

Harbour Energy plc
("Harbour")
Trading and Operations Update
22 January 2026

Harbour Energy today provides the following unaudited Trading and Operations Update for the year ended 31 December 2025, ahead of announcing its Full Year Results on 5 March 2026.

Linda Z Cook, Chief Executive Officer, commented:

"2025 was another year of strong delivery, driven by excellent operational performance, strict capital discipline and the successful integration of new assets. This drove production to the top end of guidance and stronger than anticipated free cash flow generation, despite softer commodity prices.

We materially advanced our strategy during the year. This included improving our cost structure in the UK, building momentum at our key development projects in Mexico and Argentina, and announcing the divestment of non-core assets and disciplined M&A. Collectively these activities will enhance our portfolio and materially increase our future free cash flow.

Looking to 2026, our priorities include delivering another year of outstanding operational performance, continuing to mature our organic growth opportunities, strengthening the balance sheet and completing the announced transactions, all of which position us better for the future."

Strong operational delivery

- Production averaged 474 kboepd (2024: 258 kboepd), up 84% and at the top end of guidance, driven by a full year contribution from Wintershall Dea and excellent operational execution
- Production was split approximately 40% liquids, 40% European gas and 20% other gas
- Unit operating costs averaged \$13.0/boe (2024: \$16.5/boe), a c.20% reduction and lower than guidance. This reflects the addition of the Wintershall Dea assets, strong volumes and cost performance together with the divestment of Vietnam more than offsetting FX headwinds
- Total recordable injury rate (TRIR) of 1.1 per million hours worked (2024: 1.0)
- Net equity greenhouse gas intensity materially reduced to 14 kgCO₂/boe (2024: 19 kgCO₂/boe)
- High return, short cycle investments progressed, supporting near term production:
 - Development wells onstream in Norway, the UK, Argentina, Germany and Egypt
 - Fenix (Argentina) and Maria Phase 2 (Norway) projects successfully completed
 - Five subsea developments in Norway on track to start up within the next 24 months, including first gas from Harbour's operated Dvalin North expected mid-2026
 - In Egypt, post period end, final investment decision taken for the development of the Fayoum-Messinian field, close to West Nile Delta infrastructure, with first gas targeted for end 2026 (within two years of discovery)
- Exploration and appraisal successes in Norway and Egypt. This includes at Dissouq (Egypt) with EZZ-1 brought onstream in January 2026, only two months after discovery, while appraisal drilling is underway at EZZ-2
- Post period end Harbour was awarded nine exploration licences (four as operator) close to existing infrastructure in the APA 2025 licensing round in Norway
- Carbon capture and storage (CCS) projects in Denmark advanced with the Greensand Future project (Harbour 40%) on track to commence commercial operations around the end of this year while a large onshore 3D seismic survey is underway at Harbour's operated Greenstore project

Material strategic progress

- Good momentum on strategic projects underpinning future reserves replacement and optionality:
 - Operatorship of the c.750 mmboe gross Zama oil field (Harbour 32%) transferred from Pemex to Harbour and a more capital efficient phased development plan submitted to the regulator
 - Also in Mexico, FPSO options for the Harbour operated 150 mmboe gross Kan oil field (Harbour 70%) are being matured with FEED planned for later this year
 - Southern Energy (Argentina), a two-vessel c.6 mtpa LNG project (Harbour 15%), is on track to commence operations end 2027. Construction of the pipeline, which will connect the LNG vessels to the onshore facilities, and conversion of the second vessel (MKII) are underway
- Integration of Wintershall Dea assets completed with the Transitional Services Agreement exited on schedule in September. Focus is now on systems and process simplification and driving efficiencies with early savings already captured
- Active portfolio management with the divestment of our assets in Vietnam; in addition, decisions taken to exit several exploration licences in Mexico and certain non-core CCS licences in the Netherlands and the UK
- In December, Harbour announced three complementary, strategic transactions:
 - Indonesia divestments (\$215 million): Sale of NSBA and the Tuna project, improving portfolio quality and accelerating value creation. Completion targeted for Q2 2026
 - Acquisition of Waldorf in the UK (\$170 million): Significant financial synergies through the release of c.\$350 million of trapped cash and c.\$900 million of tax effected UK tax losses. Completion targeted for Q2 2026
 - LLOG Exploration acquisition in the US (\$3.2 billion): Unique opportunity to enter US Gulf at scale, securing a fully operated, oil-weighted portfolio with long reserve life and compelling growth as well as one of the most highly regarded and experienced teams in the region. The acquisition is free cash flow per share accretive from 2027 and is expected to drive material, free cash flow growth. Completion expected Q1 2026

