



Capital Markets Day Presentation

Harbour Energy plc

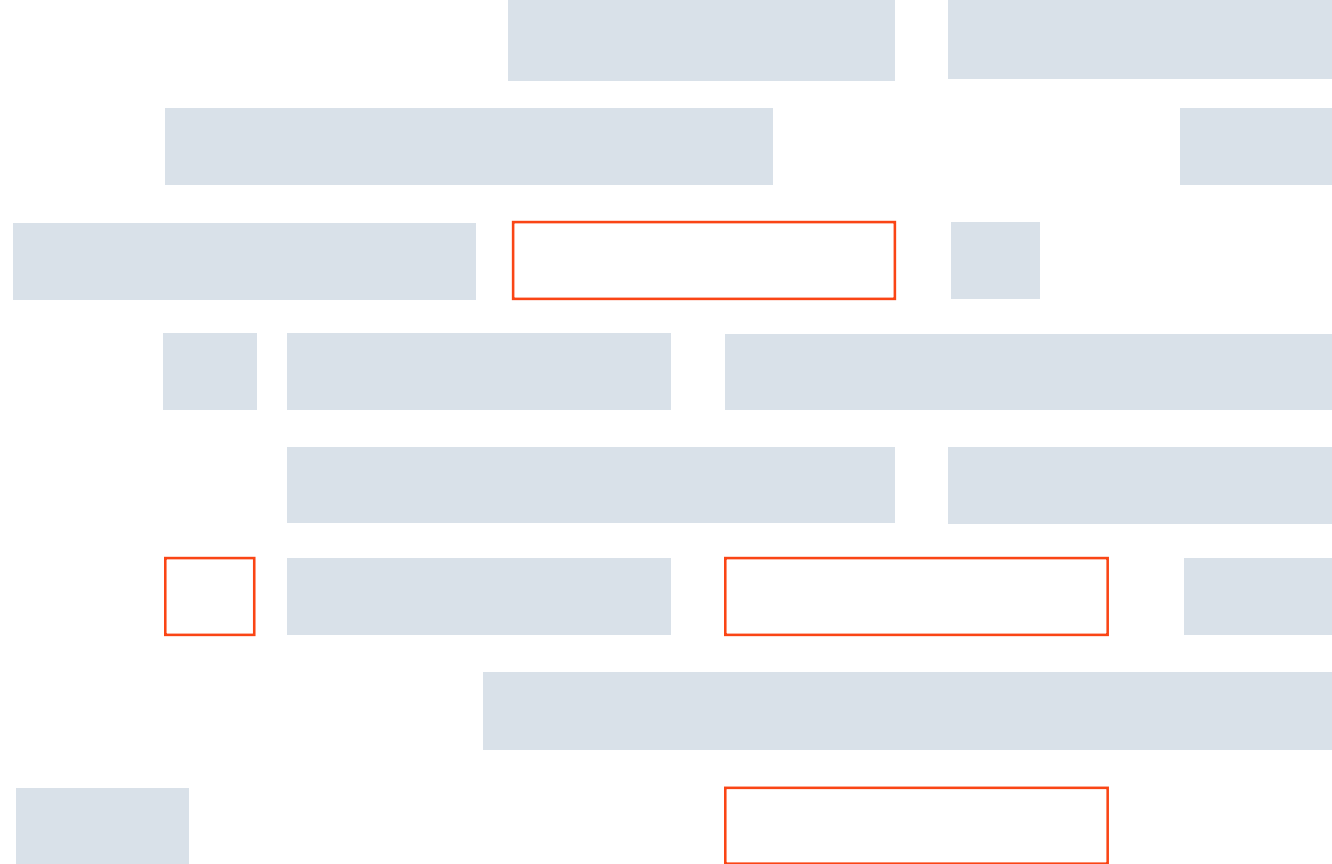
December 2021

Disclaimer

This presentation contains forward-looking statements, including in relation to the financial condition of the Harbour group (the "**Group**") and the results of operations and businesses of the Group. Forward-looking statements are sometimes, but not always, identified by their use of a date in the future or such words and words of similar meaning as "ambition", "anticipates", "aspire", "aims", "due", "could", "may", "will", "should", "expects", "believes", "intends", "plans", "potential", "targets", "goal" or "estimates". Although the Group believes that the expectations reflected in such forward-looking statements are reasonable, these statements are not guarantees of future performance and are subject to a number of risks and uncertainties and actual results, performance and events could differ materially from those currently being anticipated, expressed or implied in such forward-looking statements. Factors which may cause future outcomes to differ from those foreseen in forward-looking statements include, but are not limited to, those identified in the "Risks and Uncertainties" section of the Group's Half Year Results. Forward-looking statements contained in this presentation speak only as of the date of preparation of this presentation and have not been audited or otherwise independently verified. Past performance should not be taken as an indication or guarantee of future results and no representation or warranty, express or implied, is made regarding future performance. The Group therefore cautions against placing undue reliance on any forward-looking statements. Nothing in this presentation should be construed as a profit forecast.

Statements in this presentation reflect the knowledge and information available at the time of its preparation. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking, including to release publicly any updates or revisions to any statements contained in this presentation to reflect any change in the Group's expectations or any change in events, conditions or circumstances on which any such statement is based.

This presentation does not constitute or form part of any offer or invitation to purchase any securities of any person nor any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any such securities, nor shall it or any part of it, or the fact of its distribution, form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding any securities.



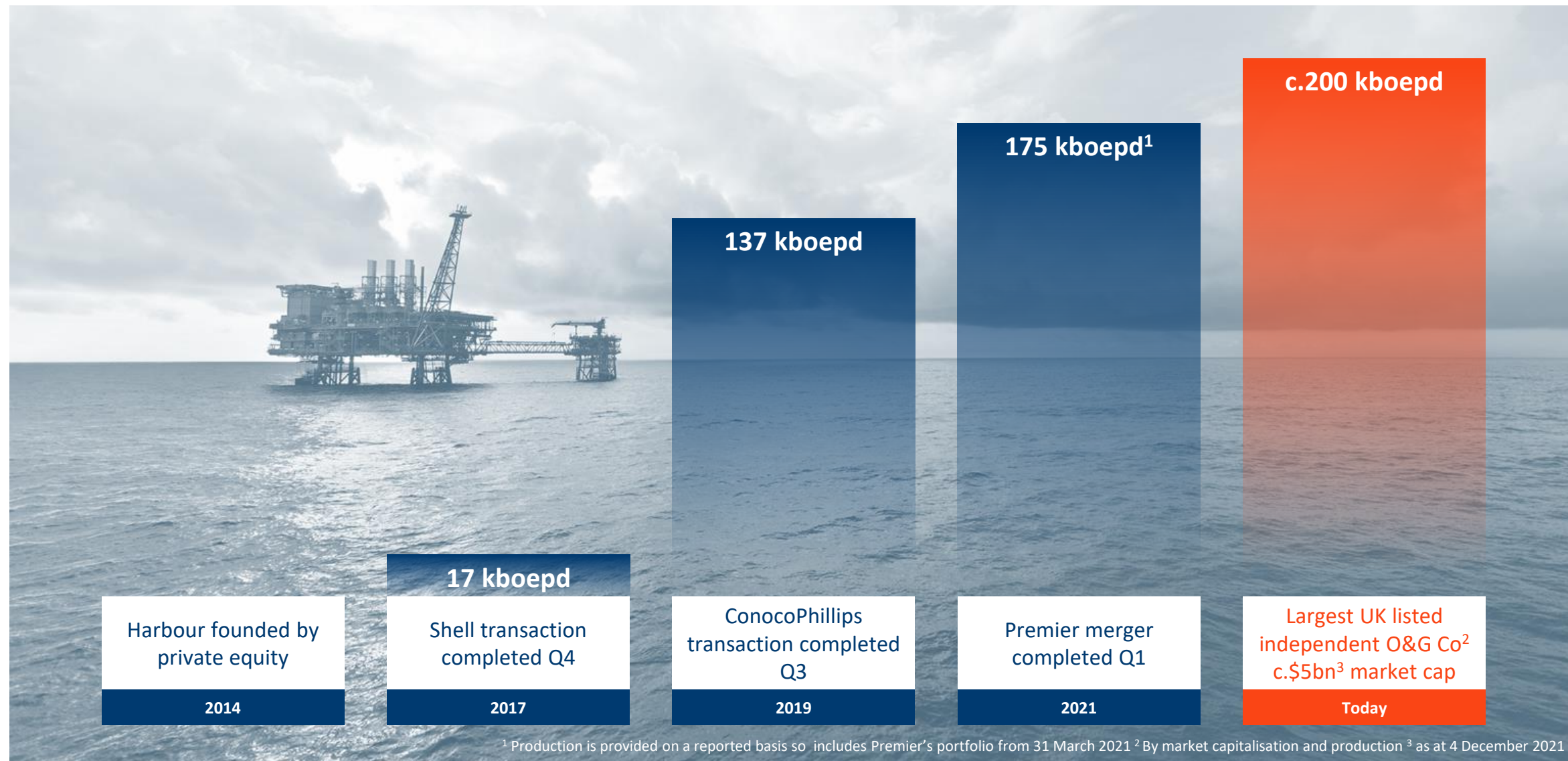
Introduction and Strategy

Linda Z Cook

Agenda

Est. GMT timings	Topic	Presenter
12.00	Introduction and Strategy	Linda Z Cook, CEO
12.20	Operations and Portfolio Overview	Phil Kirk, President & CEO Europe
12.40	Guidance and Capital Allocation	Alexander Krane, CFO
13.05	Wrap up of First Session	Linda Z Cook, CEO
13.05	Q&A	Linda Z Cook, Phil Kirk, Alexander Krane
Break		
14.00	Introduction to Session Two	Linda Z Cook, CEO
14.00	Asset Deep Dives – Europe	Bob Fennell, EVP Europe Operations & Global Technical Services
14.20	Asset Deep Dives – International	Stuart Wheaton, EVP International
14.35	Concluding Remarks	Linda Z Cook, CEO
14.35	Q&A	All presenters

Evolution of Harbour



Harbour at a glance

A global independent O&G company

c.200 kboepd
(2022-2024)

\$15-16/boe
Operating cost¹
(2022F)

c.\$1.3 bn²
Total capex (inc.decom)
(2022F)

c.1.0x
Leverage ratio⁴
(YE 2021)

c.950 mmboe
2P reserves + 2C
resources³
(YE 2021)

\$200m per annum
Dividend Policy

Net Zero 2035
Commitment⁵



¹ Assumes \$1.35/£ exchange rate ² pre-tax ³ Preliminary estimate subject to year end reserves and resource audit; excludes Harbour's Falkland Islands' interests
⁴ Net debt / pro forma EBITDAX ⁵ Includes our share of Scope 1 and Scope 2 CO₂e emissions from operated and non-operated assets

Our leadership

Majority independent board



Phil Kirk
Executive Director
President & CEO Europe



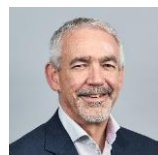
Linda Cook
Executive Director
Chief Executive Officer



Alexander Krane
Executive Director
Chief Financial Officer



R. Blair Thomas
Chairman



Simon Henry
Senior Non-Executive Director



Anne Marie Cannon
Non-Executive Director



Steve Farris
Non-Executive Director



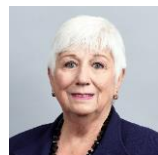
Alan Ferguson
Non-Executive Director
Chair, Audit and Risk Committee



Andy Hopwood
Non-Executive Director



Margareth Øvrum
Non-Executive Director
Chair, HSES Committee



Anne L. Stevens
Non-Executive Director
Chair, Remuneration Committee



Senior management



Glenn Brown
EVP Subsurface
and Portfolio



Stuart Cooper
EVP Strategy, Commercial
and Business Development



Howard Landes
General Counsel



Andrew Osborne
Special Projects



Gill Riggs
Chief Human Resources Officer



Stuart Wheaton
EVP International



Bob Fennell
EVP Europe Operations and
Global Technical Services

Our investment proposition

**Exposure to pure-play
upstream, global O&G
company**



**Diverse, cash
generative producing
portfolio of scale**



**Positioning for the
energy transition**



A unique investment opportunity



**Conservative financial
risk management policy**



**Shareholder returns
through dividends**



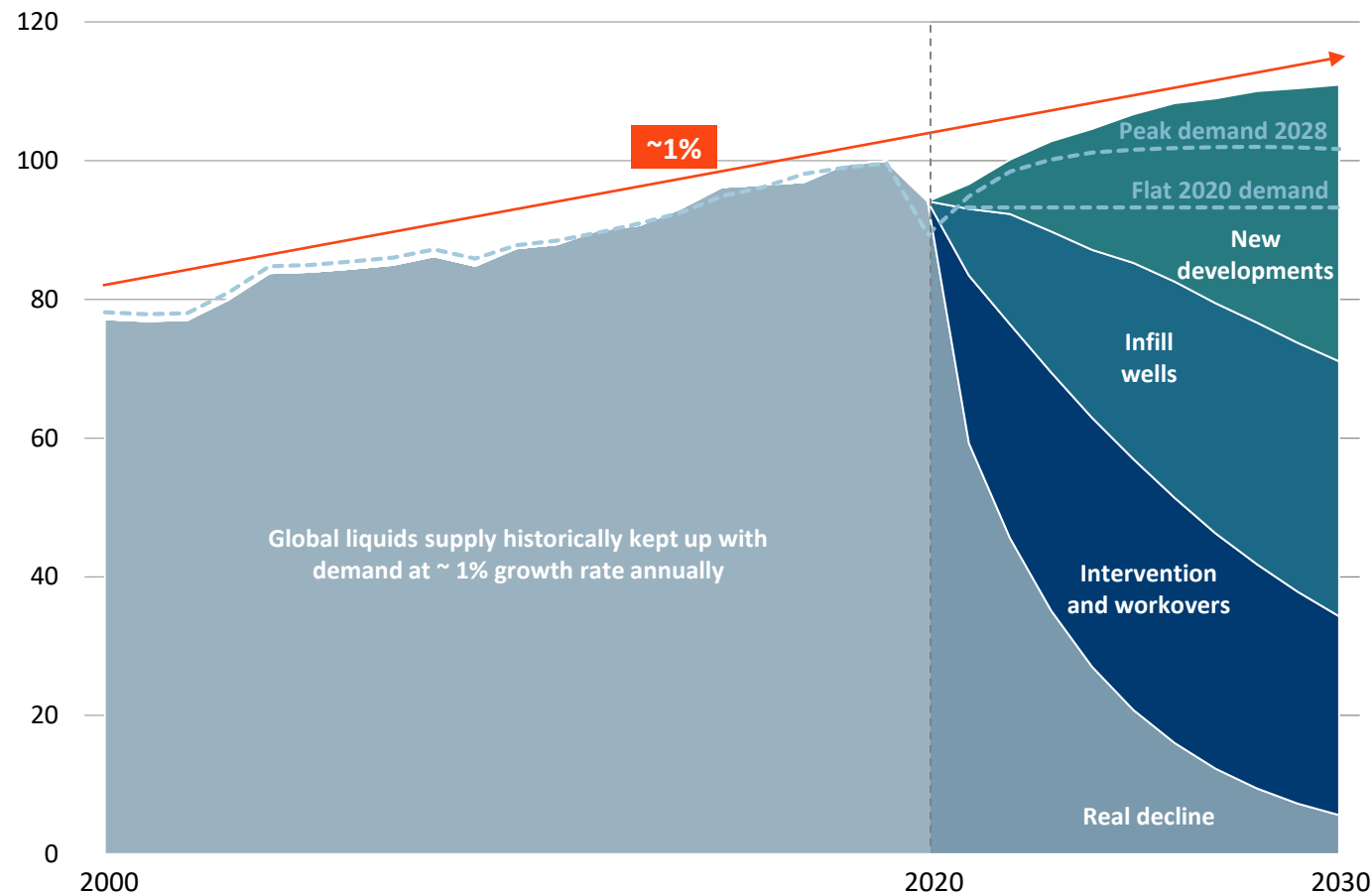
**Track record of creating
value through M&A**

The macro environment: oil has a continuing role in the global energy system

Continued investment required to offset natural decline

Global oil demand and supply¹

mbopd



KEY THEMES

Energy transition: pace of renewable energy supply and affordability

Long term demand uncertainty

New supply is still required to offset production declines

Access to traditional financing challenged

Reduced upstream investment, capital allocation

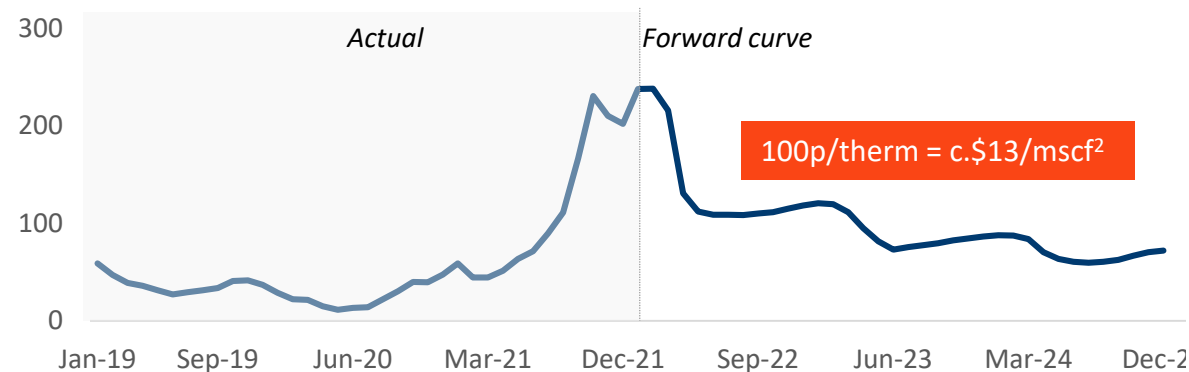
Redistribution of assets and consolidation

¹ Source: Rystad Energy

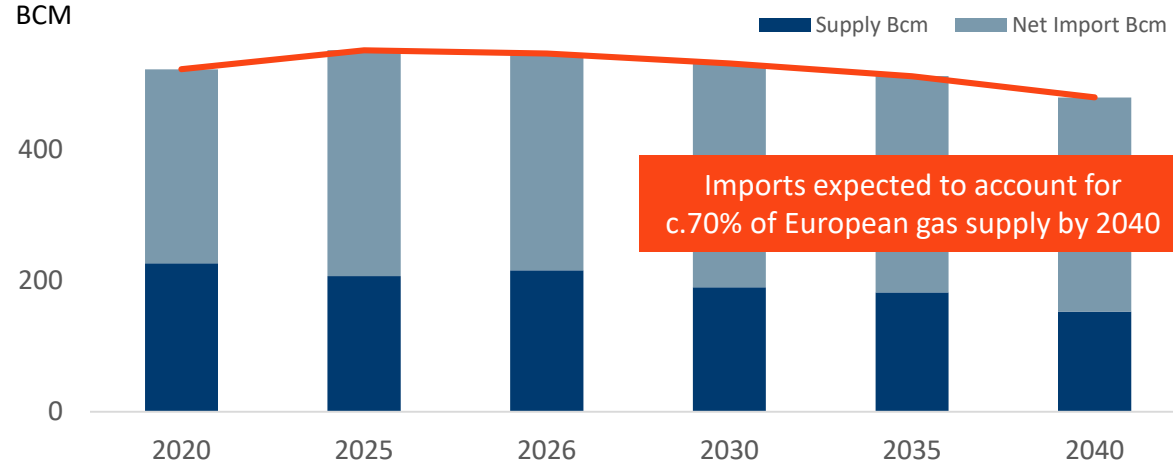
The macro environment: outlook for European gas market remains strong

Reduced supply and strong demand has driven prices higher, underlining the importance of domestic production

NBP actual / forward curve¹
p/therm



European gas supply and demand¹
BCM



KEY THEMES

Reduced European, particularly UK, gas production

Recent Russian exports at low levels

Strong European demand has kept storage low

Strong international LNG demand

Weak renewable energy output; unseasonal weather

¹ Source: Rystad, Bloomberg ² Assumes standard conversion and \$1.35/£ exchange rate

Strategy: create value by continuing to build a global, diversified O&G company

Focused on



Value creation



Cash flow



Distributions

Safe, reliable and environmentally responsible operations

- Clear ESG strategy, owned by the CEO and Board
- Safety as number one priority
- Environmental considerations embedded in decision making
- Commitment to Net Zero by 2035

Realise value from our cash generative UK portfolio

- Leverage major hub positions and operational control
- Inventory of near field opportunities
- Synergies from recent acquisitions
- Potential for third party volumes
- Technology to increase recovery and lower costs

Diversify and grow via selective investments and disciplined M&A

- Proven track record of executing large scale M&A and integration
- Focus on high quality, cash generative, producing assets
- Establish material production base outside the UK

A robust balance sheet, prudent capital allocation and a diversified capital structure

- Disciplined hedging
- Prudent capital allocation
- Consistent access to debt markets
- Maintain strong liquidity
- Pay a sustainable dividend out of free cash flow

Harbour's strategic scope

Harbour will...

- ✓ Focus on upstream oil and gas production
- ✓ Grow to at least two regions of scale
- ✓ Ensure a balance of oil and gas production
- ✓ Maintain a high degree of operational control
- ✓ Reduce net greenhouse gas emissions to zero by 2035
- ✓ Seek to acquire production with undeveloped 2P reserves
- ✓ Undertake near field / infrastructure-led low risk exploration
- ✓ Ensure leverage remains <1.5x on average through the cycle

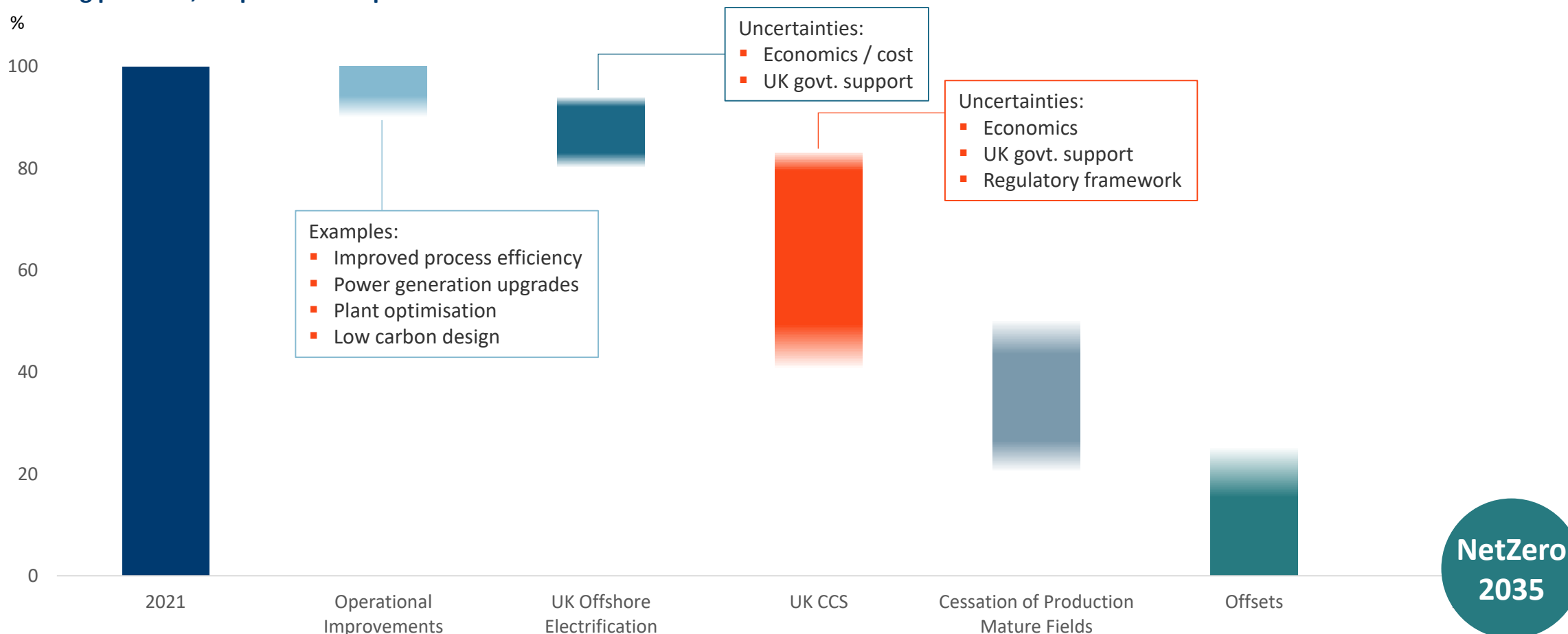
Harbour will not...

