Harbour Energy

Investor Presentation

Harbour Energy plc

February 2023

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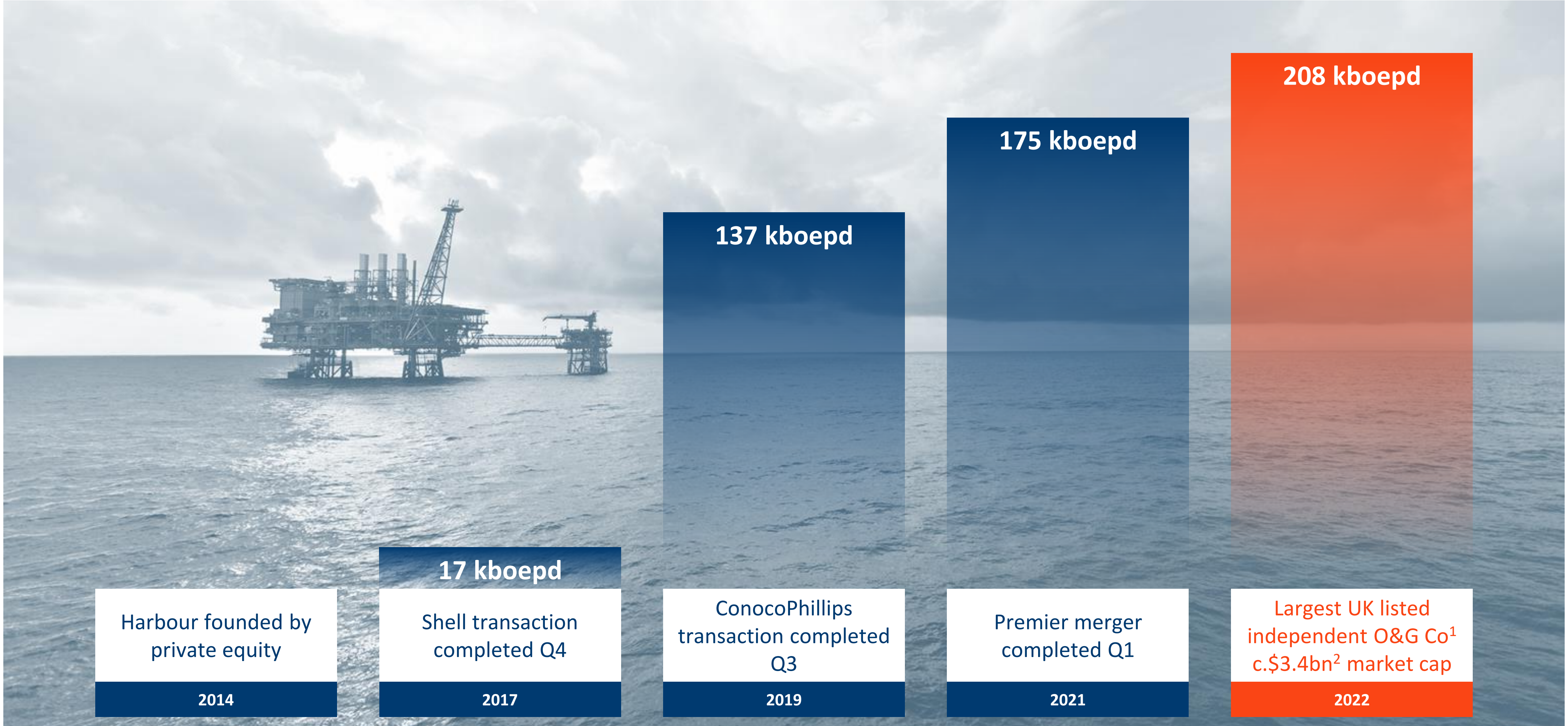
2022 Highlights

- Increased production of 208 kboepd (2021: 175 kboepd), towards the top end of guidance and supported by new wells online, improved uptime and full contribution from PMO assets
- Improved safety performance with TRIR materially reduced to 0.8 per million hours worked
  Lower GHG of c.21 kgCO_2e (2021: 23 kgCO_2e)
- Revenue of $5.4bn with realised post-hedging oil and UK gas prices of $78/bbl and 86 pence/therm versus average Brent price of $101/bbl and 209 pence/therm
- Operating costs $13.7/boe, a 10% decrease on 2021; total capex of $1bn, in line with latest guidance and materially lower than the $1.3 billion forecast at the outset of 2022
- UK capital programme delivered new wells at Tolmount, J-Area, Everest, Catcher and Clair
  Investment decisions taken on Talbot development and Leverett appraisal
- International organic growth projects progressed including significant discovery at the Timpan prospect (Indonesia) and Zama (Mexico) development plan being finalised
- Significant momentum on UK CCS projects; Viking CCS pre-FEED completed, new partnerships formed with major customers and CO_2 storage capacity independently verified
- FCF of $2.1bn, post tax payments of c.$600m; c.$600m of shareholder returns announced
  Net debt reduced from $2.3bn to $0.8bn; continue to expect to be net debt free in 2023

Evolution of Harbour



[1] By market capitalisation and production. [2] as at 18 January 2023

Harbour at a glance

A FTSE250 global Independent O&G company

208 kboepd
(2022)

$13.7/boe
Operating cost (2022)

948 mmboe[1]
2P reserves + 2C resources (YE 2021)

$1bn
Total capex (inc.decom) (2022)

$2.1bn
2022 FCF[2]

c.0.2x
Leverage ratio[3] (31 Dec 2022)

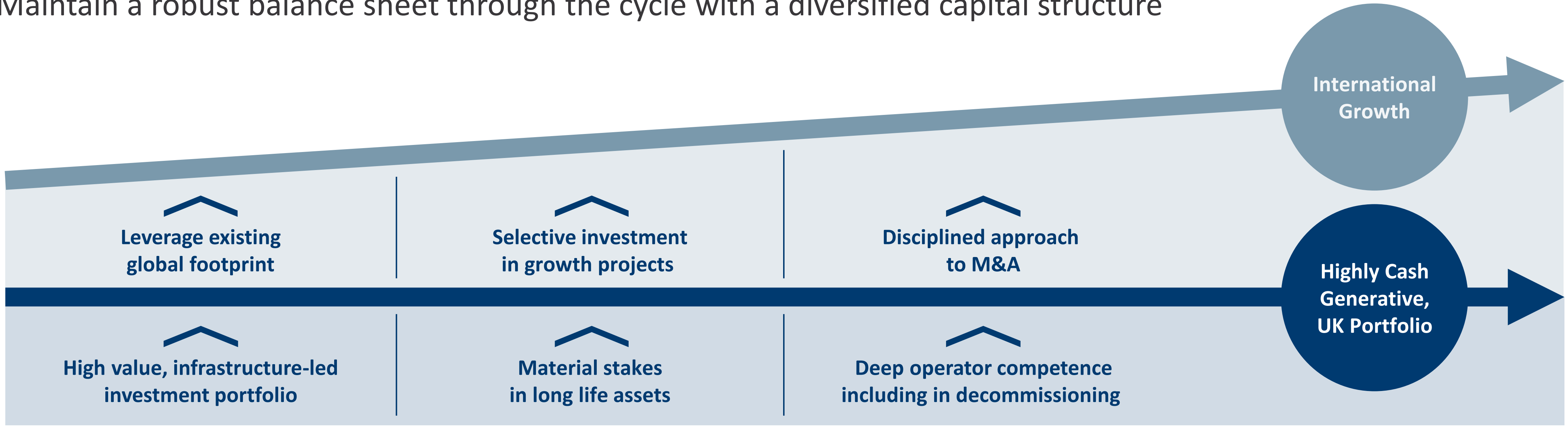
Net Zero 2035
Commitment[4]

[1] Harbour management estimates. [2] FCF is free cash flow after tax, pre-distributions.[3] Net debt / EBITDAX. [4] Includes our share of Scope 1 and Scope 2 CO_2e emissions from operated and non-operated assets.

