wintershall dea

Q3 2023 Report

AT A GLANCE

Environment		Q3 2023	Q3 2022[1]	Dev.	9M 2023	9M 2022[1]	Dev.
Average TTF price	$/mscf	10.49	57.94	-82%	12.87	39.86	-68%
Average Brent price	$/bbl	86.5	101.2	-15%	82.1	105.5	-22%

Results							
Production	mboe/d	324	328	-1%	322	320	1%
thereof gas	mboe/d	206	213	-3%	208	209	0%
thereof oil	mboe/d	118	115	3%	114	111	3%
Average realised gas price	$/mscf	6.59	14.18	-54%	7.51	11.17	-33%
Average realised oil price	$/bbl	70.6	71.8	-2%	67.5	79.1	-15%
Revenues and other operating income	€ million	2,156	5,957	-64%	7,627	12,924	-41%
Production Cost	€/boe	5.3	5.2	2%	5.6	5.7	-1%
EBITDAX	€ million	964	2,054	-53%	3,080	4,667	-34%
Net income/loss (-)	€ million	-535	388	-238%	-88	-445	80%
Adjusted net income	€ million	61	429	-86%	562	856	-34%
Capex	€ million	243	219	11%	725	637	14%
Free Cash Flow	€ million	134	1,169	-89%	-224	2,333	-110%

[1] without segment Russia

Wintershall Dea
GROUP MANAGEMENT REPORT
Q3 2023

1. CORPORATE PROFILE

1.1 BUSINESS MODEL AND STRUCTURE

Wintershall Dea is a leading European independent gas and oil company and is transforming to become a leading European independent gas and carbon management company. We develop carbon management and low carbon hydrogen projects to contribute to climate goals and secure energy supplies. The Group comprises Wintershall Dea AG as the parent company and its subsidiaries.

The Group's business is conducted in five segments:

› Northern Europe
› Latin America
› Middle East/North Africa
› Midstream
› Headquarter and Other

In the previous year, Russia was reported as an additional segment.

The segments Northern Europe, Latin America and Middle East/North Africa comprise the E&P business and are further divided into divisions, based on countries in the respective region. The E&P segments comprise exploration, appraisal, field development and production activities in the following divisions:

› **Northern Europe:** Germany, Norway, the Netherlands, United Kingdom and Denmark
› **Latin America:** Argentina and Mexico
› **Middle East/North Africa:** Egypt, Libya, Algeria and United Arab Emirates

The Midstream segment comprises the onshore and offshore gas transportation activities in Europe.

The segment Headquarter and Other (HQ and Other) includes the Management Board and corporate functions, such as the trading activities managed by the headquarter, Global Exploration and Carbon Management and Hydrogen (CMH), as well as the holding companies.

1.2 MANAGEMENT SYSTEM

The Group uses various key performance indicators to actively manage and steer its performance and achieve sustainable value creation.

› **Adjusted EBITDAX (EBITDAX)**
› **Free cash flow**
› **Capex**
› **Production**

The **"adjusted EBITDAX" (EBITDAX)** is a non-GAAP financial measure used for internal management control within Wintershall Dea. It is the primary key indicator derived from the consolidated statement of income and is defined as revenues and other income less production and operating expenses, less production and similar taxes and less general and administrative expenses, adjusted for special items. Further information on the EBITDAX reconciliation is provided in the section Earnings performance.

Free cash flow is a non-GAAP financial measure and comprises cash flow from operating activities and cash flow from investing activities but excludes the items net payments for acquisitions and proceeds from the disposal of non-current assets/divestitures in the Group's consolidated statement of cash flows.

The financial measure **capex** consists of payments for intangible assets and property, plant and equipment, as shown in the Group's consolidated statement of cash flows, less capitalised exploration.

The main non-financial measure **production** shows the quantities of gas and oil (including oil, condensate and NGL) produced in thousand barrels of oil equivalent per day on a working-interest basis for the Group's segments, including the proportion from equity-accounted companies (except Libya onshore).

In order to ensure the value-oriented management of the Group, we use planning and control processes to make key figures and information available to the decision-making bodies throughout the Group. Based on long-term planning, the relevant budgets are defined and tracked during the year using a rigorous performance management process. This approach allows any deviations from the budget to be detected promptly, analysed and, in the event of negative developments, corrected to the greatest extent possible by taking suitable countermeasures.

2. BUSINESS REPORT

2.1 INTRODUCTION

The reporting period for the Group management report comprises the period from 1 July 2023 through 30 September 2023 and the comparison period comprises the period from 1 July 2022 through 30 September 2022. In addition, the results of operations for the first nine months 2023 (1 January 2023 - 30 September 2023) and for the first nine months 2022 (1 January 2022 - 30 September 2022) are presented.

All Russian entities were deconsolidated in the fourth quarter of 2022 and recognised as other financial assets according to IFRS 9. Therefore, the comparison period includes still the segment Russia. For convenience purposes, chapter 2.6 includes additional unaudited voluntary information for Wintershall Dea Group excluding the Russian business in the comparison period.

The management report has been prepared in euros (€). All amounts, including the figures for prior years, are generally reported in millions of euros (€ million). The subtotals and totals in millions may not equal the sum of the amounts shown due to rounding.

Furthermore, the term "oil" as used in the management report, refers to oil, condensate and NGL.

2.2 BUSINESS ENVIRONMENT

Macro fundamentals

Gas prices

Average TTF prices decreased from $57.94/mscf in Q3 2022 to $10.49/mscf during the reporting period.

$/mscf	Q3 2023	Q3 2022	9M 2023	9M 2022
Average TTF price for the period[1]	10.49	57.94	12.87	39.86

[1] Source: Heren/Argus; FX conversion according to ECB

Oil prices

Average Brent crude oil prices decreased from $101.2/bbl in Q3 2022 to $86.5/bbl in the reporting period.

$/bbl	Q3 2023	Q3 2022	9M 2023	9M 2022
Average Brent price for the period[1]	86.5	101.2	82.1	105.5

[1] Source: Platts

Foreign currencies

Closing rates €1 =	30 Sep 2023	31 Dec 2022
Argentinian peso (ARS)	370.23	189.15
Egyptian pound (EGP)	32.69	26.44
Mexican peso (MXN)	18.50	20.86
Norwegian krone (NOK)	11.25	10.51
US dollar (USD)	1.06	1.07

Average rates €1 =	Q3 2023	Q3 2022
Argentinian peso (ARS)	340.53	136.62
Egyptian pound (EGP)	33.63	19.27
Mexican peso (MXN)	18.57	20.38
Norwegian krone (NOK)	11.40	10.06
US dollar (USD)	1.09	1.01

Realised prices

	Q3 2023	Q3 2022	9M 2023	9M 2022
Average realised gas price[1] (in $/mscf)	**6.59**	**14.18**	**7.51**	**11.17**
Northern Europe	9.07	23.06	10.92	17.59
Latin America	3.90	4.02	3.69	3.53
Middle East/North Africa[2]	3.77	4.51	3.83	4.35
Average realised oil price[1] (in $/bbl)	**70.6**	**71.8**	**67.5**	**79.1**
Northern Europe	70.8	71.8	67.9	78.9
Latin America	58.5	63.7	55.0	68.7
Middle East/North Africa	79.4	82.7	76.5	97.5

[1] Includes commodity hedge result
[2] Includes the deduction of applicable taxes for Algeria

In Q3 2023, our realised gas price decreased by 54% from $14.18/mscf in Q3 2022 to $6.59/mscf Q3 2023. This decline is lower than the 82% quarter over quarter decrease in TTF prices primarily due to the existence of hedges, the existence of domestic gas prices in certain of our jurisdictions and formula price contracts. During Q3 2023, gas hedges with a total volume of 358 mmscf/d were realised at an average price of $7.98/mscf (Q3 2022: $5.58/mscf).

Realised oil price decreased by 2% from $71.8/bbl to $70.6/bbl. The decline was lower than the decline in Brent prices (15%) mainly due to the existence of hedges. During Q3 2023, crude oil hedges with a total volume of 19 mboe/d (Q3 2022: 21 mboe/d) were realised at an average price of $66.3/bbl (Q3 2022: $58.2/bbl).

2.3 MAJOR BUSINESS ACTIVITIES IN THE REPORTING PERIOD

General

On 5 September 2023, Wintershall Dea announced a corporate reorganization in response to the economic expropriation of its business in Russia and to strengthen its competitiveness, reduce administrative costs, and to better align the organization with its strategic priorities. The reorganization includes the reduction of the Management Board from five members at the beginning of year to three members from 1 December 2023 onwards, as well as approximate 40% reduction in other leadership positions. In total, the company expects to reduce around 22% of its global workforce, or 500 positions, primarily focused on a consolidation of headquarter activities into a single location in Kassel.

Hugo Dijkgraaf (CTO), a Member of the Management Board, will resign from his position as of 30 November 2023. Dijkgraaf's responsibilities will be distributed among the three remaining Board members.

Wintershall Dea made a provision of €223 million in Q3 2023 for the implementation of the restructuring. The company expects to achieve annual savings of around €200 million as a result of the measures implemented.

The company is currently implementing its complete withdrawal from Russia. As part of this process, Wintershall Dea is about to legally separate its Russian business. Wintershall Dea’s international E&P business and its carbon management and hydrogen activities are to be separated from all joint ventures with Russian participations.

Wintershall Dea repaid the outstanding €900.6 million in aggregate principal amount of its 0.452 per cent notes due in September 2023 (ISIN: XS2054209320) to its principals at the maturity date reducing its gross leverage to €3.9 billion, and net leverage to €2.4 billion, and therefore strengthening its credit ratios.

Wintershall Dea received the re-confirmation of the EQUAL SALARY Foundation's global certification following an audit by PricewaterhouseCoopers (PwC) in accordance with the Foundation's requirements. Launched in 2010, the non-profit foundation has created a certification that allows companies to verify that they pay employees equally for the same work or work of equal value, regardless of gender. In 2022, Wintershall Dea was the first energy company in the world to be awarded the global EQUAL SALARY certification and the third company to be certified globally.

Northern Europe – Norway

Our production in Norway was impacted by unplanned maintenance at Skarv and Aasta Hansteen fields during the reporting period, which also affected the production of the recently re-started Dvalin field. The produced volumes amounted to 172 mboe/d on average.

In July 2023, Wintershall Dea’s own operated Dvalin field came on stream, providing significant new gas volumes to the European market. The Dvalin field has an estimated lifetime until the late 2030s including the Dvalin North field, which is currently being developed and expected onstream in late 2026.

Wintershall Dea and its partners Petoro and Sval Energi achieved a major milestone for the second phase of the operated Maria field with the safe installation of an additional subsea template on the seabed at Haltenbanken on the west coast of Norway. This next phase of the Maria project is expected to start production in 2025 and added around 27 million barrels of oil equivalent to the total field reserves. The Maria field is expected to produce until 2040.