- ✗ Invest in non-strategic midstream, power, renewables
- ✗ Stay of scale in one region, acquire multiple small positions
- ✗ Undertake a significant shift towards oil or gas
- ✗ Build largely non-operated, minority equity positions
- ✗ Seek to acquire or develop high emissions barrels
- ✗ Undertake high risk, multi-billion dollar, long lead time projects
- ✗ Undertake greenfield / new country exploration
- ✗ Over-extend its balance sheet

Potential path to Net Zero 2035

Our Net Zero commitment includes our share of Scope 1 and Scope 2 CO₂e emissions from operated and non-operated assets

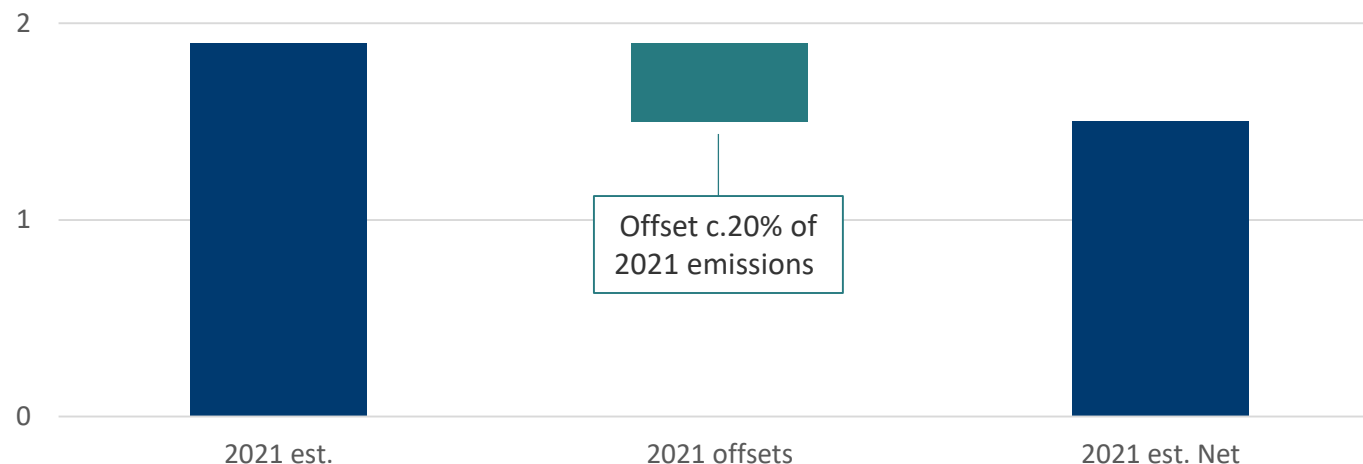
Existing portfolio, Scope 1 and Scope 2 emissions



Path to Net Zero: a look at 2021

Net GHG emissions

mtCO₂e, Scope 1 and Scope 2 emissions



Forestry Conservation



Landfill Gas

2021 achievements

- Standardised baseline emissions
- Include carbon cost in all economic analysis
- Emissions reduction opportunities
 - Operational improvements
 - UK electrification, CCS
- Emissions reduction incentives in compensation and main debt facility
- World Bank Zero Routine Flaring Initiative 2030
- 2021 ESG Reporting: TCFD¹, CDP, GRI²
- Acquiring 1st offsets – 1.2m tCO₂e
 - 400k tCO₂e pa 2021-2023 (c.20% of Harbour emissions pa)
 - Total cost c.\$11m (c.\$10/t)
 - Two projects in Brazil
 - Forestry conservation
 - Landfill gas capture – Waste to Power
 - Both certified (VCS, CDM)

¹ Task Force on Climate-Related Financial Disclosure

² Global Reporting Initiative

The current environment is favourable for M&A led growth

Even though commodity prices are high, multiple opportunities exist for well-capitalized buyers

- Major oil and gas companies shifting strategies and re-allocating capital
- Global independents streamlining to core regions
- Small companies need scale and diversification
- Private companies looking for liquidity



Over >\$80 billion¹ of possible divestments in near to mid term

Limited competition

- Proven track record of large scale M&A and integration
- Operating capability
- Strong balance sheet
- Geographic flexibility



Well positioned to take advantage of market opportunities

Our criteria

- Value
- Conventional, producing assets
- Portfolio effects (margins, reserves life, GHG intensity)
- Financial effects (cash flow accretive, affordability)



Disciplined approach...will only transact if value accretive to shareholders

¹ Sources: Broker, HBR management estimates

A track record of value creation via M&A and integration

Harbour transactions

			
Improving production performance	✓ ✓ ✓	✓ ✓ ✓	✓ ✓
Reinvestment to add reserves	✓ ✓ ✓	✓ ✓ ✓	✓
Diversifying the portfolio	✓	✓	✓ ✓
Managing operating costs	✓ ✓	✓ ✓	✓
Extending field life	✓ ✓ ✓	✓ ✓	✓
Reducing decommissioning costs	✓ ✓	✓ ✓ ✓	✓ ✓
Realising financial synergies	✓ ✓	✓ ✓	✓ ✓ ✓

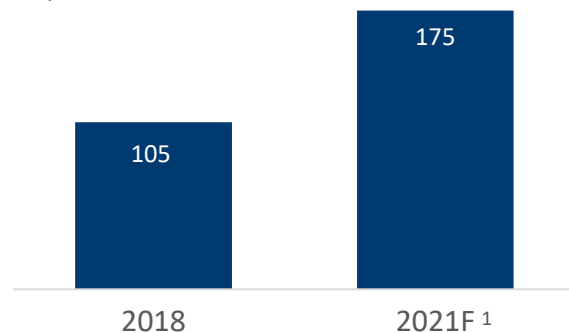
✓ ✓ Relative magnitude of impact

Track record of delivery and value creation

Material growth

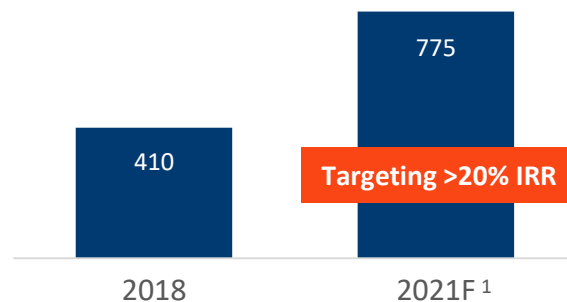
1.7x 

Production
kboepd



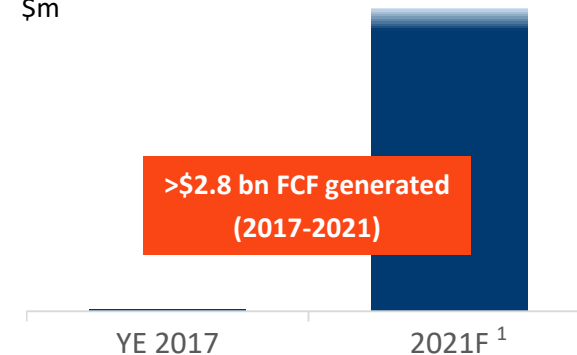
Targeted capex at attractive IRR

Total capex (ex decom.)
\$m



Robust free cash flow

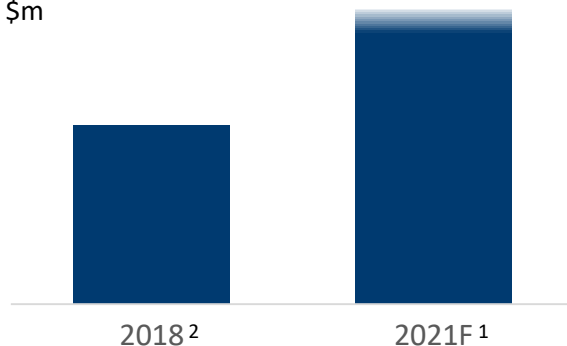
Cumulative FCF²
\$m



Higher profits



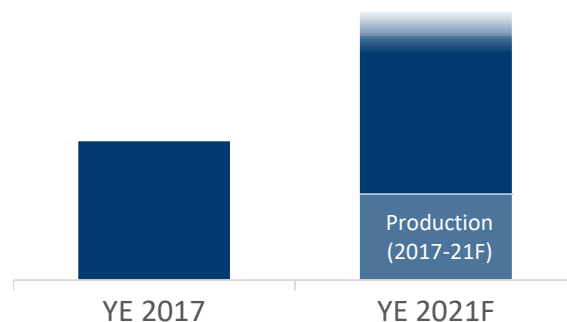
EBITDAX
\$m



c.150% reserves replacement

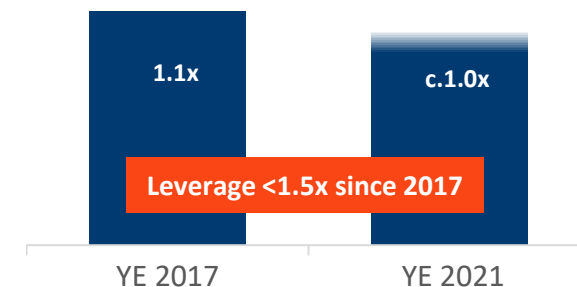


2P reserves
mmboe



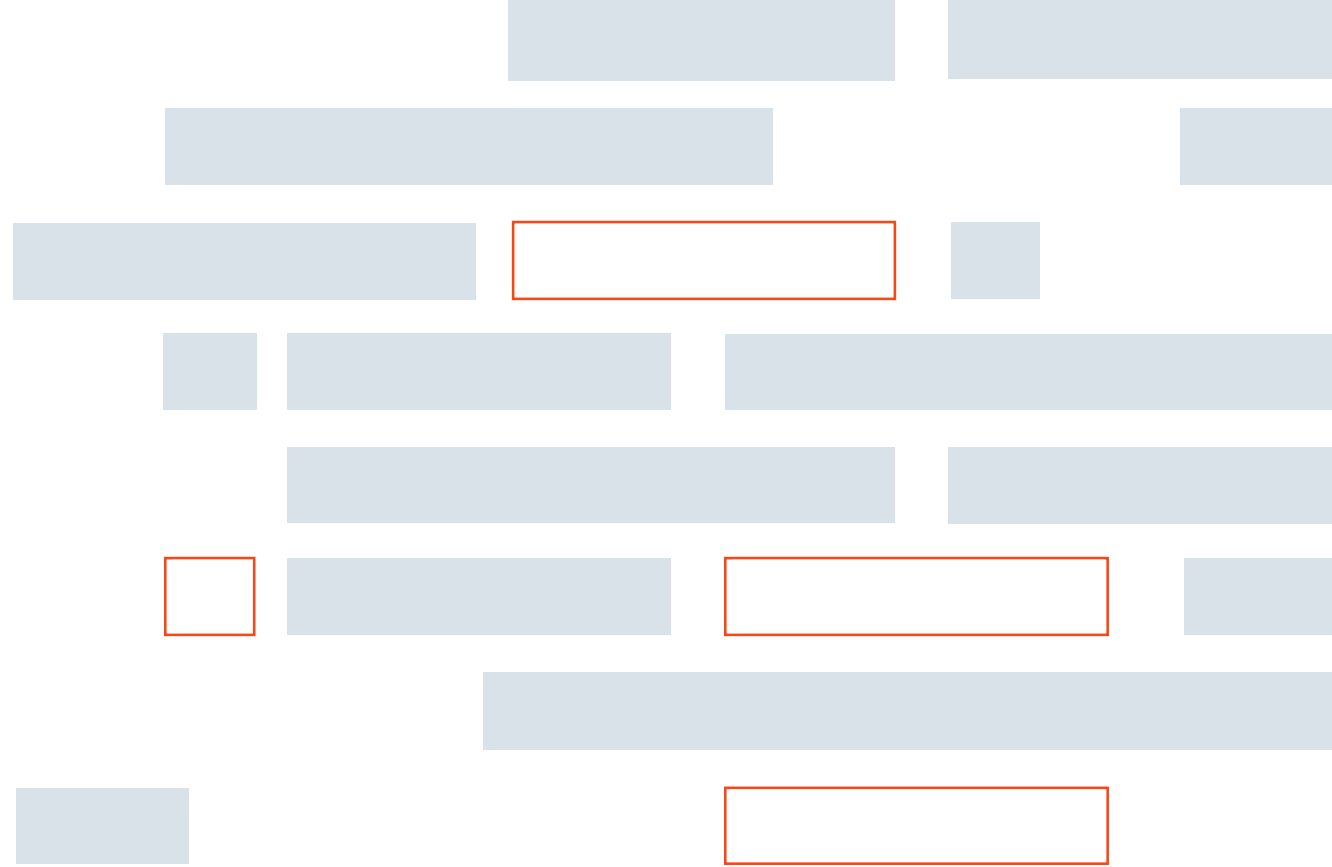
Prudent leverage policy

Leverage
Net debt/EBITDAX³



¹ 2021F are provided on an reported basis with Premier's portfolio contributing from 31 March 2021. ² FCF is after capex, tax, interest, working capital, integration costs and excludes acquisition considerations, debt repayment and issuance of new debt.

³ For 2017, EBITDAX is calculated by annualising the 2 months of EBITDAX generated from the Shell assets in 2017. For 2021, EBITDAX includes 12 months of EBITDAX generated from the Premier assets.



Operations and Portfolio Overview

Phil Kirk

Strong cash generation through the cycle



A reliable and safe operator

- c.200 kboepd
- High operating efficiency



A strong focus on managing costs

- Opex/boe within target range
- Significant decommissioning competence



High quality forward investment portfolio

- IRRs far exceed hurdle rates
- Individual breakevens <\$35/boe



Cash generative

- Tax efficient asset base
- High margin barrels



Prudent capital allocation

- Track record of value accretive M&A
- Robust balance sheet



A strong Health, Safety, Environmental and Security (HSES) culture

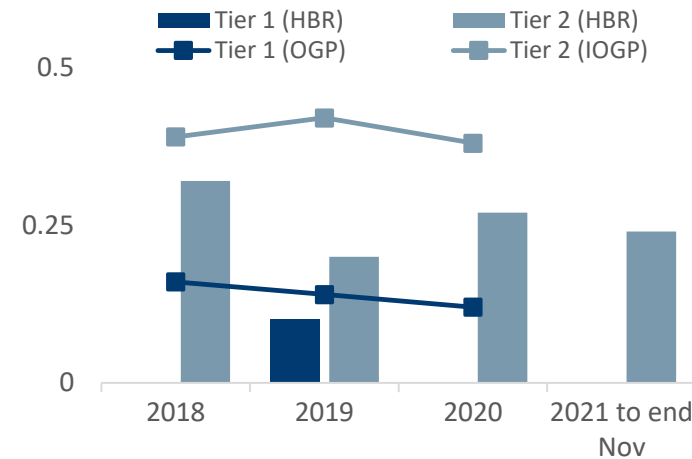
Harbour is committed to operating responsibly and securely, never compromising our HSES standards

- Focus on safe and reliable operations, prevention of major accidents, protecting the workforce
- Maintain operational integrity to prevent the release of hazardous material from primary containment
- Proactively address the impact on society and the climate
- Measure, report and verify performance metrics

Process safety^{1,2}

Loss of Primary Containment

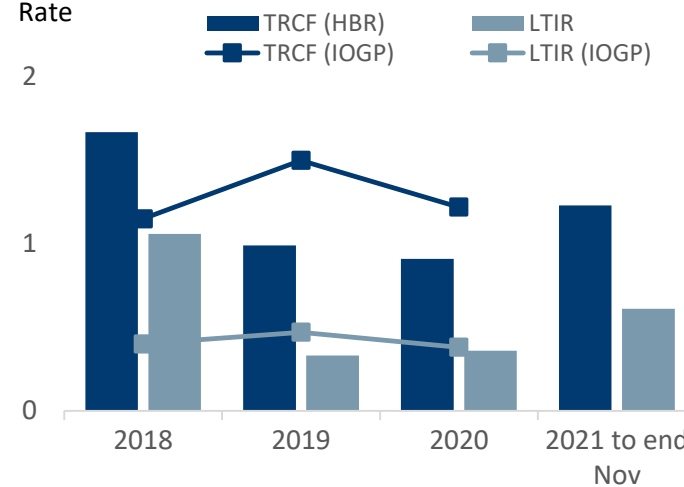
Tier 1, Tier 2 Incident rate



Occupational safety^{1,3}

TRCF, LTIR

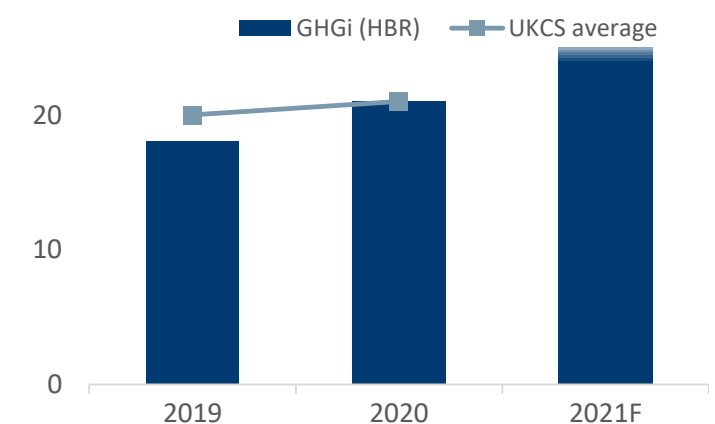
Rate



Greenhouse gas emissions intensity

Scope 1 and 2, net, operated & non-operated⁴

KgCO₂e/boe



¹ Process and Occupational safety KPIs measured across Harbour's operated portfolio on a proforma basis benchmarked against the median IOGP – International Association of Oil & Gas Producers – performance

² PSE (Process Safety Event) rate is number of Tier 1 and Tier 2 events per million drilling and production hours worked, calculated on the preceding 12 months of hours worked

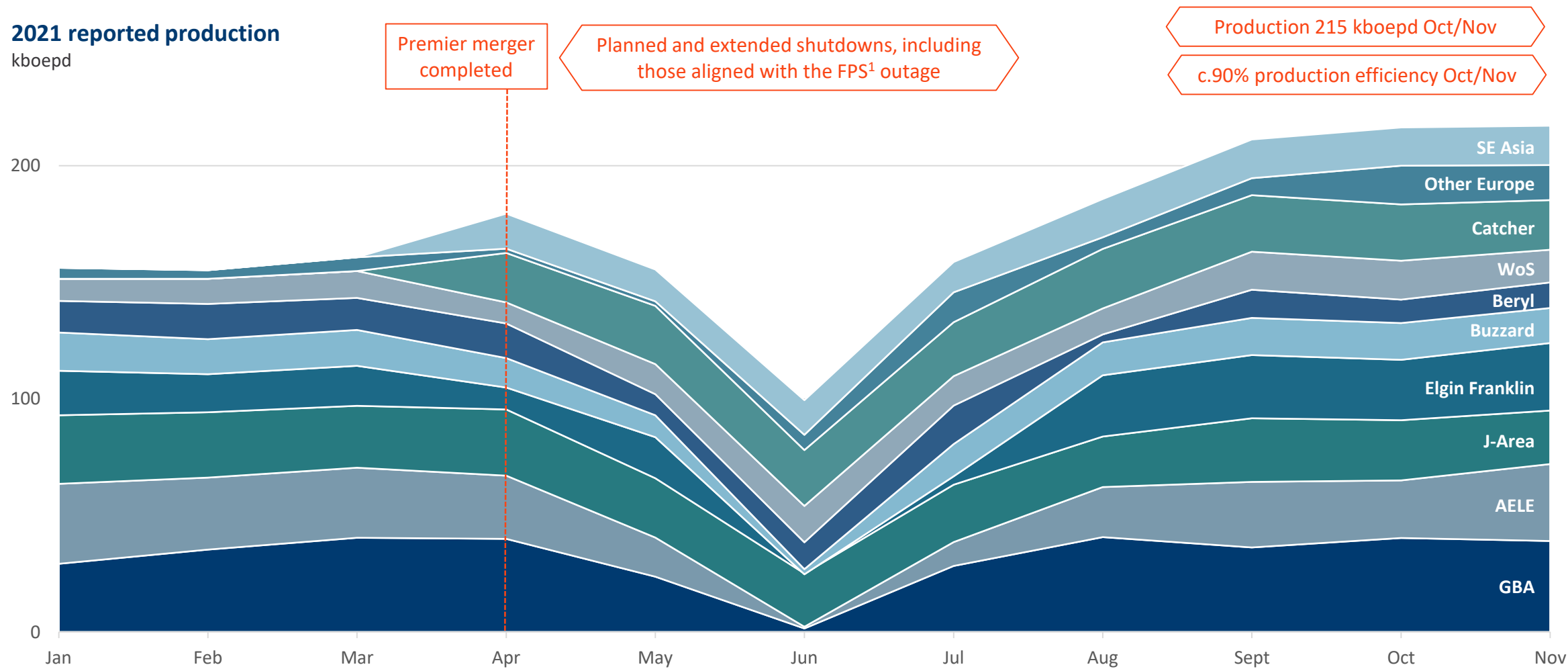
³ TRCF is Total Recordable Case Frequency per million hours worked, LTIR is Lost Time Injuries per million hours worked. Both are calculated on the preceding 12 months of hours worked.

