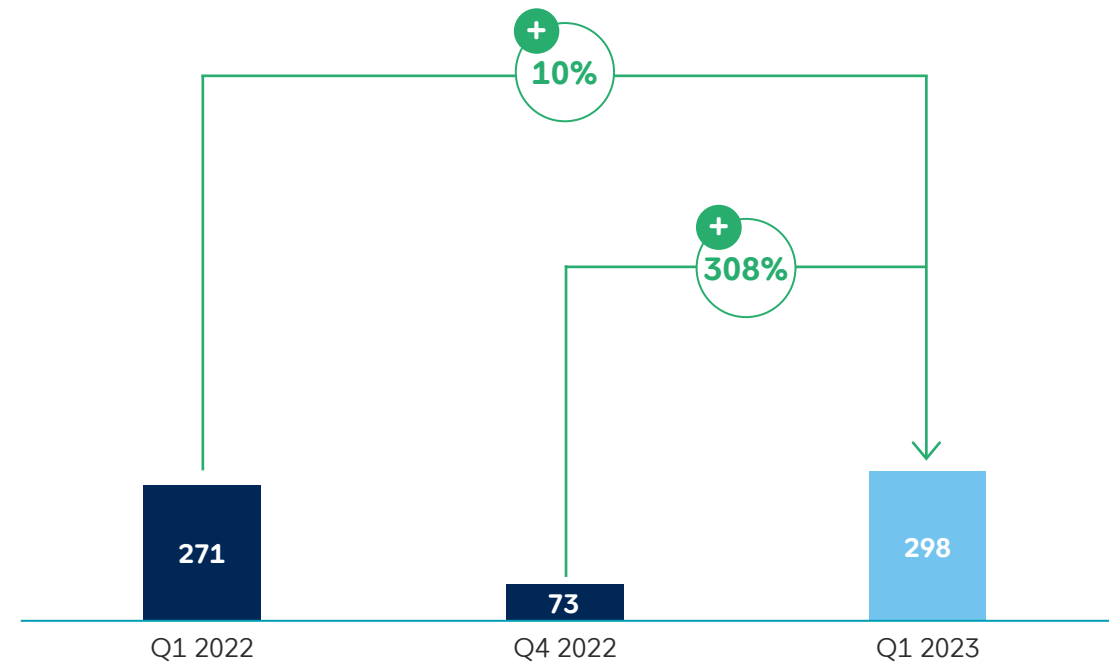
4 | EXCLUDING CAPITALISED EXPLORATION AND ACQUISITIONS

# FINANCIAL PERFORMANCE

## EBITDAX (€ MILLION)



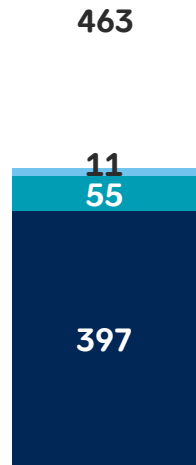
## ADJUSTED NET INCOME (€ MILLION)