The Norwegian government approved the Snøhvit partners' plans for the future operation of Snøhvit and Hammerfest LNG, which were applied for in Q4 2022. The approval entails onshore compression from 2028, and electrification of the plant from 2030. Electrification of Hammerfest LNG will replace today's gas turbines with electricity from the grid. This is expected to reduce CO_2 emissions from the plant by around 850,000 tonnes annually.

The Company continues to apply for new exploration acreage through participation in the annual Awards in Predefined Areas (APA) licencing rounds. In August 2023, Wintershall Dea submitted eleven applications (four as operator) in the APA 2023 round, thereof seven new applications and four area extensions. All licence applications are located in Wintershall Dea’s core areas in the North Sea and Norwegian Sea, and within tie-back distance of existing infrastructure. The awards are expected to be announced by the Norwegian Ministry for Petroleum and Energy in Q1 2024.

Latin America – Argentina

The production performance of our partner-operated fields in Cuenca Marina Austral 1 (CMA-1), Aguada Pichana Este and San Roque remains at a high level with average produced volumes of 62 mboe/d in the reporting period.

The Fénix field development is progressing as expected. Fénix is part of the world's southernmost gas cluster CMA-1 in Tierra del Fuego. The required subsea pipeline connecting the Fénix offshore wellhead platform with the existing Vega Pléyade platform has been successfully laid and the construction of the Fénix production platform is close to finalisation. Fénix is expected to deliver 10 million cubic metres of gas per day (gross), once fully operational. Production start is envisaged in 2025.

Carbon Management and Hydrogen (CMH)

In August 2023, Wintershall Dea and Synergia, which is the operator in the appraisal phase, were granted the Camelot carbon storage licence in the Southern North Sea by the British North Sea Transition Authority ("NSTA"). Wintershall Dea and Synergia each hold 50% interest in the licence, that is expected to have an annual storage potential of up to 6 million tonnes of CO_2. The award of the carbon storage licence marks a significant milestone to access the UK CCS industry, and to develop Northwest Europe as a key region for carbon management technologies in the company's portfolio.

2.4 OPERATIONAL PERFORMANCE

Production

Natural gas (mboe/d)[1]	Q3 2023	Q3 2022	9M 2023	9M 2022
Northern Europe	110	113	110	110
Russia[2]	—	232	—	254
Latin America	58	61	59	59
Middle East/North Africa	38	39	39	40
	206	**445**	**208**	**463**

Oil (mboe/d)[1]	Q3 2023	Q3 2022	9M 2023	9M 2022
Northern Europe	95	99	94	96
Russia[2]	—	54	—	61
Latin America	16	8	13	8
Middle East/North Africa[3]	7	8	7	7
	118	**169**	**114**	**172**

Total production (mboe/d)[1]	Q3 2023	Q3 2022	9M 2023	9M 2022
Northern Europe	205	212	204	206
Russia[2]	—	286	—	315
Latin America	74	69	72	67
Middle East/North Africa[3]	45	47	46	47
	324	**614**	**322**	**635**

[1] Mboe/d – thousand barrels of oil equivalent per day on a working-interest basis, including proportional production from at equity-accounted companies
[2] Deconsolidation in Q4 2022
[3] Excludes Libya onshore

The Group's daily production averaged 324 mboe/d in Q3 2023, consisting of 206 mboe/d of gas and 118 mboe/d of oil, representing a decrease of 290 mboe/d compared to Q3 2022 primarily due to the deconsolidation of the Russian entities in the fourth quarter of 2022. Excluding Russia, daily production marginally decreased by 4 mboe/d.

The slightly lower gas and oil production in Northern Europe was a result of an unplanned shutdown at Aasta Hansteen, as well as the natural decline of our German and Norwegian producing assets. This was partly offset by the start of production in Dvalin, Hyme and Bauge.

In Latin America, gas production decreased slightly due to an unexpected compressor failure at Aguada Pichana Este whereas oil production increased due to the acquisition of a 37% non-operated participating interest in the oil producing Hokchi Block offshore Mexico end of March.

The gas and oil production in Middle East/North Africa remained stable at 45 mboe/d.

Capex

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Northern Europe	145	157	451	490
Russia[1]	—	1	—	5
Latin America	45	22	129	47
Middle East/North Africa	38	38	121	96
HQ and Other	16	2	24	4
Total	**243**	**220**	**725**	**642**

[1] Deconsolidation in Q4 2022

In Q3 2023, capital expenditures amounted to €243 million compared with €220 million in Q3 2022. The increase in Latin America was attributable to our ongoing investment in projects in these regions, e.g. the Fénix gas project offshore Tierra del Fuego.

Net exploration expenditures

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Exploration capex	31	31	58	66
Northern Europe	6	22	14	51
Russia[1]	—	—	—	—
Latin America	26	9	45	15
Middle East/North Africa	—	—	—	—
HQ and Other	—	—	—	—
Exploration expenses	30	31	92	63
Northern Europe	19	21	36	36
Russia[1]	—	—	—	—
Latin America	10	7	47	19
Middle East/North Africa	1	2	6	3
HQ and Other	-1	1	3	5
Adjusted for dry well costs from prior periods	-2	-2	-9	-2
Adjusted for gains/losses from disposal of exploration assets	—	—	—	—
Proceeds from disposal of exploration assets and acquisitions	—	—	—	—
Adjusted for changes in provisions	-1	2	17	3
Total	**58**	**62**	**159**	**129**

[1] Deconsolidation in Q4 2022

In Q3 2023, exploration expenditures totalling €31 million were capitalised. The expenditures declined in Northern Europe due to lower exploration activities in the reporting period. Furthermore, the higher expenditures in Latin America related to one yet-to-be-completed well drilled in Mexico.

Exploration expenses include expenses for the acquisition of seismic data, licence fees and expenses for dry well costs. In Q3 2023 exploration expenses included one dry well in Norway and lagging dry well costs in Mexico.

2.5 FINANCIAL PERFORMANCE

Earnings performance

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas and oil	2,107	6,308	7,444	14,154
Revenues other	19	39	34	78
Net income from equity-accounted investments: gas and oil	-14	98	33	169
Net income from equity-accounted investments: midstream	33	53	88	152
Other operating income	10	27	27	50
	2,156	**6,525**	**7,627**	**14,603**
Production and operating expenses	-1,073	-3,617	-4,205	-7,778
Production and similar taxes	-33	-56	-120	-165
Depreciation and amortisation	-343	-374	-938	-1,051
Net impairment on assets	-445	-176	-445	-731
Exploration expenses	-30	-31	-92	-63
General and administrative expenses	-323	-103	-533	-349
	-91	**2,169**	**1,293**	**4,465**
Financial income	76	322	191	686
Financial expenses	-159	-341	-319	-1,784
	-83	**-18**	**-128**	**-1,098**
Income/loss (-) before taxes	**-175**	**2,150**	**1,165**	**3,367**
Income taxes	-360	-1,341	-1,253	-2,892
Net income/loss (-)	**-535**	**810**	**-88**	**475**
Net income/loss (-) attributable to shareholders	-546	799	-119	444
Net income/loss (-) attributable to subordinated notes investors	11	11	31	31

Revenues and other operating income

Revenues gas and oil showed a decrease in Q3 2023, falling by €4,201 million, or 67%, to €2,107 million, compared with €6,308 million in Q3 2022. Excluding revenues from gas and oil trading activities managed by the headquarters and Business Unit Germany, revenues gas and oil decreased by 59% quarter-on-quarter to €1,218 million, primarily due to the deconsolidation Russia and lower commodity prices. The realised gas price decreased by 54%, and the realised price for oil decreased by 2%. In addition, unrealised changes in fair values of commodity derivatives measured through profit or loss led to a loss of €3 million compared to a gain of €175 million in Q3 2022.

Revenues from gas and oil trading activities managed by the headquarters and Business Unit Germany amounted to €890 million, a decrease of 73% compared to Q3 2022, mainly driven by lower prices. The revenues are largely offset by the cost of trade goods included in production and operating expenses.

Net income from equity-accounted investments decreased from €151 million in Q3 2022 to €20 million in the reporting period, mainly driven by the fact that no further contributions from the Russian JVs and Nord Stream AG were accounted for as well as lower proportionate net income from the equity-accounted investments WIAG and WINZ.

Production and operating expenses

Production costs amounted to €157 million compared with €168 million in Q3 2022. This decrease was due to lower production costs in Northern Europe as well as the deconsolidation of the Russian entities in the fourth quarter of 2022. The production costs in Latin America rose by €7 million mainly due to the acquisition of a 37% non-operated participating interest in the oil producing Hokchi Block offshore Mexico partially offset by the increase of the crude oil stock in Argentina.

	Production costs in € million		Production costs in €/boe	
	Q3 2023	Q3 2022	Q3 2023	Q3 2022
Northern Europe	107	116	5.7	6.0
Russia[1]	—	14	—	1.3
Latin America	33	26	4.9	4.0
Middle East/ North Africa	17	13	4.0	3.0
Total	**157**	**168**	**5.3**	**4.2**

[1] Deconsolidation in Q4 2022

Next to production costs, the production and operating expenses were impacted by the following items:

Sales volumes in Latin America and Northern Europe not corresponding to the respective production volumes resulted in income from the change in over-/underlift of €47 million in the reporting period (Q3 2022: expense of €30 million), leading to a decrease of production and operating expenses.

Cost of trade goods went down significantly and in line with the trading revenues, amounting to €885 million in the reporting period (-73%).

General and administrative expenses

General and administrative expenses (€323 million) were 213% higher than in the comparison period (€103 million). The increase was mainly attributable to the addition to provision of €223 million in Q3 2023 for the implementation of the restructuring within the group.

RECONCILIATION OF EBITDAX

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas and oil	2,107	6,308	7,444	14,154
adjusted for unrealised changes in fair value of commodity derivatives	3	-175	37	-97
Revenues other	19	39	34	78
Net income from equity-accounted investments: gas and oil	-14	98	33	169
Net income from equity-accounted investments: midstream	33	53	88	152
Other operating income	10	27	27	50
adjusted for gains from sale of assets/changes in consolidation scope	-1	-8	-4	-9
Production and operating expenses	-1,073	-3,617	-4,205	-7,778
adjusted for net impairments and write-offs on/from operating receivables	4	-3	9	-2
adjusted for losses from sale of assets	-3	1	-1	6
Production and similar taxes	-33	-56	-120	-165
General and administrative expenses	-323	-103	-533	-349
adjusted for losses from sale of assets/changes in consolidation scope	—	—	1	14
adjusted for non-recurring items[1]	234	7	270	16
EBITDAX	**964**	**2,571**	**3,080**	**6,239**

[1] Q3 2023: included restructuring and transformation costs of €227 million and integration costs of €7 million; Q3 2022: included integration costs of €7 million; 9M 2023: included restructuring and transformation costs of €255 million and integration costs of €16 million; 9M 2022: included integration costs of €16 million

Totalling €964 million in the period under review, EBITDAX was €1,607 million lower than the prior-year figure (€2,571 million), mainly because of the deconsolidation Russia and decreased commodity prices.