⁴ Source for UKCS average is O&G UK and is CO₂e static Scope 1 combustion only; Harbour GHGi data is provided on a reported basis and includes Premier's portfolio from 31 March 2021

Production returned to >200 kboepd, with improved uptime and addition of Premier assets

2021F of 175 kboepd, consistent with guidance of 170-180 kboepd

2021 reported production
kboepd



¹ FPS stands for Forties Pipeline System. Oil from GBA, AELE, Buzzard and Elgin Franklin is exported via FPS; these fields account for >100 kboepd of Harbour's production today

² GBA is Greater Britannia Area; AELE is Armada, Everest, Lomond and Erskine; WoS is West of Shetland and comprises Clair, Schiehallion and Solan; Other Europe includes East Irish Sea; SE Asia comprises Natuna Sea Block A and Chim Sao

Tolmount gas project, UK Southern North Sea (Harbour 50%, operator)

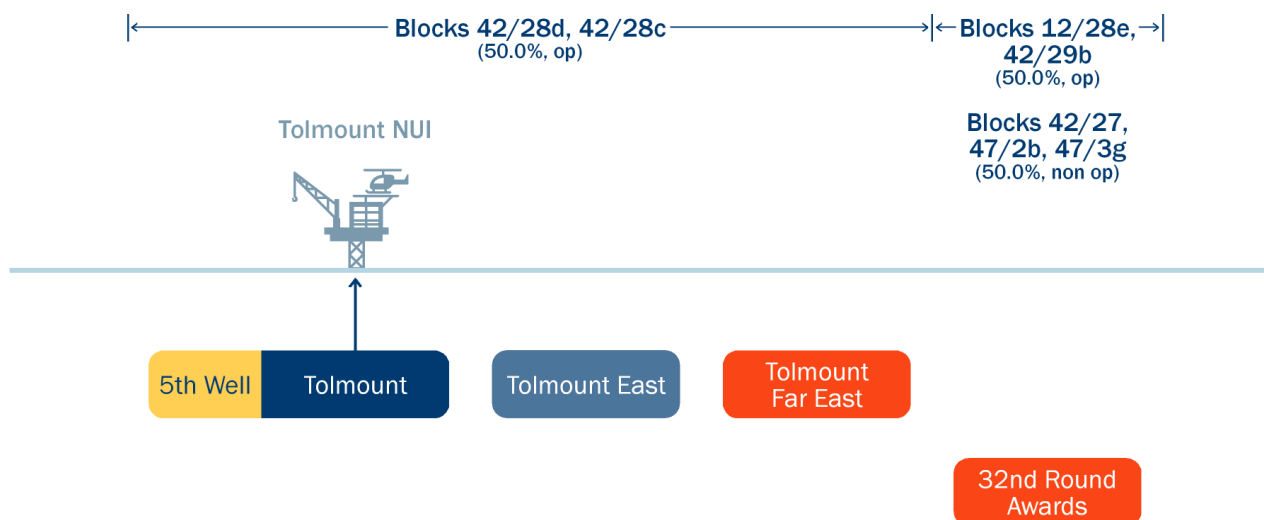
Tolmount production expected to start up in Q1 2022 with initial rates of c.20 kboepd

Inspect and repair campaign >97% complete

- >2,250 unique items inspected; c.100 remaining
- Over 1,200 faults found; nearly 700 repairs undertaken
- c.150 repairs outstanding before system commissioning
- Critical long lead items delivered offshore
- Valaris Norway in place at platform to support
- Schedule impacted by number of repairs, COVID & weather
- First gas expected Q1 2022

Drilling campaign safely completed

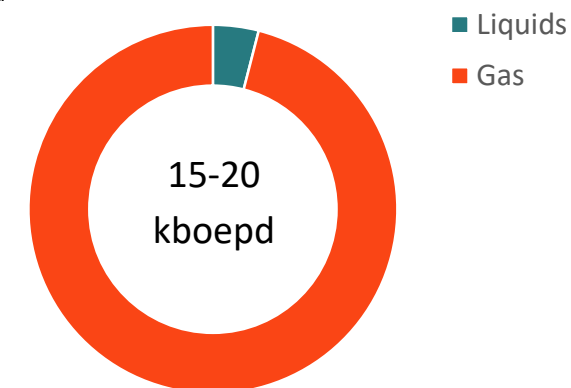
- Four development wells completed and available for production
- Third well encountered shallower gas water contact
- Initial production rates of c.20 kboepd
- Preliminary estimated net reserves 20-30 mmboe (c.25-50% lower than at sanction)
- Tolmount East sanctioned; first gas 2023



- Developed
- Discovered but undeveloped
- E&A Targets
- Infill Targets
- 3rd Party Tie-backs

2022F Production

kboepd



Adding new production in 2022 to offset decline – predominantly natural gas



Tolmount +15-20 kboepd
First gas expected Q1 2022



Harbour operated Non-operated



J-Area +8 kboepd
Jade South tied in to production in Q1 2022
RD well targeting first gas in Q3 2022



AELE +4 kboepd
LAD well tied into production



Buzzard +3 kboepd
First oil from Buzzard Phase II in December 2021



Catcher Area +3 kboepd
First oil from Catcher North and Laverda
Gas reinjection programme



Elgin-Franklin +2 kboepd
EIG first gas in Q4 2021



Beryl +1 kboepd
Storr well tied into production



SE Asia + 2 kboepd
2021 Natuna Sea Block A drilling campaign
2022 Chim Sao x2 infill wells



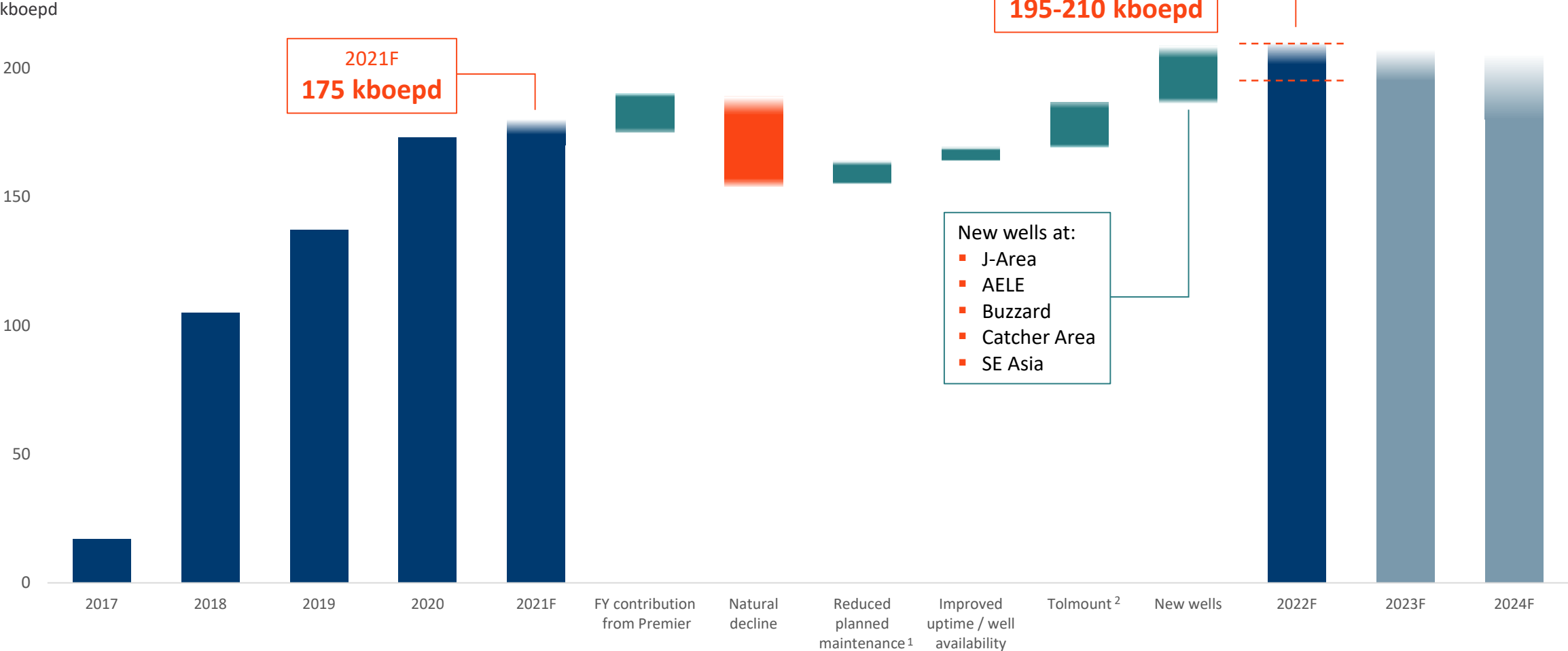
UK gas production
accounts for >70% of
new production in 2022

Production benefitting
from return of activity
post COVID

Good project visibility to sustain production around current levels in near term

Higher production in 2022 due to full year from Premier’s portfolio, less downtime and new wells on-stream

Production

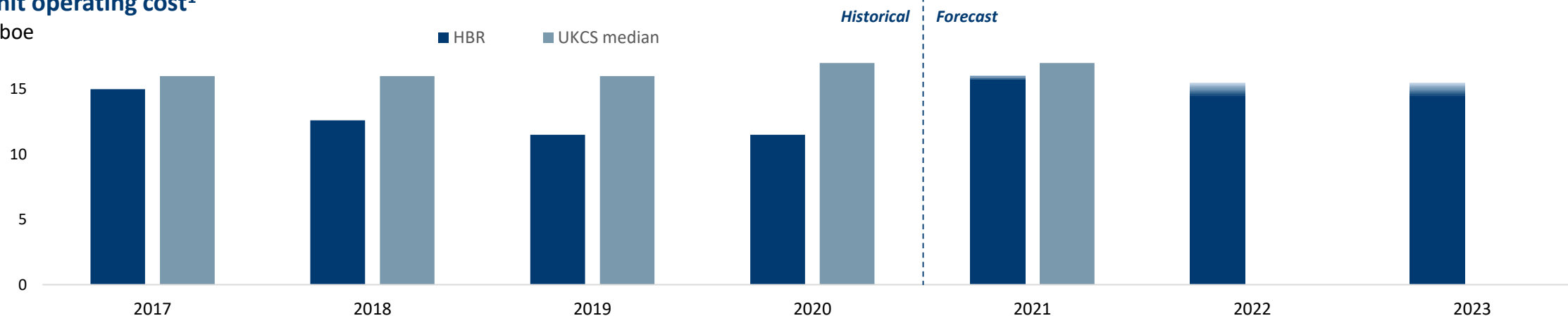


Operating costs broadly flat on an absolute basis

Harbour's operating costs remain below that of the UKCS average

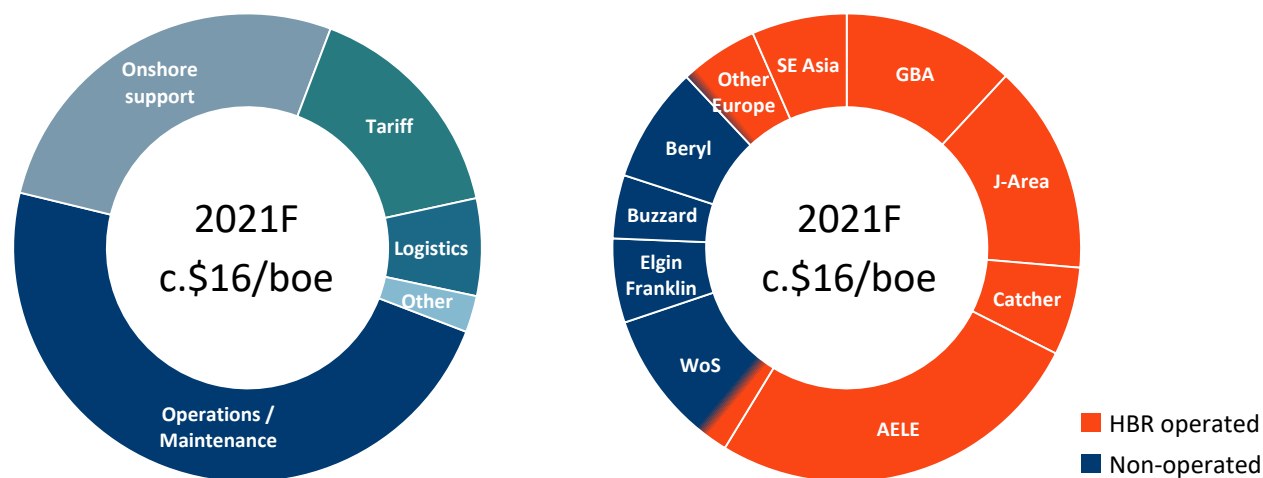
Unit operating cost¹

\$/boe



Breakdown of Group 2021 operating costs (excludes lease costs)

\$m



Targeting opex of
c.\$15-\$16/boe²
(2022-2024)

>90%
Group opex in GBP
(2022-2024)

¹ UKCS data sources from OGA website. ² Assumes FX rate of \$1.35/£

High value, infrastructure-led investment programmes

Adding reserves and extending field life via targeted reinvestment programmes

	Plant mods / reservoir mgt	Infill targets / well work	Near field additions	Exploration upside	Third party business
Operator of key hubs with material upside					
GBA ¹ (HBR, 26%-87.5%)	✓	✓	✓		✓
AELE-Hub ¹ (HBR, 32%-100%)	✓	✓		✓	
J-Area (HBR, 67%-67.5%)	✓	✓		✓	✓
Catcher Area (HBR, 50%)	✓	✓	✓		
Tolmount Area (HBR, 50%)		✓	✓	✓	✓
SE Asia (HBR, 28.7%-53.1%)	✓	✓		✓	
Non-operated interests in long life, high quality fields with established operators					
Elgin Franklin (Total, 19.3%)		✓			
Buzzard (CNOOC, 21.7%)		✓			
Beryl (Apache, 34-49%)		✓	✓	✓	✓
WoS Hub ³ (BP, 7.5%-10%)		✓	✓		

¹ Assumes \$70/bbl, 90p/therm in 2022, \$65/bbl, 60p/therm in 2023 and \$60/bbl, 55p/therm long term ² Greenfield capital includes spend on Zama and Tuna

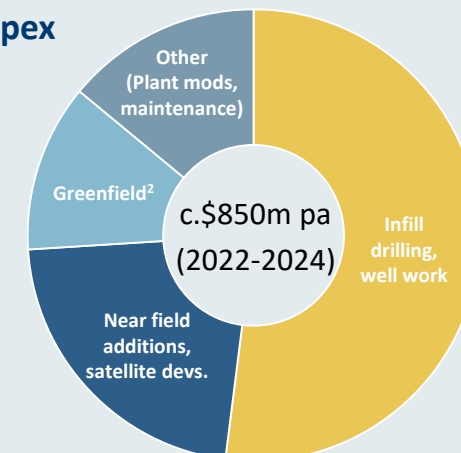
³ Includes Harbour 100% operated Solan field

Prioritising highly profitable investments

- >80% in the UK
- >80% infrastructure / hub-led
- c.70% operated
- Most investment far exceeds Harbour's hurdle rates:
 - >40% of 2022 P&D capex has an IRR>100%¹
 - >40% of 2022 P&D capex breaks even below \$30/bbl / 30p/therm

P&D capex

\$m

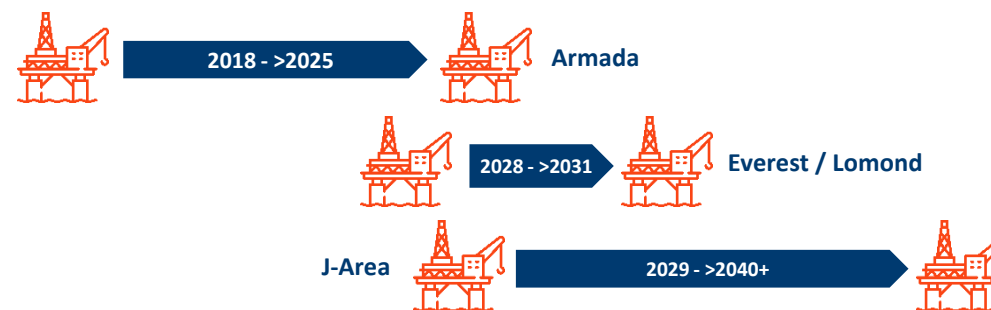


Significant competence in decommissioning

>\$500m of savings and cost reductions since 2017

- Strong operational control over portfolio
- Opportunities to extend field life, defer decommissioning
- Leveraging in house experience and expertise
- Future decommissioning costs reducing

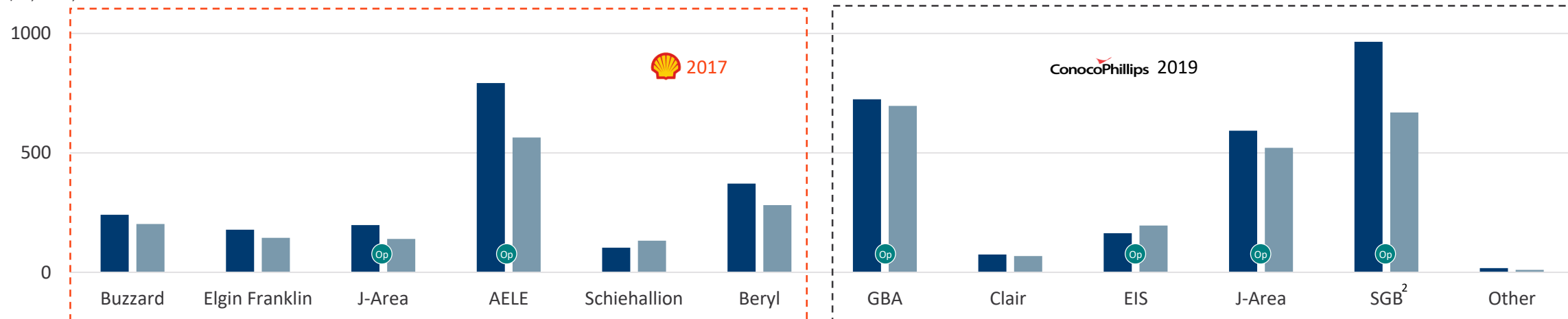
Track record of extending field life and deferring decommissioning¹



Shell and ConocoPhillips acquisitions

Forecast decommissioning expenditure

\$m, Real, Undiscounted



¹ Chrysaor's 2017 Shell CPR / at sanction estimates and current management estimates ² SGB comprises the Southern Gas Basin assets acquired from Conoco

Our emissions reduction activities

>1 million tonnes CO₂e reductions forecast through sanctioned or planned projects (2021-2035)

c.\$150m forecast spend on emission reduction activities (2022-24)

- Projects reviewed as part of annual budget process
 - Improved process efficiency
 - GBA to single train operations
 - Flare ejectors
 - North Everest single train operations
 - Power generation and compression upgrades
 - North Everest and GBA low compression
 - Energy efficiency
 - Chim Sao retirement of LP boiler
 - Plant optimisation
 - Fugitive emissions detection
 - Low Carbon design
 - Catcher, Tolmount
- Most projects have low cost and robust returns
- Projects screened at a wide range of potential carbon costs

North Sea electrification

- Leading a study with Shell, BP and TotalEnergies to evaluate options for electrification of the UK Central North Sea
- Partial electrification of Greater Britannia Area, Judy and North Everest could result in reducing emissions by >200,000 tonnes CO₂e annually (c.10% of Harbour's current emissions)



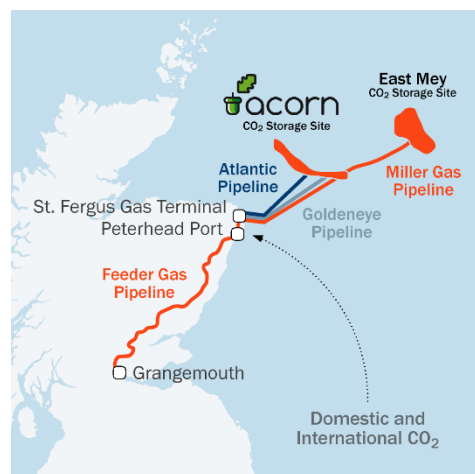
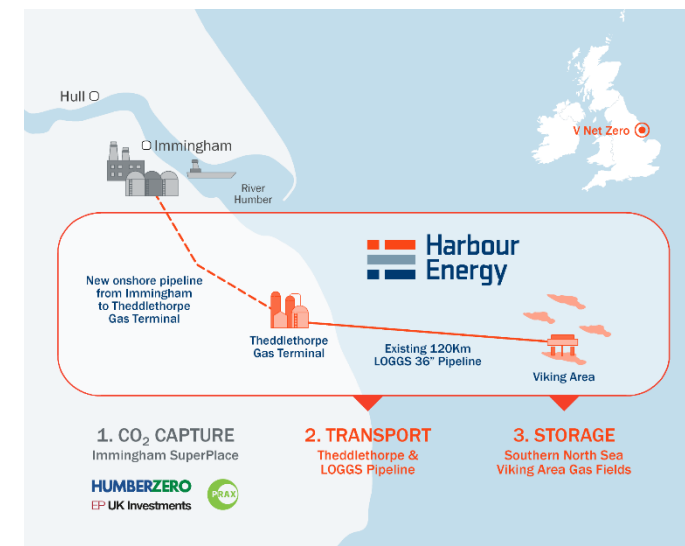
Methane surveys

CCS projects: V Net Zero & Acorn

Exploring the potential for CCS projects to support a lower carbon economy in the UK and generate revenue from importation

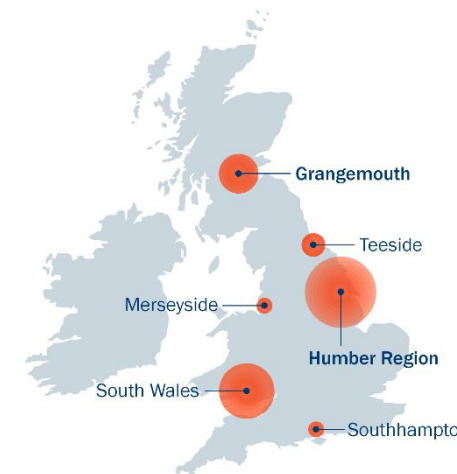
V Net Zero – Low cost low risk CO₂ transportation and storage project led by Harbour

- The Humber is the UK's most energy intense industrial area emitting c.20 million tonnes CO₂ pa
- Track 2 Cluster with first storage by 2027 enabling key blue hydrogen generation with immediate industrial use
- Aim to transport and store >10 million tonnes CO₂ pa by 2030
- V Net Zero selected as preferred CO₂ Transportation & Storage provider by:
 - HumberZero (Phillips 66 Humber Refinery and Vitol's VPI Immingham power plant)
 - EPUKI's South Humber Bank Power Plant
 - Prax's Lindsey Oil Refinery



Acorn – The Scottish Cluster – CCS & Hydrogen Project in St Fergus, Scotland

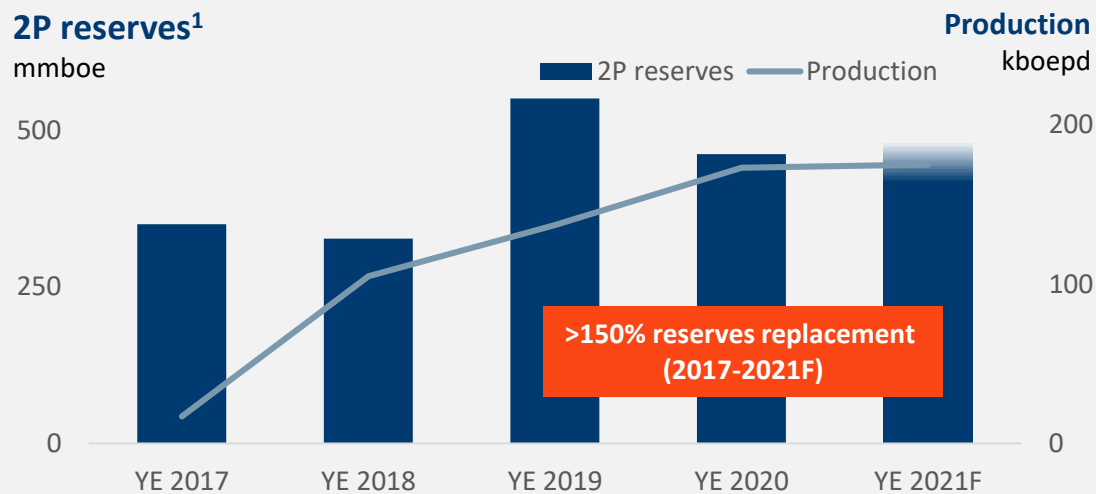
- Scottish cluster Track 1 reserve
- Industry partnership, led by Storegga with Shell as lead developer
- Phase 1 will capture CO₂ emissions from St Fergus gas terminals
- Designed to generate low carbon hydrogen from natural gas landed at St Fergus
- Additional CO₂ volumes from decarbonising Scottish heavy industry in the central belt and key petrochemicals complexes including Grangemouth