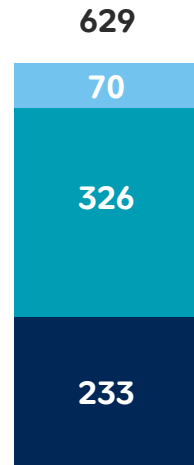


# SOURCES AND USES OF CASH

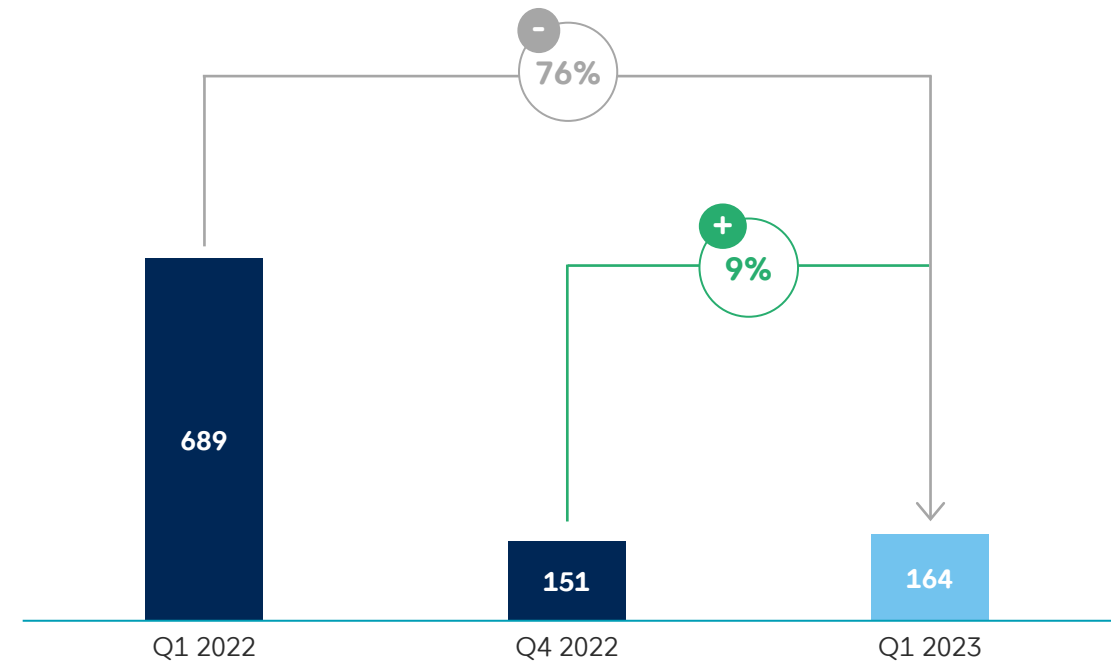
## SOURCES (€ MILLION)



## USES (€ MILLION)



## FREE CASH FLOW (€ MILLION)



- PROCEEDS FROM DISPOSALS AND DIVESTITURES
- CASH POOLING<sup>1</sup>
- CASH FLOW FROM OPERATING ACTIVITIES
- OTHER<sup>2</sup>
- NET PAYMENTS FOR ACQUISITIONS
- TOTAL CAPEX<sup>3</sup>

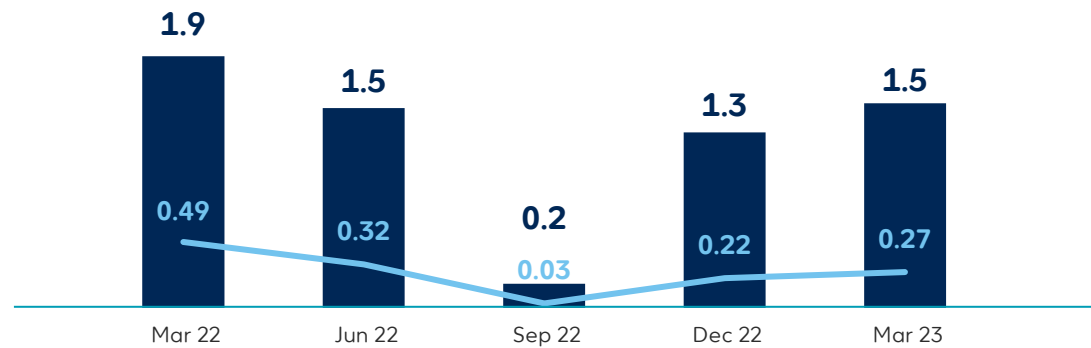
1 | CHANGES IN FINANCIAL LIABILITIES TO RELATED PARTIES  
 2 | REPAYMENT OF LEASE LIABILITIES, DISTRIBUTIONS PAID TO SUBORDINATED NOTES INVESTORS AND EFFECTS OF FOREIGN EXCHANGE RATE CHANGES  
 3 | INCLUDING CAPITALISED EXPLORATION