EBITDAX PER SEGMENT

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Northern Europe	808	1,750	2,546	4,005
Russia[1]	—	518	—	1,572
Latin America	84	128	244	305
Middle East/North Africa	76	154	293	351
Midstream	32	52	87	151
HQ and Other	-37	-30	-90	-145
Total	**964**	**2,571**	**3,080**	**6,239**

[1] Deconsolidation in Q4 2022

RECONCILIATION OF ADJUSTED NET INCOME

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
EBITDAX	964	2,571	3,080	6,239
Depreciation and amortisation	-343	-374	-938	-1,051
Exploration expenses	-30	-31	-92	-63
Financial income	76	322	191	686
adjusted for gains from disposal of other financial assets	—	—	-3	—
Financial expenses	-159	-341	-319	-1,784
adjusted for net impairments on financial receivables, bank balances and other financial assets	—	1	—	1,012
Income taxes	-360	-1,341	-1,253	-2,892
adjusted for taxes on adjusted and disregarded items	-87	43	-105	-19
Adjusted net income	**61**	**851**	**562**	**2,128**

Adjusted net income is a non-GAAP financial measure which represents an additional performance indicator and, as such, is disclosed as a measure of profit or loss in the segment reporting. Adjusted net income is derived from EBITDAX less depreciation and amortisation, less exploration expenses, plus financial income, less financial expenses and less income taxes, adjusted for special items and tax effects on adjusted special items and disregarded items (e.g. net impairments on assets).

Exploration expenses
In the reporting period, exploration expenses decreased by €1 million or 4%, to €30 million compared to €31 million in Q3 2022 (further information is provided in section Net exploration expenditures).

Financial income and expenses
The financial result decreased by €65 million to €-83 million in the reporting period (Q3 2022: €-18 million). This was attributable to the change in the net result of foreign currency exchange and financial derivatives (€-75 million), mainly due to the devaluation of the Argentinian Peso, partially compensated by a higher net interest result (€9 million).

Income taxes
The income/loss before taxes amounted to €-175 million in the reporting period compared to €2,150 million in Q3 2022. In the quarter being reviewed, Wintershall Dea incurred a total tax expense of €360 million (comparison period €1,341 million).

The effective tax rate in the reporting period amounted to -206% (comparison period: 62%) as net impairments on assets were recorded without tax effect.

Adjusted net income
Adjusted net income amounted to €61 million in Q3 2023, compared to €851 million in Q3 2022. The decrease in EBITDAX was partly offset by significantly lower income taxes.

Net impairments on assets are part of the net income/loss as reported in the consolidated statement of income but not included in the calculation of the adjusted net income.

In the reporting period, net impairments amounted to €445 million, considerably above Q3 2022 (€176 million). The impairment losses in the reporting period relate to assets in the segment Middle East/North Africa and are triggered by a change in planning assumptions.

Financial position

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Net income/loss (-)	**-535**	**810**	**-88**	**475**
Amortisation/depreciation/impairment losses/reversal of impairment losses	791	561	1,386	1,818
Changes in provisions	221	12	175	-47
Changes in deferred taxes	-77	128	-114	235
Gains (-)/losses from disposal of non-current assets	2	-5	8	13
Gains (-)/losses from deconsolidation	—	—	—	13
Other non-cash income/expenses and finance costs	54	-361	-113	495
Changes in working capital	-79	-93	58	-73
Changes in income tax assets and liabilities	165	625	-521	1,150
Changes in other balance sheet items	-133	146	-233	245
Cash flow from operating activities	**409**	**1,822**	**559**	**4,324**
Payments for intangible assets and property, plant and equipment	-274	-251	-783	-708
Net payments for acquisitions	-6	—	-323	-10
Net proceeds from the disposal of non-current assets/divestitures	6	14	28	105
Payments for financial receivables	—	-1	—	-2
Changes in financial receivables from cash pooling	—	6	—	4
Cash flow from investing activities	**-274**	**-232**	**-1,078**	**-611**
Capital contribution into capital reserves	—	224	—	224
Dividend payments to shareholders	—	-224	-400	-315
Distributions paid to subordinated notes investors	-16	-16	-42	-42
Proceeds from debt to banks	—	—	—	11
Repayments of debt to banks	—	—	—	-14
Repayments/buybacks of bonds	-901	—	-901	-98
Changes in financial liabilities to related parties (cash pooling)	42	68	365	-114
Repayment of lease liabilities	-7	-9	-19	-30
Cash flow from financing activities	**-881**	**43**	**-996**	**-377**
Change in cash and cash equivalents	**-747**	**1,634**	**-1,515**	**3,337**
Effects of foreign exchange rate changes and other non-cash changes	-33	75	-35	721
Cash and cash equivalents at the beginning of the reporting period	**2,320**	**4,454**	**3,089**	**2,106**
Cash and cash equivalents at the end of the reporting period	**1,540**	**6,163**	**1,540**	**6,163**

Cash flow from operating activities
Cash flow from operating activities decreased by €1,413 million from €1,822 million in Q3 2022 to €409 million in Q3 2023. The decrease was primarily due to lower commodity prices and the deconsolidation Russia partially offset by lower income tax payments which totalled €247 million in the reporting period (Q3 2022: €566 million)

Cash flow from investing activities
Cash flow from investing activities amounted to €-274 million in Q3 2023 compared to €-232 million in Q3 2022. The reporting period included higher capex in Latin America. Additionally, the comparison period included higher proceeds from divestitures.

Cash flow from financing activities
Cash flow from financing activities amounted to €-881 million compared to €43 million in the comparison period. The reporting period was impacted by the repayment of the outstanding €901 million in aggregate principal amount of the bond due in September 2023.

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Cash flow from operating activities	409	1,822	559	4,324
Cash flow from investing activities	-274	-232	-1,078	-611
less net payments for acquisitions	6	—	323	10
less proceeds from the disposal of non-current assets/divestitures	-6	-14	-28	-105
Free cash flow	**134**	**1,577**	**-224**	**3,618**

Wintershall Dea believes the Group has sufficient funds available to meet its liquidity needs, including working capital, based on its current liquidity reserves, including €1,540 million in cash and cash equivalents at the end of the reporting period (down from €3,089 million as at 31 December 2022), and an undrawn committed revolving credit facility of €900 million.

Net assets

€ million	30 Sep 2023	31 Dec 2022
Assets		
Non-current assets		
Goodwill	2,163	2,156
Exploration assets	350	298
Other intangible assets	1,815	1,912
Property, plant and equipment	8,181	8,245
Equity-accounted investments	716	599
Other financial assets	260	261
Financial receivables	210	212
Derivative instruments	75	26
Other receivables	21	14
Deferred tax assets	273	189
	14,065	**13,912**
Current assets		
Inventories	170	215
Financial receivables	24	19
Trade and other receivables	1,520	1,937
Derivative instruments	154	405
Income tax assets	5	24
Cash and cash equivalents	1,540	3,089
	3,414	**5,690**
Total assets	**17,479**	**19,601**

Non-current assets equalled €14,065 million as at 30 September 2023, amounting to 80% of total assets. Compared to €13,912 million as at 31 December 2022, non-current assets increased by €153 million or 1%.

Intangible assets of €4,329 million were €37 million below the prior-year figure (€4,366 million). The decrease due to amortisation (€-149 million) and impairments (€-28 million) was partly offset by additions (€125 million) related to the Hokchi acquisition and to exploration assets as well as foreign currency translation effects (€26 million).

Tangible assets amounted to €8,181 million, a decrease of €64 million (31 December 2022: €8,245 million). The main factors were depreciation (€-793 million) and impairments (€-417 million). Opposing effects were felt from additions (€1,099 million), driven by the Hokchi acquisition, our Norwegian development projects as well as rising investment activities in Latin America and the region Middle East/North Africa and foreign currency translation effects (€51 million).

Compared to year-end, equity-accounted investments went up by €117 million and amounted to €716 million (31 December 2022: €599 million). The increase was mainly driven by the proportionate net income of the participations.

Current assets decreased by 40% compared to 31 December 2022 and amounted to €3,414 million as at 30 September 2023.

The price related decrease in inventories of €45 million was mainly attributable to our share in a gas storage in Germany.

Trade and other receivables amounted to €1,520 million, compared with €1,937 million as at 31 December 2022. Trade accounts receivables decreased significantly in line with declined revenues which was partially offset by an increase of receivables from other taxes mainly related to the Hokchi acquisition.

The decrease in current derivative instruments (€-251 million) was primarily attributable to lower fair values of commodity derivatives measured through profit and loss.

Cash and cash equivalents went down from €3,089 million to €1,540 million, mainly due to the bond repayment, the dividend payment, the payment of the purchase price for Hokchi as well as the negative free cash flow in the first nine months.

€ million	30 Sep 2023	31 Dec 2022
Equity and liabilities		
Equity attributable to shareholders and subordinated notes investors		
Subscribed capital	189	189
Capital reserves	1,186	1,386
Retained earnings and other comprehensive income	854	441
Equity attributable to subordinated notes investors	1,514	1,525
	3,744	**3,541**
Non-current liabilities		
Pension provisions	320	371
Decommissioning provisions	2,047	1,954
Other provisions	272	124
Financial debt	3,120	3,067
Derivative instruments	228	1,220
Income tax liabilities	15	36
Other liabilities	19	19
Deferred tax liabilities	3,705	1,713
	9,726	**8,504**
Current liabilities		
Decommissioning provisions	104	133
Other provisions	304	299
Financial debt	814	1,356
Trade and other payables	980	1,528
Derivative instruments	671	2,491
Income tax liabilities	1,135	1,750
	4,009	**7,557**
Total equity and liabilities	**17,479**	**19,601**

Equity increased by €203 million to €3,744 million compared with 31 December 2022. This positive development was driven by positive fair value changes of cash flow hedges (€643 million) as well as positive effects from foreign currency translation (€49 million). This was partly offset by distributed common dividends to shareholders (€-400 million), the net result (€-88 million) as well as distributions to subordinated notes investors (€-42 million).

Compared with 31 December 2022, non-current liabilities increased by €1,222 million to €9,726 million as at 30 September 2023.

Current liabilities decreased by 47% compared to 31 December 2022 and amounted to €4,009 million as at 30 September 2023.

Provisions (non-current: €2,639 million; current: €409 million) increased by €167 million to €3,048 million. Decommissioning provisions went up by €64 million, mainly driven by additions in the course of the Hokchi acquisition. Other provisions increased by €153 million mainly attributable to the provision for the implementation of the restructuring within the group.

The decrease in derivative instruments (non-current: decrease of €992 million; current: decrease of €1,820 million) was attributable primarily to lower negative fair values of commodity derivatives in hedge relationships measured at fair value through other comprehensive income which decreased by €2,551 million.