Significant near term value creation

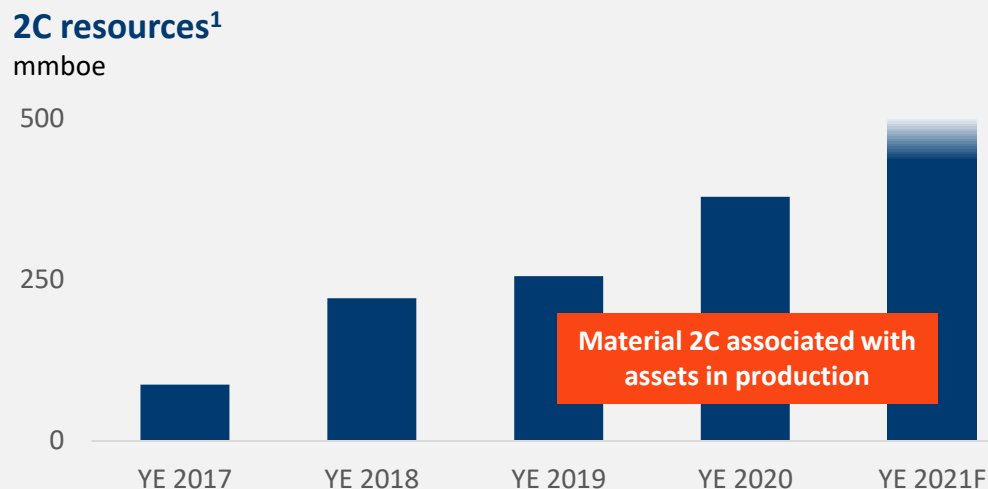
Track record of reserves replacement

- Reserves replacement supported by reinvestment and M&A
- Proven track record in converting reserves and resources into production
- Production has grown and reserves life sustained while continuing to generate free cash flow



Significant exploitation opportunities

- Highly ranked opportunities within existing production to add reserves, extend field life
- Significant prospective resource close to infrastructure



¹ YE 2017-YE 2020 are as per the Company's CPR; YE 2021 is preliminary estimate subject to year-end reserves and resource audit. YE 2021F 2C resources exclude Harbour's Falkland Islands' interests and reflects Tuna farm down to 50%

Successful history of delivering value-accretive M&A and post transaction integration

Key Highlights

Strong reserves replacement²

- c.75% reserve replacement for Shell assets
- c.30% reserve replacement for Conoco assets despite COVID drilling break

Material cost reduction

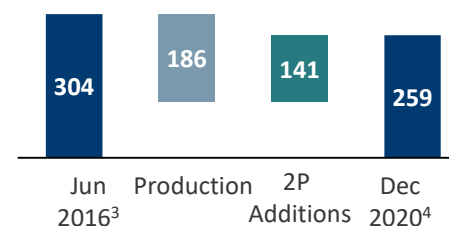
- Unit opex actively managed
- Below original CPR opex/boe forecasts

Production outperformance

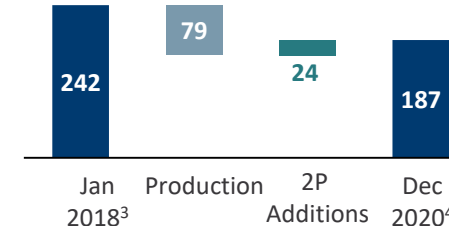
- Production consistently above original CPR profiles over 2018-2020 for Shell
- Production consistently above original CPR profiles since acquisition for Conoco assets



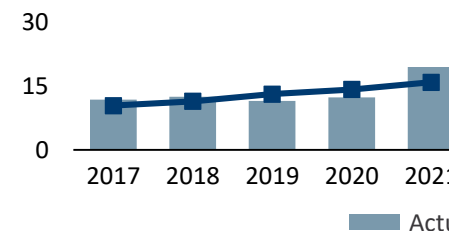
CPR¹ 2P Reserves (mmboe)



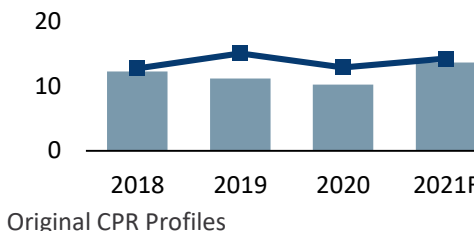
CPR¹ 2P Reserves (mmboe)



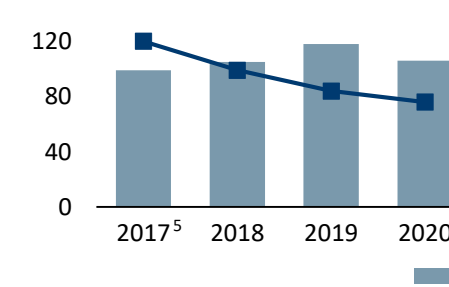
Operating cost (\$/boe)



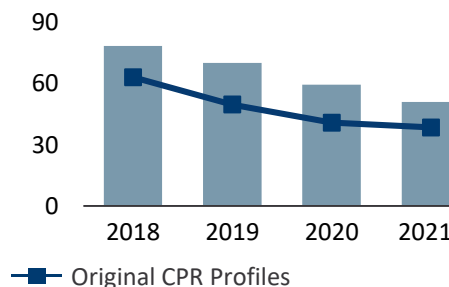
Operating costs (\$/boe)



Production (kboepd)



Production (kboepd)



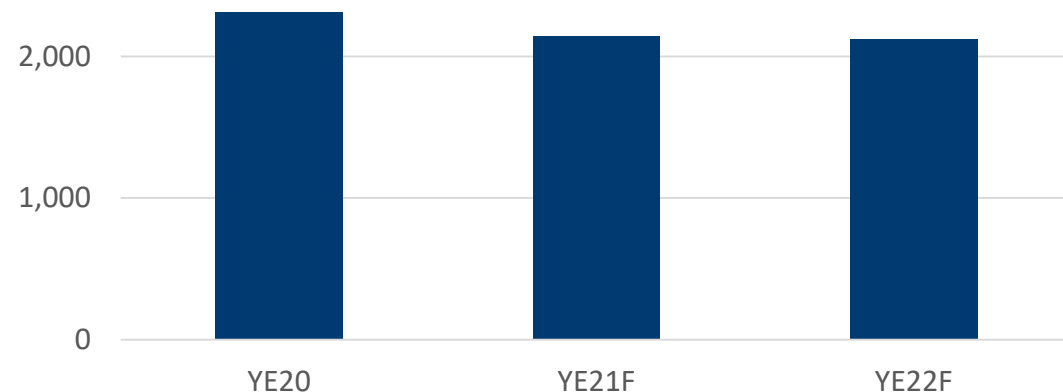
¹ CPR stands for Competent Persons Report, which sets out an independent evaluation of the Company's reserves ² Total reserves replacement for the period Jul-2016 to Dec-2020 for Shell assets, total reserves replacement for the period Jan-18 to Dec-2020 for Conoco assets; ³Chrysaor's CPR as at 1 July 2016 for Shell assets, Chrysaor's CPR as at 1 Jan 2018 for Conoco assets ("Original CPR Profiles"); ⁴Chrysaor's CPR as at Dec-2020 ("Latest CPR"); ⁵2 months ownership annualised, production impacted by 3 week FPS shutdown

Significant operational synergies being realised from the Premier merger

Right sizing the organisation

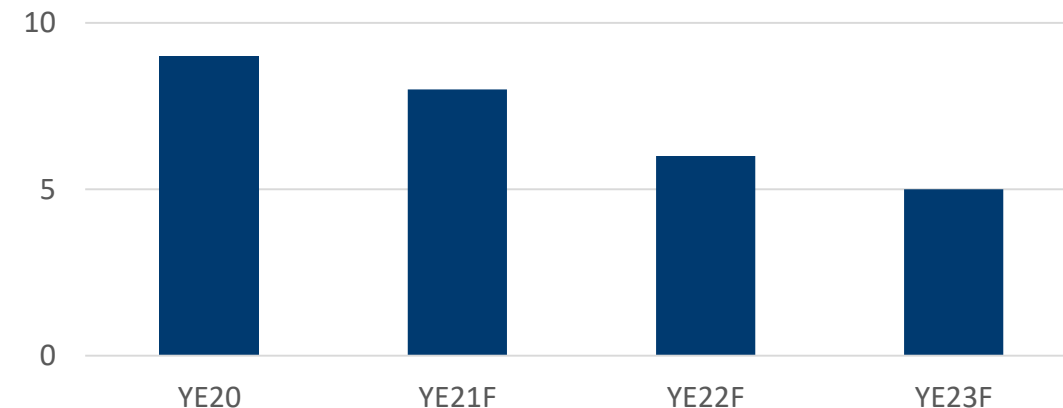
Headcount

FTE



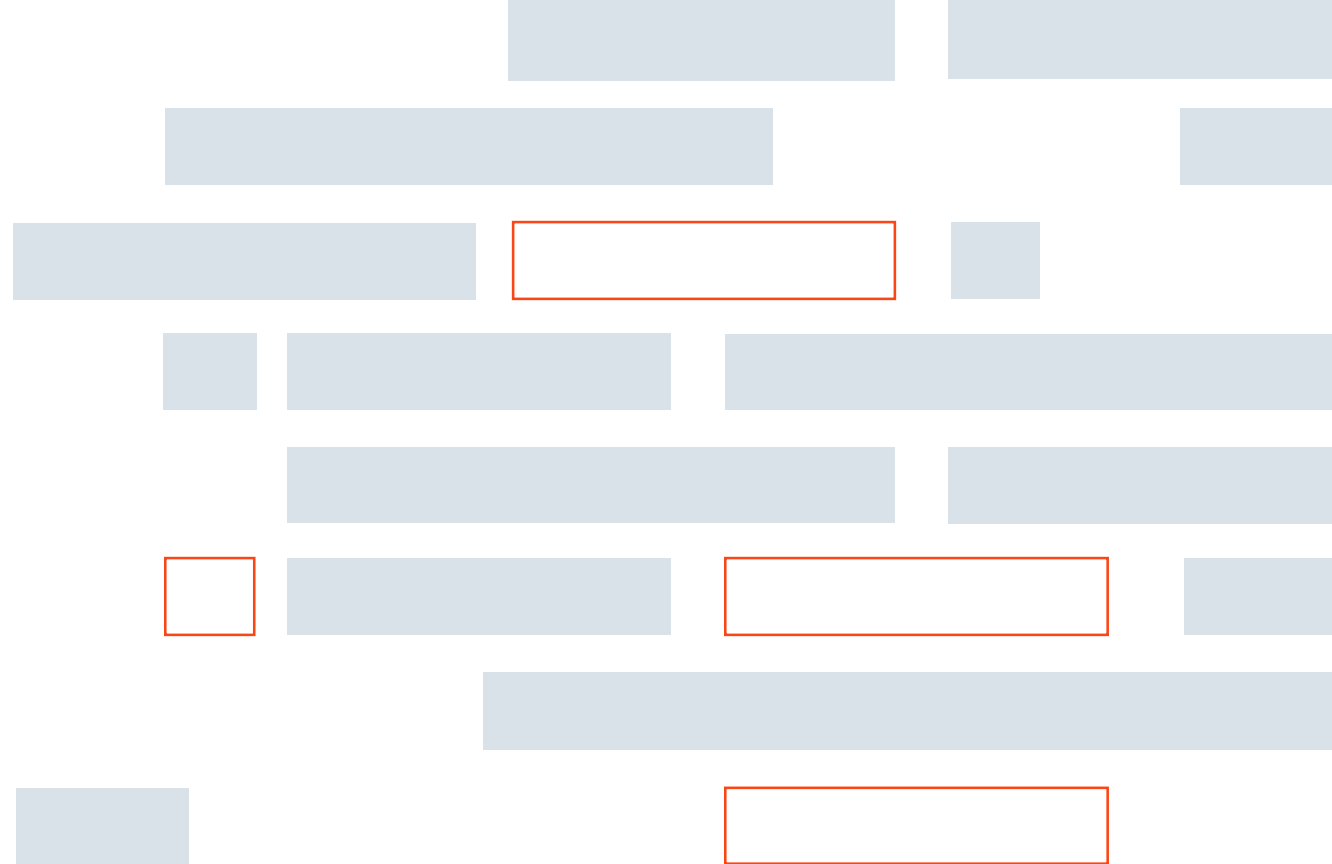
Rationalising our offices

Number of offices



Operational synergies, especially in the UK

Contracts & Procurement	Integration and renegotiation of contracts, suppliers and contracting strategies
Logistics & Materials	Capture the benefits of scale by eliminating duplication in supply chain
Operations	Aligning back office and operating models and adopting best practice across the combined portfolio



Guidance and capital allocation

Alexander Krane

Strong cash generation through the cycle...

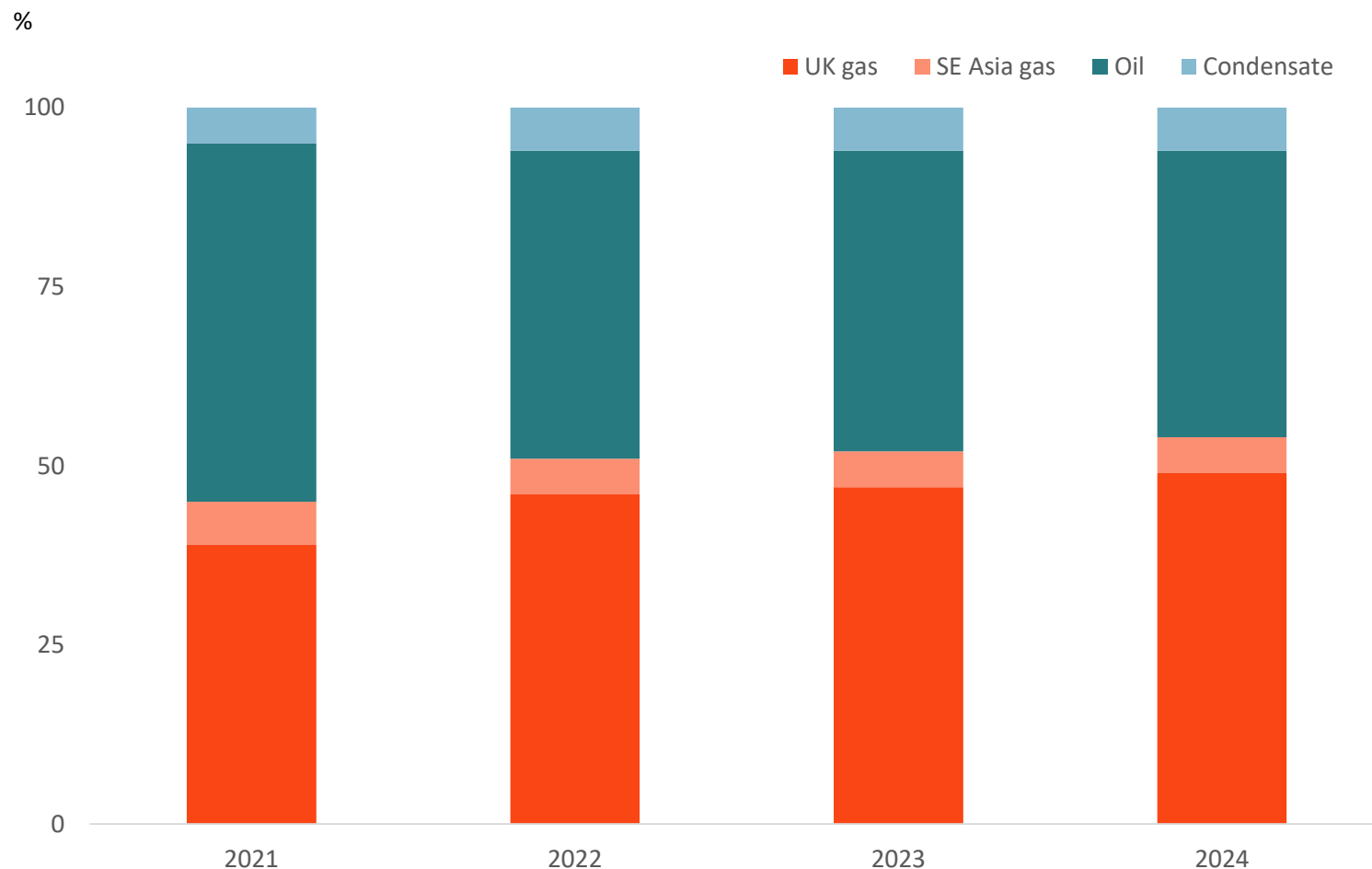
...underpinned by prudent capital allocation and a robust financial framework

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

A balanced and diversified portfolio underpinning resilient revenue

UK gas an increasing part of Harbour's production mix

Production



Crude marketing

- Diverse portfolio in terms of quality, location and sales logistics
- Majority of grades routinely attract premium to Brent

UK gas sales

- c.90% of UK gas realises day ahead NBP pricing¹

Shell Trading offtake agreements (UK only)

- Early repayment of Shell Junior Facility will provide Harbour with increased control over its UK marketing

Indonesia gas sales

- Sold under USD reserves based gas sales agreements into Singapore; linked to Brent via HSFO

¹ Less costs associated with NTS (National Transmission System) entry

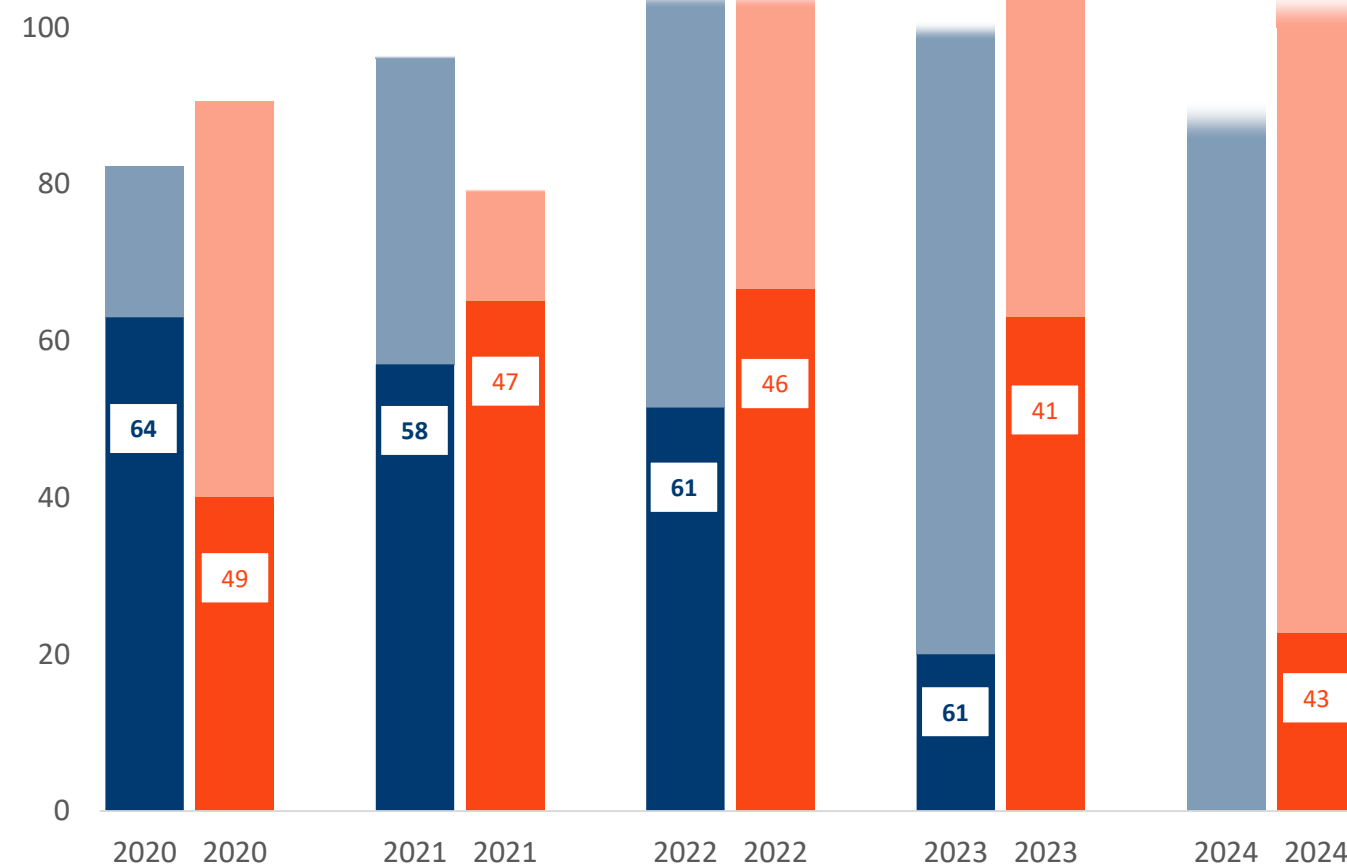
Hedging programme

Increasing exposure to commodity prices as leverage reduces and integration of Premier concludes

Hedged volumes

kboepd

■ Hedged oil production Hedged oil price (\$/bbl) ■ Unhedged oil production
■ Hedged gas production Hedged gas price (p/therm) ■ Unhedged gas production