Strategy

To continue building a mid to large-sized, diversified global independent oil & gas company

- Ensure safe, reliable and environmentally responsible operations
- Retain a large diversified portfolio of production, reserves and resources
  - Maximise value from cash generative UK asset base
  - Deliver growth through disciplined M&A
- Maintain a robust balance sheet through the cycle with a diversified capital structure



Harbour's strategy has underpinned material growth over the past five years.
Our strategy remains robust given our current portfolio and external market dynamics

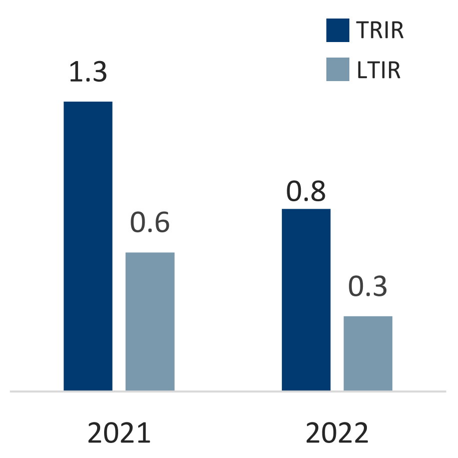
A focus on safe and responsible operations

Safety is our top priority

- No significant injuries or spills during the period
- Improved safety performance
- Summer shutdowns completed safely & on schedule
- Special focus on process safety and high potential incidents

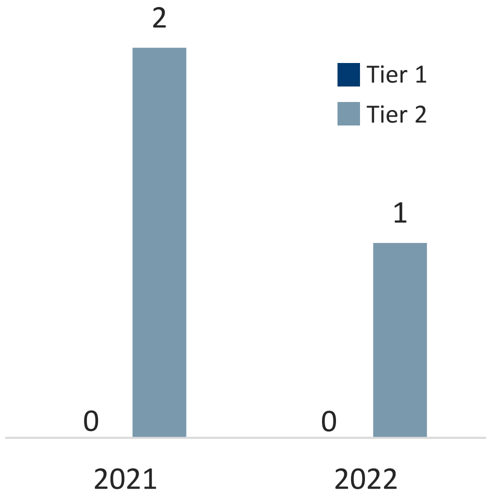
Occupational safety

TRIR, LTIR (per million hours worked)



Process safety

Events (Tier 1 and Tier 2)



[1] Safety and Environment KPIs are provided on a reported gross, operated basis

12 million hours worked during 2022


Judy (UK) scaffold & walkway changeout


Barge Integrity Campaign at West Lobe Anoa, Indonesia


Well work on Greater Britannia Area


Subsea Campaign at Chim Sao, Vietnam


Valaris 121 at Judy, UK

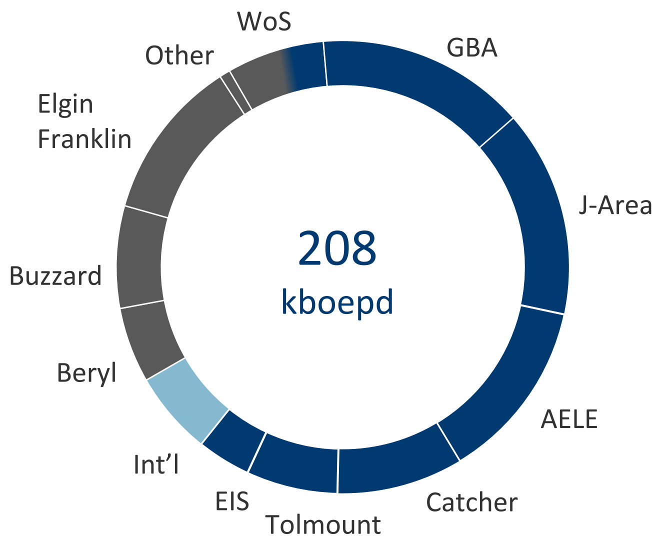
A diversified production base of scale with significant gas exposure

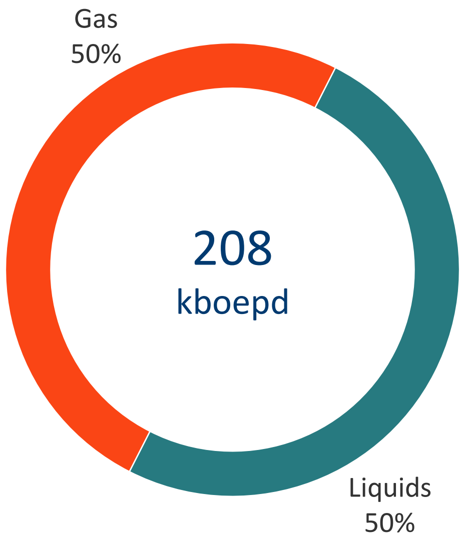
We delivered c. 15% of the UK's domestic O&G production, supporting energy security at a critical time

- Production of 208 kboepd, over 90% from the UK
- 50% liquids versus 50% gas, with significant UK gas exposure
- Significant asset diversification with robust margins
- High return, lower risk infrastructure-led investment opportunities to maintain near-term production levels