Deferred tax liabilities increased by €1,992 million to €3,705 million, mainly due to a lower netting with decreased deferred tax assets in Norway resulting from a positive development of gas hedges recognized in other comprehensive income.

Compared with 31 December 2022, current financial debt went down by €542 million and amounted to €814 million, primarily due to the bond repayment (€901 million) partially compensated by an increase in cash pooling liabilities (€360 million).

Trade and other payables went down by €548 million to €980 million compared to €1,528 million as at 31 December 2022, mostly attributable to a decrease in liabilities from gas trading.

Income tax liabilities decreased to €1,135 million (31 December 2022: €1,750 million). The increase resulting from accrued tax expenses for the current period was overcompensated by significant tax payments related to the current and the previous year in Norway.

Net debt/EBITDAX ratio

€ million	30 Sep 2023	31 Dec 2022
Bonds	2,993	3,903
Financial liabilities from cash pooling	770	410
Lease liabilities	150	93
Total debt	**3,913**	**4,406**
Financial receivables from cash pooling	-13	-13
Cash and cash equivalents	-1,540	-3,089
Net debt	**2,359**	**1,303**
EBITDAX (LTM)[1,2]	**4,337**	5,924
Net debt/EBITDAX ratio	**0.5**	**0.2**

[1] LTM = Last 12 months
[2] Without segment Russia

Net debt as at 30 September 2023 amounted to €2,359 million compared to €1,303 million as at 31 December 2022, after cash and cash equivalents fell disproportionately to total debt to €1,540 million. This was primarily due to the dividend distribution (€400 million), the payment of the purchase price for Hokchi (€323 million) and negative free cash flow in the first nine months, leading to a net debt to EBITDAX (LTM) ratio of 0.5x.

2.6 VOLUNTARY DISCLOSURE (UNAUDITED)

Financials without segment Russia

CONSOLIDATED STATEMENT OF INCOME WITHOUT SEGMENT RUSSIA

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas and oil	2,107	5,804	7,444	12,596
Revenues other	19	13	34	29
Net income from equity-accounted investments: gas and oil	-14	60	33	98
Net income from equity-accounted investments: midstream	33	53	88	152
Other operating income	10	27	27	50
	2,156	**5,957**	**7,627**	**12,924**
Production and operating expenses	-1,073	-3,579	-4,205	-7,706
Production and similar taxes	-33	-59	-120	-165
Depreciation and amortisation	-343	-363	-938	-1,022
Net impairment on assets	-445	-176	-445	-384
Exploration expenses	-30	-31	-92	-63
General and administrative expenses	-323	-89	-533	-311
	-91	**1,660**	**1,293**	**3,274**
Financial income	76	291	191	615
Financial expenses	-159	-326	-319	-1,761
	-83	**-35**	**-128**	**-1,146**
Income/loss (-) before taxes	**-175**	**1,626**	**1,165**	**2,128**
Income taxes	-360	-1,238	-1,253	-2,573
Net income/loss (-)	**-535**	**388**	**-88**	**-445**
Net income/loss (-) attributable to shareholders	-546	377	-119	-476
Net income/loss (-) attributable to subordinated notes investors	11	11	31	31

CONSOLIDATED STATEMENT OF CASH FLOWS WITHOUT SEGMENT RUSSIA

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Net income/loss (-)	**-535**	**388**	**-88**	**-445**
Amortisation/depreciation/impairment losses/reversal of impairment losses	791	541	1,386	1,417
Changes in provisions	221	12	175	-48
Changes in deferred taxes	-77	129	-114	238
Gains (-)/losses from disposal of non-current assets	2	-5	8	13
Gains (-)/losses from deconsolidation	—	—	—	13
Other non-cash income/expenses and finance costs	54	-324	-113	555
Changes in working capital	-79	-158	58	-183
Changes in income tax assets and liabilities	165	632	-521	1,230
Changes in other balance sheet items	-133	197	-233	359
Cash flow from operating activities	**409**	**1,412**	**559**	**3,034**
Payments for intangible assets and property, plant and equipment	-274	-250	-783	-703
Net payments for acquisitions	-6	—	-323	-10
Net proceeds from the disposal of non-current assets/divestitures	6	13	28	105
Payments for financial receivables	—	—	—	-2
Changes in financial receivables from cash pooling	—	6	—	4
Cash flow from investing activities	**-274**	**-230**	**-1,078**	**-606**
Capital contribution into capital reserves	—	224	—	224
Dividend payments to shareholders	—	-224	-400	-315
Distributions paid to subordinated notes investors	-16	-16	-42	-42
Proceeds from debt to banks	—	—	—	11
Repayments of debt to banks	—	—	—	-14
Repayments/buybacks of bonds	-901	—	-901	-98
Changes in financial liabilities to related parties (cash pooling)	42	68	365	-114
Repayment of lease liabilities	-7	-9	-19	-30
Cash flow from financing activities	**-881**	**43**	**-996**	**-377**
Change in cash and cash equivalents	**-747**	**1,225**	**-1,515**	**2,051**
Effects of foreign exchange rate changes and other non-cash changes	-33	137	-35	360
Cash and cash equivalents at the beginning of the reporting period	**2,320**	**2,885**	**3,089**	**1,835**
Cash and cash equivalents at the end of the reporting period	**1,540**	**4,246**	**1,540**	**4,246**

SELECTED PERFORMANCE INDICATORS WITHOUT SEGMENT RUSSIA

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Realised prices				
Average realised gas price[1] (in $/mscf)	6.59	14.18	7.51	11.17
Average realised oil price[1] (in $/bbl)	70.6	71.8	67.5	79.1
External revenues	2,126	5,817	7,478	12,625
Production[2]				
Natural gas (mboe/d)	206	213	208	209
Oil (mboe/d)	118	115	114	111
Total production (mboe/d)	324	328	322	320
Production costs in €/boe	5.3	5.2	5.6	5.7
EBITDAX	964	2,054	3,080	4,667
Adjusted net income	61	429	562	856
Exploration				
Exploration capex	31	31	58	66
Exploration expenses	30	31	92	63
Net exploration expenditures	58	62	159	129
Capex	243	219	725	637
Free cash flow	134	1,169	-224	2,333

[1] Includes commodity hedge result
[2] Mboe/d – thousand barrels of oil equivalent per day/on a working-interest basis, including proportional production from at equity-accounted companies

Wintershall Dea
CONSOLIDATED INTERIM FINANCIAL STATEMENTS Q3 AND 9M 2023

CONSOLIDATED STATEMENT OF INCOME

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas and oil	2,107	6,308	7,444	14,154
Revenues other	19	39	34	78
Net income from equity-accounted investments: gas and oil	-14	98	33	169
Net income from equity-accounted investments: midstream	33	53	88	152
Other operating income	10	27	27	50
	2,156	**6,525**	**7,627**	**14,603**
Production and operating expenses	-1,073	-3,617	-4,205	-7,778
Production and similar taxes	-33	-56	-120	-165
Depreciation and amortisation	-343	-374	-938	-1,051
Net impairment on assets	-445	-176	-445	-731
Exploration expenses	-30	-31	-92	-63
General and administrative expenses	-323	-103	-533	-349
	-91	**2,169**	**1,293**	**4,465**
Financial income	76	322	191	686
Financial expenses	-159	-341	-319	-1,784
	-83	**-18**	**-128**	**-1,098**
Income/loss (-) before taxes	**-175**	**2,150**	**1,165**	**3,367**
Income taxes	-360	-1,341	-1,253	-2,892
Net income/loss (-)	**-535**	**810**	**-88**	**475**
Net income/loss (-) attributable to shareholders	-546	799	-119	444
Net income/loss (-) attributable to subordinated notes investors	11	11	31	31

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Net income/loss (-)	**-535**	**810**	**-88**	**475**
Actuarial gains/losses	34	15	34	177
Actuarial gains/losses from equity-accounted investments	—	-2	—	—
Income and expenses that will not be reclassified to the statement of income at a later date, recognised directly in equity	**34**	**13**	**34**	**177**
Unrealised gains/losses on currency translation	104	-19	49	1,431
Unrealised gains/losses on currency translation from equity-accounted investments	—	-49	—	303
Fair value changes in derivatives designated in cash flow hedges	27	-412	647	-1,601
Fair value changes in derivatives designated in cash flow hedges from equity-accounted investments	-2	17	-4	48
Income and expenses that will be reclassified to the statement of income at a later date, recognised directly in equity	**129**	**-464**	**692**	**181**
Other comprehensive income (net of tax)	**163**	**-451**	**726**	**358**
Total comprehensive income	**-372**	**359**	**639**	**832**
Total comprehensive income attributable to shareholders	-383	348	608	801
Total comprehensive income attributable to subordinated notes investors	11	11	31	31

CONSOLIDATED BALANCE SHEET

€ million	30 Sep 2023	31 Dec 2022
Assets		
Non-current assets		
Goodwill	2,163	2,156
Exploration assets	350	298
Other intangible assets	1,815	1,912
Property, plant and equipment	8,181	8,245
Equity-accounted investments	716	599
Other financial assets	260	261
Financial receivables	210	212
Derivative instruments	75	26
Other receivables	21	14
Deferred tax assets	273	189
	14,065	**13,912**
Current assets		
Inventories	170	215
Financial receivables	24	19
Trade and other receivables	1,520	1,937
Derivative instruments	154	405
Income tax assets	5	24
Cash and cash equivalents	1,540	3,089
	3,414	**5,690**
Total assets	**17,479**	**19,601**

€ million	30 Sep 2023	31 Dec 2022
Equity and liabilities		
Equity attributable to shareholders and subordinated notes investors		
Subscribed capital	189	189
Capital reserves	1,186	1,386
Retained earnings and other comprehensive income	854	441
Equity attributable to subordinated notes investors	1,514	1,525
	3,744	**3,541**
Non-current liabilities		
Pension provisions	320	371
Decommissioning provisions	2,047	1,954
Other provisions	272	124
Financial debt	3,120	3,067
Derivative instruments	228	1,220
Income tax liabilities	15	36
Other liabilities	19	19
Deferred tax liabilities	3,705	1,713
	9,726	**8,504**
Current liabilities		
Decommissioning provisions	104	133
Other provisions	304	299
Financial debt	814	1,356
Trade and other payables	980	1,528
Derivative instruments	671	2,491
Income tax liabilities	1,135	1,750
	4,009	**7,557**
Total equity and liabilities	**17,479**	**19,601**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY[1]