Hedging programme as per RBL requirements

- Minimum: rolling 50-40% 2 year
- Maximum: rolling 70-60-50-40% 4 year

Flexibility within the hedging programme

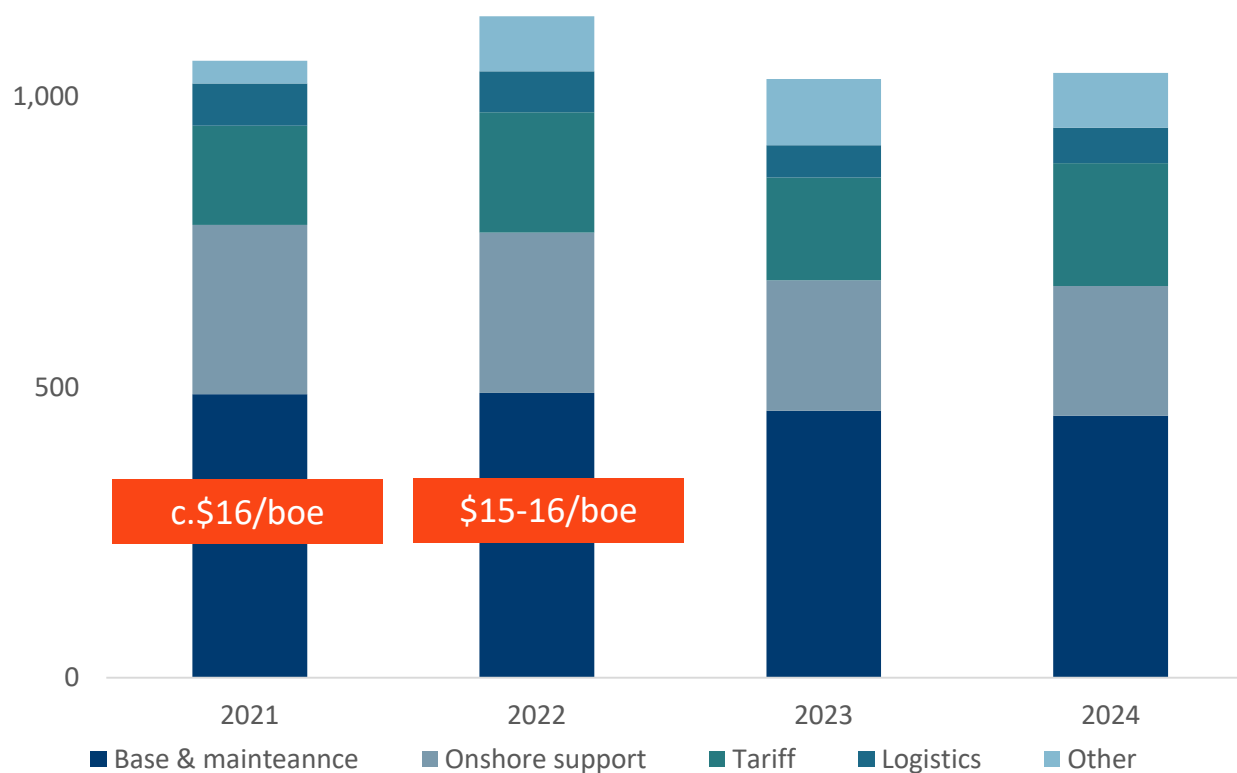
- Variance between the min./max. levels driven by:
 - Commodity price backdrop
 - M&A activity

Operating costs broadly stable

Total opex

\$m

1,500

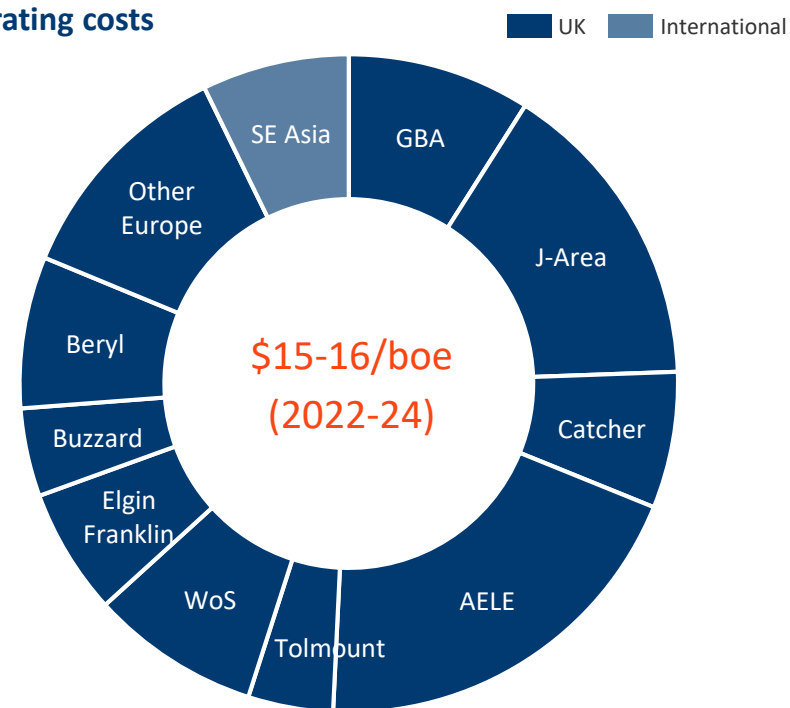


¹ Operating costs includes CCS and integration costs, excludes lease costs and Tolmount tariff; assumes \$1.35/£ exchange rate

- Underlying base operating costs broadly flat, yet to see inflation
- Operating costs expected to stay broadly stable at c.\$15-\$16/boe¹ near term
- Operating synergies from Premier merger still to be realised

Operating costs

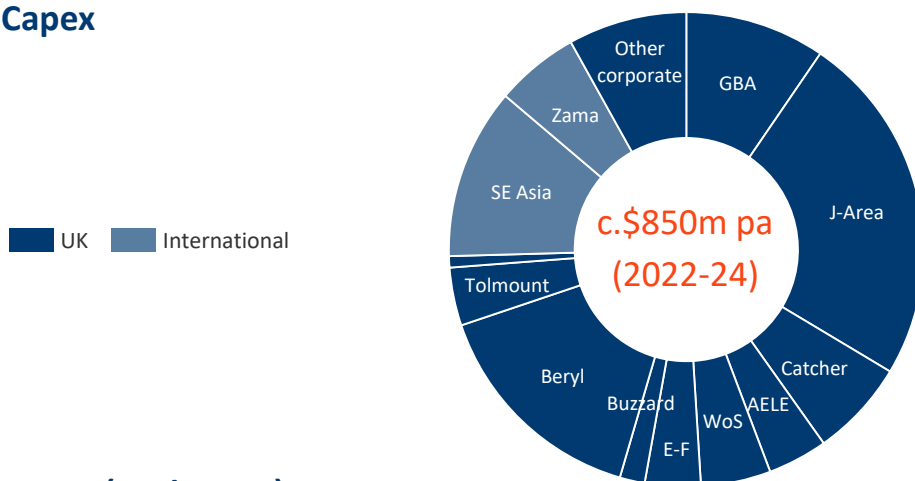
\$m



Infrastructure led capex portfolio with short cycle payback

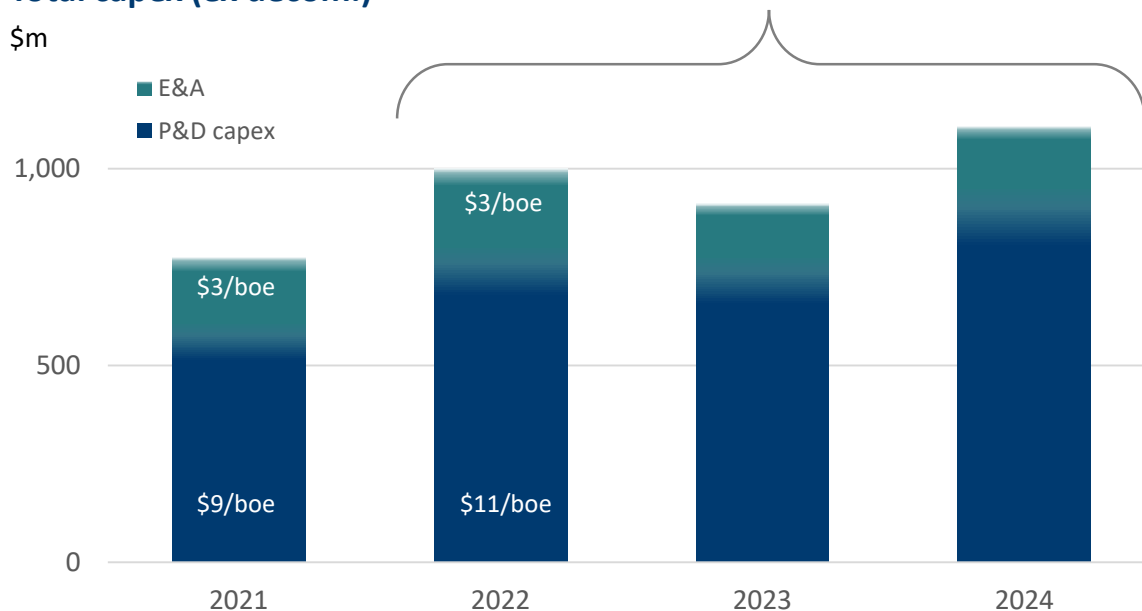
P&D Capex

\$m



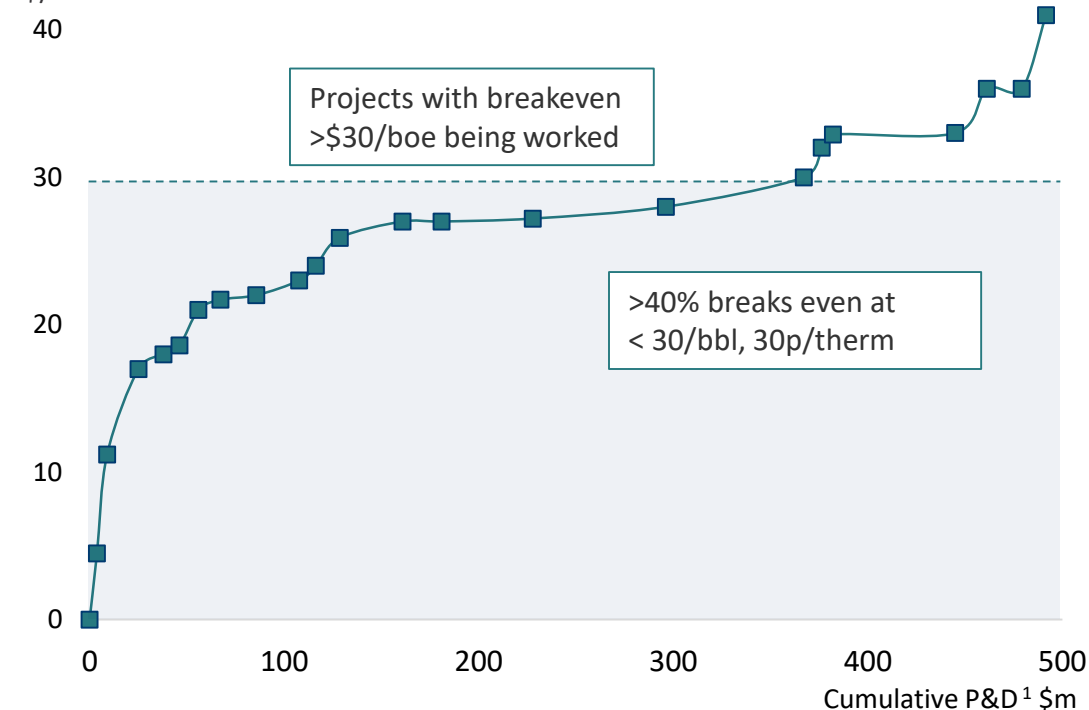
Total capex (ex decom.)

\$m



2022 P&D project break-evens

\$/boe



- Ability to flex and control capex as Operator
- Capex dominated by small, low risk, infrastructure led projects with high IRR and low breakevens
- Potential for international growth through high-quality projects with robust economics

¹ Excludes \$300m of 2022 P&D capex comprising small projects, modifications, maintenance, integration costs

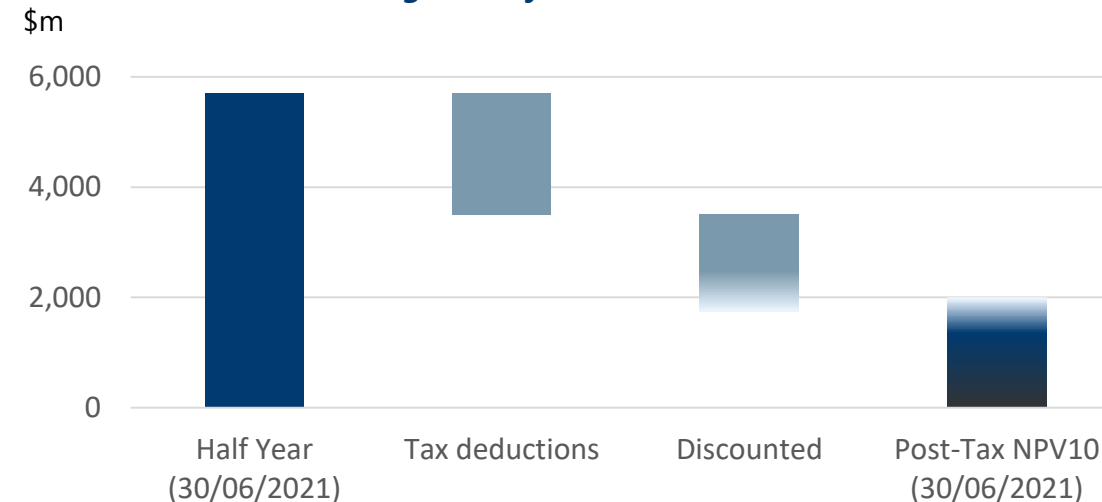
Managing our decommissioning programme

- Strong operational control over portfolio provides opportunity to extend field life and drive down decommissioning costs
- Almost 50% of our decommissioning spend in the UK occurs from 2035
- Decommissioning spend in the UK is tax deductible

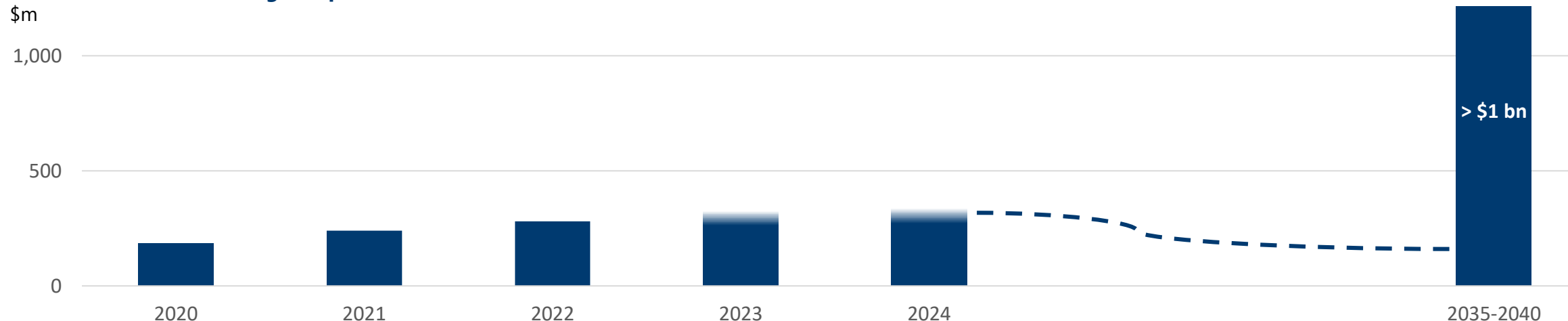
c.\$200m pa post-tax UK decom. (2021-2025)

c.\$100m pa post-tax UK decom. (2025-2034)

Harbour decommissioning liability



Harbour decommissioning UK (pre-tax, nominal, undiscounted)

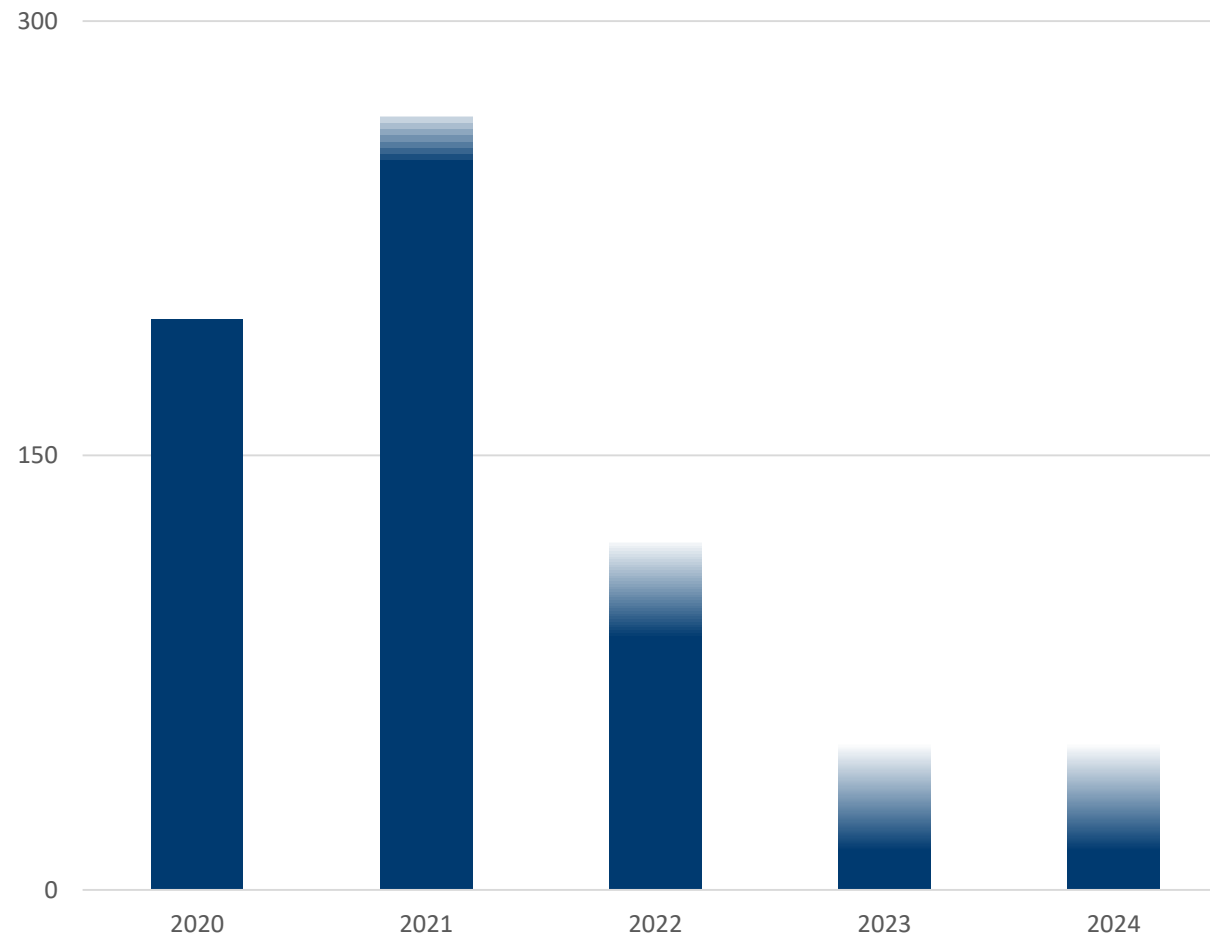


A tax efficient asset base

- Harbour is corporate tax paying in all jurisdictions in which it has production operations
- Harbour has c.\$4 bn of UK tax losses as a result of historic investment
- UK tax losses expected to be fully utilised within the next five years
- 78% tax refund in Norway exploration¹
- As a result, Harbour expects to have a low effective Group cash-tax rate in the near term

Group cash tax paid²

\$m



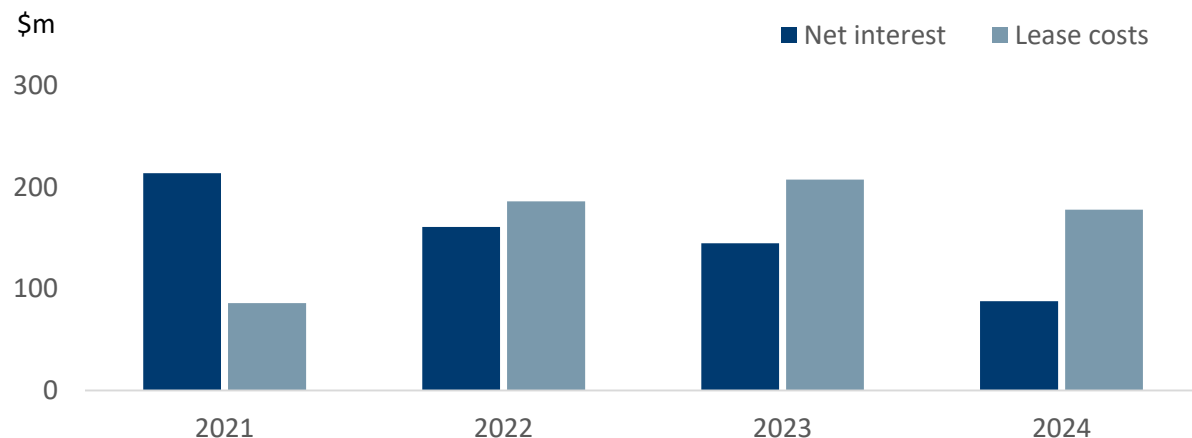
¹ Subject to latest legislation impacts ² Assumes \$70/bbl, 90p/therm in 2022, \$65/bbl, 60p/therm in 2023 and \$60/bbl, 55p/therm long term

Financing and capital structure

A diversified capital structure and low financing cost

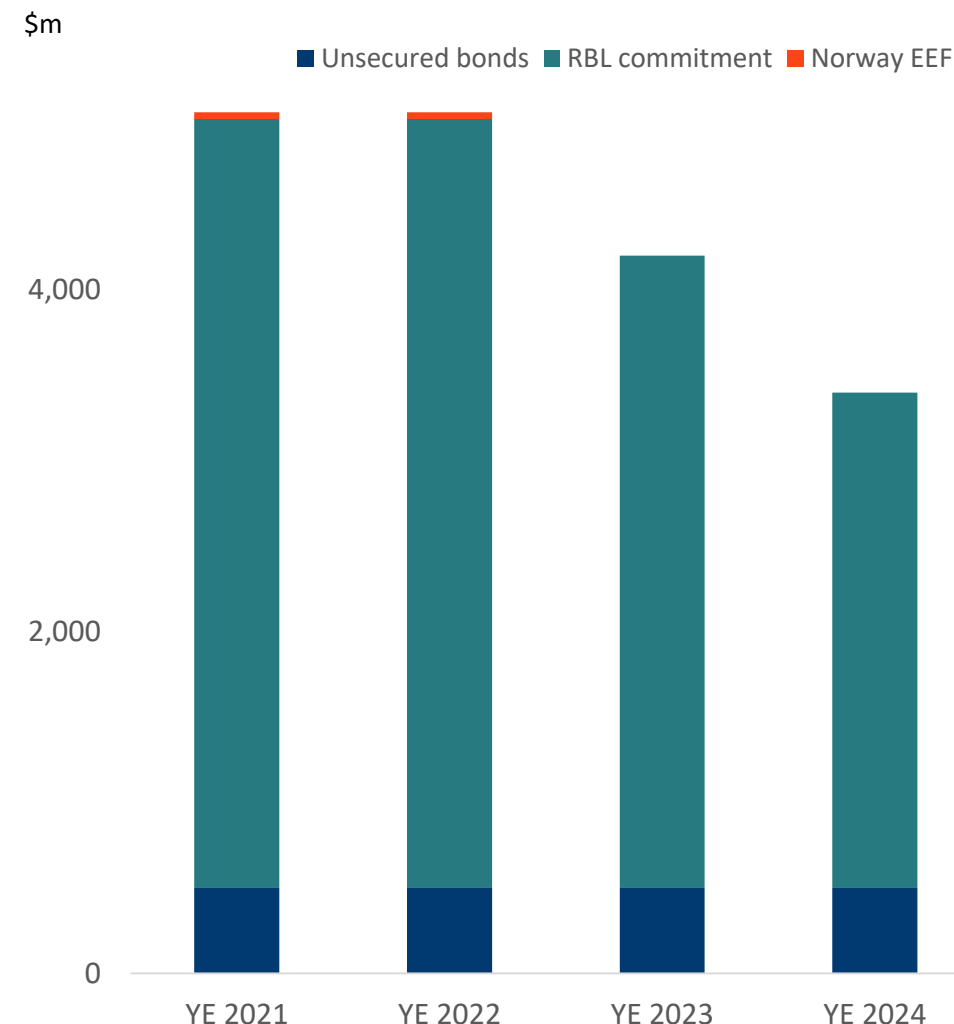
- \$4.5bn Reserve Based Lending Facility, including \$1.25bn of LCs
 - 7-year tenor to November 2027
 - Straight line amortization from 2022
 - Margin adjustment incentive linked to carbon emission reductions
- \$500m unsecured bonds
 - Coupon 5.5% 5 year-tenor NC2
 - Maturity October 2026
- <5% average cost of debt
- Lease costs include Catcher and Chim Sao FPSO costs and Tolmount fixed tariff