A diversified UK portfolio with a balance of oil vs gas

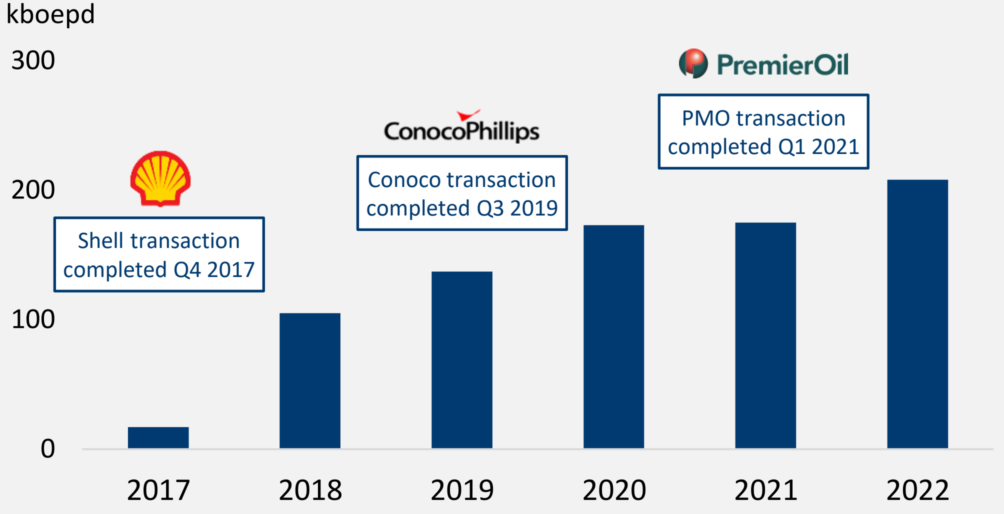
2022



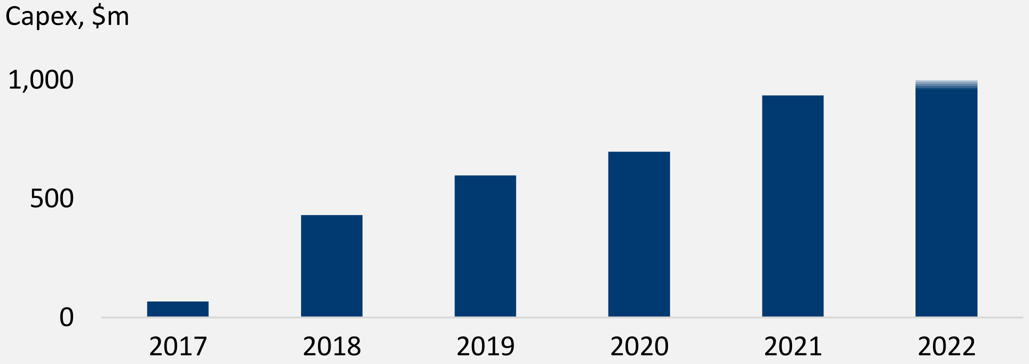


UK operated | UK non-operated | International operated

Production growth delivered through M&A…



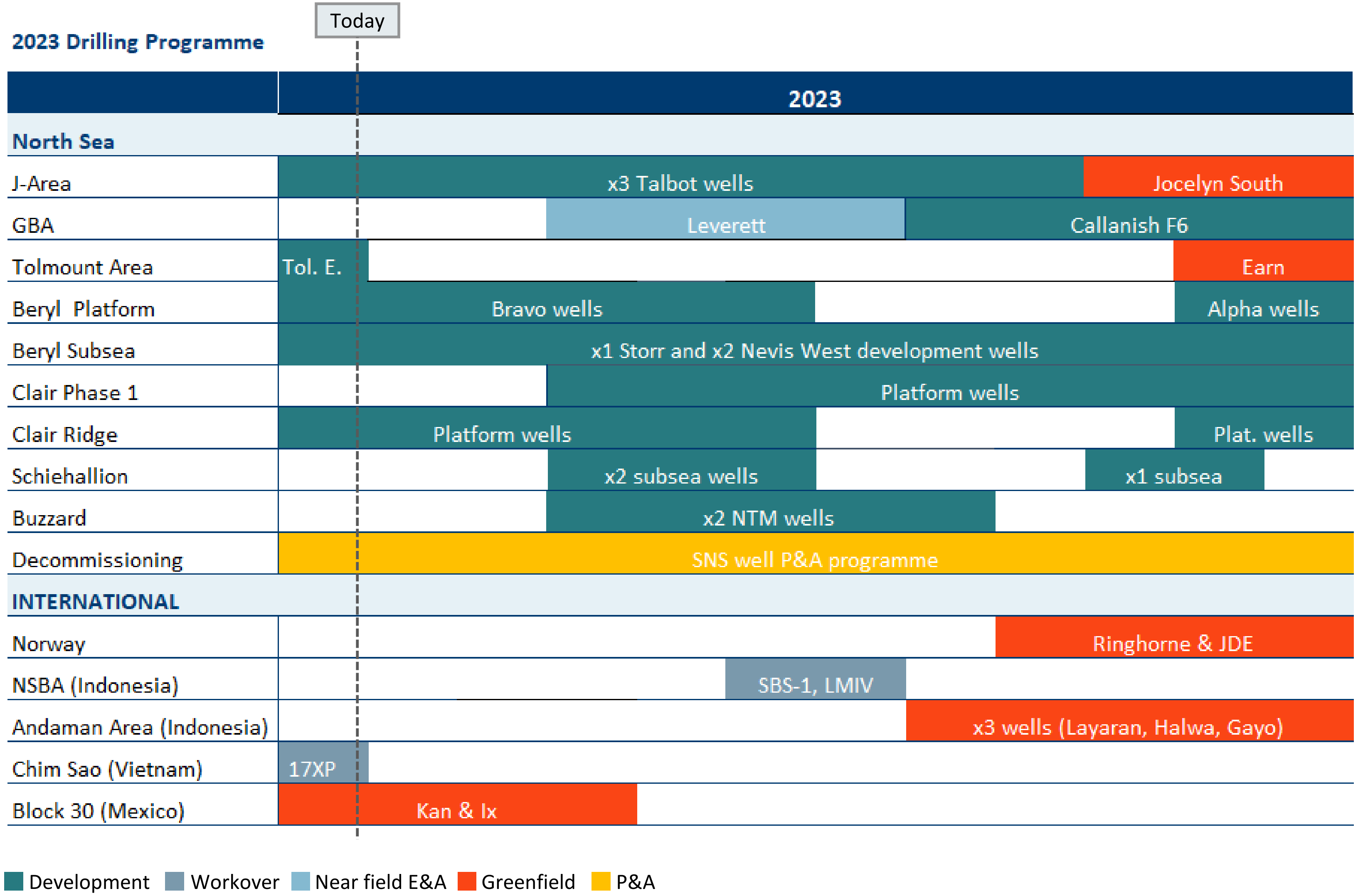
…followed by value-adding investment in the acquired assets



2023 rig schedule

Short cycle, high value opportunities to support production while generating material free cash flow

2023 Drilling Programme

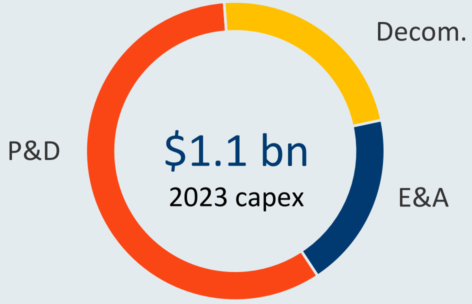


2023 capital investment programme

- 2022 expenditure lower due the decisions not to proceed with several North Sea E&A wells and the delayed arrival of rigs at some locations

2022 capital investment programme

- c.85% of total capex in the UK focused on high return, lower risk, infrastructure led investment opportunities
- Total UK expenditure reduced compared to previous expectations with certain opportunities no longer being pursued
- International capex largely comprised of further exploration and appraisal drilling across Andaman Sea licences



Continued investment in organic portfolio opportunities – UK and International

Highly cash generative, UK Portfolio

J-Area: Talbot FID

- Talbot: high return development; first oil around end 2024
- Infill drilling and near field investment opportunities

GBA: Leverett appraisal sanctioned

- Leverett appraisal planned for H1 2023
- Acceleration of Callanish infill drilling to 2023

Tolmount: Increases UK gas supply

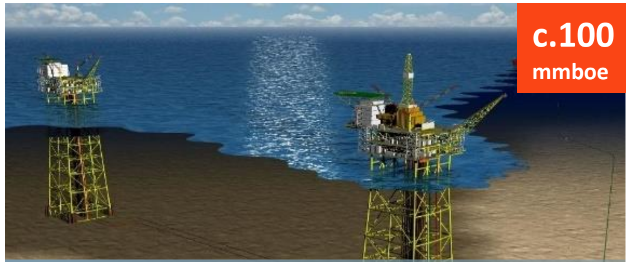
- Tolmount cash payback reached in less than six months after first production
- Tolmount East development expected online in 2024

International growth

c.45 mmboe

Tuna, Indonesia: FID targeted end 2023

- Plan of Development approved by Government



c.100 mmboe

Mexico: Zama progress, Exploration

- Zama unit partners working to finalise FDP; possible FID by end 2023
- Drilling of two non-operated exploration wells on Block 30 underway