€ million	Subscribed capital of Wintershall Dea AG	Capital reserves of Wintershall Dea AG	Retained earnings and net retained profit	Other comprehensive income: Actuarial gains and losses	Other comprehensive income: Foreign currency translation	Other comprehensive income: Cash flow hedges	Shareholder`s equity	Equity attributable to subordinated notes investors	Total
As at 1 Jan 2023	189	1,386	749	-52	588	-844	2,016	1,525	**3,541**
Other comprehensive income	—	—	—	34	49	643	726	—	**726**
Net income/loss (-)	—	—	-119	—	—	—	-119	31	**-88**
Total comprehensive income	—	—	-119	34	49	643	608	31	**639**
Change in scope of consolidation	—	—	6	—	—	—	6	—	**6**
Dividends/ distributions	—	—	-400	—	—	—	-400	-42	**-442**
Other changes	—	-200	200	—	—	—	—	—	**—**
As at 30 Sep 2023	**189**	**1,186**	**436**	**-18**	**637**	**-200**	**2,230**	**1,514**	**3,744**
As at 1 Jan 2022	189	1,161	6,910	-172	-989	-773	6,327	1,525	**7,852**
Other comprehensive income	—	—	—	177	1,734	-1,553	358	—	**358**
Net income/loss (-)	—	—	444	—	—	—	444	31	**475**
Total comprehensive income	—	—	444	177	1,734	-1,553	801	31	**832**
Capital increase/ decrease (-)	—	224	—	—	—	—	224	—	**224**
Dividends/ distributions	—	—	-316	—	—	—	-316	-42	**-358**
As at 30 Sep 2022	**189**	**1,386**	**7,037**	**5**	**744**	**-2,326**	**7,036**	**1,514**	**8,550**

[1] For further information refer to Note 7

CONSOLIDATED STATEMENT OF CASH FLOWS

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Net income/loss (-)	**-535**	**810**	**-88**	**475**
Amortisation/depreciation/impairment losses/reversal of impairment losses	791	561	1,386	1,818
Changes in provisions	221	12	175	-47
Changes in deferred taxes	-77	128	-114	235
Gains (-)/losses from disposal of non-current assets	2	-5	8	13
Gains (-)/losses from deconsolidation	—	—	—	13
Other non-cash income/expenses and finance costs	54	-361	-113	495
Changes in working capital	-79	-93	58	-73
Changes in income tax assets and liabilities	165	625	-521	1,150
Changes in other balance sheet items	-133	146	-233	245
Cash flow from operating activities	**409**	**1,822**	**559**	**4,324**
Payments for intangible assets and property, plant and equipment	-274	-251	-783	-708
Net payments for acquisitions	-6	—	-323	-10
Net proceeds from the disposal of non-current assets/divestitures	6	14	28	105
Payments for financial receivables	—	-1	—	-2
Changes in financial receivables from cash pooling	—	6	—	4
Cash flow from investing activities	**-274**	**-232**	**-1,078**	**-611**
Capital contribution into capital reserves	—	224	—	224
Dividend payments to shareholders	—	-224	-400	-315
Distributions paid to subordinated notes investors	-16	-16	-42	-42
Proceeds from debt to banks	—	—	—	11
Repayments of debt to banks	—	—	—	-14
Repayments/buybacks of bonds	-901	—	-901	-98
Changes in financial liabilities to related parties (cash pooling)	42	68	365	-114
Repayment of lease liabilities	-7	-9	-19	-30
Cash flow from financing activities	**-881**	**43**	**-996**	**-377**

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Change in cash and cash equivalents	**-747**	**1,634**	**-1,515**	**3,337**
Effects of foreign exchange rate changes and other non-cash changes	-33	75	-35	721
Cash and cash equivalents at the beginning of the reporting period	**2,320**	**4,454**	**3,089**	**2,106**
Cash and cash equivalents at the end of the reporting period	**1,540**	**6,163**	**1,540**	**6,163**

Supplementary information on cash flow from operating activities				
Income taxes paid (less refunds)	-247	-566	-1,850	-1,461
Interest paid	-53	-45	-66[1]	-51
Interest received	74	44	183	97
Dividends received gas and oil	—	2	2	3
Dividends received midstream	—	—	—	92

[1] Includes capitalised borrowing cost €-3 million shown as part of the payments for intangible assets and property, plant and equipment in the cash flow from investing activities.

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

NOTE 1 – BASIC OF PRESENTATION

Wintershall Dea AG is a joint stock company registered at the District Court (Amtsgericht) of Lüneburg under entry no. HRB 209823. The company's registered office is located in Celle, Lower Saxony, Germany, and it is dual-headquartered in Kassel (Friedrich-Ebert-Straße 160 in 34119 Kassel) and Hamburg (Am Lohsepark 8 in 20457 Hamburg), Germany. Its operations and principal activities are the exploration and production of natural gas, oil and other resources and resulting products and co-products, trading in all of the resources and commodities, as well as the operation of natural gas pipeline systems.

The consolidated interim financial statements of Wintershall Dea AG and its subsidiaries ("Wintershall Dea" or the "Group") have been prepared in accordance with the International Financial Reporting Standards (IFRS) of the International Accounting Standards Board (IASB) applicable in the European Union (EU).

The presented consolidated interim financial statements of Wintershall Dea AG comprise the third quarter (Q3) as well as the nine months period ended 30 September 2023 (9M). In line with IAS 34, the scope of the presentation is condensed compared to the scope applied to the consolidated financial statements as at 31 December 2022. The consolidated interim financial statements apply the same accounting policies and practices as those used in the 2022 annual financial statements, except where financial reporting standards have been applied for the first time in 2023 (see Note 4).

The consolidated interim financial statements have been prepared in euros (€). All amounts, including the figures for prior years, are generally reported in millions of euros (€ million). The presentation in millions of euros does not result in any loss of information. Due to rounding, the subtotals and totals in millions may not equal the sum of the amounts shown.

SELECTED EXCHANGE RATES

	Closing rates €1 =		Average rates €1 =	
	30 Sep 2023	31 Dec 2022	9M 2023	9M 2022
Argentinian peso (ARS)	370.23	189.15	267.34	127.43
Egyptian pound (EGP)	32.69	26.44	33.16	19.01
Mexican peso (MXN)	18.50	20.86	19.28	21.55
Norwegian krone (NOK)	11.25	10.51	11.35	10.01
US dollar (USD)	1.06	1.07	1.08	1.06

Discount rates

The discount rates applied for decommissioning provisions remain unchanged between 2.05% and 6.94%. Pension provisions are discounted at an interest rate of 4.10% in Germany (31 December 2022: 3.69%) and at an interest rate of 3.20% in Norway (31 December 2022: 3.20%).

NOTE 2 – SCOPE OF CONSOLIDATION

Fully consolidated subsidiaries and equity-accounted investments

As at 30 September 2023, the consolidated interim financial statements include 43 fully consolidated companies (31 December 2022: 41 fully consolidated companies) as well as 3 legal entities (joint ventures and associated companies) that are accounted for using the equity method (31 December 2022: 4).

As at 1 January 2023, Wintershall Dea Carbon Management Solutions B.V. and Wintershall Dea Global Support B.V., previously shown under other financial assets due to materiality reasons, were included in the consolidated financial statements for the first time. In Q3, the newly founded subsidiary Wintershall Dea Global Holding GmbH was consolidated for the first time. Moreover, Wintershall Dea Immobilien GmbH & Co. KG was accreted into Wintershall Dea International GmbH.

In addition, the application of the equity method for Nord Stream AG ceased as at 1 January 2023 and WD's participation in the company is accounted for as other financial asset measured at fair value through profit or loss.

Joint Operations

In the context of CCS storage activities in Norway, our subsidiary Wintershall Dea Norge holds in each case a 60% interest in the newly founded licence holding companies Luna Carbon Storage ANS and Havstjerne ANS. The companies are jointly controlled by Wintershall Dea Norge and the respective partner and are accounted for as joint operations according to IFRS 11.

NOTE 3 - ACQUISITIONS

On 30 March 2023, Wintershall Dea completed the acquisition of a 37% non-operated participating interest in the oil producing Hokchi Block located offshore Mexico. After government approvals were obtained Wintershall Dea and the partners in the Hokchi Block have signed a corresponding Production Sharing Contract amendment.

Thereby, Wintershall Dea acquired an interest in a joint operation according to IFRS 11. As this joint operation constitutes a business in terms of IFRS 3, Wintershall Dea accounts for the acquisition of the interest as a business combination according to IFRS 3. Due to a lack of sufficient information at the end of the reporting period, the purchase price of $394 million was allocated on a preliminary basis to the acquired assets. After obtaining all relevant information, the purchase price allocation will be carried out during the 12 months remeasurement period.

For the acquisition, €323 million is shown in the consolidated statement of cash flows as net payments for acquisitions in the reporting period January to September 2023. A prepayment was already made in the previous year.

NOTE 4 - CHANGES IN ACCOUNTING POLICIES

The International Accounting Standards Board (IASB) has issued a new standard and adopted changes in existing International Financial Reporting Standards (IFRS), which became effective as at 1 January 2023:

	Effective date (IASB)
IFRS 17 (2017) "Insurance Contracts" including Amendments to IFRS 17 (2020)	1 January 2023
Amendments to IAS 1 (2021) "Disclosure of Accounting Policies"	1 January 2023
Amendments to IAS 8 (2021) "Definition of Accounting Estimates"	1 January 2023
Amendments to IAS 12 (2021) "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	1 January 2023
Amendments to IFRS 17 (2021) "Initial Application of IFRS 17 and IFRS 9 - Comparative Information"	1 January 2023

The changes had no material impact on Wintershall Dea's consolidated interim financial statements.

NOTE 5 – SUPPLEMENTARY INFORMATION ON CONSOLIDATED STATEMENT OF INCOME

Revenues

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas				
Gas sales own production	607	1,696	2,092	3,733
Gas sales trading	898	3,562	3,625	7,807
Unrealised gains/losses from gas derivatives	-3	175	-37	97
	1,501	**5,434**	**5,680**	**11,638**
Revenues oil (crude oil/condensate/NGL)				
Oil sales own production	603	870	1,758	2,508
Oil sales trading	3	5	6	9
	606	**875**	**1,765**	**2,516**
Total revenues gas and oil	**2,107**	**6,308**	**7,444**	**14,154**
Revenues other	19	39	34	78
Total	**2,126**	**6,347**	**7,478**	**14,232**

Trading revenues cover the trading activities for gas and oil. The corresponding purchase costs for gas and oil volumes sold to third parties are shown under 'cost of trade goods'. The headquarter's trading activities for the purpose of margin improvement and in the comparison period also the trading transactions of the Russian subsidiary YRGM Trading are shown net of cost under trading revenues.

Wintershall Dea has gas sales and purchase contracts that are physically settled despite not qualifying as own use prior to settlement. These contracts are accounted for as financial instruments according to IFRS 9. The changes in fair value prior to settlement are shown separately as unrealised gains/losses from gas derivatives unless they qualify for hedge accounting and are recognised in other comprehensive income.

The realised gains/losses from these gas sales contracts as well as realised gains/losses from commodity derivatives, which are settled in cash, are shown under revenue gas and oil. As a consequence, gas and oil sales are reported at the contract price.

