


Investor Presentation

Harbour Energy plc



January 2024

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A pure play upstream global oil & gas producer

Safe and responsible operations

Playing a significant role in the energy transition

High quality, cash generative portfolio

Targeting high return, short cycle drilling opportunities

Portfolio of strategic investment opportunities

Organic diversification well underway

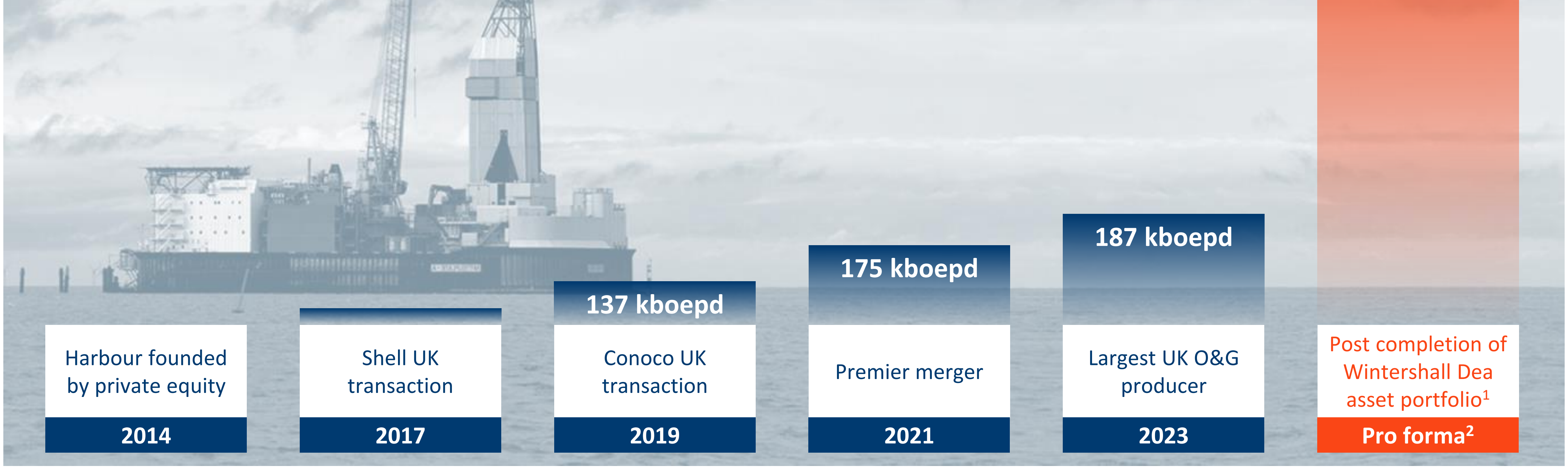
Robust financial position, strict capital discipline

Supports competitive shareholder returns and M&A optionality

Building a global, diversified oil and gas company via disciplined M&A

Transformational acquisition of Wintershall Dea asset portfolio announced December 2023, in line with strategy

- Ensure safe, reliable and environmentally responsible operations
- Maintain a high-quality portfolio of reserves and resources
- Leverage our full cycle capability to diversify and grow further
- Ensure financial strength through the commodity price cycle



[1] Acquisition of substantially all of Wintershall Dea's upstream assets announced 21 December 2023, expected to complete Q4 2024 [2] H1 2023 pro forma production, as per management estimates

Harbour at a glance

A global independent O&G company focused on value creation, cash flow and distributions

Our purpose is to play a significant role in meeting the world's energy needs through the safe, efficient and responsible production of hydrocarbons, while creating value for our stakeholders.

c.$1 billion
(sh. distributions since 2021)

186 kboepd
Production (2023)

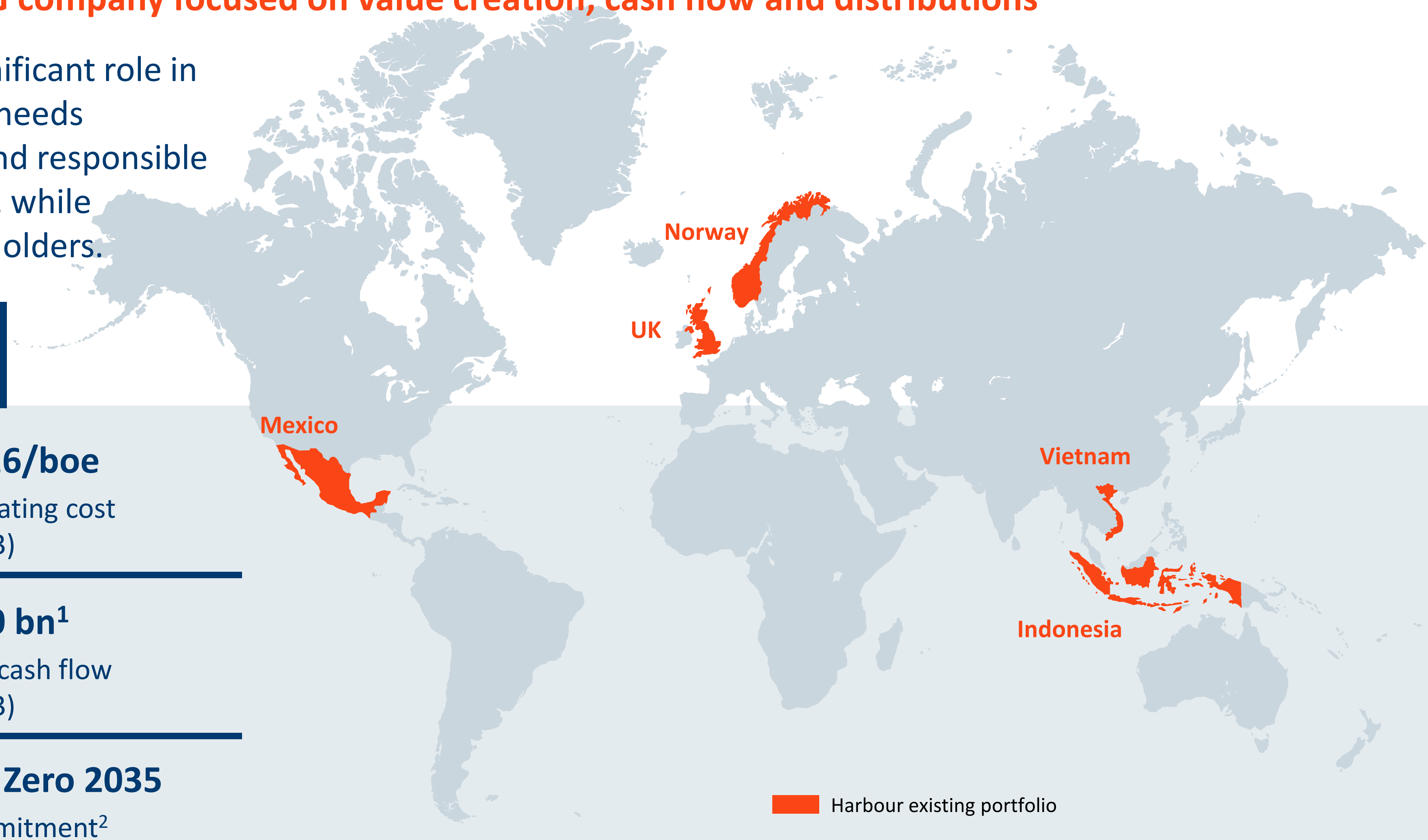
c.$16/boe
Operating cost (2023)

c.$1.0 bn
Total capex (inc.decom) (2023)

$1.0 bn[1]
Free cash flow (2023)

$0.2 bn
Net debt (2023)

Net Zero 2035
Commitment[2]



[1] FCF is free cash flow after tax and pre-distributions. [2]Harbour's Net Zero goal is Scope 1 and 2 emissions on a gross operated basis

Harbour Energy

2023 Highlights

Delivering our strategy

2023 Highlights

Maximising the value of our production base

- Production of 186 kboepd, split c.50% liquids / 50% gas; opex of c.$16/boe
- Tolmount East start up; Talbot development progressed and Leverett appraisal success
- Improved safety record (TRIR reduced to 0.7; no Tier 1 or 2 process safety events)

Growth and diversification projects advanced

- Significant gas discovery at Layaran-1 (Indonesia); Zama FDP regulatory approval & Kan oil discovery (Mexico)
- CCS projects progressed with Track 2 status confirmed; for Viking, FEED awarded and potential first CO_2 shipping customer secured
- Announced transformational acquisition of Wintershall Dea asset portfolio for $11.2bn in December 2023