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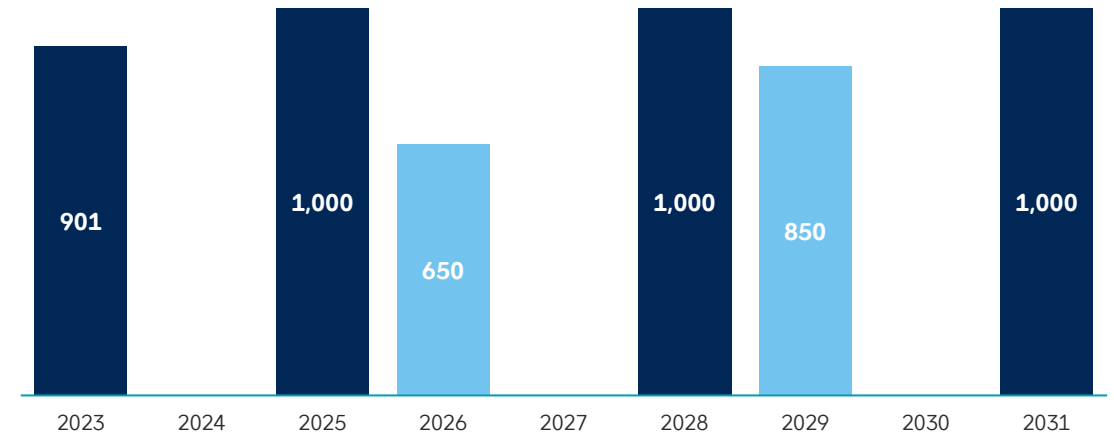
# BALANCE SHEET

## LEVERAGE EVOLUTION<sup>1</sup> (X)

Cash & Cash Equivalents<sup>2</sup>  
(€ BILLION)



## DEBT MATURITY PROFILE (€ MILLION<sup>3</sup>)



■ NET DEBT (€ BILLION)    ■ LEVERAGE

■ SENIOR NOTES    ■ SUBORDINATED NOTES<sup>4</sup>

1 | ACCORDING TO IFRS, NET DEBT DIVIDED BY LAST TWELVE MONTHS EBITDAX (EXCLUDING RUSSIA)  
 2 | CASH AND CASH EQUIVALENTS INCLUDING CASH POOL RECEIVABLES  
 3 | FACE VALUES  
 4 | SUBORDINATED NOTES SHOWN UNTIL FIRST CALL DATE

# OUTLOOK

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Q1 2023 RESULTS PRESENTATION

# GUIDANCE

|                                 | 2023 GUIDANCE          | 2023 GUIDANCE<br>Q1 update |
|---------------------------------|------------------------|----------------------------|
| <b>Production<sup>1</sup></b>   | 325 – 350 mboe/d       | unchanged                  |
| <b>Capex</b>                    | €1,200 – 1,400 million | unchanged                  |
| <b>Exploration Expenditures</b> | €200 – 250 million     | unchanged                  |

<sup>1</sup> | ON A WORKING INTEREST BASIS, INCLUDING PROPORTIONAL PRODUCTION FROM AT EQUITY ACCOUNTED COMPANIES, EXCLUDING LIBYA ONSHORE PRODUCTION

# 2023 SENSITIVITIES<sup>1</sup>

|                              | EBITDAX           | FCF              |
|------------------------------|-------------------|------------------|
| <b>+/- \$1/bbl Brent</b>     | +/- ~€20 million  | +/- ~€10 million |
| <b>+/- \$1/mmbtu TTF/NBP</b> | +/- ~€100 million | +/- ~€55 million |

**Sensitivity applies only to the Brent and European gas excluding all domestic contract-based portfolio, such as Argentina, Egypt for the remainder of the year, i.e. April - December**