In the reporting period January to September 2023, realised gains from gas sales and purchase contracts measured at fair value through profit or loss according to IFRS 9 are recognised as revenues gas and cost of trade goods in the amount of €104 million. In addition, revenues gas include realised losses of €374 million for fixed-price contracts for which hedge accounting is applied. Revenues oil include realised losses from oil swaps amounting to €79 million in the reporting period January to September 2023. These gains and losses are not within the scope of IFRS 15.

Production and operating expenses

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Production costs	157	168	490	513
Change over-/underlift	-47	30	-55	37
Transport fees and leases	66	61	187	181
Development costs	9	19	25	48
Cost of trade goods	885	3,296	3,547	6,913
Other cost of sales	—	25	—	48
Other costs	4	18	11	37
Total	**1,073**	**3,617**	**4,205**	**7,778**

Cost of trade goods covers the trading activities for gas and oil. The corresponding revenues are shown under gas and oil sales trading. The headquarter's trading activities for the purpose of margin improvement and in the comparison period also the trading transactions of the Russian subsidiary YRGM Trading are shown net of cost under trading revenues.

Net impairment on assets

In the third quarter of 2023, impairment losses of €445 million are recognised as net impairments on assets. The impairment losses relate to assets in the segment Middle East/North Africa and are triggered by a change in planning assumptions.

General and administrative expenses

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Administration	309	91	500	321
Business Development	8	6	16	16
Carbon Management and Hydrogen	6	6	18	12
Total	**323**	**103**	**533**	**349**

Financial result

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Interest income from third parties	75	50	180	118
Interest income from related parties	2	—	6	1
Foreign currency exchange gains, net	—	267	—	560
Income from investments	—	2	5	3
Other financial income	-2	3	—	3
Financial income	**76**	**322**	**191**	**686**
Interest expenses to third parties	13	13	46	42
Interest expenses to related parties	7	—	14	—
Less capitalised borrowing costs	-1	-6	-3	-18
Foreign currency exchange losses, net	64	—	32	—
Losses from financial derivatives, net	59	315	166	694
Interest from addition to provisions	19	12	57	33
Net impairments on other financial assets	—	—	—	6
Net impairment on financial receivables and bank balances	—	1	—	1,006
Other financial expenses	-2	6	7	20
Financial expenses	**159**	**341**	**319**	**1,784**
Total financial result	**-83**	**-18**	**-128**	**-1,098**

Income taxes

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Current income tax expenses	437	1,213	1,367	2,658
Deferred taxes	-77	128	-114	235
Income taxes	**360**	**1,341**	**1,253**	**2,892**
EU solidarity contribution	—	—	—	—
Total	**360**	**1,341**	**1,253**	**2,892**

As a result of the acquisition of the participating interest in the Hokchi Block, Wintershall Dea recognized deferred tax income of €60 million for its pre-acquisition tax loss carry forwards in Mexico.

NOTE 6 – SEGMENT REPORT

The Group's business is conducted in five segments:

› Northern Europe
› Latin America
› Middle East/North Africa
› Midstream
› Headquarter and Other

In the previous year, Russia was reported as an additional segment.

The segments Northern Europe, Latin America and Middle East/North Africa comprise the E&P business and are further divided into divisions based on countries in the respective region. The E&P segments include exploration, appraisal, field development and production activities in the following divisions:

› **Northern Europe:** Germany, Norway, the Netherlands, United Kingdom and Denmark
› **Latin America:** Argentina and Mexico
› **Middle East/North Africa:** Egypt, Libya, Algeria and United Arab Emirates

The Midstream segment comprises the onshore and offshore gas transportation activities in Europe.

The segment Headquarter and Other (HQ and Other) includes the Management Board and corporate functions, such as the trading activities managed by the headquarter, Global Exploration and Carbon Management and Hydrogen (CMH), as well as the holding companies.

The accounting policies for the segments are the same as the Group's accounting policies.

The consolidation column includes the elimination of inter-segment sales, mainly resulting from the gas trading activities between the headquarter and the business segments. Sales between the segments are made at prices that approximate market prices.

The key internal performance measure "adjusted EBITDAX" (EBITDAX), which is used for internal management control purposes, and the additional performance indicator "adjusted net income" are disclosed as a measure of profit and loss for each reporting segment. EBITDAX and adjusted net income are not recognised measures under IFRS.

In addition, the segment reporting includes the non-IFRS measures "free cash flow" and "production", which also serve as key performance indicators for internal management control.

	Q3 2023						
€ million/mboe/d	Northern Europe	Latin America	Middle East/ North Africa	Midstream	HQ and Other	Consolidation	**Total**
External revenues	680	142	120	—	1,183	—	**2,126**
Inter-segment revenues	453	—	—	—	138	-591	**—**
Segment revenues	1,133	142	120	—	1,321[1]	-591	**2,126**
Depreciation and amortisation	-255	-37	-49	—	-3	—	**-343**
Net impairment on assets	—	—	-445	—	—	—	**-445**
Exploration expenses	-19	-10	-1	—	1	—	**-30**
Income taxes	-345	-11	-17	—	14	—	**-360**
Adjusted net income	154	-34	-11	32	-80	—	**61**
EBITDAX	808	84	76	32	-37	—	**964**
of which net income from equity-accounted investments	—	—	-14	33	—	—	**20**
Non-current assets[2]	9,995	2,137	662	567	3,194	-2,490	**14,065**
Total capex[3]	151	70	38	—	16	—	**274**
of which capex	145	45	38	—	16	—	**243**
of which exploration	6	26	—	—	—	—	**31**
Free cash flow	285	-19	-30	-2	-99	—	**134**
Production[4]	205	74	45[5]	—	—	—	**324**
of which gas	110	58	38	—	—	—	**206**
of which oil	95	16	7	—	—	—	**118**

[1] The segment revenues are exclusively related to trading activities managed by the headquarter (€1,321 million including trading activities for the Group's own production).

[2] As at 30 Sep 2023

[3] Cash outflows for intangible assets and property, plant and equipment

[4] On a working-interest basis, including proportional production from at equity-accounted companies

[5] Excluding Libya onshore

	Q3 2022							
€ million/mboe/d	Northern Europe	Russia[1]	Latin America	Middle East/ North Africa	Midstream	HQ and Other	Consolidation	**Total**
External revenues	1,005	530	188	149	—	4,476	—	**6,347**
Inter-segment revenues	990	—	—	—	—	45	-1,036	**—**
Segment revenues	1,995	530	188	149	—	4,521[2]	-1,036	**6,347**
Depreciation and amortisation	-272	-11	-49	-41	—	-1	—	**-374**
Net impairment on assets	—	—	—	—	-175	—	—	**-176**
Exploration expenses	-21	—	-7	-2	—	-1	—	**-31**
Income taxes	-1,145	-103	6	-10	-4	-85	—	**-1,341**
Adjusted net income	297	422	58	75	48	-49	—	**851**
EBITDAX	1,750	518	128	154	52	-30	—	**2,571**
of which net income from equity-accounted investments	37	38	—	23	53	—	—	**151**
Non-current assets[3]	13,907	2,674	2,153	1,093	1,426	2,599	-2,178	**21,675**
Total capex[4]	179	1	31	38	—	2	—	**251**
of which capex	157	1	22	38	—	2	—	**220**
of which exploration	22	—	9	—	—	—	—	**31**
Free cash flow	957	409	64	96	1	50	—	**1,577**
Production[5]	212	286	69	47[6]	—	—	—	**614**
of which gas	113	232	61	39	—	—	—	**445**
of which oil	99	54	8	8	—	—	—	**169**

[1] Deconsolidation of Russian subsidiaries in Q4 2022

[2] The segment revenues are exclusively related to trading activities managed by the headquarter (€4,521 million including trading activities for the Group's own production).

[3] As at 30 Sep 2022

[4] Cash outflows for intangible assets and property, plant and equipment

[5] On a working-interest basis, including proportional production from at equity-accounted companies

[6] Excluding Libya onshore

	9M 2023						
€ million/mboe/d	Northern Europe	Latin America	Middle East/ North Africa	Midstream	HQ and Other	Consolidation	**Total**
External revenues	1,841	404	330	1	4,901	—	**7,478**
Inter-segment revenues	1,679	—	—	—	266	-1,945	**—**
Segment revenues	3,520	404	330	1	5,168[1]	-1,945	**7,478**
Depreciation and amortisation	-688	-97	-146	—	-7	—	**-938**
Net impairment on assets	—	—	-445	—	—	—	**-445**
Exploration expenses	-36	-47	-6	—	-3	—	**-92**
Income taxes	-1,324	55	-29	—	46	—	**-1,253**
Adjusted net income	472	59	69	87	-125	—	**562**
EBITDAX	2,546	244	293	87	-90	—	**3,080**
of which net income from equity-accounted investments	8	—	25	88	—	—	**121**
Non-current assets[2]	9,995	2,137	662	567	3,194	-2,490	**14,065**
Total capex[3]	464	174	121	—	24	—	**783**
of which capex	451	129	121	—	24	—	**725**
of which exploration	14	45	—	—	—	—	**58**
Free cash flow	386	-61	-92	-2	-456	—	**-224**
Production[4]	204	72	46[5]	—	—	—	**322**
of which gas	110	59	39	—	—	—	**208**
of which oil	94	13	7	—	—	—	**114**

[1] The segment revenues are exclusively related to trading activities managed by the headquarter (€5,168 million including trading activities for the Group's own production).

[2] As at 30 Sep 2023

[3] Cash outflows for intangible assets and property, plant and equipment

[4] On a working-interest basis, including proportional production from at equity-accounted companies

[5] Excluding Libya onshore

	9M 2022							
€ million/mboe/d	Northern Europe	Russia[1]	Latin America	Middle East/ North Africa	Midstream	HQ and Other	Consolidation	**Total**
External revenues	2,665	1,607	449	380	1	9,129	—	**14,232**
Inter-segment revenues	2,116	—	—	—	—	85	-2,201	**—**
Segment revenues	4,781	1,607	449	380	1	9,214[2]	-2,201	**14,232**
Depreciation and amortisation	-764	-29	-137	-116	—	-5	—	**-1,051**
Net impairment on assets	-11	-348	—	—	-372	—	—	**-731**
Exploration expenses	-36	—	-19	-3	—	-5	—	**-63**
Income taxes	-2,486	-320	-22	-28	29	-66	—	**-2,892**
Adjusted net income	673	1,272	46	153	147	-164	—	**2,128**
EBITDAX	4,005	1,572	305	351	151	-145	—	**6,239**
of which net income from equity-accounted investments	76	71	—	22	152	—	—	**321**
Non-current assets[3]	13,907	2,674	2,153	1,093	1,426	2,599	-2,178	**21,675**
Total capex[4]	541	5	62	96	—	4	—	**708**
of which capex	490	5	47	96	—	4	—	**642**
of which exploration	51	—	15	—	—	—	—	**66**
Free cash flow	2,071	1,285	27	196	99	-60	—	**3,618**
Production[5]	206	315	67	47[6]	—	—	—	**635**
of which gas	110	254	59	40	—	—	—	**463**
of which oil	96	61	8	7	—	—	—	**172**

[1] Deconsolidation of Russian subsidiaries in Q4 2022

[2] The segment revenues are exclusively related to trading activities managed by the headquarter (€9,214 million including trading activities for the Group's own production).