Strong financial position and disciplined capital allocation

- Free cash flow of c.$1bn after $0.4bn of tax payments
- Net debt reduced from $0.8bn (YE 2022) to $0.2bn (YE 2023); successful outcome of the amend and extend of the RBL which remains undrawn
- Shareholder distributions of c.$430m, comprising $191m dividend[1] and $241m buybacks

[1] Difference between $191m and $200m annual dividend policy is driven by share capital changes between the announcement date and the record date as well as rounding

Harbour Energy

Operational review

Maximising the value of our production base

A focus on safe and responsible operations

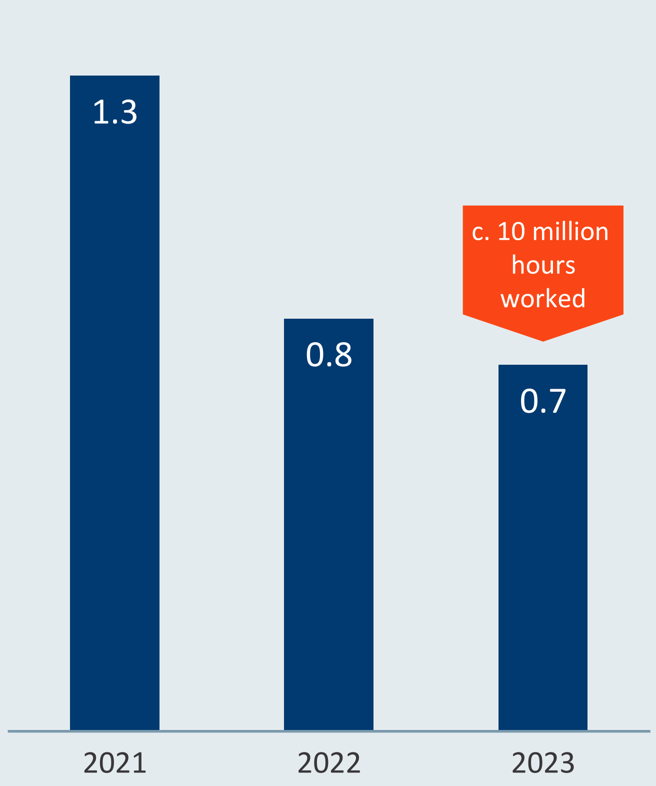
Further improvement in our safety record with no lost time injuries or Tier 1 or 2 events during 2023

Safety is our top priority

- Building a strong safety record and culture
- No significant injuries or process safety events
- Significant reduction in high potential incidents

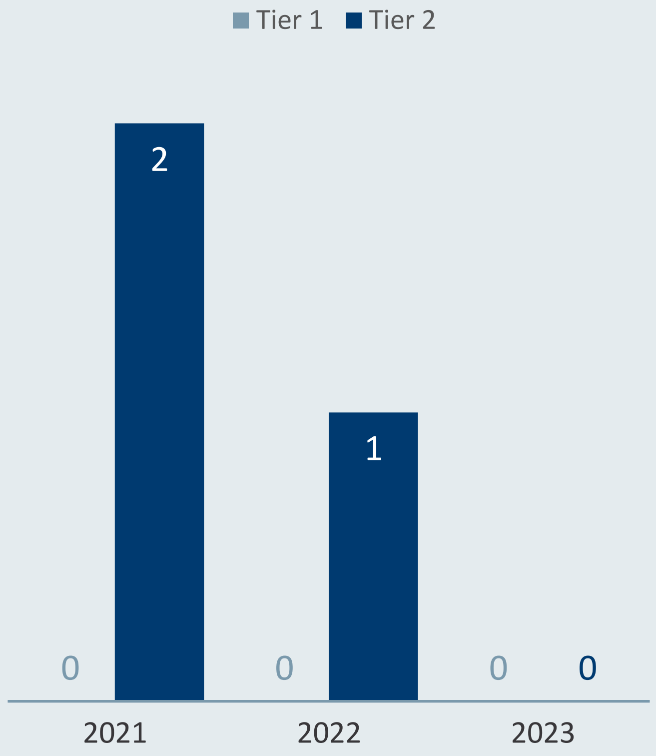
Strong occupational safety record

TRIR (per million hours worked)[1]



Improved process safety performance

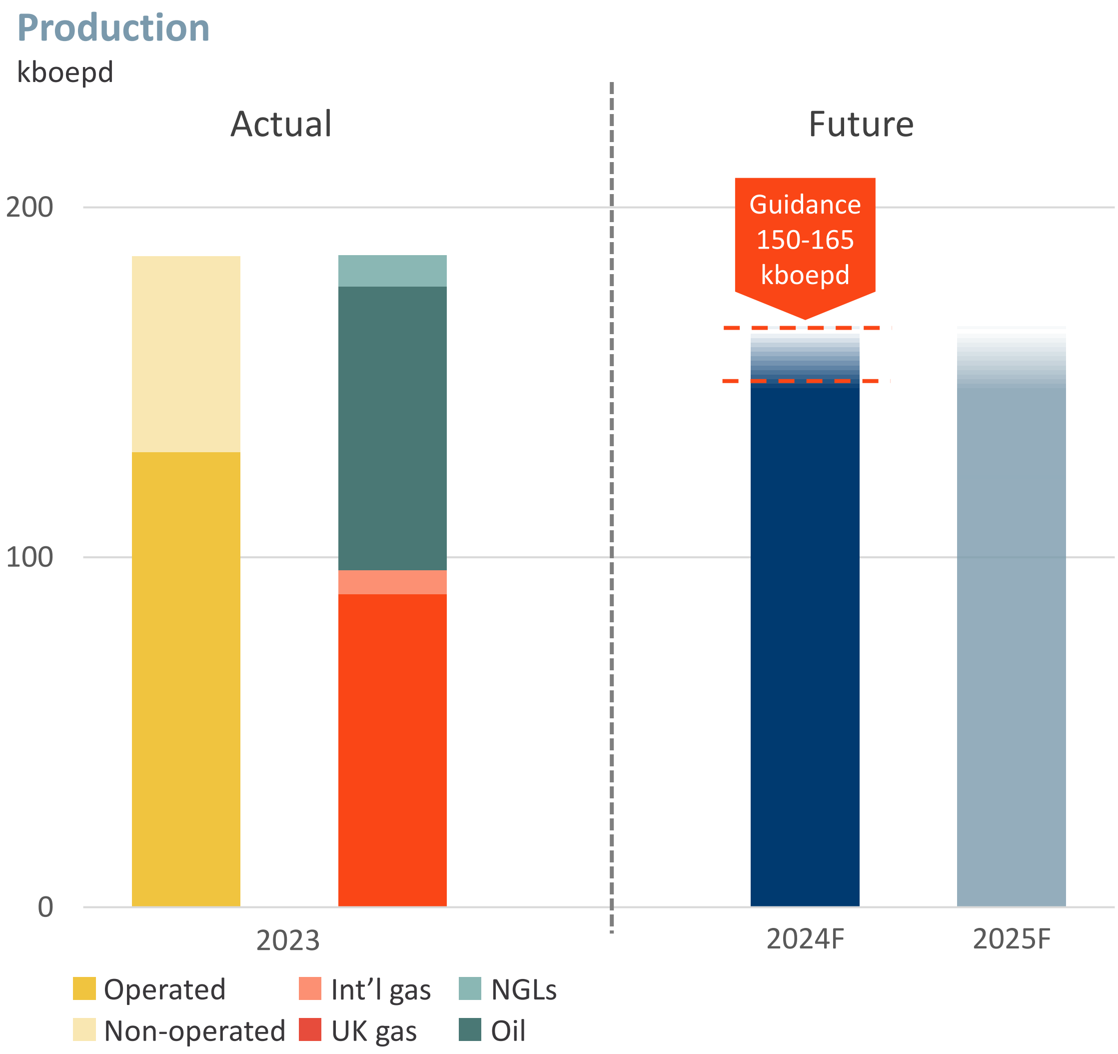
Events (Tier 1 and Tier 2)[1]



[1] Safety KPIs are reported on a gross operated basis, including appointed operator assets Catcher and Tolmount.