<sup>1</sup> | BASED ON PRICE ASSUMPTIONS: BRENT \$80/BBL, TTF \$15.0/MMBTU

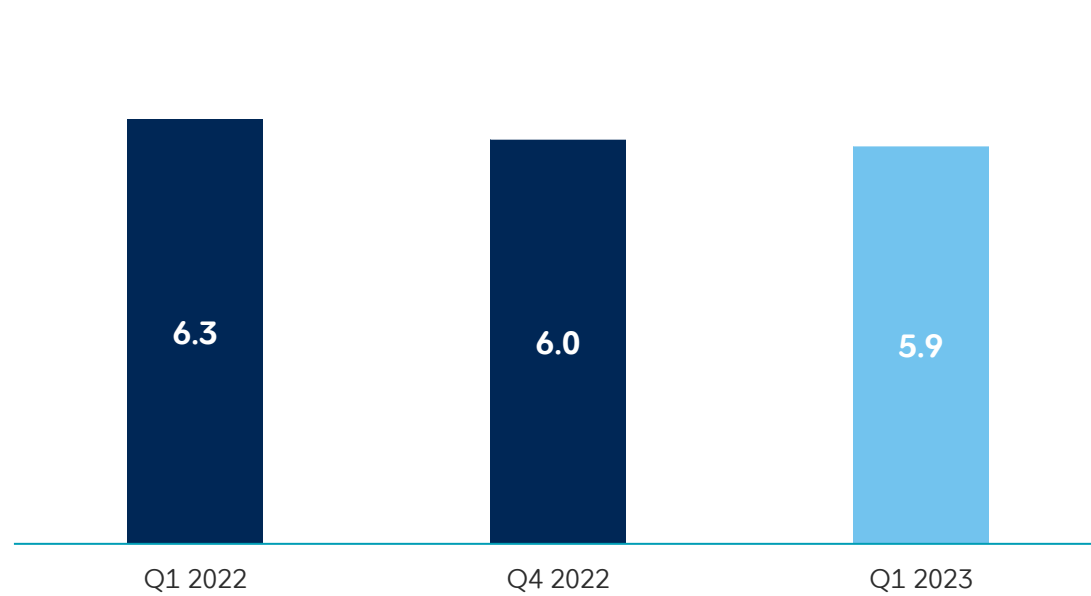
# APPENDIX

04

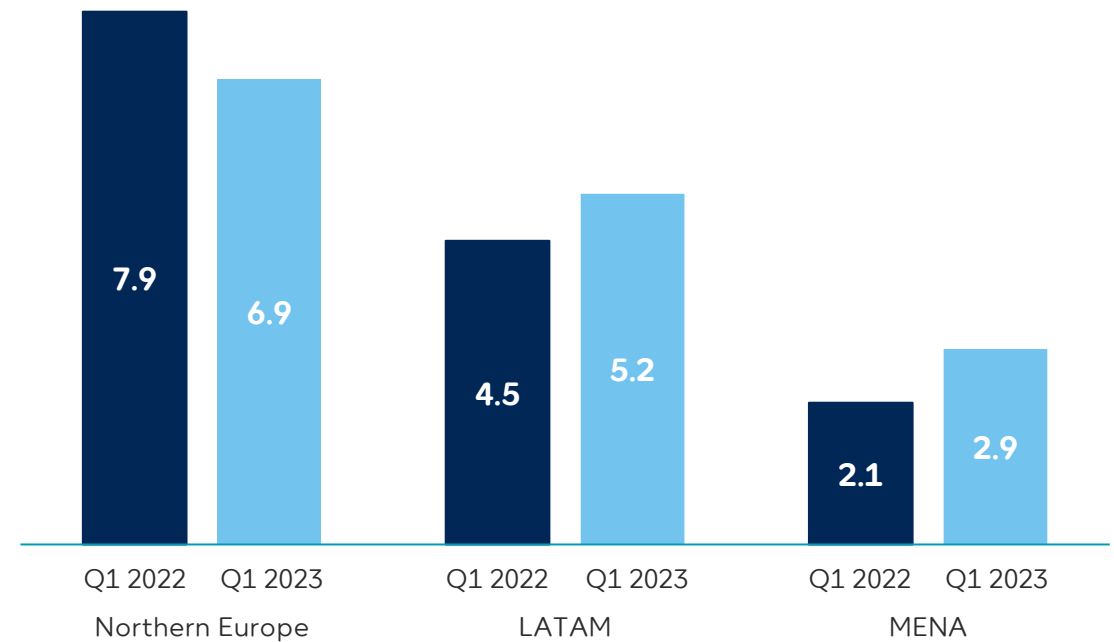


# PRODUCTION COSTS

PRODUCTION COSTS EVOLUTION (€/BOE)