TBD

Timpan, Indonesia: Material discovery

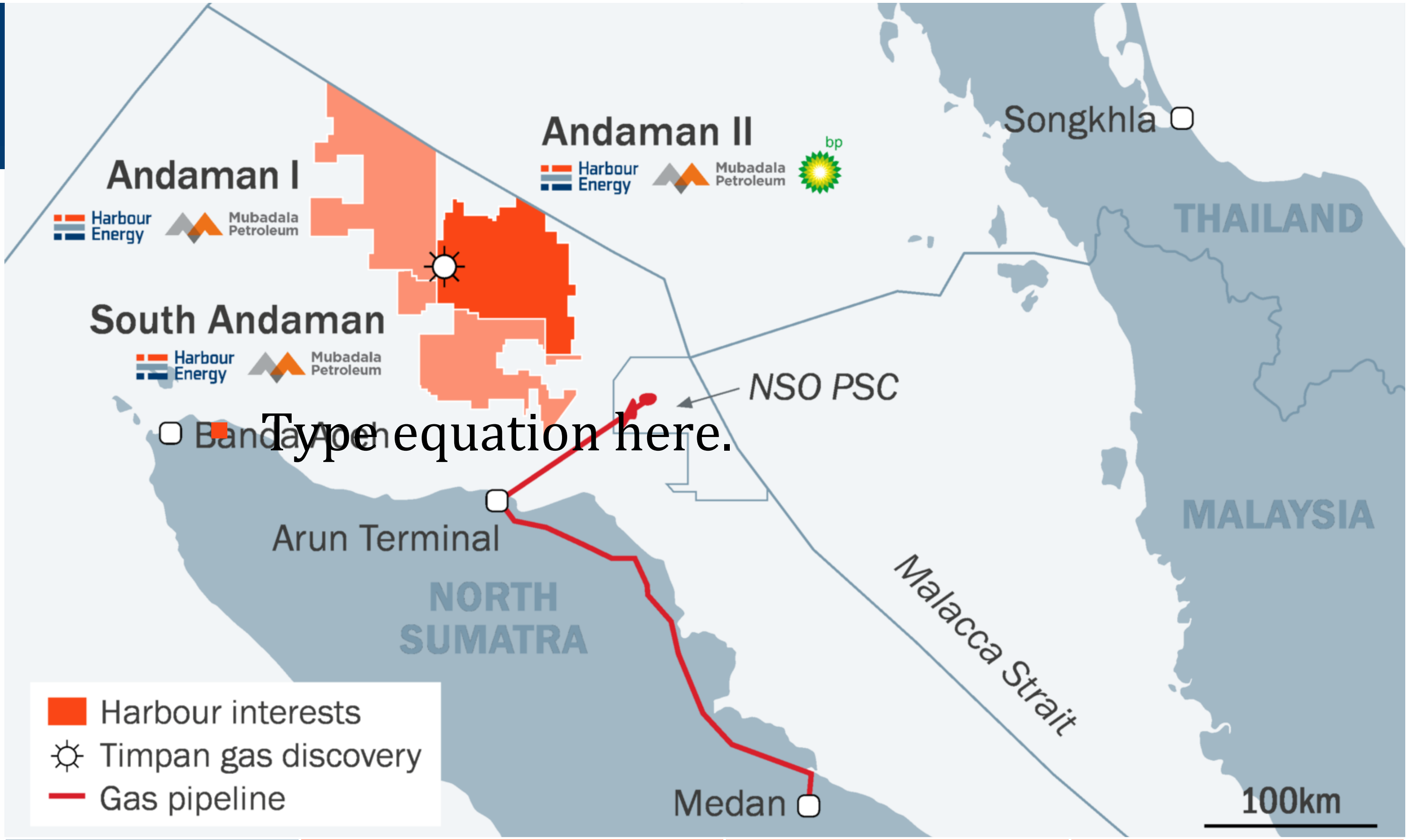
- Timpan-1 de-risks multiple prospects across Andaman acreage; further drilling planned in 2023 and 2024
- Additional seismic acquisition completed

■ Estimated un-risked net discovered resource

Material gas discovery in Andaman Sea, Indonesia

Timpan-1 gas discovery

- Play opening Timpan-1 well
- Significantly de-risks multiple prospects across Harbour's Andaman Sea acreage
- Encountered 390 foot gas column in a high net-to-gross reservoir with associated permeability of 1-10mD
- Comprehensive data acquisition including core and flow test
- Reservoir quality under review
- Close proximity to major natural gas markets
- Additional 3D seismic acquisition completed over eastern area of Andaman II
- Further drilling planned for 2023 and 2024



	Andaman II	South Andaman	Andaman I
Harbour interest	40%, operated	20%, non-operated	20%, non-operated
Partners	Mubadala (30%), BP (30%)	Mubadala (80%, op)	Mubadala (80% op)

Ambition to diversify and grow internationally via M&A

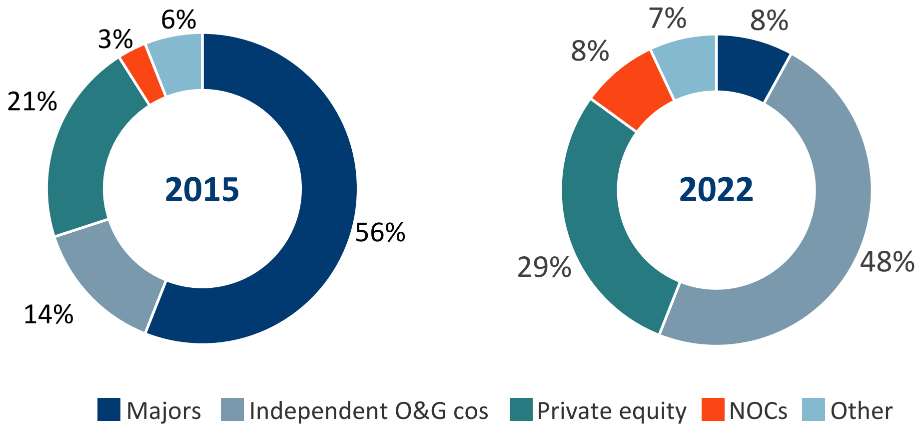
Since Q4 2021 the value of O&G deals in the market has increased by 17% to c. $160 billion[1]

Criteria:

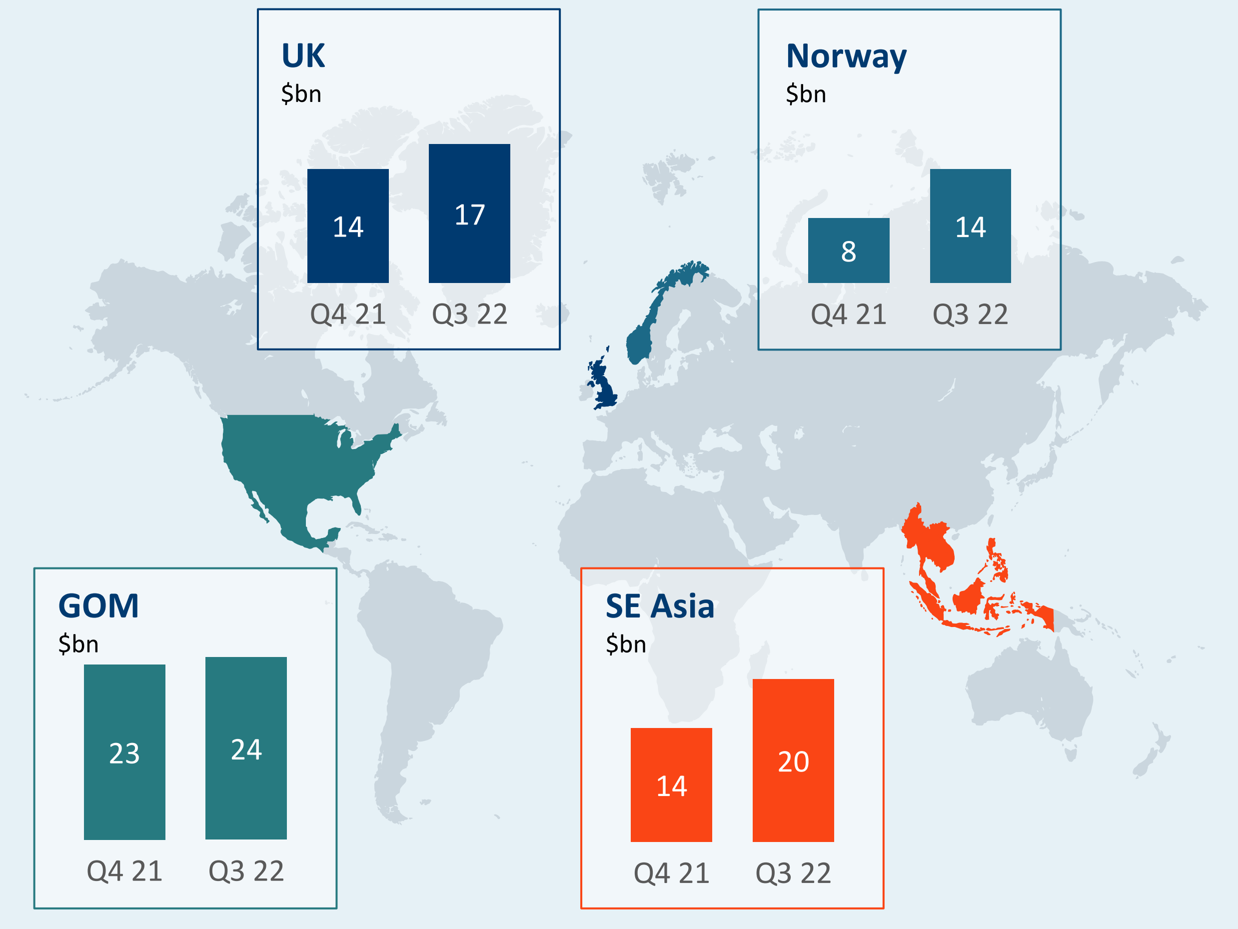
- Material, cash generative producing assets
- Accretive to reserves life, operating margins, GHG intensity
- Support enhanced, sustainable shareholder returns
- M&A, like other investment, must compete for capital with safeguarding the balance sheet and shareholder returns