Upgraded free cash flow generation

- Realised post-hedge oil, European gas and other gas prices of \$69/bbl (2024: \$82/bbl), \$13/mscf (2024: \$11/mscf) and \$4/mscf (2024: \$4/mscf), respectively
- Increased revenue of \$10.3 billion (2024: \$6.2 billion) and EBITDAX of c.\$7.1 billion (2024: \$4.0 billion), up 66% and 78% respectively, driven by higher production
- Total capital expenditure (including decommissioning) of \$2.3 billion (2024: \$1.8 billion), lower than guidance of c.\$2.4bn due to reduced activity in the UK and phasing of some Norway spend
- Increased free cash flow of \$1.1 billion (2024: \$0.1 billion). This is c.\$0.1 billion higher compared to the outlook provided in November, driven by continued strong operational delivery, and reflects an overall \$0.5 billion upgrade to Harbour's original 2025 free cash flow outlook provided in January 2025, once normalised for commodity prices
- Pre-swap net debt reduced to \$4.4 billion (2024: \$4.7 billion)¹, reflecting strong free cash flow generation partially offset by a c.\$0.6 billion FX translation effect on our European denominated senior bonds. Leverage reduced to 0.6x (2024: 0.7x)²
- Strong hedge position with mark to market gain of \$0.5 billion at 31 December 2025. For 2026, c.50% of our economic exposure to European gas prices and c.40% of our economic exposure to Brent is currently hedged at \$11/mscf and \$71/bbl respectively

2026 Guidance and outlook³

2026 guidance excludes the impact of the announced sale of Harbour's Indonesian assets and the acquisitions of Waldorf in the UK and LLOG in the US (unless stated otherwise).

- Production of 435-455 kboepd, supported by new projects and wells onstream, including in Norway, partially offsetting UK managed decline and sale of Vietnam
- Unit operating costs of c.\$13.5/boe
- Total capital expenditure (including decommissioning spend) of \$1.7-1.9 billion reflecting continued high grading of the portfolio, reduced UK investment and strict capital discipline
- At \$65/bbl Brent and \$11/mscf European gas, 2026 free cash flow outlook of c.\$0.6 billion⁴, reflecting the current commodity price environment and in line with the three-year free cash flow sensitivity provided at Harbour's 2025 Capital Markets Update
- As previously announced, Harbour intends to move its distributions policy to a payout ratio approach. Details of the new policy will be provided on 5 March alongside the Company's 2025 Full Year Results
- Assuming the LLOG, Waldorf and Indonesia transactions complete as anticipated during 2026, Harbour expects:
 - Production rates to increase towards 500 kboepd by year-end
 - Operating costs to remain below \$15/boe
 - Effective tax rate to start to reduce, reflecting limited US tax payments near term and as we benefit from acquired Waldorf UK tax losses

Enquiries

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Appendix:

Hedging schedule

	2026		2027		2028	
	Volume	Average Price	Volume	Average Price	Volume	Average Price
	mmboe	\$/mscf	mmboe	\$/mscf	mmboe	\$/mscf
Europe / UK gas	26	11	13	10	2	10
	mmbbbl	\$/bbl	mmbbbl	\$/bbl	mmbbbl	\$/bbl
Oil	16	71	8	63	-	-

As at 31 December 2025

Group production

	1 Jan – 31 December 2025 (net, kboepd)	1 Jan – 31 December 2024 (net, kboepd)
Norway	169	52
UK	155	149
Germany	28	10
Argentina	73	21
Mexico	10	4
North Africa	31	12
SE Asia	7	11
Total Group	474	258

Owing to rounding, the above total does not match the sum of the component parts

¹ Net debt excludes hybrids and unamortised fees.

² Leverage is net debt/LTM EBITDAX. 2024 EBITDAX reflects proforma Harbour numbers

³ 2026 guidance assumes a US dollar to GBP sterling exchange rate of \$1.35/£, US dollar to Euro exchange rate of \$1.15/€ and a Norwegian NOK to US dollar exchange rate of NOK10.25/\$

⁴ A \$5/bbl change in 2025 Brent oil prices or a \$1/mscf change in 2026 European gas prices impacts free cash flow by c.\$150 million. Free cash flow sensitivity assumes mid-point of production and capex guidance. A 1:1 conversion rate for \$/mmbtu to \$/mscf has been assumed.