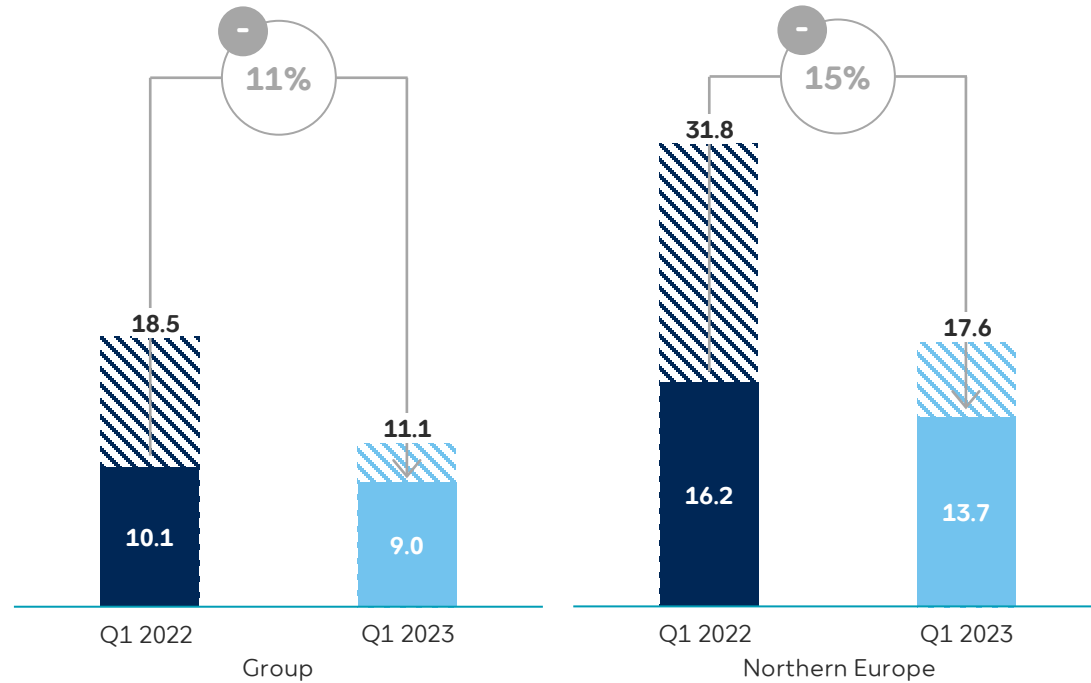
PRODUCTION COSTS PER REGION (€/BOE)