O&G transactions split by buyer type[2]

- Majors have become net sellers as shift portfolios for energy transition / focus on LNG, deepwater and shale opportunities



The upstream opportunity set in our focus regions remains rich[1]



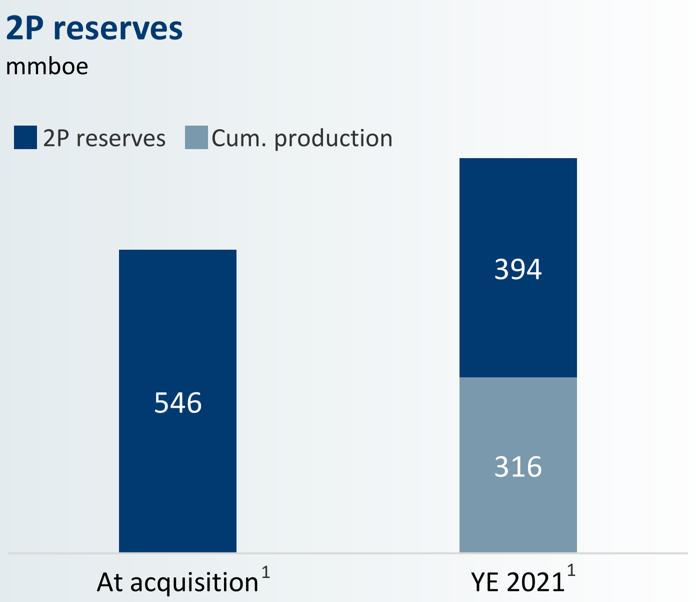
[1] Source: Jefferies Financial Group's estimates of divestment opportunities currently in the market using Woodmac data for valuation; excludes onshore North America [2] Source: IHS Herold

Disciplined approach with focus on strategic fit and value creation

Track record of executing complex M&A transactions with large O&G companies and adding value to the assets acquired

Improved recovery, added reserves & extended field life via investment

Added >150 mmboe of 2P reserves to the assets acquired from Shell and Conoco

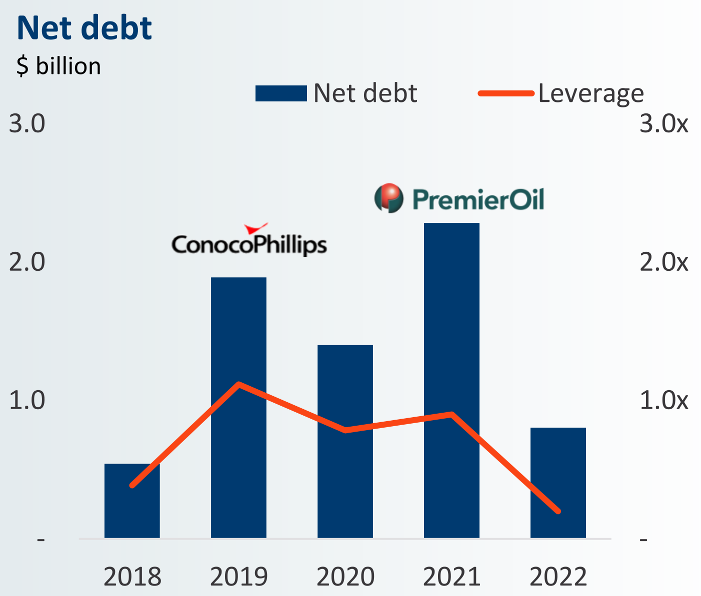


Material cost reduction, actively managed unit opex & decom costs

Forecast decommissioning costs for Conoco & Shell assets now c. $500m lower than at acquisition[2]

Prudent risk management: hedge to lock in returns and rapid deleveraging

Three multi-billion dollar transactions 2017-2021 & forecast to be net debt free in 2023



[1] At acquisition 2P reserves as per Shell / Conoco deal CPRs; YE 2021 as per YE 2021 CPR. [2] Forecast total decommissioning costs (real, undiscounted, pre-tax) at acquisition compared to actuals / latest management estimates. [3] At acquisition opex is as per Shell Conoco deal CPRs. Actual opex is provided on a proforma basis and excludes corporate charges.

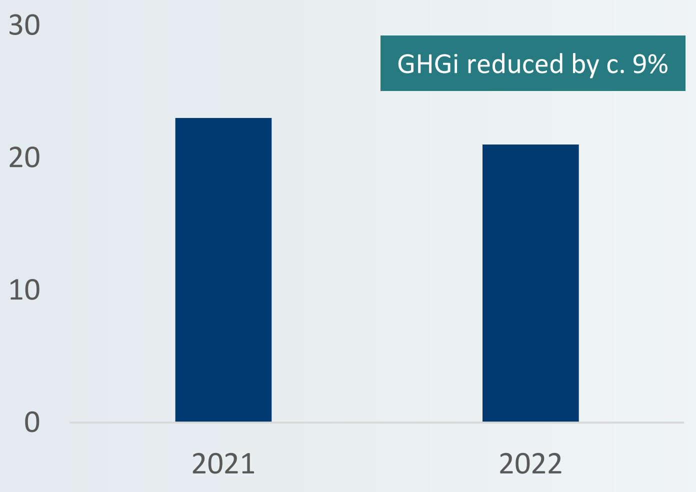
Addressing our environmental impact

Taking action to achieve our Net Zero goal by 2035

- Scope 1 and 2 emissions intensity materially improved in 2022
- Progressing a wide range of activities to reduce emissions further
- On track to meet UK government's sector emission reduction targets (first goal is 10% reduction by 2025 versus 2018)
- Investing in technology, including CCS, to support the UK's emissions targets