Net financing costs, lease costs



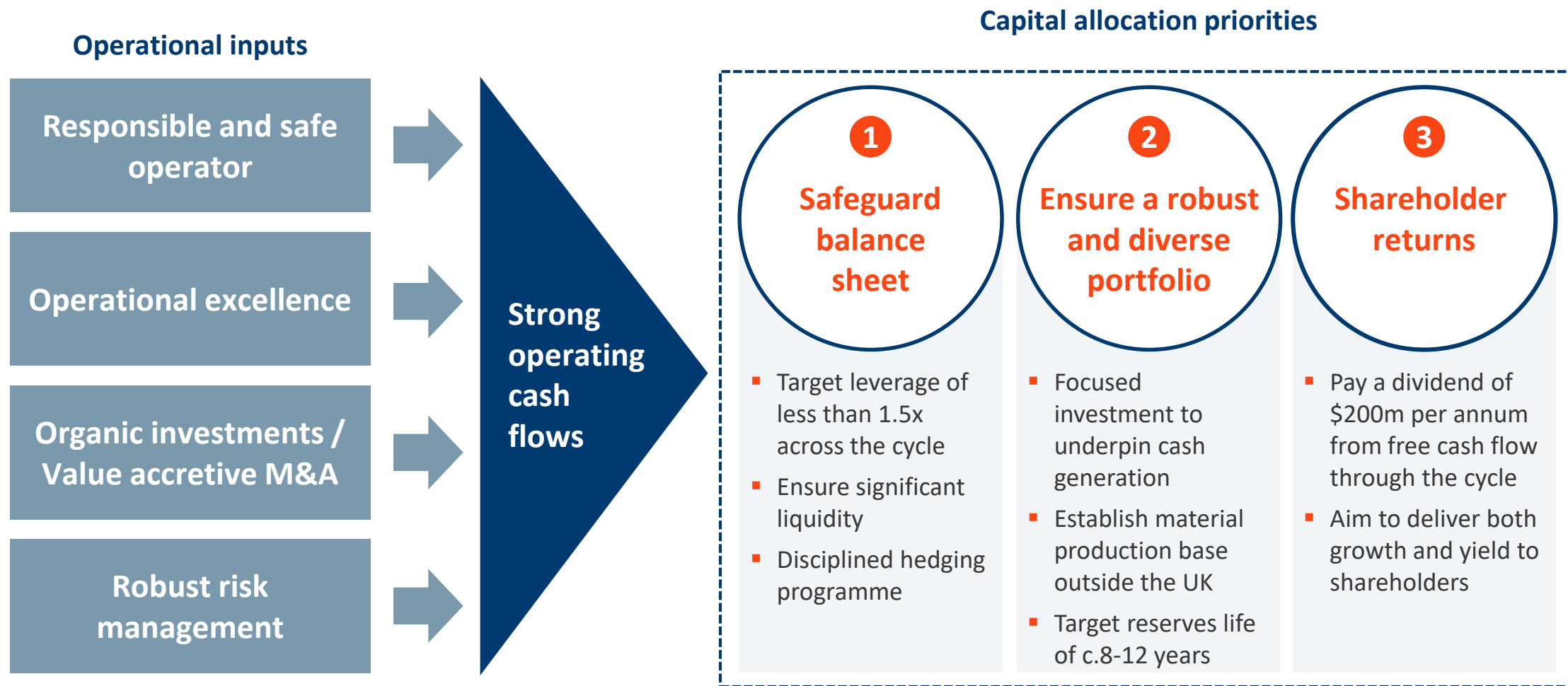
¹ RBL available drawing amount will be the lower of the commitment or borrowing base amount that is subject to an annual redetermination.

Available debt commitments¹



A robust financial framework

Long term value creation at Harbour Energy



1 Safeguard balance sheet

Conservative philosophy

Protecting the business from volatility

- Balance sheet tested under a range of price scenarios
- Disciplined approach to hedging
- Prudent capital allocation
- Robust risk management and corporate governance

Diversified capital structure

Ensuring liquidity through the cycle

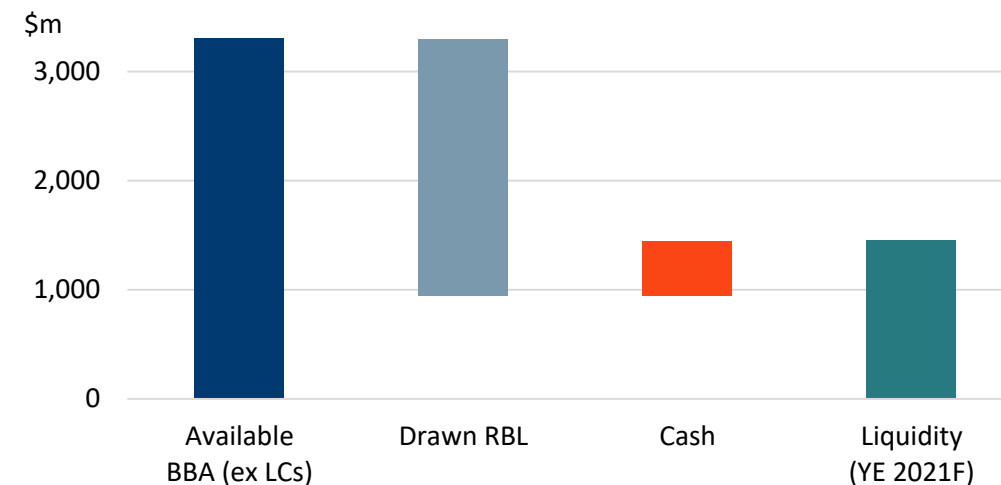
- Significant availability from cash and debt sources
- Competitive cost of capital
- Financial flexibility and resilience
- Increasing presence in international bond markets
- BB credit ratings obtained

Counter cyclical approach

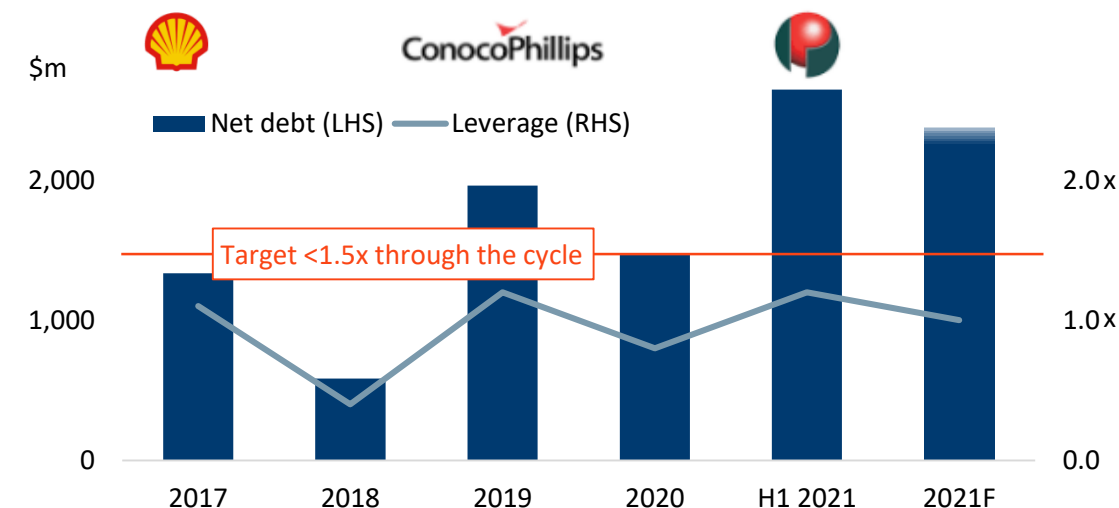
Take advantage of market movements

- Leverage to move counter cyclically
- Capacity to take advantage of M&A opportunities that align to strategic drivers
- Repay debt when prices are high, ensuring capital discipline, financial resilience and credit worthiness

Significant liquidity, no material near term debt maturities



Track record of rapid debt pay down post transactions

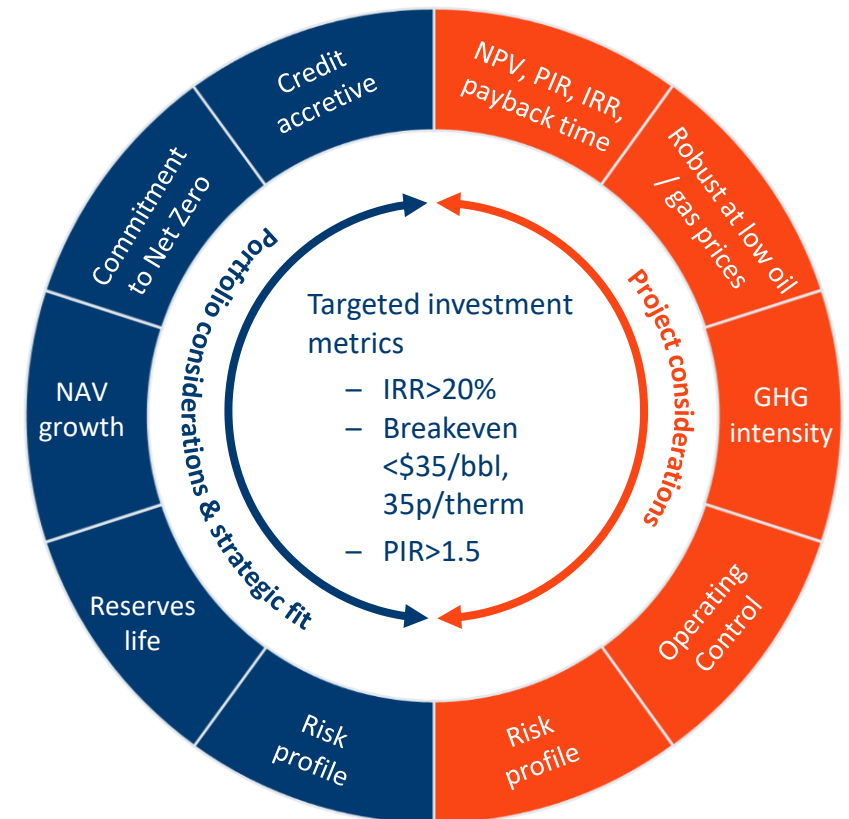


2 Ensuring a robust and diverse portfolio

Reinvestment in the portfolio and M&A competes for capital with shareholder returns and strengthening of the balance sheet

Production capex	Operator of key hubs with material upside ▪ Infill drilling, near field additions, plant mods, ILX ▪ Fast payback, high IRR / PIR, robust at low prices ▪ Ability to high grade opportunities drives higher returns
Growth projects	Diverse portfolio of growth projects ▪ Selective investment in growth projects, ideally with control and leveraging the Group's proven skill set and capabilities ▪ Material NAV, impactful production growth and reserves replacement
M&A	Attractive international M&A opportunity set ▪ Conventional, cash generative oil/gas production ▪ Robust margins, pathway to scale, accretive to reserves life and GHG intensity ▪ Value accretive to shareholders
Energy transition	2035 Net Zero commitment ▪ Investment in operations to reduce emissions ▪ Exploring initiatives to realise a step change in emissions ▪ Offset increasing proportion of residual emissions

Capital allocation considerations for portfolio reinvestment and M&A



3 Shareholder returns

An annual sustainable dividend of \$200m, equating to 16p/share¹ today

Capital allocation

Prudent capital allocation

- Balance sheet strength (leverage <1.5x)
- Maintain cash generative portfolio
- Growth projects / M&A which meet investment hurdles
- Returns to shareholders

Dividend Policy

An annual dividend of \$200 million (16 pence/share¹)

- Sustainable through the cycle
- Affordable from cash flow
- Clearly defined and predictable

Annual review

Dividend Policy reviewed annually in the context of Harbour's capital allocation priorities; the Board may:

- Revise the dividend level and / or
- Supplement the annual dividend through a special dividend or share buybacks

Proposed dividend timetable

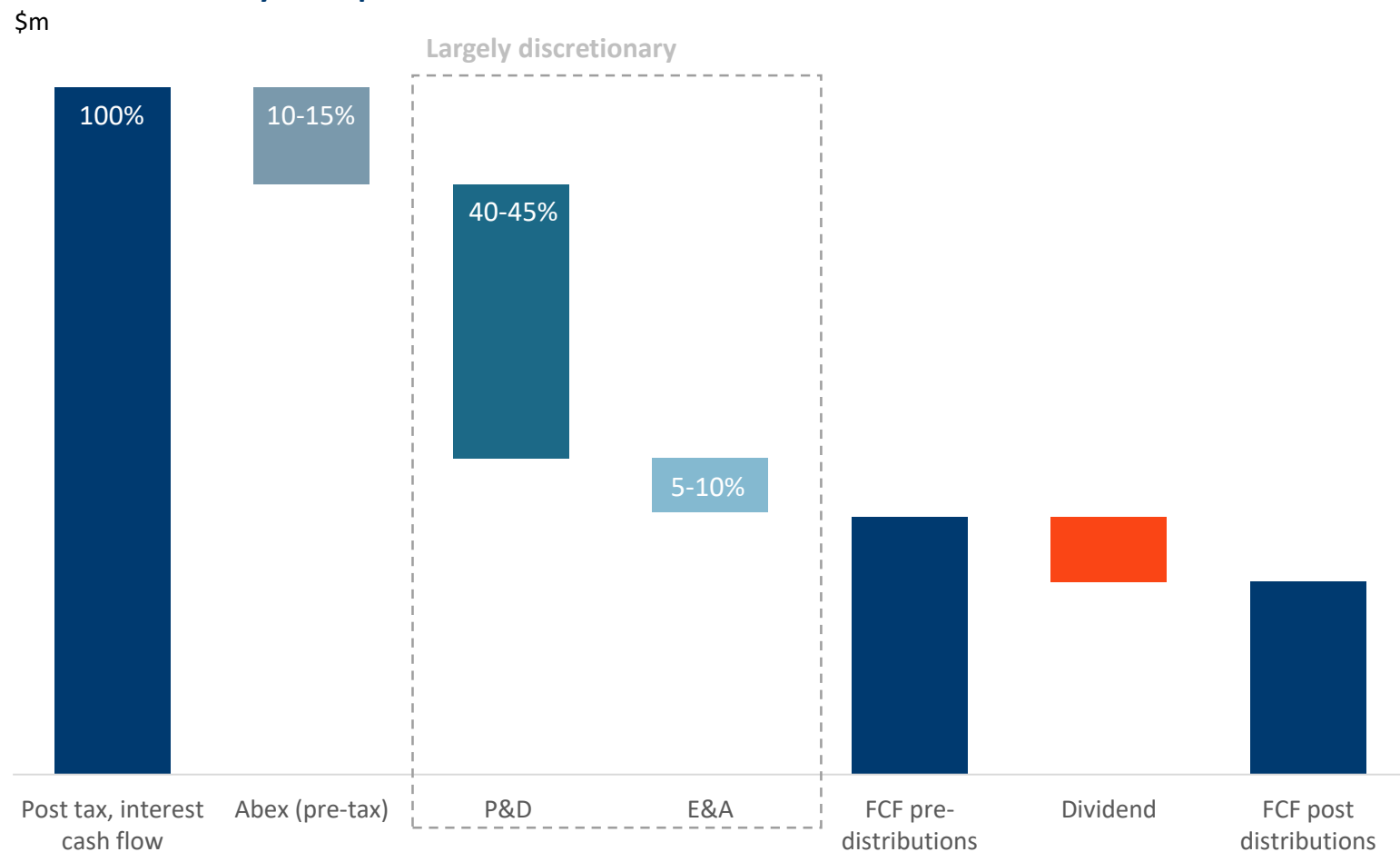
- For 2021, a final dividend of \$100m (8p/share¹) to be paid in May 2022 post AGM and shareholder approval
- First interim dividend of \$100m to be paid in November 2022 following Half Year Results in August
- Going forward, payments will be made on the basis of 1/2 interim and 1/2 final

¹This assumes a \$1.35/£ exchange rate and is based on 925.5 million shares in issue

Three year (2022-2024) capital allocation outlook

Balancing investment in attractive projects with a sustainable dividend policy and debt repayments

Illustrative three year capital allocation¹



Over 2022-2024, Harbour's business:

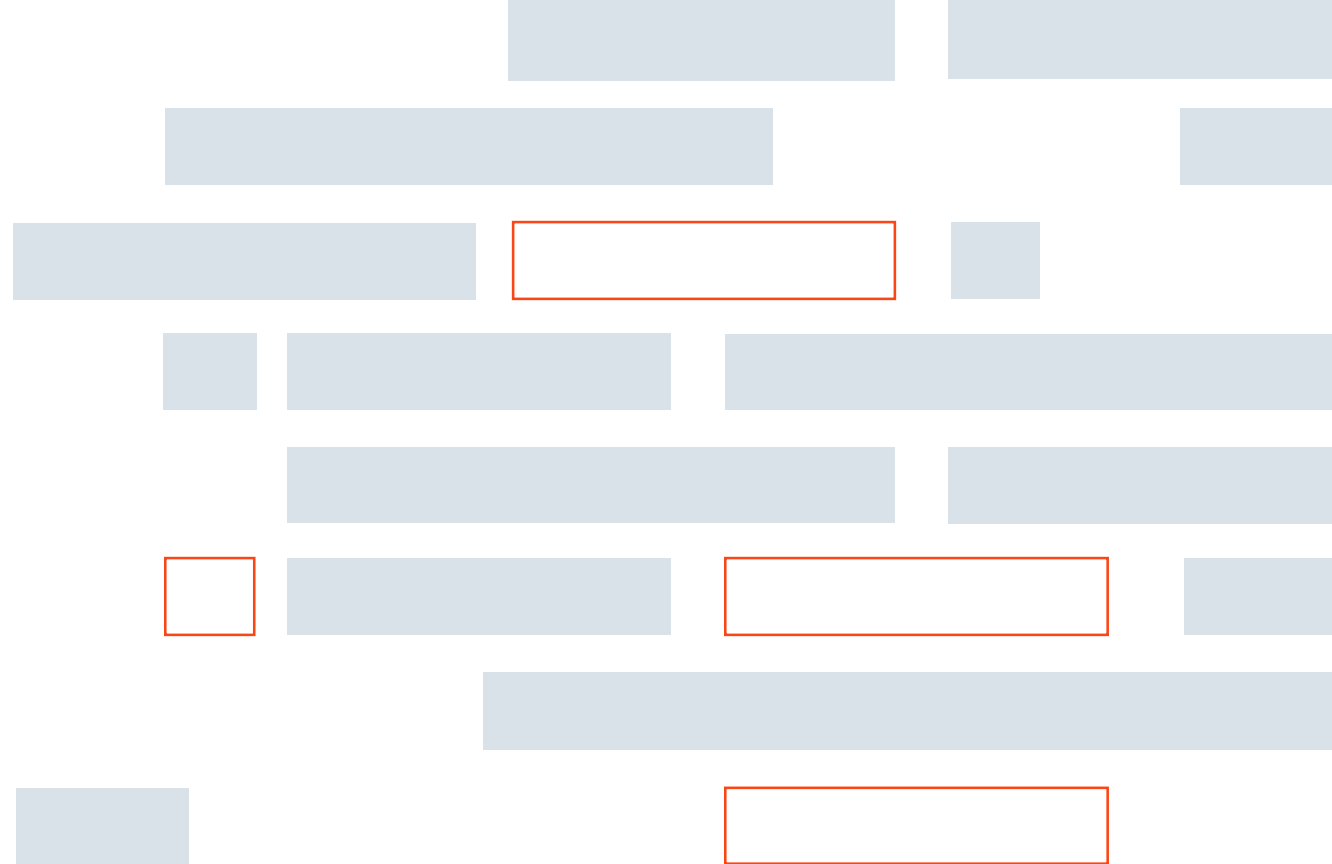
- ✓ Delivers production of c.200 kboepd over the period
- ✓ Generates free cash flow every year
- ✓ Pays an annual dividend of \$200 million
- ✓ Retains a strong balance sheet, with potential to be debt free in 2025
- ✓ Maintains optionality to execute high quality growth / M&A projects which exceed our investment hurdles

¹ Assumes \$70/bbl, 90p/therm in 2022, \$65/bbl, 60p/therm in 2023 and \$60/bbl, 55p/therm long term

Guidance

	FY 2021 ¹ Guidance	2021 ¹ Forecast	FY 2022 Guidance
Production	170-180 kboepd	175 kboepd	195-210 kboepd
Operating cost	15-16 \$/boe	c.16 \$/boe	15-16 \$/boe
Capital expenditure (ex decom.)	c.1.1 \$bn	775 \$m	1.0 \$bn
Decommissioning expenditure		250 \$m	300 \$m

¹ 2021 numbers are provided on a reported basis with Premier's portfolio contributing from 31 March 2021