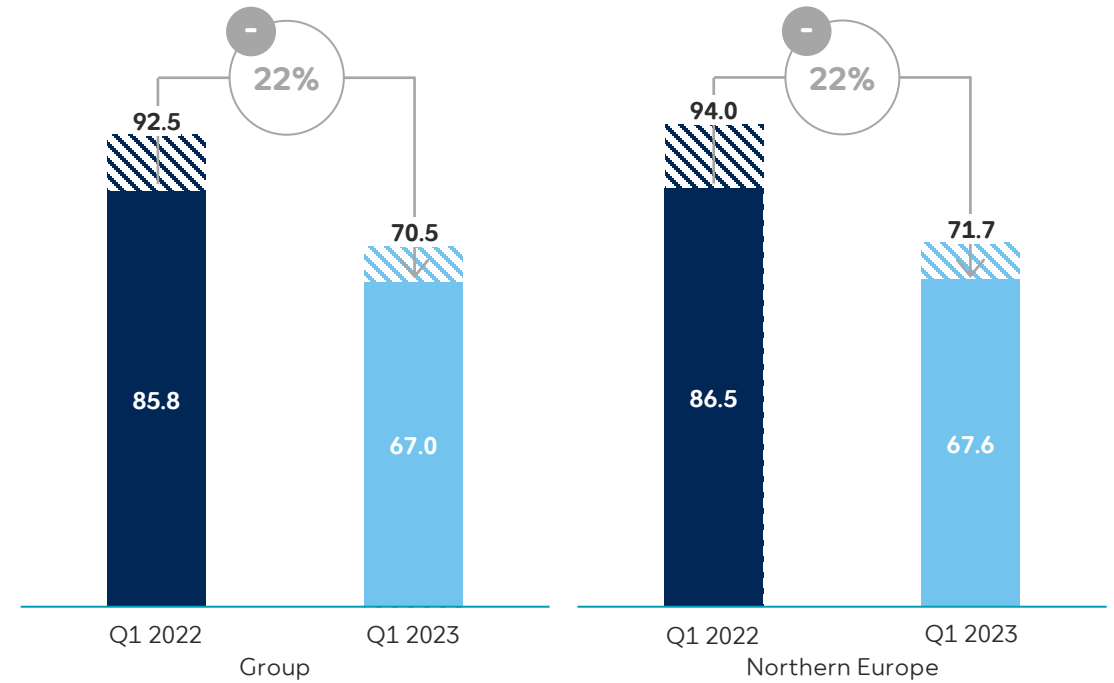
# Q1 2023 RESULTS PRESENTATION

## REALISATIONS

### GAS (\$/MSCF)



### LIQUIDS (\$/BBL)



■ REALISED PRICE INCLUDING HEDGE RESULT ■ REALISED PRICE EXCLUDING HEDGES

1 | PERCENTAGE CHANGES REFER TO THE REALISED PRICE INCLUDING HEDGE RESULT



Q1 2023 RESULTS PRESENTATION

# RESULTS SUMMARY

|                               | Unit      | Q1 2023           | Q1 2022<br>excluding Russia | Q1 2022<br>including Russia | Q4 2022<br>excluding Russia | Q4 2022<br>including Russia |
|-------------------------------|-----------|-------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Production<sup>1</sup></b> | mboe/d    | 318               | 318                         | 669                         | 323                         | 484                         |
| <b>Brent</b>                  | \$/boe    | 81                | 101                         | 101                         | 89                          | 89                          |
| <b>Gas TTF</b>                | \$/mscf   | 17.0              | 31.5                        | 31.5                        | 28.4                        | 28.4                        |
| <b>EBITDAX</b>                | € million | 1,142             | 1,332                       | 1,839                       | 1,258                       | 1,437                       |
| <b>Operating Cash Flow</b>    | € million | 397               | 1,027                       | 1,245                       | 298                         | 515                         |
| <b>Capex<sup>2</sup></b>      | € million | 214               | 208                         | 208                         | 226                         | 227                         |
| <b>Free Cash Flow</b>         | € million | 164               | 689                         | 1,022                       | 151                         | 251                         |
| <b>Adjusted Net Income</b>    | € million | 298               | 271                         | 669                         | 73                          | 229                         |
|                               |           | <b>31.03.2023</b> | <b>31.03.2022</b>           | <b>31.03.2022</b>           | <b>31.12.2022</b>           | <b>31.12.2022</b>           |
| <b>Net Debt</b>               | € million | 1,520             | 1,867                       | 1,360                       | 1,303                       | 1,303                       |
| <b>Leverage Ratio (LTM)</b>   | x         | 0.3               | 0.5                         | 0.3                         | 0.2                         | 0.2                         |
| <b>Cash<sup>3</sup></b>       | € million | 2,937             | 2,583                       | 3,077                       | 3,102                       | 3,102                       |