Production averaged 186 kboepd, in line with guidance

… underpinned by a diverse, cash generative production base with a good balance of oil and gas



2023 Production

- Split 50% liquids / 50% gas
- Strong underlying performance from operated hubs, especially GBA
- Production impacted by extended shutdowns and partner operated deferred wells

2024 guidance & 2025 outlook

- 2024 guidance of 150-165 kboepd reflects high level of planned shutdowns, timing of new wells onstream and expected sale of Vietnam business
- 2025 production anticipated to be similar to 2024 with less maintenance downtime and volumes from new wells & projects offsetting decline

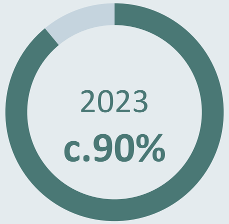
A proactive operator with competitive operations in the UK

Active management of cost structure to protect margins and ensure a sustainable and competitive business

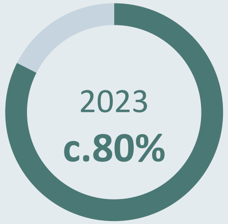
Efficiency

Reliable operations, especially at operated GBA, Elgin/Franklin and J Area

Operating efficiency[1]



Production efficiency[1]

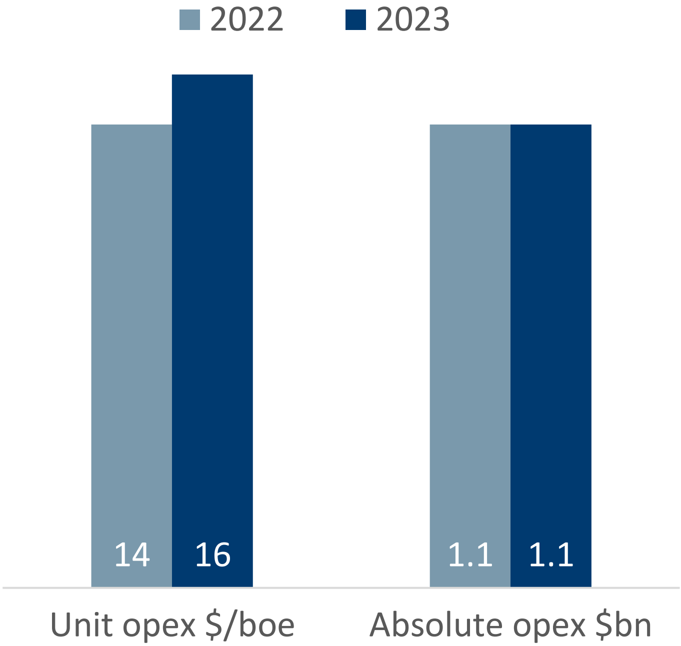


77%
average UK production efficiency (2020-2022)[2]

Cost base

- Leveraging operational control and scale to drive cost savings, including in our supply chain
- UK organisation review completed in October and expected to deliver annual savings of c.$50m from 2024
- Optimisation of decommissioning activities
- Capital and resources focused on investment opportunities aligned with our strategy

UK operating costs



6 strategic partnerships
formed with our key contractors in the UK in 2023

c.$18/boe
average UKCS operating cost (2020-2022)[3]

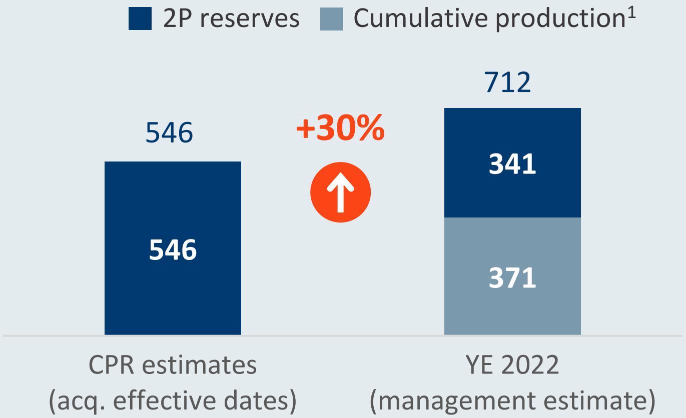
[1] Production efficiency includes impact of losses from planned shutdowns, operating efficiency excludes losses from planned shutdowns. [2] Source: NSTA. [3] Source: NSTA (2020 & 2021) and WoodMac (2022).

Maximising value of our North Sea portfolio through targeted investment…

… and realising the upside of our existing assets to support production and cash flow generation

Track record of adding reserves

Shell/Conoco UK acquisitions
mmboe




Armada producing life materially extended

Proactive operatorship

- Production acceleration activities
- Improving uptime, cost structure
- Third party business to extend producing life

Six operated UK hubs
accounting for c.70% of our UK production

Potential to improve recovery

- Infill drilling and well interventions
- Application of production technology
- Secondary recovery (water injection, gas lift)

200-300 mmboe
upside potential if recovery improved by 10% across operated hubs

Converting resources into reserves

- Near-field satellite tie-backs
- Collaboration with other operators e.g. Leverett
- Clustering small discoveries

204 mmboe
of UK 2C resource at year-end 2022

Infrastructure led exploration

- Robust opportunities close to our hubs
- Low risk, high return, quick payback
- E.g. Jocelyn S. (J-Area), Gilderoy (GBA), Ametyst (Norway)

6 exploration & appraisal wells
planned across UK/Norway in 2024

[1] Cumulative production is total production from acquisition effective date to year-end 2022.

2024 drilling programme

Converting UK 2P reserves into production and targeting significant resource additions internationally

2024	
NORTH SEA	**TODAY**
J-Area	Talbot; Judy RB Chalk; Jocelyn South; RK Redrill
GBA	Leverett; Callanish F6; Gilderoy; Brodgar N&E
AELE	NW Seymour
Clair Phase 1	A27; A26
Clair Ridge	Platform wells
Schiehallion	x2 Subsea Wells; x3 subsea wells
Buzzard	NTM
Decommissioning	P&A programme
INTERNATIONAL	
Norway (op)	Ametyst
Norway (non-op)	Ringhorne N
Andaman II (Indonesia)	Halwa & Gayo
S. Andaman (Indonesia)	Location TBC
Block 30 (Mexico)	Kan-2

Development / Appraisal / Exploration / P&A

Talbot to be tied into J-Area at around year-end 2024

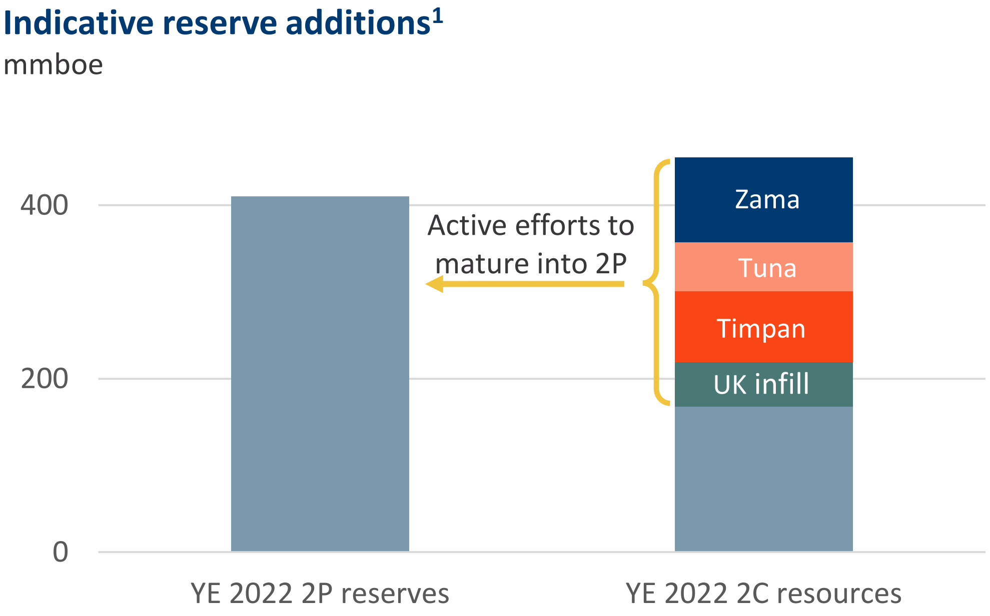
Harbour Energy

Organic growth and diversification

Growing portfolio of strategic investment opportunities

Growing portfolio of strategic organic investment opportunities

... have the potential to materially increase our reserves life



Mexico

c.100 mmboe 2C[1]

Zama
- 12% non-operated interest
- FDP approved by regulator
- FEED in 2024 ahead of FID

Kan oil discovery
- 30% non-operated interest
- Appraisal drilling scheduled H2 2024

Indonesia

c.140 mmboe 2C[1]

Andaman II / South
- Significant discovery at Layaran
- Follows Timpan-1 gas discovery
- Halwa and Gayo drilling underway

Tuna
- 50% operated interest
- Initial FDP approved

Good momentum on our UK CCS projects which could provide a stable, long term income stream

Viking CCS
- 60% operated interest, partnered with bp
- One of largest planned CCS projects globally
- FEED contract awarded following Track 2 status

Acorn
- 30% non-operated partner in Acorn
- Awarded Track 2 status, pre FEED studies initiated
- Targeting 5 mtpa CO_2 by 2030

c.300 mt 2C[2]

[1] Net to Harbour's working interest as at year-end 2022. The c.100 mmboe of 2C resource in Mexico does not include Kan which was a discovery in H1 2023. Indonesia 2C resource includes Natuna Sea Block A 2C resource, Tuna and Timpan [2] Gross contingent storage capacity associated with the Viking fields only.