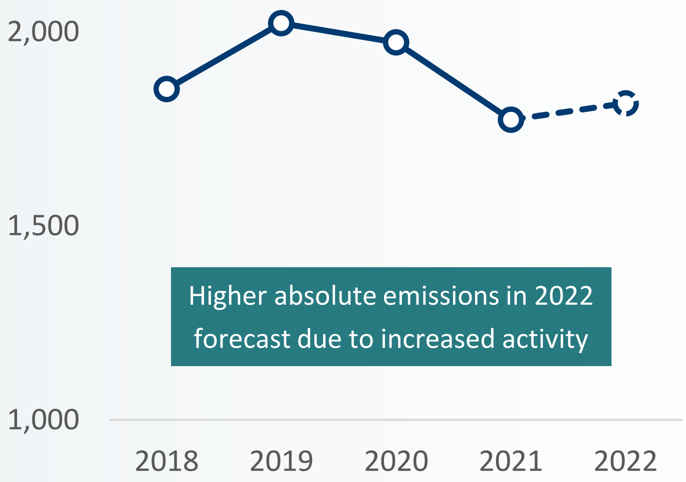
Improved GHG intensity[1]

$kgCO_2e$ / boe (Scope 1, Scope 2)



Absolute emissions[2]

kt CO_2e (Scope 1, Scope 2)



Asset decarbonisation

Supply chain

Facilities and information services

UK offshore electrification

Carbon capture technology

Nature-based carbon offsetting

[1] GHGi is provided on a reported gross, operated basis [2] Absolute emissions measured on a pro forma, gross, operated basis

Harbour is participating in two early stage Carbon Capture and Storage (CCS) projects in the UK

The UK government sees CCS as playing a critical role in achieving the country's Net Zero emission targets

- The UK government aims to capture 20-30 million tonnes of CO_2 per year by 2030 via four CCS projects
- Awaiting clarity regarding the government's Track 2 project selection process; both Harbour projects will provide submissions
- First UK offshore CCS licensing round launched in June 2022; both Harbour projects have submitted licence applications

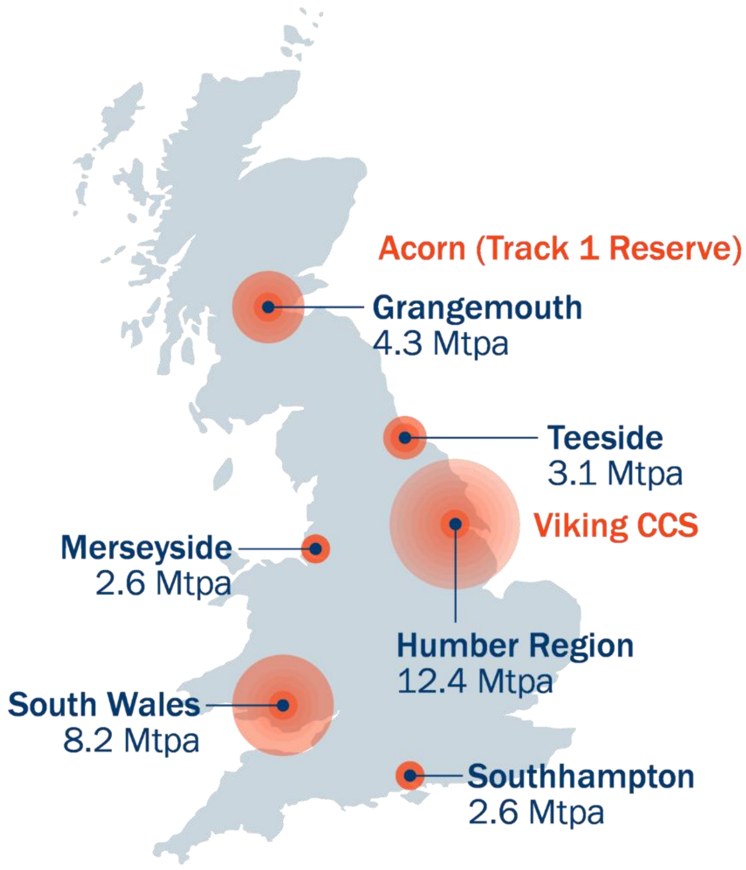
Acorn: Backbone of Scottish Cluster – capture, transport & store CO_2 via existing infrastructure

- Harbour 30% interest (Shell, Storegga and NSMP)
- Aim to capture, transport and store up to 9 mtpa CO_2 from Scottish Cluster emitters (Acorn Emitter Projects, St Fergus and Grangemouth) and stranded emissions via ship import

Viking CCS: transporting CO_2 via pipeline and ship import to high-quality storage

- Harbour 100% interest
- Aim to transport and store 10 mtpa by 2030 from the Humber region, the UK's most industrialised region, and connecting stranded emissions via ship import

The UK's largest clusters by industrial emissions

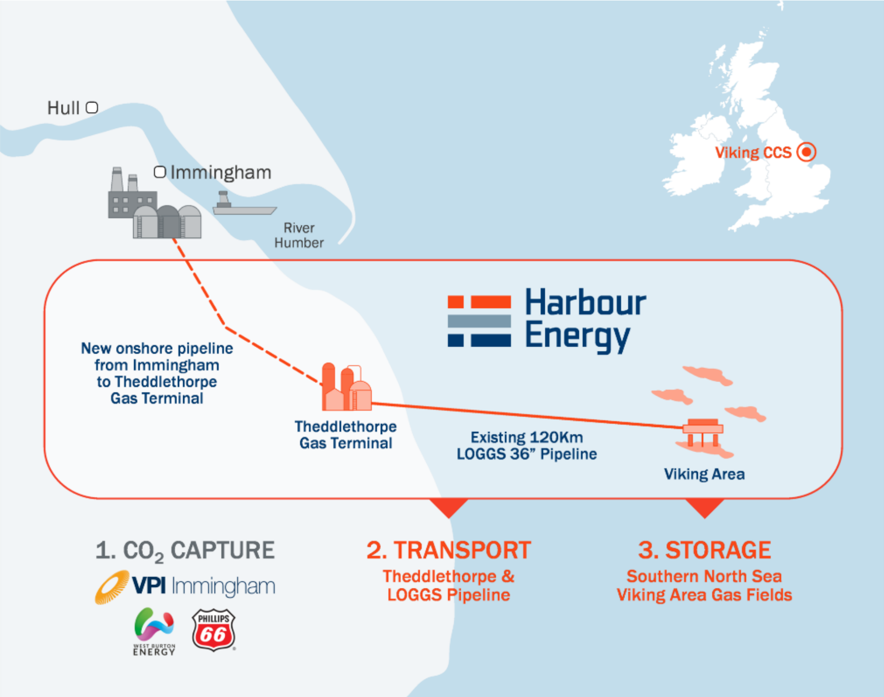


Harbour-led Viking CCS: CO_2 transportation and storage from the Humber region

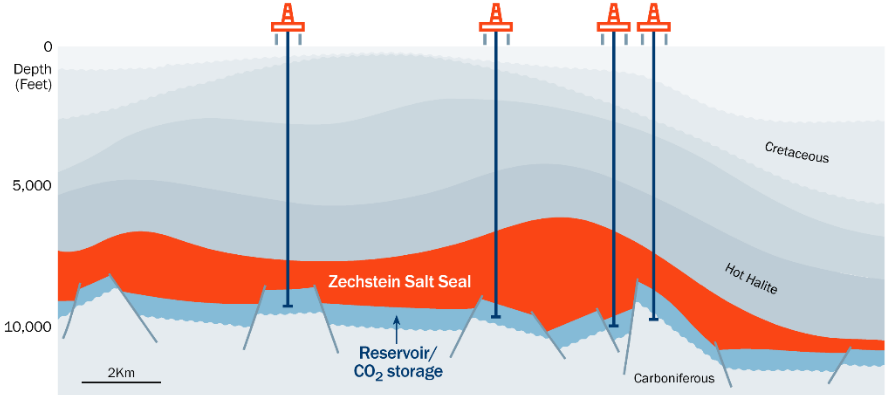
Harbour is well positioned to deploy its skills and infrastructure to accelerate CCS, building on >40 years operating experience