Wrap up of first session

Linda Z Cook

Well positioned for value creation

**Exposure to pure-play
upstream, global O&G
company**



**Diverse, cash
generative producing
portfolio of scale**



**Positioning for the
energy transition**



A unique investment opportunity



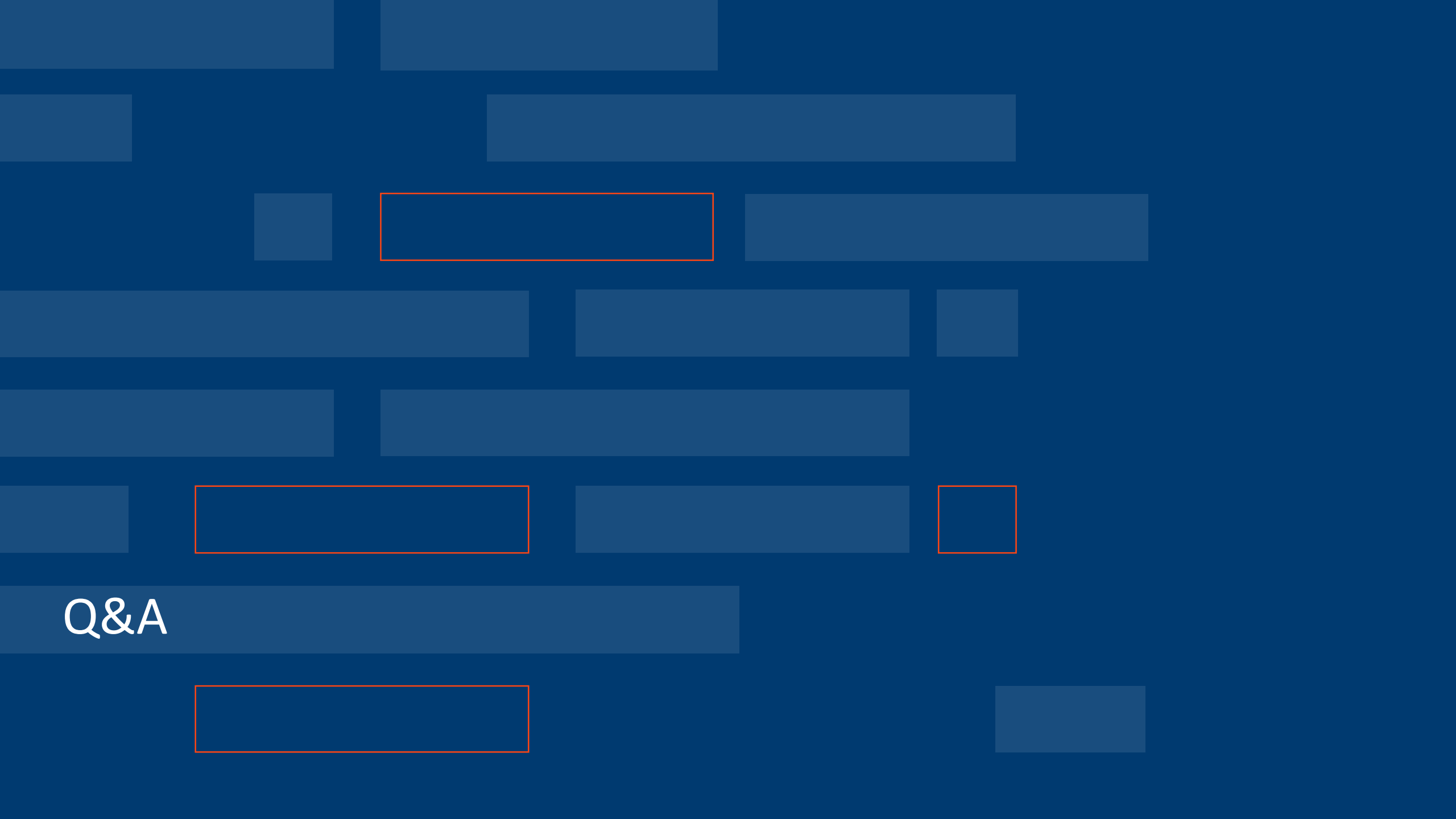
**Conservative financial
risk management policy**



**Shareholder returns
through dividends**



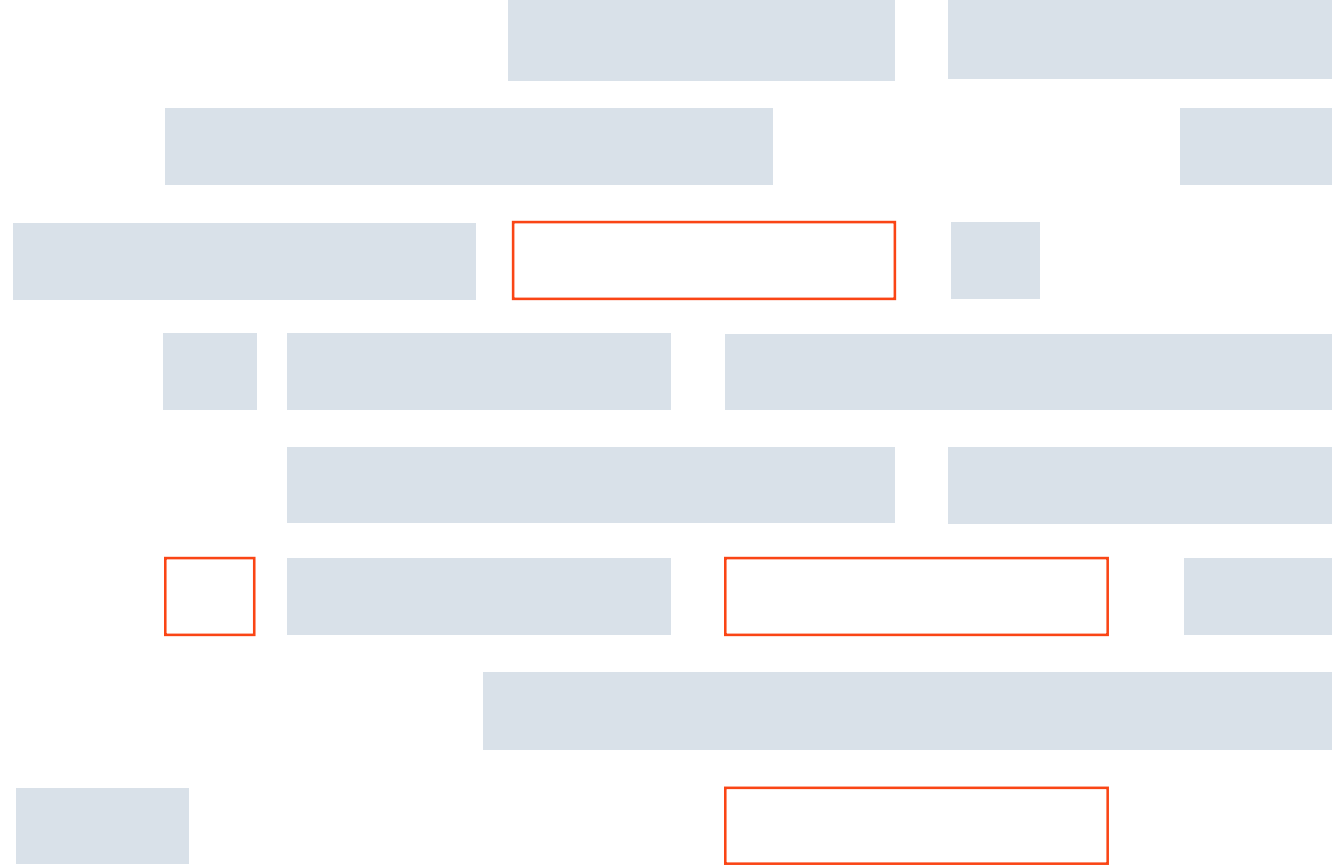
**Track record of creating
value through M&A**



Q&A

Agenda

Est. GMT timings	Topic	Presenter
12.00	Introduction and Strategy	Linda Z Cook, CEO
12.20	Operations and Portfolio Overview	Phil Kirk, President & CEO Europe
12.40	Guidance and Capital Allocation	Alexander Krane, CFO
13.05	Wrap up of First Session	Linda Z Cook, CEO
13.05	Q&A	Linda Z Cook, Phil Kirk, Alexander Krane
Break		
14.00	Introduction to Session Two	Linda Z Cook, CEO
14.00	Asset Deep Dives – Europe	Bob Fennell, EVP Europe Operations & Global Technical Services
14.20	Asset Deep Dives – International	Stuart Wheaton, EVP International
14.35	Concluding Remarks	Linda Z Cook, CEO
14.35	Q&A	All presenters



Asset deep dive - Europe

Bob Fennell

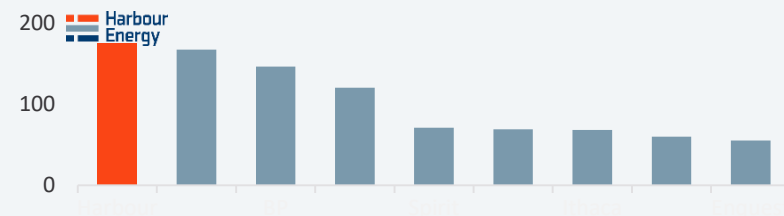
Europe Assets

Priorities

- Safe and reliable operations
- Cost management
- Reduction of emissions
- Delivery of high quality forward investment portfolio

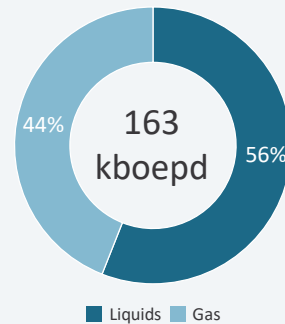
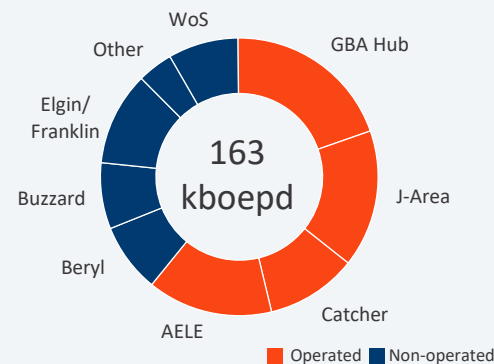
Largest Producer in the UK today¹

2021F, kboepd



Diversified UK production (2021F)

Balance of UK oil vs gas



West of Shetlands



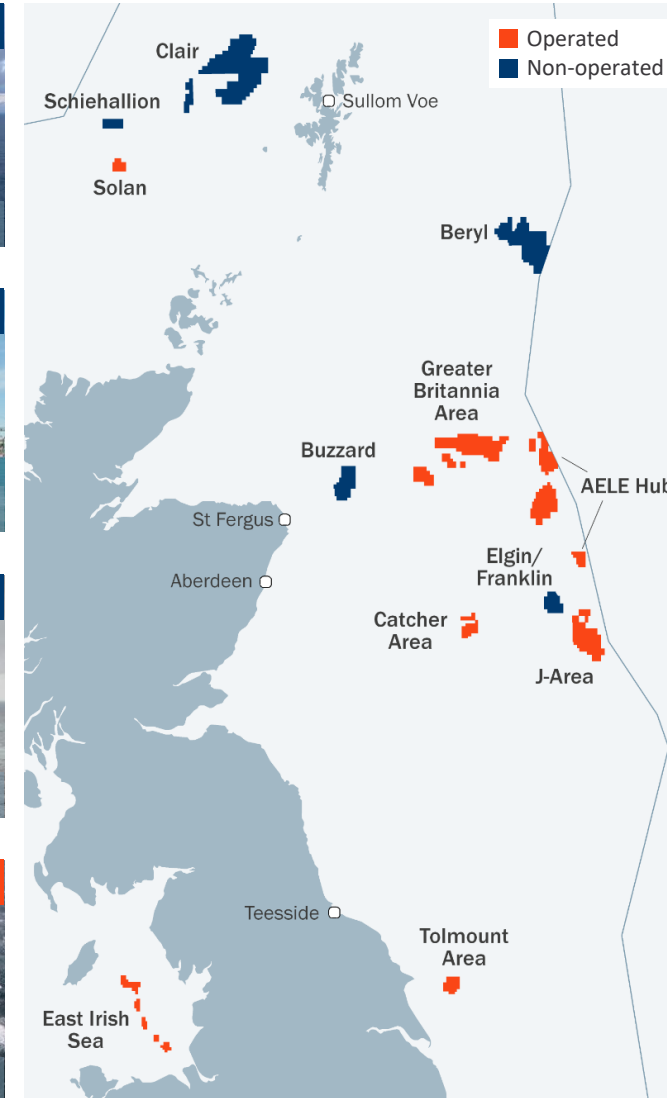
Buzzard



Elgin Franklin



Catcher Area



Beryl Area



Greater Britannia Area



AELE



J-Area



¹Source: WoodMackenzie, Company estimates

Greater Britannia Area – our largest producer

- Harbour operated, 26%-87.5% interest
- 2021F: c.32 kboepd (44% liquids, 56% gas)
- High operating efficiency
- Infill well outperformance, most recently Callanish F5
- Significant exploitation opportunities
- 3rd party opportunities; Finlaggan start up Q4 2021
- Rejuvenated area plan and partner relationship
- Emissions reduced through plant optimisation
- Cessation of production in 2040+

Production, P&D capex

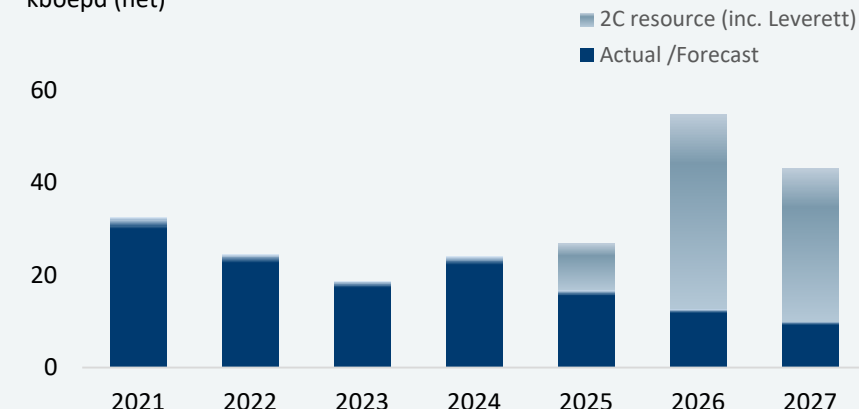
kboepd, \$m (net)



■ % 2021 production ■ % 2022-24 capex

Production outlook

kboepd (net)

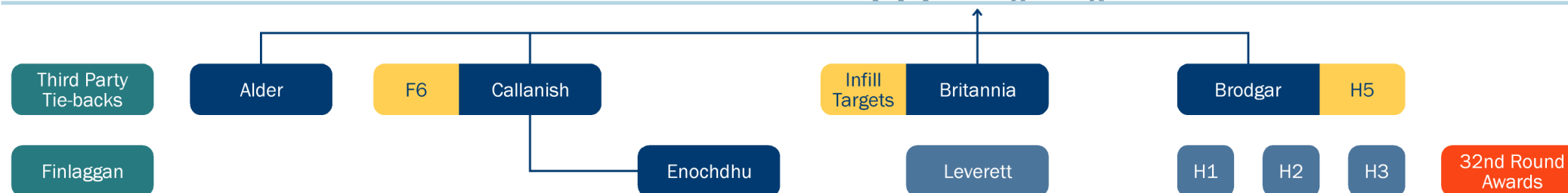


← Block 15/29a → (26.3%, non op) | ← Blocks 15/29b, 21/4a → (83.5%, op) | ← Block 21/5a → (50%, op) | ← Blocks 15/29a, 30a, 16/26a, 27b, 27c → (58.7%, op) | ← Block 21/3a → (87.5%, op) |

Greater Britannia Area Platform



- Developed
- Discovered but undeveloped
- E&A Targets
- Infill Targets
- 3rd Party Tie-backs

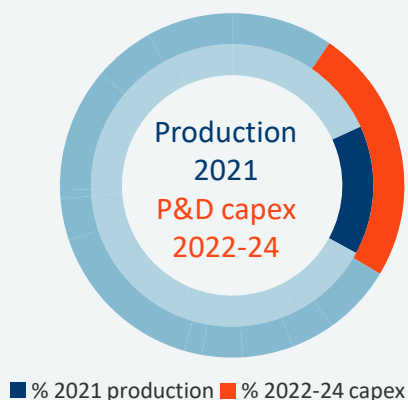


J-Area – significant inventory of high value, short cycle opportunities

- Harbour operated, 67%-67.5% interest
- 2021F: c.26 kboepd (46% liquids, 54% gas)
- Reliable operations, strong asset integrity
- Active, diversified drilling programme (E&A, infill, near field tie-backs)
- Significant prospectivity within multiple, geological targets
- Exploring potential for electrification
- Cessation of production in 2040+

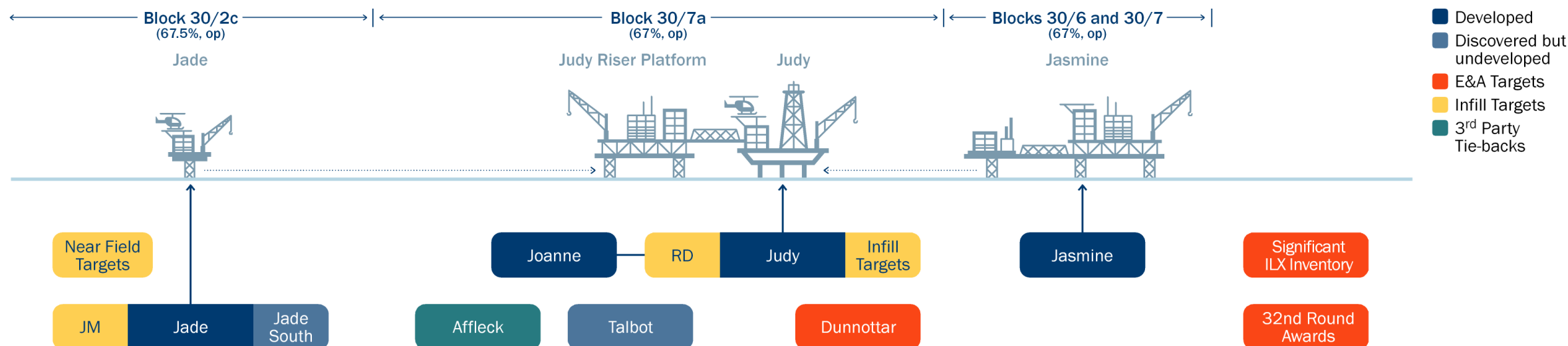
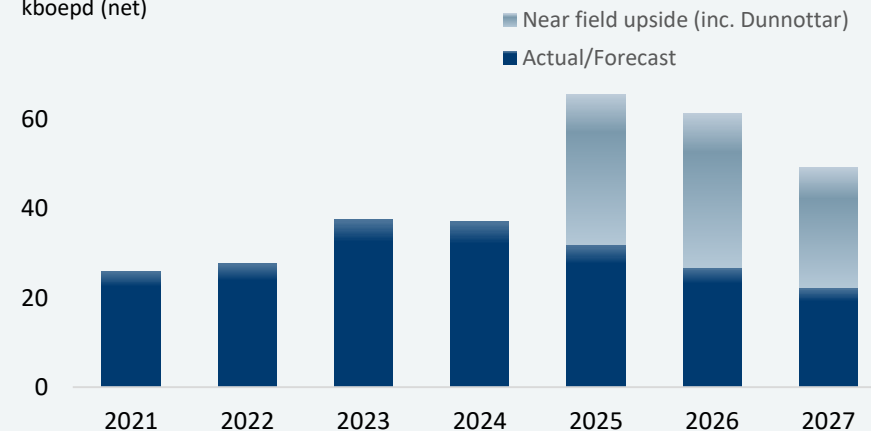
Production, P&D capex

kboepd, \$m (net)



Production outlook: a material growth hub

kboepd (net)

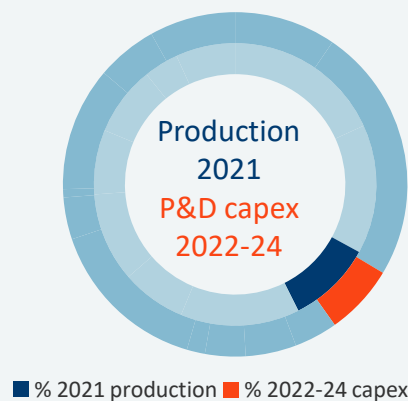


Catcher Area – continued outperformance, further reserves upgrades anticipated

- Harbour operated, 50% interest
- 2021F: c.17 kboepd¹ (98% liquids, 2% gas)
- Continued subsurface outperformance
- Improved reliability; potential for debottlenecking
- 3 wells (2 development, 1 infill) planned for 2022
- 4D seismic de-risks future tie-backs
- Gas reinjection programme approved
- Further reserves upgrade anticipated
- Low emissions

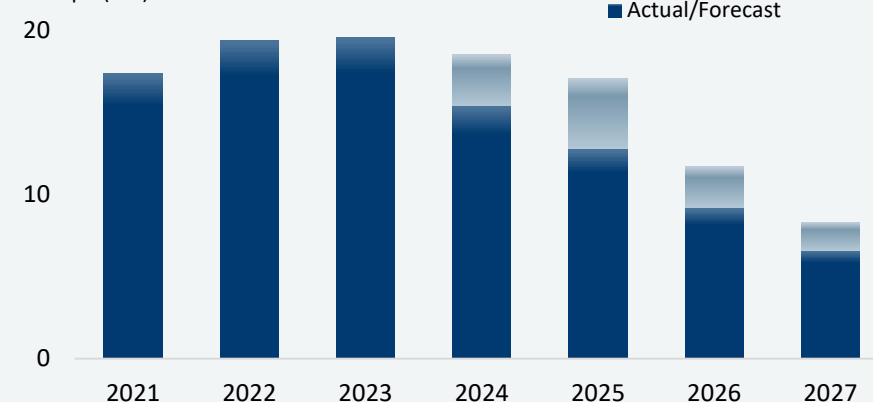
Production, P&D capex

kboepd, \$m (net)

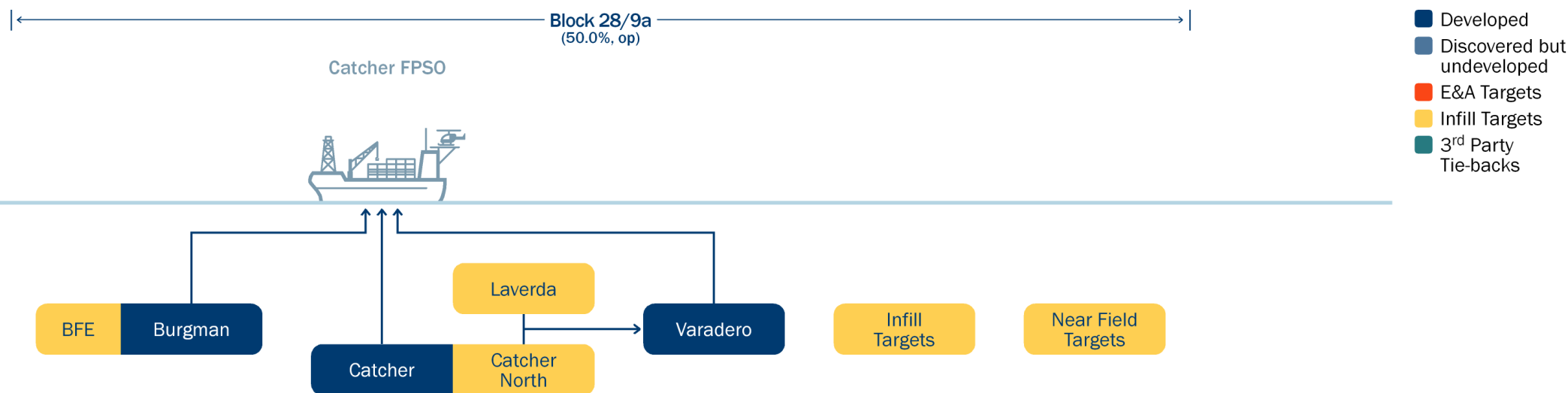


Production outlook

kboepd (net)



¹ Catcher production is on a reported basis and contributes to Harbour's production from 31 March 2021