[3] As at 30 Sep 2022

[4] Cash outflows for intangible assets and property, plant and equipment

[5] On a working-interest basis, including proportional production from at equity-accounted companies

[6] Excluding Libya onshore

External revenues are allocated to the following divisions:

EXTERNAL REVENUES

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Norway	426	898	1,273	2,323
Germany	255	108	552	324
The Netherlands/UK/Denmark	—	-1	17	19
Northern Europe	**680**	**1,005**	**1,841**	**2,665**
Russia[1]	**—**	**530**	**—**	**1,607**
Argentina	126	160	359	369
Mexico	16	27	45	79
Latin America	**142**	**188**	**404**	**449**
Egypt	77	103	231	270
Libya	31	24	57	52
Algeria	13	21	42	58
Middle East/North Africa	**120**	**149**	**330**	**380**
Midstream	**—**	**—**	**1**	**1**
HQ and Other	**1,183**	**4,476**	**4,901**	**9,129**
Total	**2,126**	**6,347**	**7,478**	**14,232**

[1] Deconsolidation of Russian subsidiaries in Q4 2022

EBITDAX and adjusted net income

EBITDAX is defined as revenues and other income, less production and operating expenses, less production and similar taxes, less general and administrative expenses, adjusted for special items.

Adjusted net income is derived from EBITDAX less depreciation and amortisation, less exploration expenses, plus financial income, less financial expenses and less income taxes, adjusted for special items and tax effects on adjusted special items and disregarded items (e.g. net impairments on assets).

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
Revenues gas and oil	2,107	6,308	7,444	14,154
adjusted for unrealised changes in fair value of commodity derivatives	3	-175	37	-97
Revenues other	19	39	34	78
Net income from equity-accounted investments: gas and oil	-14	98	33	169
Net income from equity-accounted investments: midstream	33	53	88	152
Other operating income	10	27	27	50
adjusted for gains from sale of assets/changes in consolidation scope	-1	-8	-4	-9
Production and operating expenses	-1,073	-3,617	-4,205	-7,778
adjusted for net impairments and write-offs on/from operating receivables	4	-3	9	-2
adjusted for losses from sale of assets	-3	1	-1	6
Production and similar taxes	-33	-56	-120	-165
General and administrative expenses	-323	-103	-533	-349
adjusted for losses from sale of assets/changes in consolidation scope	—	—	1	14
adjusted for non-recurring items	234	7	270	16
EBITDAX	**964**	**2,571**	**3,080**	**6,239**

€ million	Q3 2023	Q3 2022	9M 2023	9M 2022
EBITDAX	**964**	**2,571**	**3,080**	**6,239**
Depreciation and amortisation	-343	-374	-938	-1,051
Exploration expenses	-30	-31	-92	-63
Financial income	76	322	191	686
adjusted for gains from disposal of other financial assets	—	—	-3	—
Financial expenses	-159	-341	-319	-1,784
adjusted for net impairments on financial receivables, bank balances and other financial assets	—	1	—	1,012
Income taxes	-360	-1,341	-1,253	-2,892
adjusted for taxes on adjusted and disregarded items	-87	43	-105	-19
Adjusted net income	**61**	**851**	**562**	**2,128**

NOTE 7 – SUPPLEMENTARY INFORMATION ON CONSOLIDATED BALANCE SHEET

Intangible assets

€ million	Goodwill	Exploration assets	Other intangible assets	Total
Cost of acquisition and production				
As at 1 Jan 2023	2,156	569	3,412	**6,137**
Additions	—	58	66	**125**
Disposals	-6	-9	-1	**-15**
Transfers	—	—	-1	**-1**
Currency translation effect	13	4	20	**36**
As at 30 Sep 2023	**2,163**	**623**	**3,496**	**6,282**
Accumulated amortisation				
As at 1 Jan 2023	—	272	1,500	**1,772**
Amortisation/depreciation	—	—	149	**149**
Impairments	6	—	23	**28**
Disposals	-6	—	-1	**-6**
Currency translation effect	—	1	10	**11**
As at 30 Sep 2023	**—**	**273**	**1,681**	**1,953**
Net carrying amount as at 30 Sep 2023	**2,163**	**350**	**1,815**	**4,329**

Intangible assets

€ million	Goodwill	Exploration assets	Other intangible assets	**Total**
Cost of acquisition and production				
As at 1 Jan 2022	2,435	511	4,049	**6,995**
Change in scope of consolidation	—	-28	—	**-28**
Additions	—	66	8	**74**
Disposals	—	-2	-16	**-18**
Transfers	-54	-39	-4	**-97**
Currency translation effect	438	70	758	**1,266**
As at 30 Sep 2022	**2,819**	**577**	**4,796**	**8,191**
Accumulated amortisation				
As at 1 Jan 2022	—	284	1,418	**1,703**
Change in scope of consolidation	—	-28	—	**-28**
Amortisation/depreciation	—	—	168	**168**
Disposals	—	—	-16	**-16**
Currency translation effect	—	32	287	**319**
As at 30 Sep 2022	**—**	**288**	**1,857**	**2,145**
Net carrying amount as at 30 Sep 2022	**2,819**	**289**	**2,939**	**6,047**

Property, plant and equipment

€ million	Land and buildings[1]	Gas and oil assets	Other plant, machinery and equipment	Fixtures and fittings and office equipment	Total
Cost of acquisition and production					
As at 1 Jan 2023	179	18,220	13	84	18,496
Additions	41	1,051	5	3	1,099
Disposals	-6	-10	—	-2	-18
Transfers	2	12	-13	—	1
Currency translation effect	—	113	—	—	114
As at 30 Sep 2023	**217**	**19,386**	**5**	**84**	**19,692**
Accumulated amortisation					
As at 1 Jan 2023	88	10,094	13	56	10,251
Amortisation/depreciation	11	776	—	5	793
Impairments	—	417	—	—	417
Disposals	-4	-6	—	-2	-13
Transfers	—	13	-13	—	—
Currency translation effect	—	63	—	—	63
As at 30 Sep 2023	**96**	**11,356**	**—**	**59**	**11,511**
Net carrying amount as at 30 Sep 2023	**121**	**8,030**	**5**	**25**	**8,181**

[1] Land and buildings include investment property.

Property, plant and equipment

€ million	Land and buildings[1]	Gas and oil assets	Other plant, machinery and equipment	Fixtures and fittings and office equipment	Total
Cost of acquisition and production					
As at 1 Jan 2022	185	19,393	26	92	19,696
Change in scope of consolidation	—	—	—	-2	-2
Additions	2	652	—	2	657
Disposals	-1	-707	—	-5	-714
Transfers	-1	-1,027	—	—	-1,028
Currency translation effect	15	2,462	5	4	2,487
As at 30 Sep 2022	**200**	**20,774**	**31**	**91**	**21,096**
Accumulated amortisation					
As at 1 Jan 2022	81	10,366	18	61	10,526
Change in scope of consolidation	—	—	—	-2	-2
Amortisation/depreciation	10	896	—	6	912
Disposals	—	-684	—	-5	-689
Transfers	—	-810	—	—	-811
Currency translation effect	4	1,235	2	3	1,244
As at 30 Sep 2022	**93**	**11,004**	**20**	**63**	**11,180**
Net carrying amount as at 30 Sep 2022	**107**	**9,770**	**11**	**28**	**9,916**

[1] Land and buildings include investment property.

Equity

Shareholder's equity

As at 30 September 2023, the common ownership of Wintershall Dea AG is BASF 72.7% and L1 Energy Capital Management Services S.à r.l. (LetterOne) 27.3 %.

The subscribed capital of Wintershall Dea AG amounts to €189 million and is divided into 189,437,527 ordinary shares with full voting rights and a nominal value of €1.00 each. In April 2023, a common dividend on ordinary shares in the amount of €400 million was distributed.

Equity attributable to subordinated notes investors

In January 2021, Wintershall Dea AG issued two series of subordinated resettable fixed rate notes (subordinated notes) in the aggregate principal amount of €1,500 million through its fully owned subsidiary Wintershall Dea Finance 2 B.V. The subordinated notes are callable three months prior to the first reset date for the NC2026 series and six months prior to the first reset date for the NC2029 series. The first reset date for the NC2026 Subordinated Notes (€650 million with a coupon of 2.4985%) is on 20 July 2026, and the first reset date for the NC2029 Subordinated Notes (€850 million with a coupon of 3.0000%) is on 20 January 2029.

Under IAS 32, subordinated notes are wholly classified as equity. The capital raised through subordinated notes issues is recognised in equity, less discounts and transaction costs. Deferred taxes on discounts and transaction costs are also recognised in equity. Accrued interest payable to the subordinated notes investors increases equity, whereas the distribution of interest payments reduces equity.

Financial debt

	30 Sep 2023		31 Dec 2022	
€ million	Non-current	Current	Non-current	Current
Bonds	3,000	1	3,000	912
less transaction cost	-8	—	-9	-1
	2,992	**1**	**2,991**	**911**
Financial liabilities to related parties	—	770	—	410
Lease liabilities	119	31	75	18
Other financial liabilities	9	12	1	16
Total	**3,120**	**814**	**3,067**	**1,356**

Bonds

In September 2019, Wintershall Dea Finance B.V., a fully owned subsidiary of Wintershall Dea AG, issued bonds in the amount of €4,000 million. The transaction comprised four tranches.

Transaction costs were capitalised as a reduction in the bond amount and are being amortised over the expected life applying the effective interest method.

In 2022, Wintershall Dea Finance B.V. repurchased €99 million in aggregate principal amount of its bonds due in 2023. The bonds were cancelled by the issuer. The remaining amount of the tranche (€ 901 million) was repaid in September 2023 as at due date.

Bonds	%	Maturity	Currency	Nominal value (€ million)	Fair value 30 Sep 2023 (€ million)	Carrying amount 30 Sep 2023 (€ million)[1]
Bond ISIN XS2054209833	0.840	2025	EUR	1,000	931	998
Bond ISIN XS2054210252	1.332	2028	EUR	1,000	850	997
Bond ISIN XS2055079904	1.823	2031	EUR	1,000	792	997
Total				**3,000**	**2,573**	**2,992**

[1] Excluding accrued interest

The fair value is determined using quoted prices on an active market. The Group's repayment obligation remains at €3,000 million.

Credit facilities

A revolving credit facility (RCF) in the total amount of €900 million, with an initial tenor of five years and additional extension options of up to two years, was agreed with a bank consortium and can be utilised if necessary. The first and second one-year extensions were confirmed for the full amount. This facility is available until March 2026 and is currently undrawn.