Harbour Energy

Harbour-led Viking CCS progressing to FEED

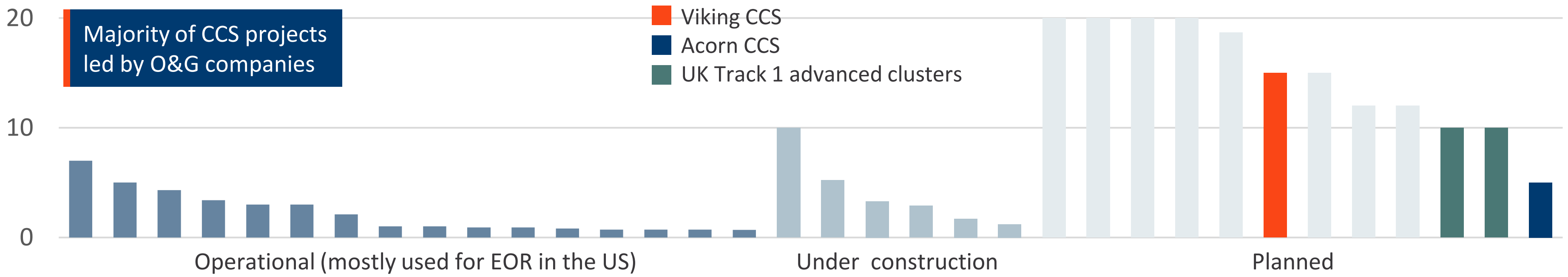
Uniquely positioned to deploy skills and infrastructure to accelerate UK CCS

Viking is vital to the UK's capture target of 20-30 mtpa by 2030

- Track 2 status awarded and FEED contract signed
- Successful submission of Development Consent Order for onshore pipeline
- Partnership with bp enhances skills and experience
- Emitter agreements for up to 10 mtpa CO_2 by 2030 and 15 mtpa by 2035
- First potential UK CO_2 shipping customer secured
- LOGGS capacity at >30 mtpa is globally significant
- 300 mt gross contingent CO_2 storage independently audited
- Potential to deliver a long term, stable income stream for Harbour

Viking is one of the largest planned CCS projects in the world[2]

Capture rate, mtpa



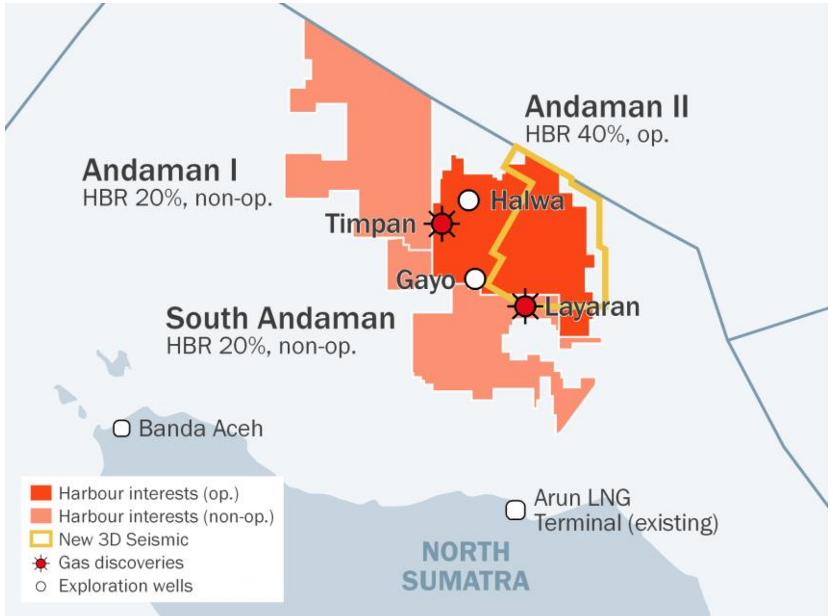
UK's 1st carbon storage licence round: Two new licences awarded with potential to increase storage by more than 50%

[1] Department of Energy Security and Net Zero. [2] Source: IEA Projects Database

Andaman Sea (Indonesia) campaign targeting multi-TCF of gas

Demonstrate commercial viability of Andaman II licence and test the extension of the play into South Andaman

Well positioned to access major natural gas markets[2]



Harbour is operator of Andaman II and partnered with bp and Mubadala; Mubadala is operator of South Andaman

- 2022 Timpan-1 gas discovery de-risked a multi-TCF gas play
- Significant discovery at Layaran Q4 2023
  - Extensive gas column encountered
  - Successful DST with rates of over 30 mmscfd achieved
- Batch drilling at Gayo and Halwa underway
- Harbour cost of 2023/24 drilling campaign of c.$110 million[1]
- Encouraging results from new 3D seismic acquisition across eastern part of Andaman II

2022 → Q2 2022 Timpan Andaman II ✔

2023/24 → Q4 2023 Layaran S. Andaman ✔ → H1 2024 **Halwa** Andaman II → H1 2024 **Gayo** Andaman II → 2024 **TBC** S. Andaman → **Multi TCF** potential

[1] Success case for four wells, including full data acquisition and testing [2] Circles proportional to annual natural gas consumption by country

Financial review and 2024 guidance

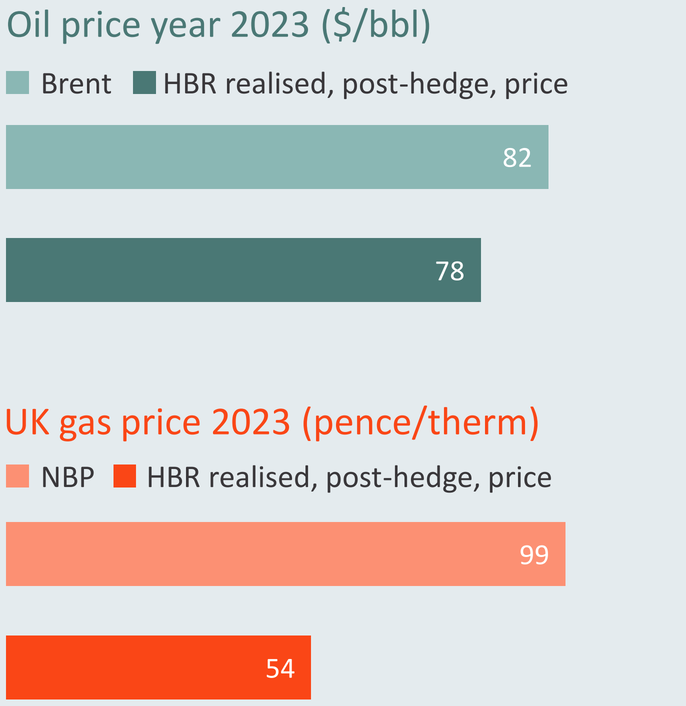
Strong financial position and disciplined capital allocation