1 | ON A WORKING INTEREST BASIS, INCLUDING PROPORTIONAL PRODUCTION FROM AT EQUITY ACCOUNTED COMPANIES, EXCLUDING LIBYA ONSHORE PRODUCTION

2 | EXCLUDING CAPITALISED EXPLORATION AND ACQUISITION

3 | INCLUDING CASH EQUIVALENTS AND FINANCIAL RECEIVABLES FROM CASH POOLING



Q1 2023 RESULTS PRESENTATION

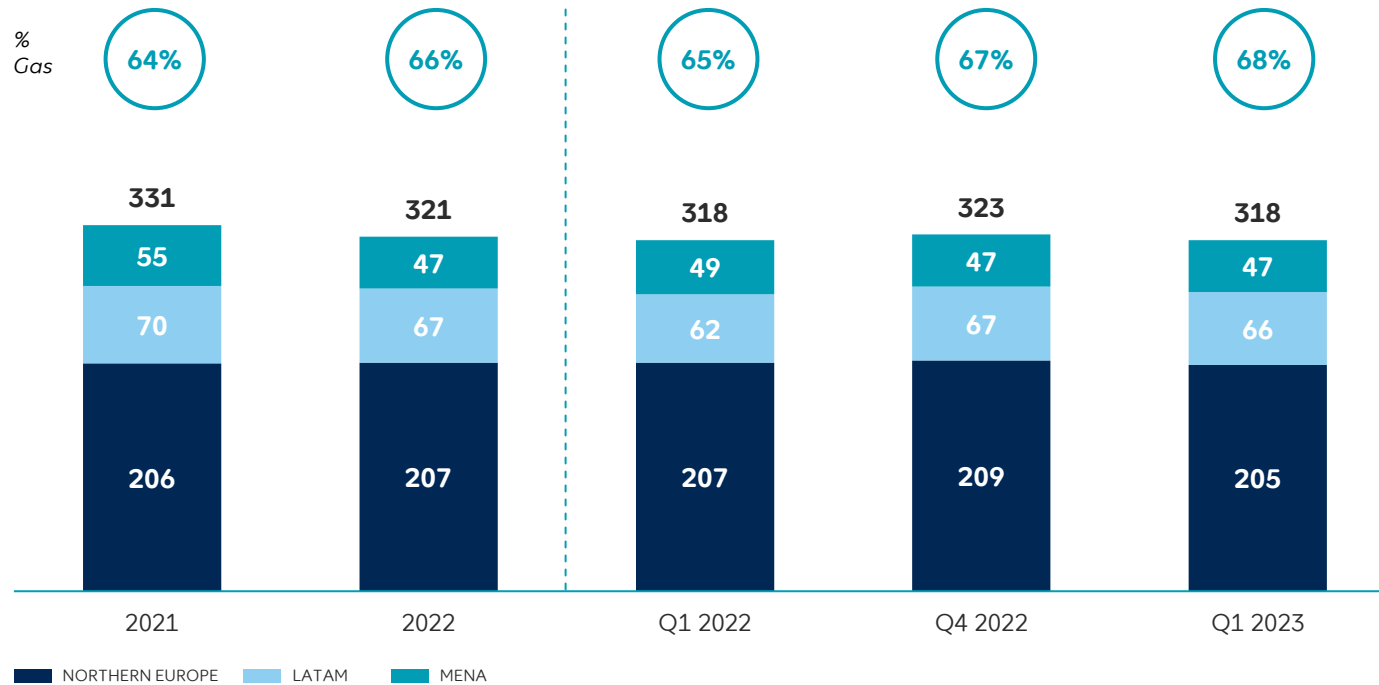
# COMMODITY HEDGING (AS OF 31 MAR 2023)

|              |                              | 2023      | 2024        | 2025        |
|--------------|------------------------------|-----------|-------------|-------------|
| <b>Total</b> | <b>Total Volumes, mboe/d</b> | <b>80</b> | <b>49</b>   | <b>16</b>   |
|              | (Change since 31 Dec 2022)   |           | <b>(+2)</b> | <b>(+7)</b> |
| <b>Gas</b>   | <b>Volume, mmscf/d</b>       | 357       | 209         | 72          |
|              | <b>Price, \$/mscf</b>        | 8.2       | 9.4         | 16.9        |
| <b>Oil</b>   | <b>Volume, mbbbl/d</b>       | 19        | 13          | 4           |
|              | <b>Price, \$/bbl</b>         | 66        | 69          | 74          |