Net debt

€ million	30 Sep 2023	31 Dec 2022
Bonds	2,993	3,903
Financial liabilities from cash pooling	770	410
Lease liabilities	150	93
Total debt	**3,913**	**4,406**
Financial receivables from cash pooling	-13	-13
Cash and cash equivalents	-1,540	-3,089
Total	**2,359**	**1,303**

NOTE 8 – CONTRACTUAL OBLIGATIONS

As at 30 September 2023, the Group has obligations based on firm orders for property, plant and equipment, as well as from field development projects in the amount of €1,864 million (31 December 2022: €627 million).

Furthermore, Wintershall Dea is committed to a certain number of exploration wells and seismic surveys within the context of exploration licences. The estimated expenditures amount to €150 million (31 December 2022: €188 million).

Further obligations from purchase contracts result primarily from long-term purchase commitments for natural gas ("own use contracts"). Any commodity purchase agreements that are enforceable and specify all significant terms are included, except those for which an offsetting agreement (sales contract) has already been contracted. The firm purchase commitments from own use contracts amount to €124 million as at 30 September 2023 (31 December 2022: €311 million).

OBLIGATIONS ARISING FROM COMMODITY PURCHASE CONTRACTS

€ million	30 Sep 2023	31 Dec 2022
2023	24	174
2024	60	96
2025	28	36
2026	3	2
2027 and beyond	9	4
Total	**124**	**311**

NOTE 9 – RELATED PARTY DISCLOSURES

A related party is a natural person or legal entity that can exert influence on Wintershall Dea or over which Wintershall Dea exercises control, joint control or a significant influence.

Wintershall Dea is subject to significant influence from BASF and LetterOne. Therefore, BASF and LetterOne and their subsidiaries are considered related parties. In addition, related parties comprise non-consolidated subsidiaries, joint ventures and associated companies not included in the consolidated financial statements due to materiality reasons.

The following tables show the volume of business with related parties that are included in the consolidated financial statements at amortised cost or accounted for using the equity method as well as with our shareholders and their affiliates.

REVENUES WITH RELATED PARTIES

€ million	9M 2023	9M 2022
Joint ventures/associated companies	25	126
Shareholders and their affiliates	571	1,585
Total	**595**	**1,712**

TRADE ACCOUNTS RECEIVABLE FROM/TRADE ACCOUNTS PAYABLE TO RELATED PARTIES

	Trade accounts receivable		Trade accounts payable	
€ million	30 Sep 2023	31 Dec 2022	30 Sep 2023	31 Dec 2022
Non-consolidated subsidiaries	17	17	12	18
Joint ventures/associated companies	12	15	2	23
Shareholders and their affiliates	59	185	—	—
Total	**89**	**217**	**15**	**42**

FINANCIAL AND OTHER RECEIVABLES FROM/FINANCIAL AND OTHER LIABILITIES TO RELATED PARTIES

	Financial and other receivables		Financial and other liabilities	
€ million	30 Sep 2023	31 Dec 2022	30 Sep 2023	31 Dec 2022
Non-consolidated subsidiaries	27	28	1	7
Joint ventures/associated companies	204	201	770	404
Shareholders and their affiliates	2	2	3	4
Total	**233**	**231**	**774**	**414**

Revenues, trade accounts receivable and trade accounts payable from related parties comprise transactions mainly in the Group’s own products, as well as other typical business transactions.

Financial and other receivables and liabilities result mainly from financing transactions, outstanding dividend payments and profit and loss transfer agreements, as well as other financing-related and operating transactions.

NOTE 10 – REPORTING ON FINANCIAL INSTRUMENTS

Commodity derivatives

The Group has designated oil swaps, zero cost collars and certain fixed-price gas sales agreements as hedging instruments within the scope of cash flow hedges. Cash flow hedges are used to hedge the risk of variability in cash flows related to highly probable forecast transactions.

The effective portion of changes in the fair value of commodity derivatives that are designated as cash flow hedges is recognised as other comprehensive income within equity. The gains or losses relating to the ineffective portion are recognised immediately in profit or loss.

Regarding oil derivatives, the price of the hedged item is defined via a price formula in the sales contract. The instruments used are Dated Brent oil swaps for which a liquid market exists as well as zero cost collars. In regard to Dated Brent oil swaps, regression analysis shows a high correlation between Dated Brent oil and the price formula. This is also the basis to determine the hedge ratio in order to achieve the highest level of hedge effectiveness. With regard to zero cost collars, Wintershall Dea separates the intrinsic value and the time value. Only the intrinsic value is designated as hedging instrument in terms of IFRS 9, while the change in the time value is excluded from the designation, deferred as cost of hedging in other comprehensive income and reclassified to profit or loss in the same period during in which the hedged future cash flows affect profit or loss. It is assumed, that the cost of hedging, are reduced to zero at the time the hedging instrument is due, and thus will not have an impact on profit or loss.

Fixed-price contracts as well as zero cost collars with physical delivery are used as hedging instruments for gas sales. For contracts to which the hedge accounting regulations are applicable, published market prices for respective periods and locations are used to determine the fair values of such sales contracts. In the case of fixed-price gas sales agreements, to which the hedge accounting regulations are applicable, the critical terms match method is applied to assess hedge effectiveness. Additionally, physical forward contracts as well as zero cost collars selling 73,689 mmscf at an average price of €14.39/mscf maturing between 10/2023 and 12/2025, to which the own use exemption applies, are used to hedge gas prices.

Existing derivatives related to the gas trading business are recognised at fair value through profit or loss and disclosed based on net risk exposure in accordance with IFRS 13.48.

Foreign currency derivatives

In the context of the Group's ordinary net foreign currency exposure, derivatives are recognised at fair value through profit and loss.

In order to hedge the foreign currency risk from future USD repayments of intercompany loans, the Group entered into cross-currency swaps. The future cash flows resulting from the repayment of the intercompany loans have been designated as hedged items. The spot elements and the forward elements of the cross-currency swaps have been separated, whereas only the value changes of the spot elements have been designated as hedging instrument. The forward elements are recognised as cost of hedging in other comprehensive income and are reclassified to profit or loss on a systematic (linear) basis. Hedge ineffectiveness is immediately recognised in profit or loss.

EFFECTS OF HEDGE ACCOUNTING ON THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED STATEMENT OF INCOME

	30 Sep 2023/9M 2023		
€ million	Commodity derivatives (fixed-price gas sales)	Commodity derivatives (oil swaps/zero cost collar)	Foreign currency derivatives
Carrying amount			
Derivative assets	116	2	—
Derivative liabilities	620	135	107
Nominal amount	1,329	754	1,800
Maturity date	10/2023-12/2025	10/2023-12/2025	10/2023-09/2028
Quantity	137,126 mmscf	10,524 mbbl	
Average price or rate	€9.69/mscf	$71.65/bbl	$1.10/€
Amounts recognised in profit or loss and other comprehensive income (net)			
Changes in fair value of hedging instruments recognised in OCI	2,192	-66	-21
Deferred taxes on change in fair value of hedging instruments recognised in OCI	-1,630	13	—
Reclassified from OCI to profit or loss	374	79	43
Deferred taxes on reclassification from OCI to profit or loss	-321	-15	—
	614	**10**	**23**

Classes and categories of financial instruments

For financial receivables, trade and other receivables and cash and cash equivalents that are measured at cost, the carrying amounts approximate the fair values. The balance sheet item "other financial assets" relates to affiliated companies and investments that are not fully consolidated or recognised as equity-accounted investments for materiality reasons. Other equity investments shown under this position are measured at fair value through OCI or through profit or loss, respectively.

For financial debt other than bonds as well as trade and other payables that are measured at amortised costs, the carrying amounts approximate the fair values.

The following overview represents the financial instruments to be recognised at fair value and the essential parameters on which the measurement is based. The individual levels are defined as follows in accordance with IFRS 13:

FAIR VALUE HIERARCHY

	30 Sep 2023			
€ million	Total	Level 1[1]	Level 2[2]	Level 3[3]
Other financial assets	259	—	—	259
Other receivables and assets	3	—	—	3
Derivative financial assets	230	—	230	—
of which commodity derivatives	210	—	210	—
of which currency derivatives	19	—	19	—
Derivative financial liabilities	900	—	900	—
of which commodity derivatives	776	—	776	—
of which currency derivatives	123	—	123	—
Other financial liabilities	12	—	—	12

[1] The fair value is determined on the basis of listed (unadjusted) prices for identical assets and liabilities on active markets.
[2] The fair value is determined based on parameters for which directly or indirectly quoted prices on active markets were available.
[3] The fair value is determined based on parameters for which there were no observable market data.

Other financial assets comprise mainly Wintershall Dea's participations in all Russian entities that are recognised at fair value through OCI since Q4 2022. The fair value remains unchanged at €248 million.

For a sub-portfolio of trade accounts receivable, which was until Q1 2023 classified at fair value, the sale intention was revised and the receivables were reclassified to the measurement category at amortized cost accordingly.

Fair values of derivative financial assets and liabilities are determined using customary market valuation methods, taking into account the market data available on the measurement date as well as the default risk.

Other financial liabilities measured at fair value comprise a financial guarantee that was issued in 2022. The determination of the fair value was based on a weighted scenario analysis. The probability of being claimed under the financial guarantee is considered to be very low. As at 30 September 2023, the negative fair value of the financial guarantee amounts to €12 million (31 December 2022: €16 million). The underlying assumptions are unchanged compared to the initial recognition. The decrease of €4 million is related to foreign currency translation effects only.

No transfers between the levels occurred during the reporting period or during the previous year.

FAIR VALUE HIERARCHY

	31 Dec 2022			
€ million	Total	Level 1[1]	Level 2[2]	Level 3[3]
Other financial assets	**258**	—	—	258
Trade accounts receivable	**51**	—	—	51
Other receivables and assets	**3**	—	—	3
Derivative financial assets	**431**	—	431	—
of which commodity derivatives	**384**	—	384	—
of which currency derivatives	**48**	—	48	—
Derivative financial liabilities	**3,711**	—	3,711	—
of which commodity derivatives	**3,526**	—	3,526	—
of which currency derivatives	**185**	—	185	—
Other financial liabilities	**16**	—	—	16

[1] The fair value is determined on the basis of listed (unadjusted) prices for identical assets and liabilities on active markets.
[2] The fair value is determined based on parameters for which directly or indirectly quoted prices on active markets were available.
[3] The fair value is determined based on parameters for which there were no observable market data.

NOTE 11 – EVENTS AFTER THE BALANCE SHEET DATE

No events subject to mandatory disclosure occurred after the balance sheet date that were not reflected in the consolidated interim financial statements.

Kassel/Hamburg, 24 October 2023
The Management Board

Mehren **Smith** **Dijkgraaf** **Summers**