Greater flexibility around hedging strategy going forward

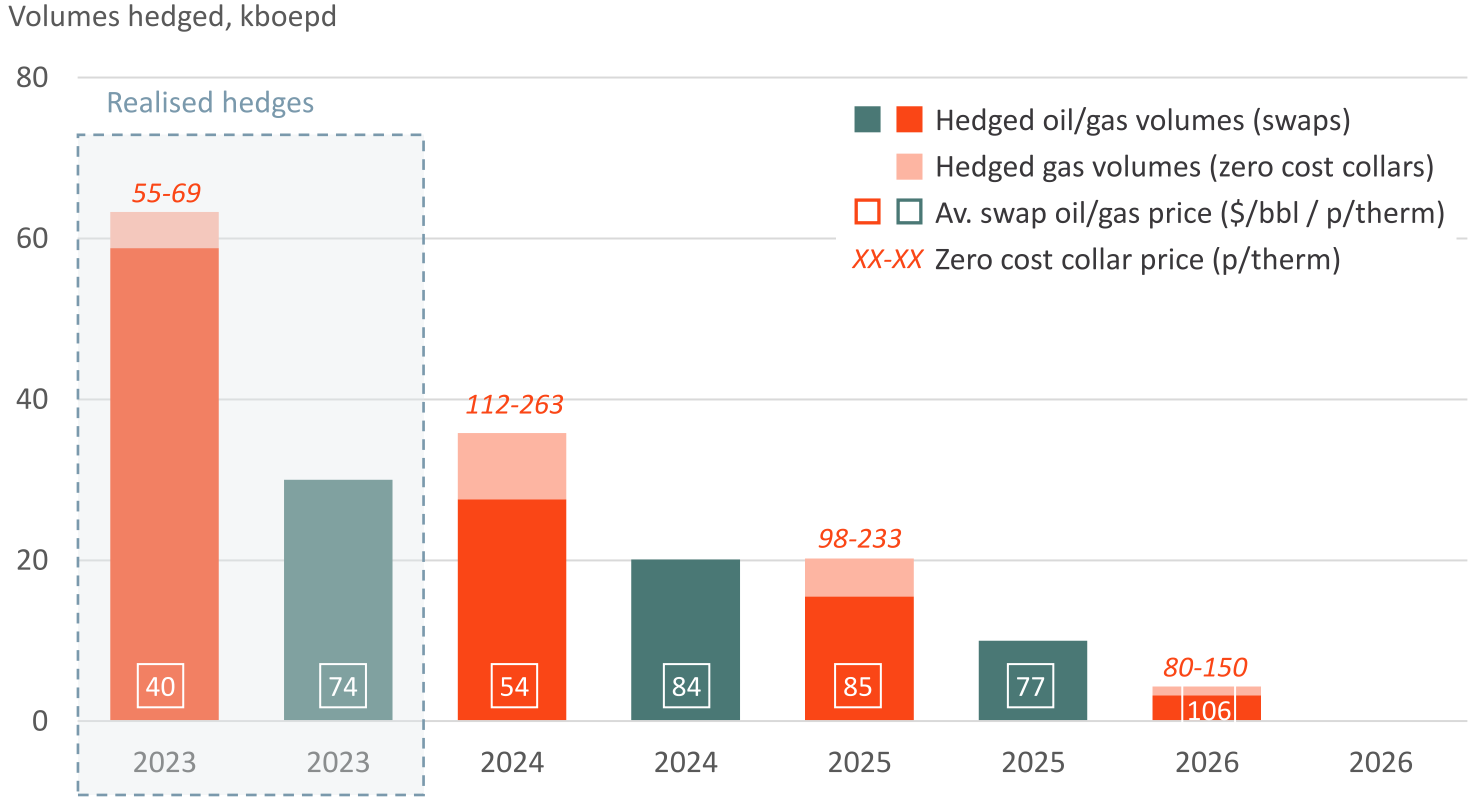
Materially higher exposure to commodity prices, especially UK NBP, with hedging volumes set to reduce from 2024

Realised prices

Lower realised pricing driven by fall in commodity prices and historical hedging programme



Hedging profile



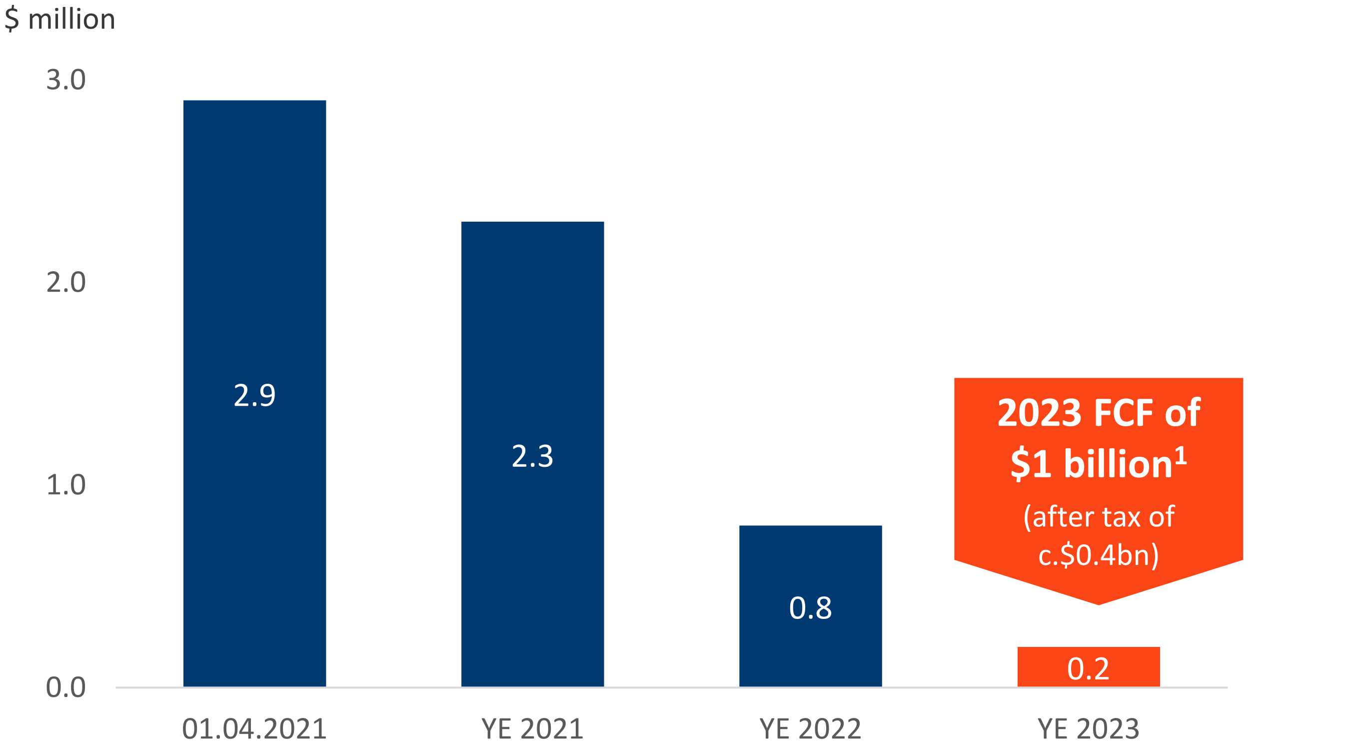
Greater flexibility

hedging requirements linked to the amount drawn on the RBL; no requirements to hedge when <10% drawn

Building on our track record of rapid net debt reduction post M&A…

…whilst delivering material shareholder distributions

Net debt

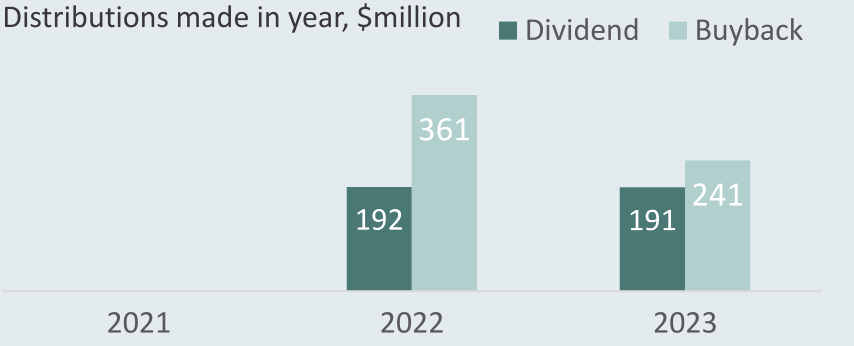


c.$2.7 billion

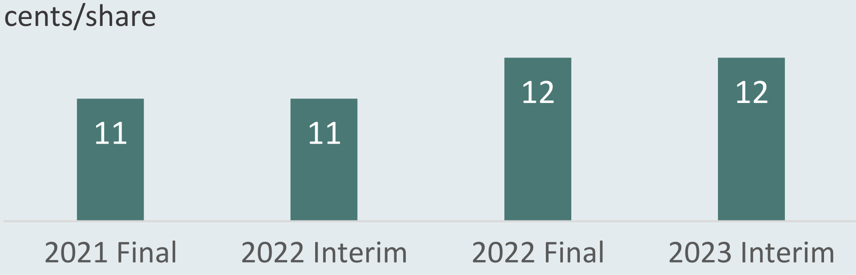
of net debt reduction since April 2021

Shareholder distributions

Annual $200m dividend[2] supplemented with buybacks



Dividend per share growth of 9% year-on-year



c.$1.0 billion

of total shareholder returns delivered since December 2021

[1] 2023 FCF is before distributions. [2] Difference between $191m and $200m annual dividend policy is driven by share capital changes between the announcement date and the record date as well as rounding