- Targeting a reduction of 10 million tonnes of UK emissions pa by 2030 with upside build-out potential of a further 5-to-10 mtpa
- Viking CCS network grown to include emitters such as West Burton Energy, RWE and exclusive commercial relationship with Associated British Ports
- Statutory consultation for the Viking CCS onshore pipeline completed; submission of a planning application expected in 2023
- Over 300MT of robust CO_2 storage in depleted Viking Fields; 1 of 6 UK CO_2 storage licences in the UK, Viking licence issued in 2021
- Reuse existing 120km trunk pipeline (BP 50%); 30 mtpa transport capacity
- New CO_2 infrastructure
  - 55km onshore pipeline (sized for 17mtpa),
  - Offshore injection facilities that are scalable.
- Targeting FID in 2024 with first CO_2 storage planned for as early as 2027

Viking CCS combines Harbour's legacy Southern North Sea assets & experience with strong upstream risk management competency



Illustrative schematic through the Viking fields



Strong cash generation through the cycle…

…underpinned by prudent capital allocation and a robust financial framework

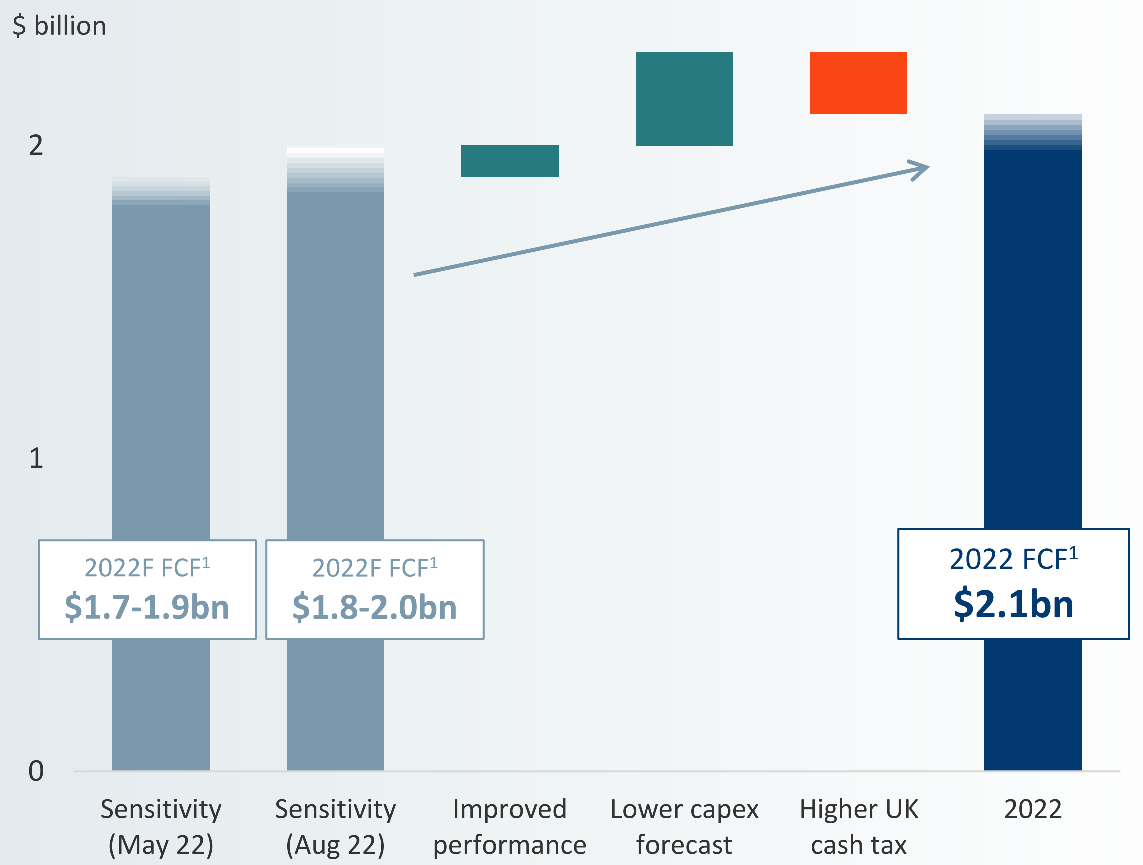
- ✓ A reliable and safe operator
- ✓ A strong focus on managing costs
- ✓ High quality forward investment portfolio
- ✓ Cash generative
- ✓ Prudent capital allocation

Capital allocation priorities

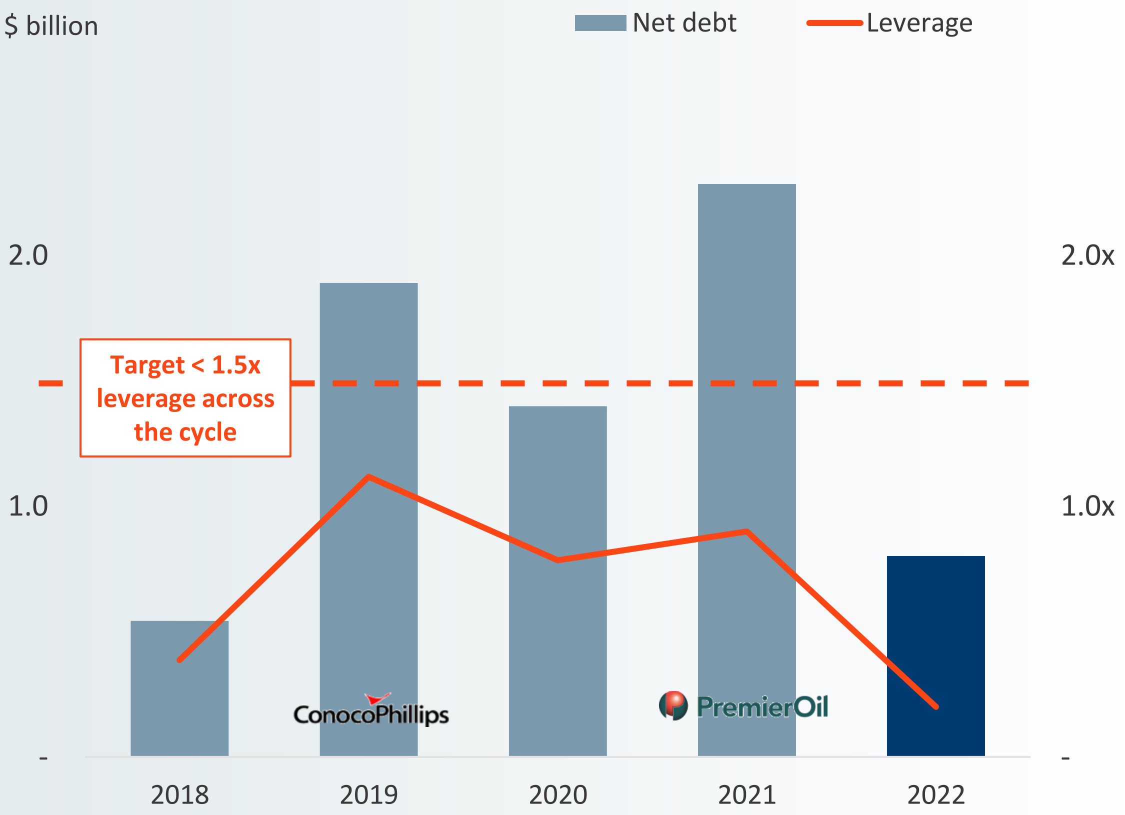
1. Safeguard balance sheet
2. Ensure a robust and diverse portfolio
3. Deliver shareholder returns