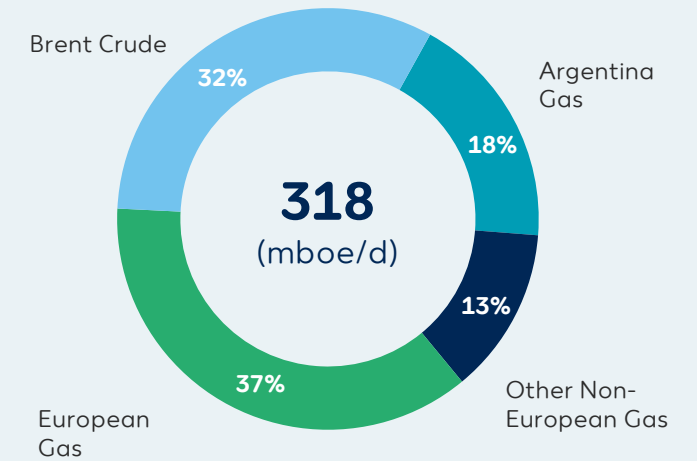
# Q1 2023 RESULTS PRESENTATION

## PRODUCTION

### PRODUCTION<sup>1</sup> (WI, MBOE/D)



### Q1 2023 PRODUCTION<sup>1</sup> COMPOSITION



**~2/3 of total production linked directly to Brent and European gas prices**

1 | ON A WORKING INTEREST BASIS, INCLUDING PROPORTIONAL PRODUCTION FROM AT EQUITY ACCOUNTED COMPANIES, EXCLUDING LIBYA ONSHORE PRODUCTION

## Q1 2023 RESULTS PRESENTATION

# DEFINITIONS

|                            |   |
|----------------------------|---|
| <b>Adjusted Net Income</b> | Defined as EBITDAX less depreciation and amortisation, less exploration expenses, plus financial income, less financial expenses and less income taxes, adjusted for special items as well as tax effects on adjusted special items or disregarded items  |
| <b>CAPEX</b>               | Capex for the Group consists of payments for intangible assets, property, plant and equipment and investment property less capitalised exploration  |
| <b>EBITDAX</b>             | Defined as revenues and other income less production and operating expenses, less production and similar taxes, less general and administrative expenses and adjusted for special items   |
| <b>Free cash flow</b>      | Free cash flow for the Group comprises cash flow from operating activities and cash flow from investing activities but excludes payments for acquisitions and proceeds from the disposal of non-current assets/divestures and disposed cash Russia due to loss of control, as shown in the Group's consolidated statement of cash flows |
| <b>Leverage</b>            | Net debt divided by last twelve months EBITDAX  |
| <b>LTIR</b>                | Lost time injury rate per million hours worked (Renamed from lost time injury frequency - LTIF)   |
| <b>Net Debt</b>            | Net debt consists of liabilities to banks, senior bonds, interest-bearing financial liabilities from cash-pooling towards related parties and leasing liabilities less cash and cash equivalents and less interest-bearing financial receivables from cash-pooling from related parties   |
| <b>Production costs</b>    | Production costs include G&A allocation but exclude export and processing tariffs, finance items and R&D  |
| <b>TRIR</b>                | Total Recordable Incident Rate per million hours worked   |

**NOTE:** CERTAIN NUMERICAL FIGURES AND PERCENTAGES SET OUT IN THIS PRESENTATION HAVE BEEN SUBJECT TO ROUNDING ADJUSTMENTS.