Guidance and outlook

2023 guidance	2023 actual	2024 guidance	2025 vs 2024 Outlook
Production	**Production**	**2024 Production**	**Production**
185-200 kboepd	186 kboepd	150 -165 kboepd	
Operating cost	**Operating cost**	**Operating cost**	**Operating Cost**
$16/boe	$16/boe	c.$18/boe	
Total capex	**Total capex**	**Total capex**	**Total Capex**
c.$1.1 billion	$1.0 billion	c.$1.2 billion	

Acquistion of Wintershall Dea asset portfolio

A transformational step in our journey

Overview of acquisition: A compelling transaction for Harbour

Acquisition of substantially all Wintershall Dea's upstream assets for $11.2 bn (effective date 30 June 2023)

Wintershall Dea's upstream assets in Norway, Germany, Denmark[1], Argentina, Mexico, Egypt, Libya[2] and Algeria

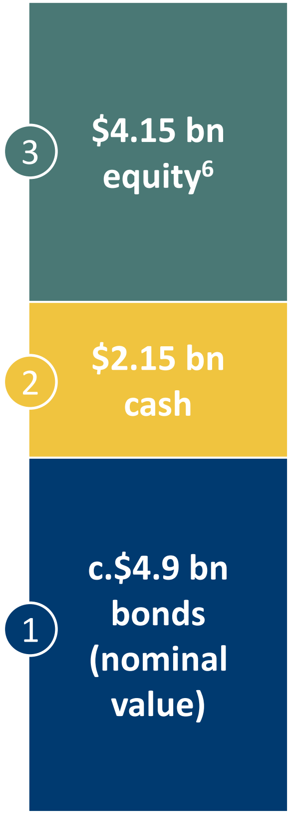
Adds 1.1 bnboe of 2P reserves at c.$10/boe and more than 300 kboepd at c.$35,000/boepd[3]

On completion, BASF to own 46.5% of Harbour's ordinary shares; LetterOne to hold non-voting shares[4]

>25% of Harbour shareholders entered into irrevocable undertakings to support transaction

Targeting Q4 2024 completion

Acquisition Funding structure



3 Equity

Harbour shares issued at agreed value of **360p/share[5]**

2 Cash consideration

- Interim cash flows from target portfolio up to completion
- Underwritten bridge facility

1 Existing Wintershall Dea bonds transferred to Harbour

Expected to deliver Investment Grade credit profile

[1] Excluding the Ravn field. [2] Excluding Wintershall AG. [3] Based on verified YE 2022 2P reserves and H1 2023 production, as per management estimates
[4] If the non-voting shares were to be converted into ordinary shares, Harbour's existing shareholders would own 45.5%, and BASF and LetterOne would own 39.6% and 14.9% respectively of Harbour.
[5] Harbour will issue in total 921.2 million shares. [6] Using Harbour's 30 day VWAP of 227 pence/share, the equity component would be c.$2.6 bn with a total consideration of $9.7 bn.

Acquisition of Wintershall Dea asset portfolio: Compelling strategic and financial rationale

Transforms Harbour into a large, geographically diverse O&G company while maintaining financial strength

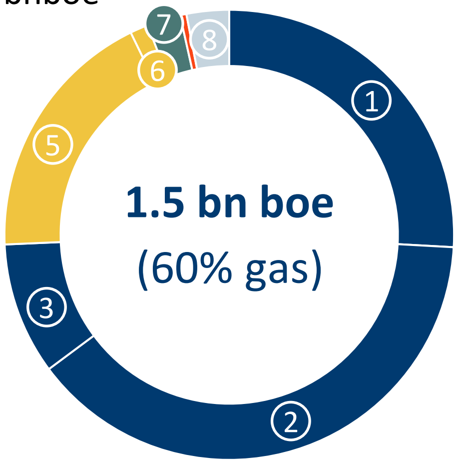
1 Scale and diversification	▪ Production >500 kboed[1]; 2P reserves 1.5 bnboe[2] ▪ Geographic diversification, OECD weighting, low asset concentration ▪ Material positions in multiple established O&G basins
2 High quality, resilient asset base	▪ Natural gas-weighted production ▪ High operating margins support strong cash flow profile ▪ 2P reserves life of 8 years[3]; reserve replacement opportunities from 1.5 bnboe[4] of 2C resources
3 Supporting the energy transition	▪ Safe and responsible operator with strong safety track record ▪ Improved GHG emissions intensity; Net Zero 2035 commitment[5] ▪ Strong pipeline of potential CO_2 Capture & Storage (CCS) developments
4 Financial strength, sustainable returns	▪ Expect to receive investment grade credit ratings ▪ Significantly increases per share free cash flow generation ▪ Supports enhanced and sustainable annual dividend, with potential for additional returns

[1] Based on H1 2023 production as per management estimates. [2] Based on verified YE 2022 2P reserves.
[3] Based on verified YE 2022 2P reserves and average H1 2023 production as per management estimates. [4]Based on verified YE 2022 2C resources.[5] Scope 1 and 2 emissions on a gross operated basis

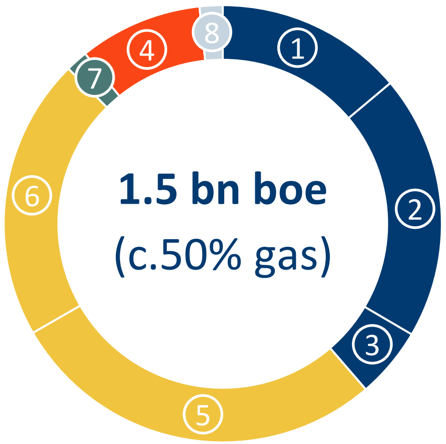
1 Scale and geographic diversification, material positions in established O&G basins

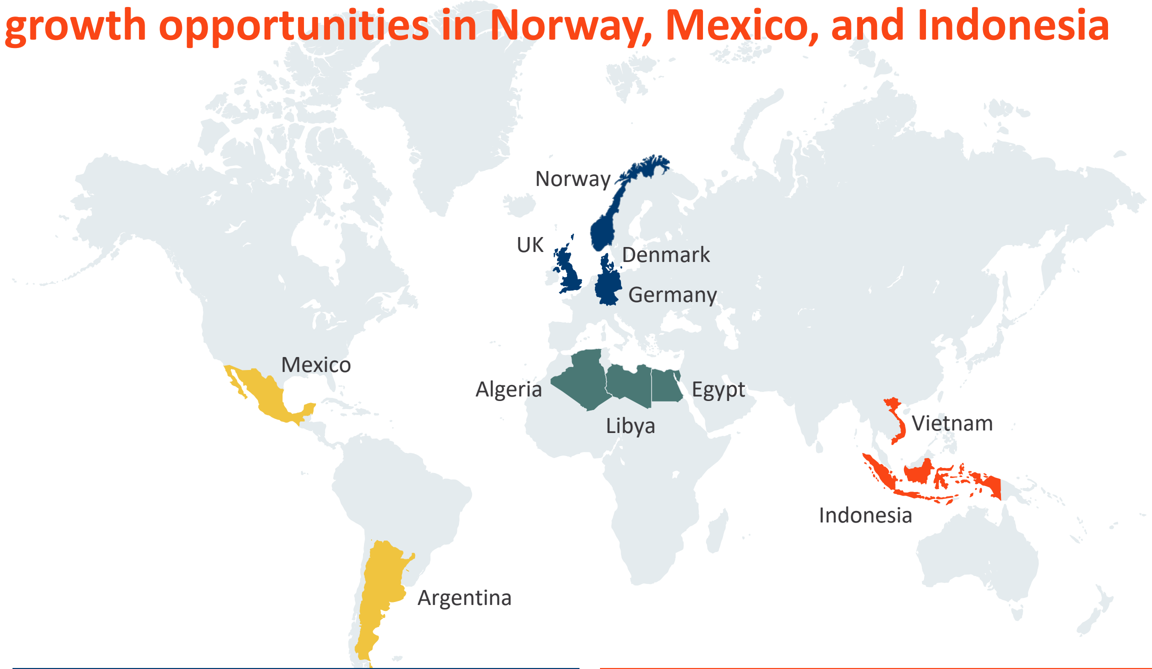
Material production in the UK, Norway and Argentina, plus growth opportunities in Norway, Mexico, and Indonesia