Material optionality over future capital allocation with potential to be net debt free in 2023

Improved FCF driven by higher production and prices offset by hedging losses and increased tax payments



Continued track record of rapid pay down post acquisitions



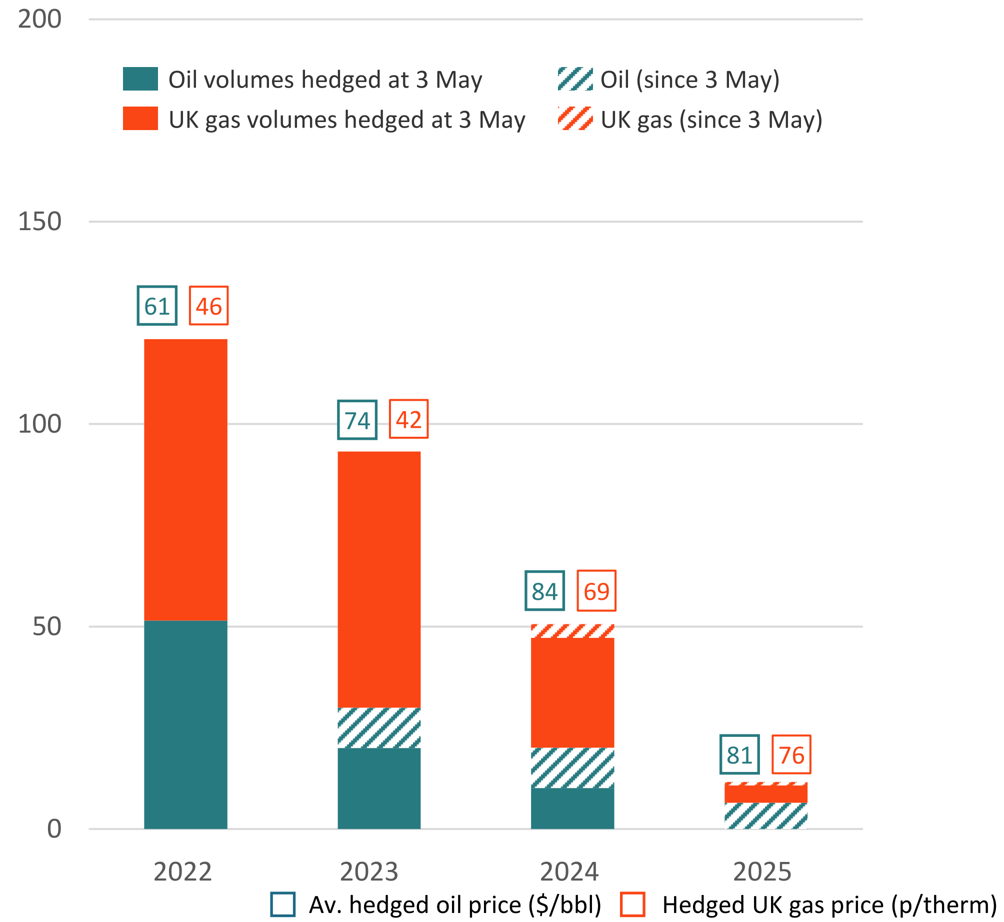
[1] Free cash flow is after capex and tax and before shareholder distributions; May and August sensitivity assumed $100/bbl, 200p/therm and $1.35/£

With low leverage, shifting hedging strategy to increase exposure to market pricing…

…while continuing to protect the downside

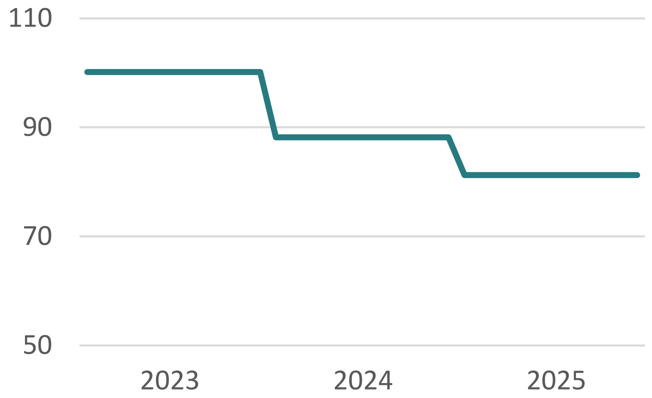
Hedged volumes reduce materially over next 3 years

kboepd



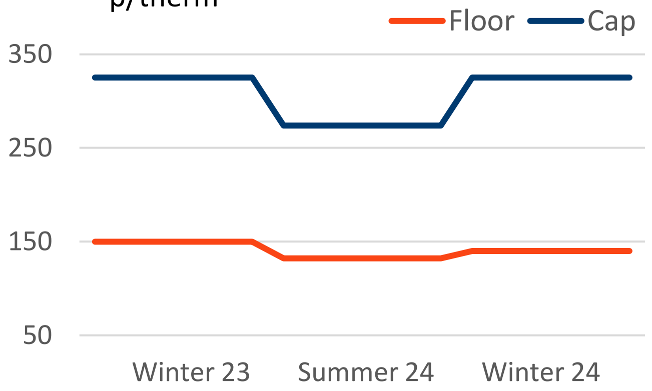
Recent oil hedging prices

$/bbl



Recent UK gas hedge prices

p/therm



- Greater flexibility with minimum RBL hedging requirements reduced
- Added incrementally to hedging position in 2023+
- Attractive Zero Cost Collar (ZCC) skew for gas hedging
- Swaps more attractive for oil hedging
- No margin agreements

2025
$81/bbl
Last executed oil trade

Winter 2024 ZCC
200p floor vs 437p cap
Last executed gas trade

Guidance

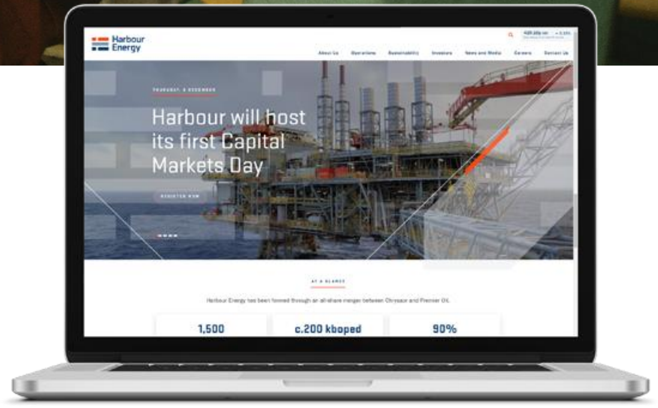
	2022 Guidance[1]	2022 Actual	2023 Guidance
Production	Upper end of **200-210** kboepd	**208** kboepd	**185-200** kboepd
Operating Cost	**14** \$/boe	**13.7** \$/boe	**c.16** \$/boe
P&D and E&A Capex	**1.0** \$bn	**0.8** \$bn	**0.9** \$bn
Decommissioning expenditure		**0.2** \$bn	**0.2** \$bn

[1] As at November 2022

Why Harbour Energy?

Well positioned for value creation, growth and shareholder returns

- Pure-play, upstream global O&G producer
- A focus on safe and responsible operations
- High quality, diversified cash generative asset base of scale with significant gas exposure
- Track record of organic reserve additions and extending field life
- Proven delivery of large-scale, value accretive M&A
- Strong Board with meaningful ownership
- Robust financial position with significant optionality over future capital allocation



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