YE 2022 2P Reserves[1]
bnboe



YE 2022 2C Resources[1]
bnboe





UK ①
- Largest UK producer
- Strong operational control
- High return drilling

Norway ②
- High margin, long-life, low emissions production base
- Pipeline of subsea tie-backs

Germany ③
- Long-life oil production
- High margin assets
- Low emissions intensity

Indonesia ④
- Potential multi-TCF development across Andaman licences

Argentina ⑤
- Long-life, gas production
- High quality growth potential
- Operated by TotalEnergies

Mexico ⑥
- Large scale oil resource
- Significant interest in Zama project and Kan discovery

Egypt ⑦
- Long-life gas production
- Partnered with bp

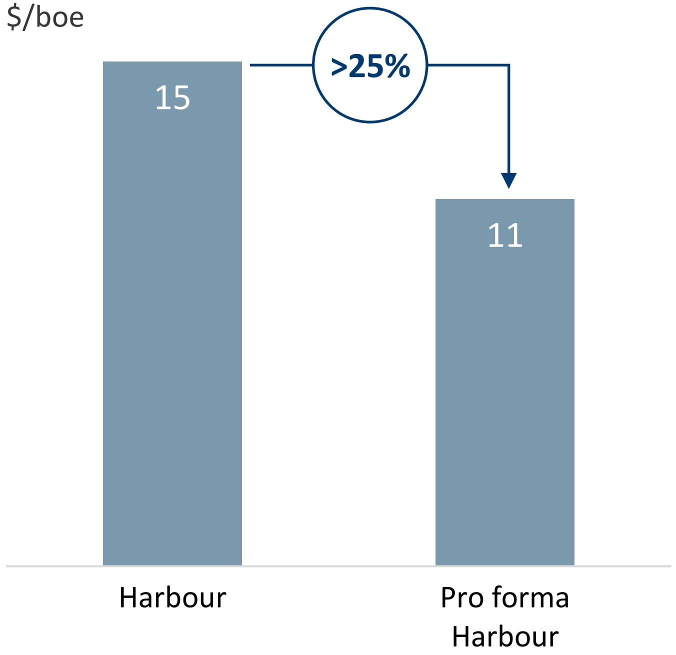
Other ⑧
- Denmark, Algeria, Libya, Vietnam[2]

[1] Based on verified YE 2022 2P reserves and 2C resources [2] Harbour announced the sale of its Vietnam business in August 2023

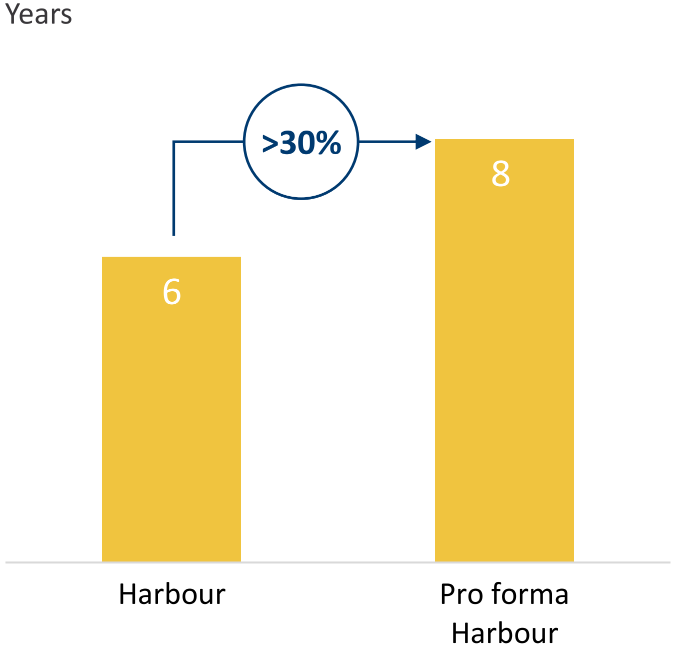
2 Acquisition of high quality and resilient portfolio in line with Harbour's stated M&A criteria

The acquisition is accretive to Harbour across key operational metrics

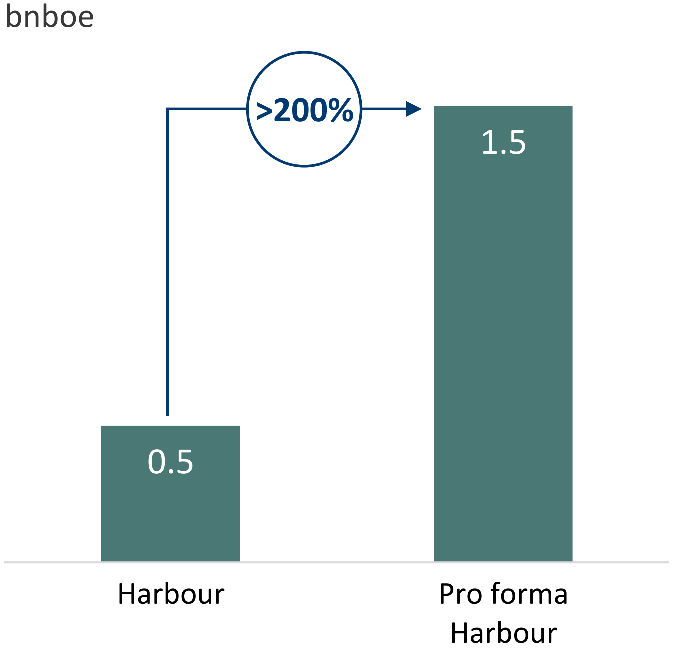
H1 2023 Operating costs[1]



YE 2022 2P Reserve life[2]



YE 2022 2C Resources[3]



Robust operating margins

- Scale and high-quality portfolio supports low unit operating costs
- Exposure to European gas prices
- Proactive, efficient operator and partner

Expanded reserve life

- Material stakes in long-life assets with established operators
- Opportunities to support asset longevity
- Track record of reserve replacement

Significant 2C resource base

- Pipeline of near field, incremental developments in Norway, Argentina
- Growth potential with Vaca Muerta play in Argentina and Zama and Kan in Mexico

[1] Wintershall Dea opex also includes lease costs. Harbour's opex does not include lease costs. [2] Based on verfied YE 2022 2P reserves and H1 2023 production as per management estimates. [3] Based on verified YE 2022 2C resources.

3 Acquisition supports our net zero and energy transition goals

Producing oil and gas responsibly and deploying our skills and infrastructure to accelerate CCS

A shift towards natural gas

% of YE 2022 2P reserves and 2C resources which is gas

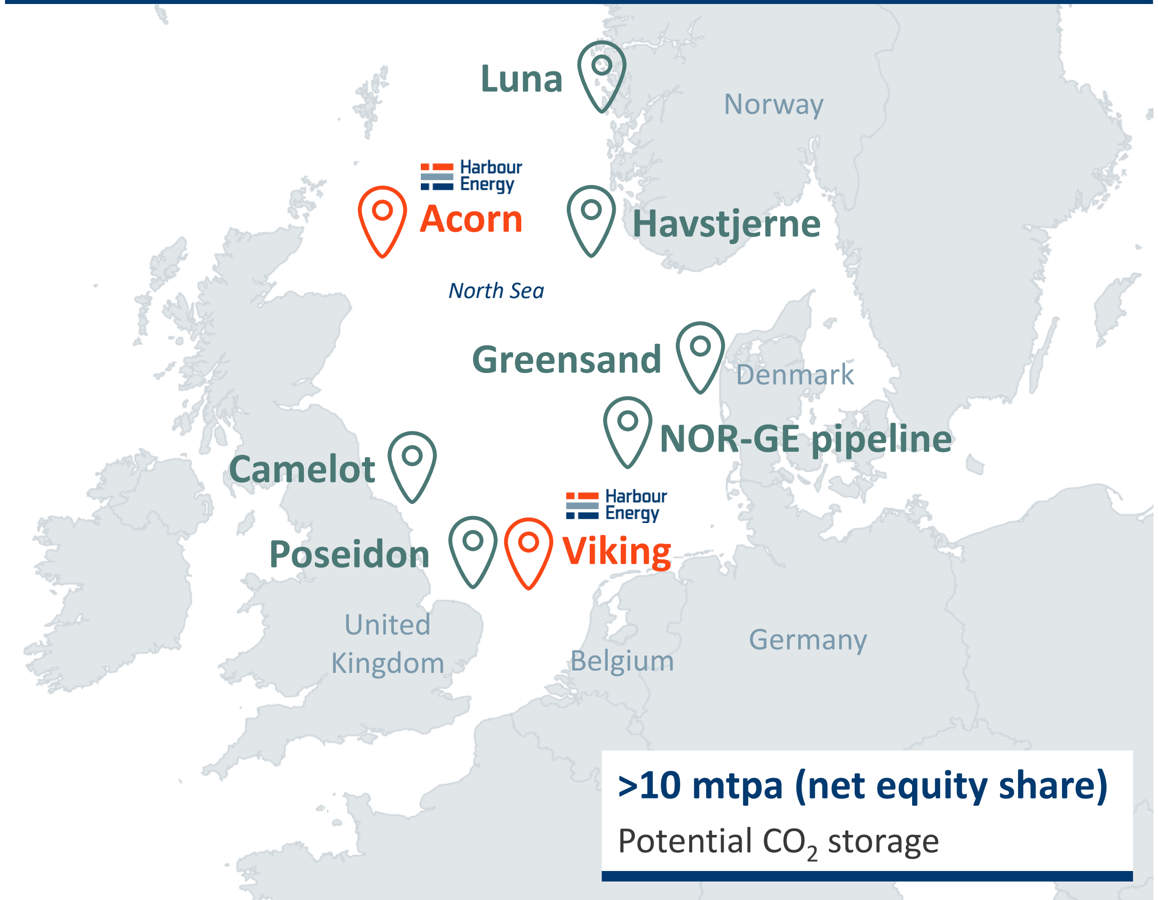
A c.25 per cent reduction in our GHG intensity[1]

FY 2022, $kgCO_2e/boe$

Committed to our goal of Net Zero by 2035[3]

Strong pipeline of potential CO_2 transportation and storage projects

Attractive NW Europe CCS portfolio with potential to provide long term, stable income stream



>10 mtpa (net equity share)

Potential CO_2 storage

[1] Harbour GHGi is Scope 1 and 2 emissions on a net equity share basis. [2] Source is Oil and Gas Climate Initiative, Scope 1 and 2 emissions on a gross operated basis for 2022. [3] Harbour's Net Zero goal is Scope 1 and 2 emissions on a gross operated basis

4 Transaction expected to transform Harbour's corporate financing model into…

…a lower cost and more flexible structure through porting of bonds and expected IG credit ratings

Funding structure

A new $3.0 bn unsecured RCF with an LC sublimit of $1.75 bn

- Fully underwritten 5-year facility
- Significantly lower cost and increased flexibility

A $1.5 bn Bridge facility provides acquisition financing

Harbour's existing $500m 5.5% bonds maturing 2026

Porting of c.$4.9 bn (nominal value) equivalent of Wintershall Dea EUR Bonds

- Weighted average coupon of c.1.8%
- Includes EUR 1.5 bn of hybrid notes, structured to support credit metrics
- Weighted average maturity c. 4.5 years[1]

Significant financing synergies

- Lower cost of borrowing
- Access to diverse sources of capital
- Increased liquidity and flexibility
- Fully unsecured debt structure
- Balanced maturity profile

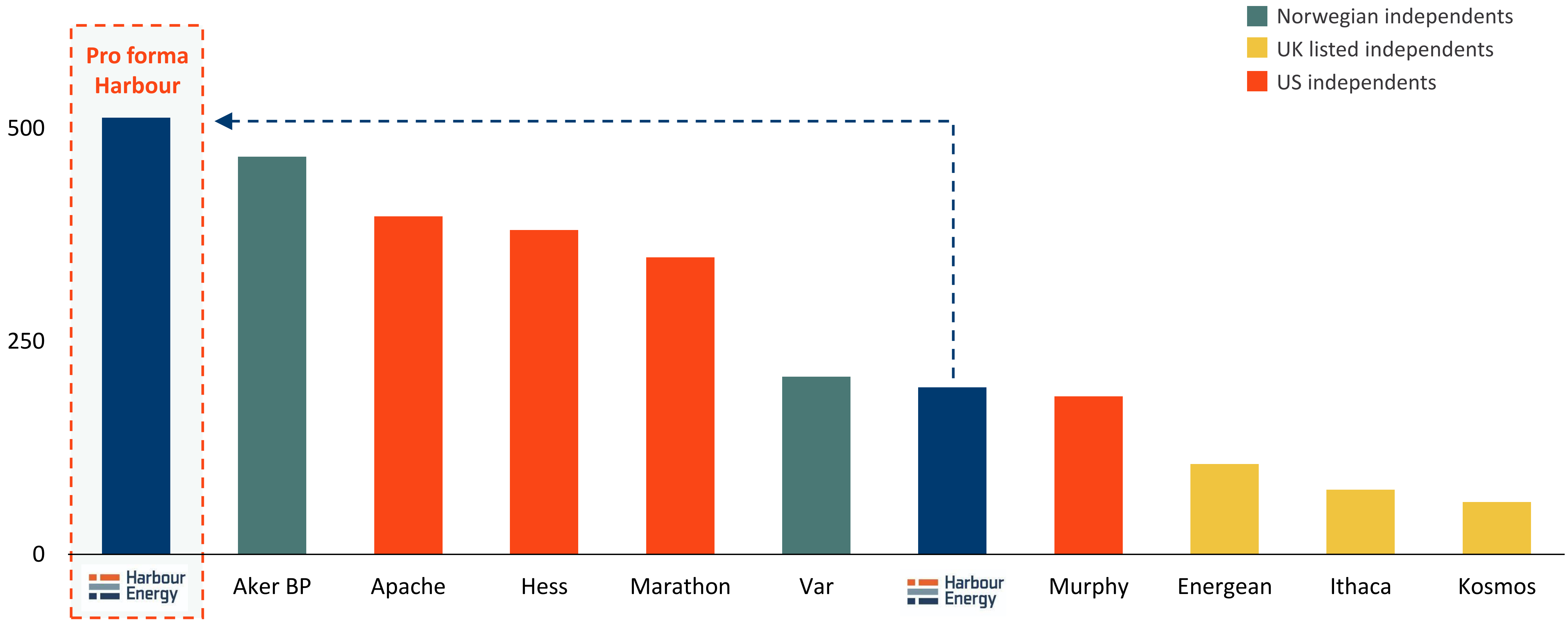
[1] Assumes hybrids refinanced at first call date

Harbour to be well-placed amongst long-established global independent O&G companies

Acquisition transforms Harbour into a large-scale, global independent with a new peer group

Production

H1 2023 Working interest, kboepd[1]



[1] Source is companies' disclosures (quarterly / half year results)

Harbour Energy

Production and hedging position

Group production

Net, kboepd

	2023	2022
GBA	27	31
J-Area	34	30
AELE hub	22	27
Catcher	16	19
Tolmount	13	14
East Irish Sea	4	8
Elgin Franklin	19	24
Buzzard	11	15
Beryl	14	11
West of Shetland[1]	14	14
Other North Sea[2]	1	2
North Sea	**175**	**195**
International	**11**	**13**
Total Group	**186**	**208**

Hedging schedule (as at 31 December 2023)

As at December 2023

	2023		2024		2025		2026	
	Volume	Average price	Volume	Average price	Volume (mmboe)	Average price	Volume mmboe	Average price
UK gas	mmboe	p/therm	mmboe	p/therm	mmboe	p/therm	mmboe	p/therm
Swaps	21.5	40	10.1	54	5.7	87	1.2	106
Collars	1.6	55-69	3.0	112-263	1.7	98-233	0.4	80-150
Oil	mmbbl	$/bbl	mmbbl	$/bbl	mmbbl	$/bbl	mmbbls	$/bbl
Swaps	11	74	7.3	84	4.4	77	0	0

[1] West of Shetland comprises Clair, Schiehallion and Solan [2] Other UK includes East Irish Sea, Galleon and Ravenspurn North [3] international includes Chim Sao, Vietnam and Natuna Sea Block A, Indonesia