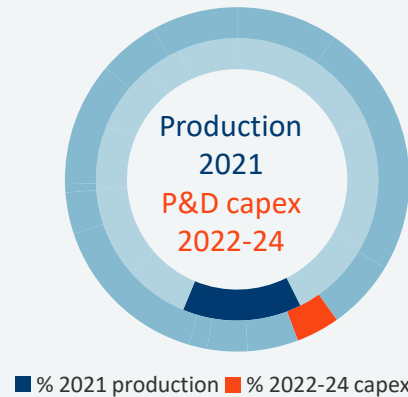


AELE – late life field optimisation

- Harbour operated, 100% interest¹
- 2021F: 24 kboepd (c. 70% gas, 30% liquids)
- Improved production efficiency
- Generates positive free cash flow
- Innovative supply chain partnering
- Late life compression projects
- East Everest infill targets (LAD first gas Q1 2022)
- High risk, high potential Mickledore target

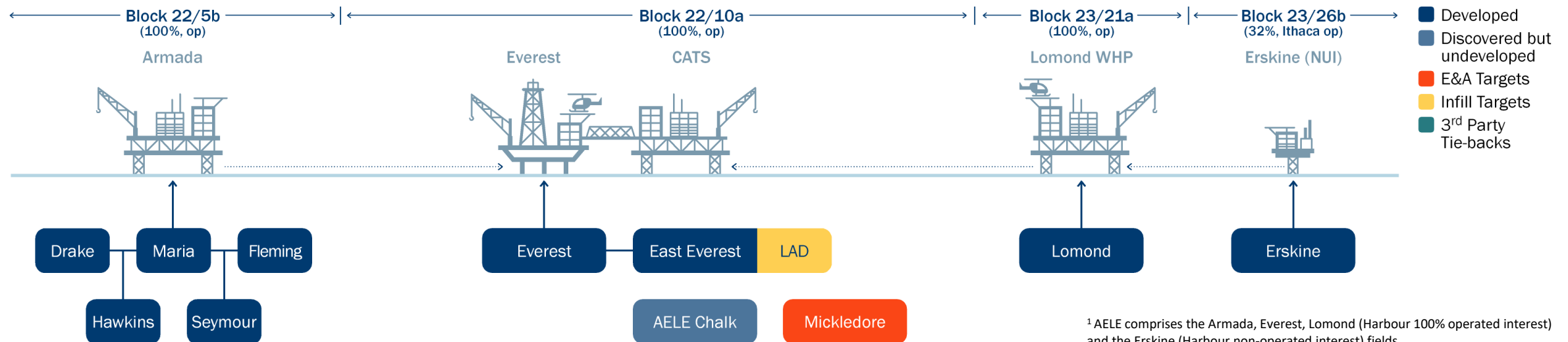
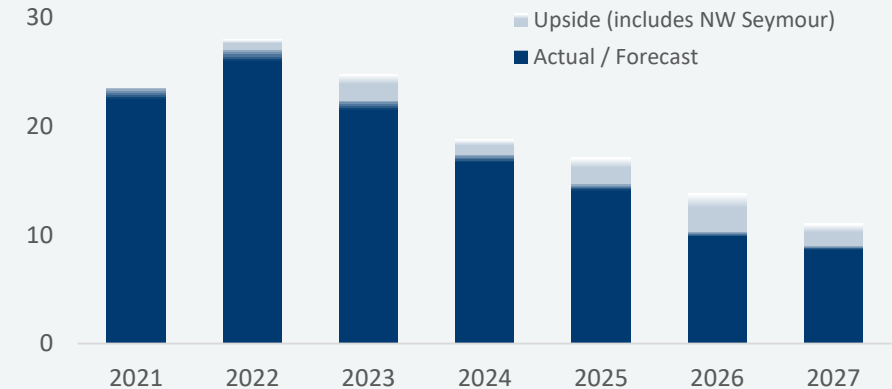
Production, P&D capex

kboepd, \$m (net)



Production outlook

kboepd (net)



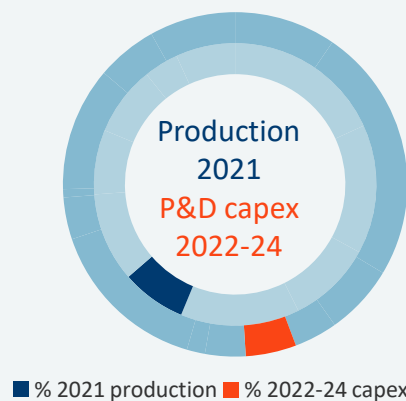
¹ AELE comprises the Armada, Everest, Lomond (Harbour 100% operated interest) and the Erskine (Harbour non-operated interest) fields

West of Shetlands – Clair multi-decade oil field with material upside potential

- BP operator of Clair, Schiehallion; Harbour operator of Solan
- 2021F: 13 kboepd (96% liquids, 4% gas)
- Active drilling programme at Clair Ridge
- Clair Phase 1 drilling to restart in 2022
- Optimised Clair Phase 3 development
- Schiehallion infill targets being matured
- Significant reserves potential at Clair
- Cessation of Production in 2055+ (Clair)

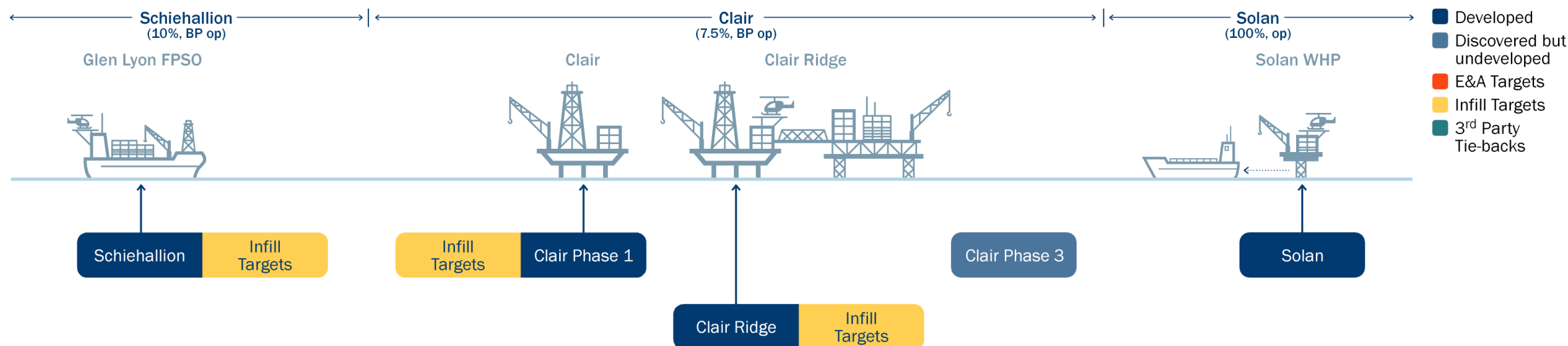
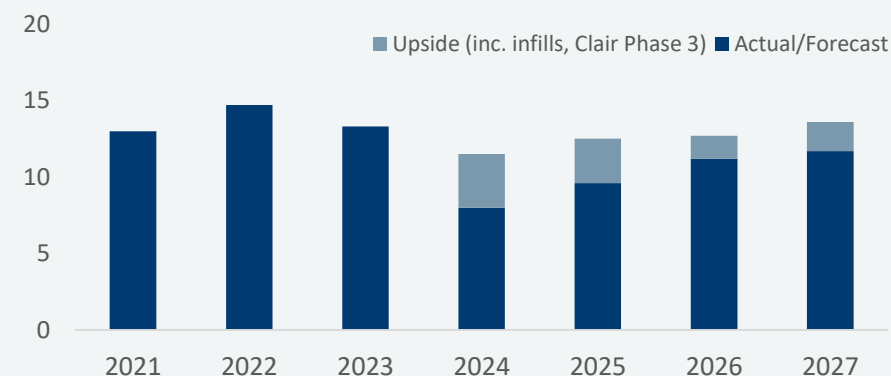
Production, P&D capex

kboepd, \$m (net)



Production outlook

kboepd (net)

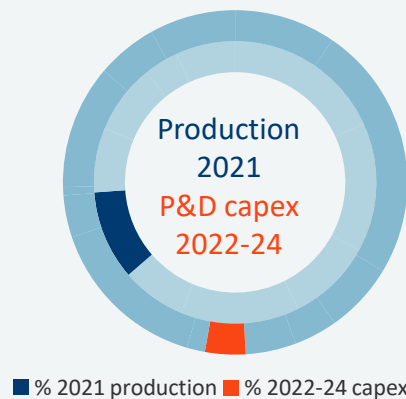


Elgin Franklin – one of the world's largest HPHT developments

- TotalEnergies operator
- 2021F: 18 kboepd (61% gas, 39% liquids)
- UK's largest producing field
- Historically high operating efficiency
- Low operating cost
- Robust margins, highly cash generative
- Working with operator to review ILX potential
- Cessation of Production in 2040+

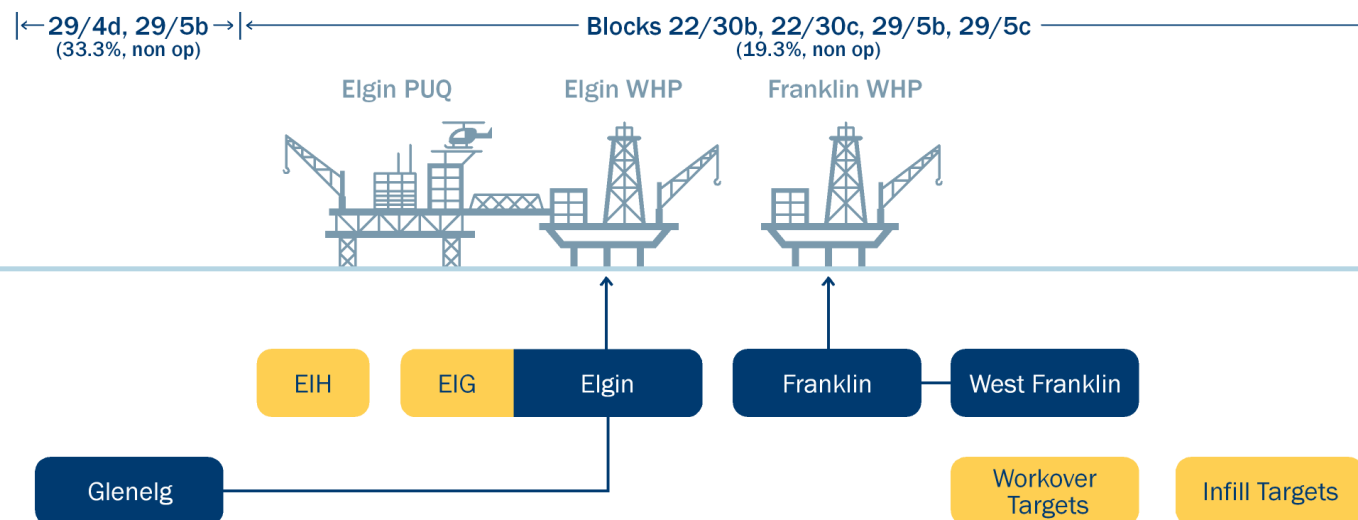
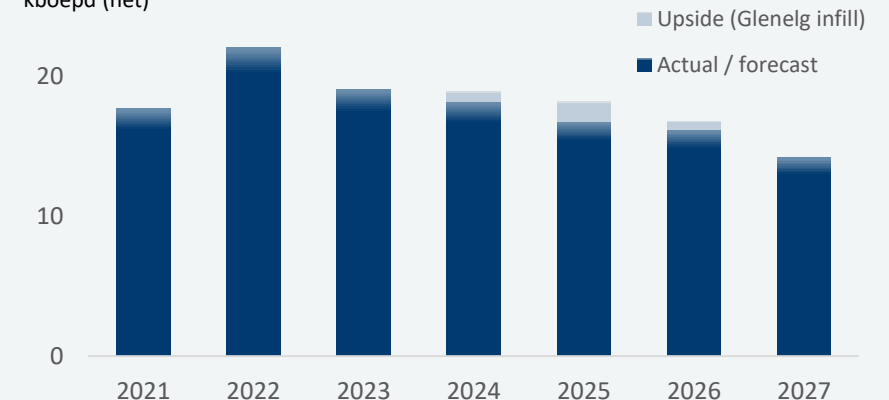
Production, P&D capex

kboepd, \$m (net)



Production outlook

kboepd (net)

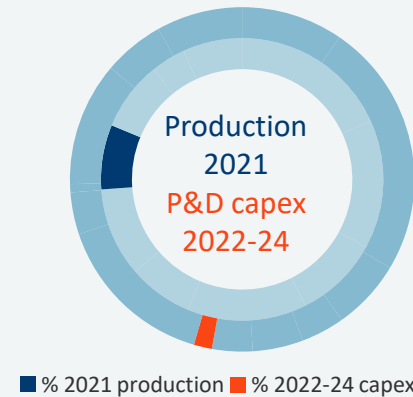


Buzzard – flagship UK oil production

- CNOOC operator
- 2021F: 13 kboepd (99% liquids, 1% gas)
- c.90% operating efficiency (2019-2021)
- Buzzard Phase 2 wells on-stream (on schedule and below budget)
- Infill campaign targeting Northern Terrace (2023)
- Electrification potential
- Working with operator to review ILX potential
- Cessation of Production in 2033

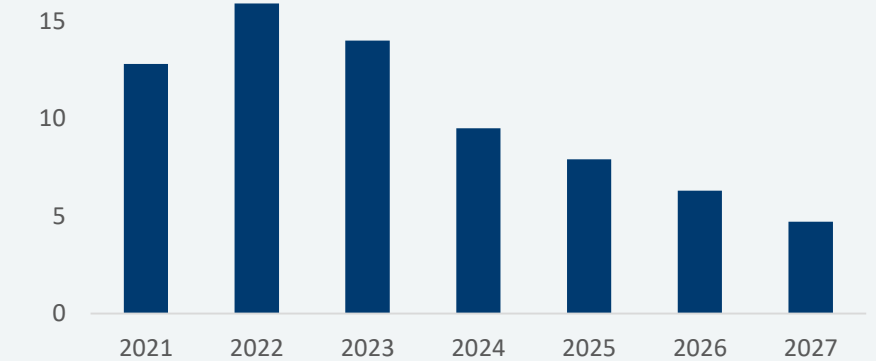
Production, P&D capex

kboepd, \$m (net)



Production outlook

kboepd (net)



← Blocks 19/5a, 19/10, 20/1S, 20/6 →
(21.7%, non op)

Buzzard Platform



Buzzard
Phase 1

Buzzard
Phase 2

3rd Party
Tie-backs

Buzzard
Phase 2 STs

ILX Opportunities
Under Maturation

- Developed
- Discovered but undeveloped
- E&A Targets
- Infill Targets
- 3rd Party Tie-backs

Beryl – cash generative production with material upside

- Apache operator
- 2021F: 14 kboepd (88% liquids, 12% gas)
- Ongoing platform and MODU¹ infill drilling programme
- Targeting mid-2020s for start up from Tertiary fields
- 3rd party volumes potential
- Cessation of Production in 2035+

Production, P&D capex

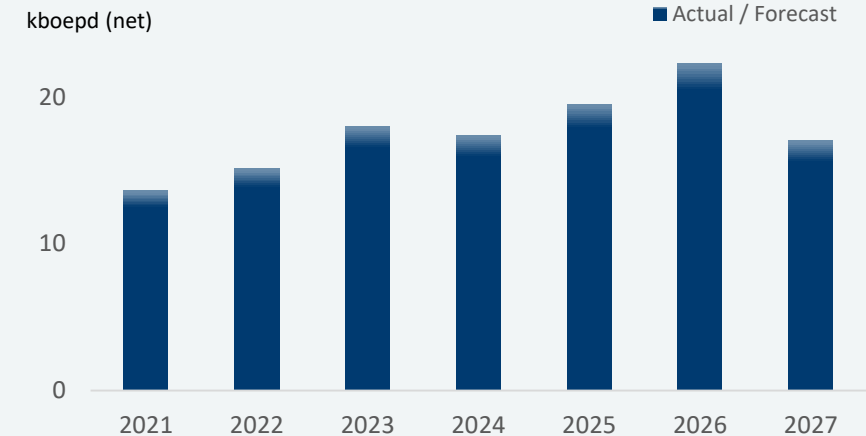
kboepd, \$m (net)



■ % 2021 production ■ % 2022-24 capex

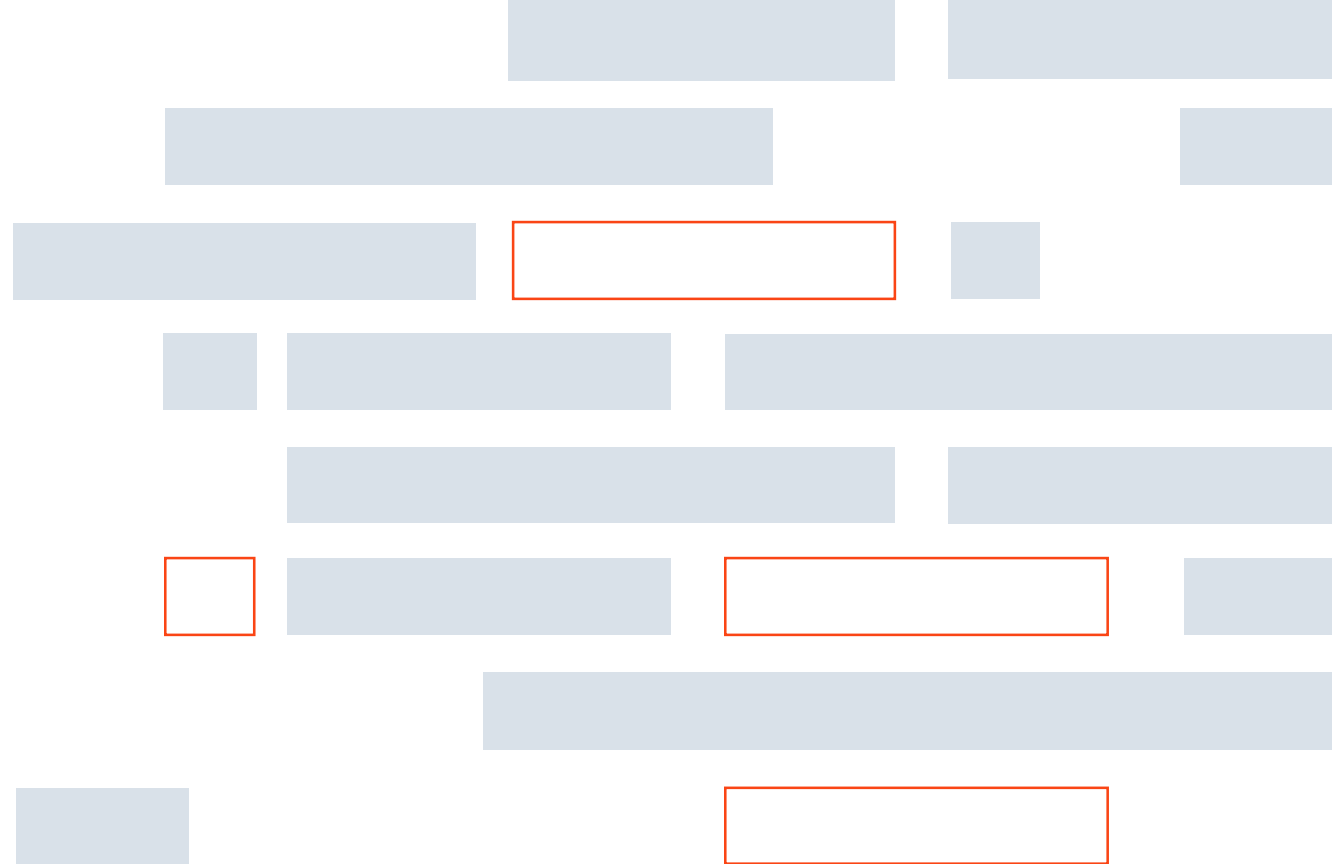
Production outlook

kboepd (net)



¹ Mobile offshore drilling unit





Asset deep dive - International

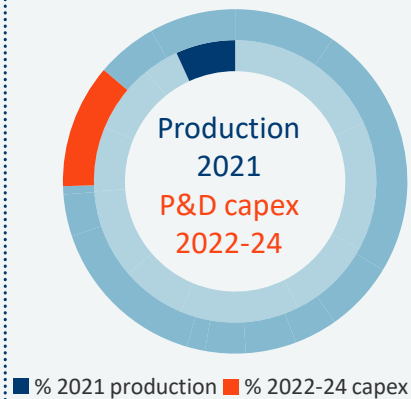
Stuart Wheaton

South East Asia – an operated, full cycle business

- Harbour operator of Natuna Sea Block A and Chim Sao
- 2021F: 12 kboepd¹ (69% gas, 31% liquids)
- Consistently high operating efficiency
- Robust margins
- Major supplier of gas to Singapore; strong gas market (>\$12/mmbtu)
- Premium to Brent for Chim Sao crude
- Incremental, high value investment opportunities
- Material growth potential: Tuna, Andaman

Production, P&D capex

kboepd, \$m (net)

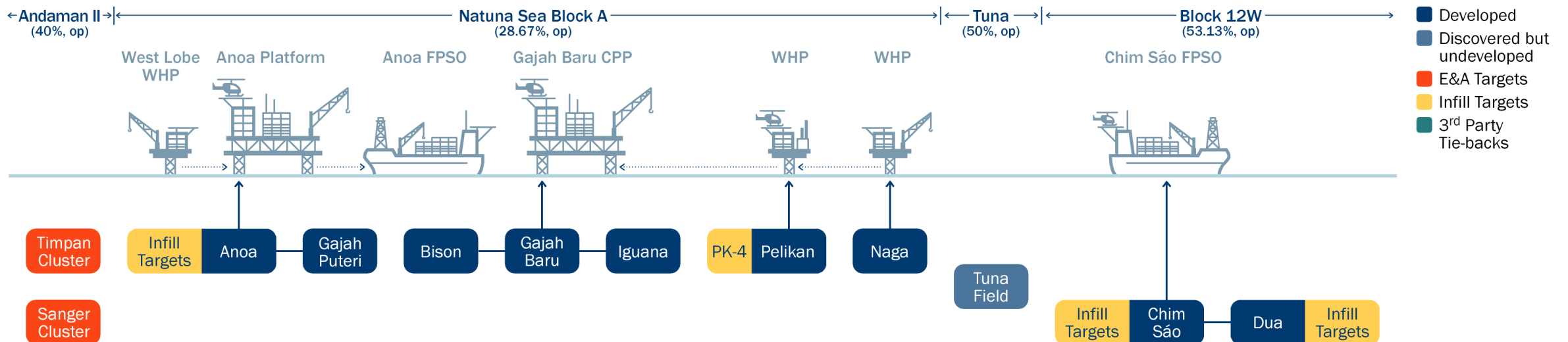


Production outlook

kboepd (net)



¹ SE Asia production is on a reported basis and contributes to Harbour's production from 31 March 2021



Tuna, Indonesia – appraisal campaign completed

Harbour 50% operated interest, carried through appraisal drilling

- ✓ Positive appraisal results, all objectives met
- ✓ High condensate yield confirmed
- ✓ Successfully delineated main reservoir
- ✓ Comprehensive data acquisition, including flow tests, to support development planning
- ✓ Gross resource > 100 mmboe (55/45% gas/liquids)

Potential initial
net rates
>20 kboepd

Breakeven¹
<\$25/boe

Illustrative timeline to Tuna first production

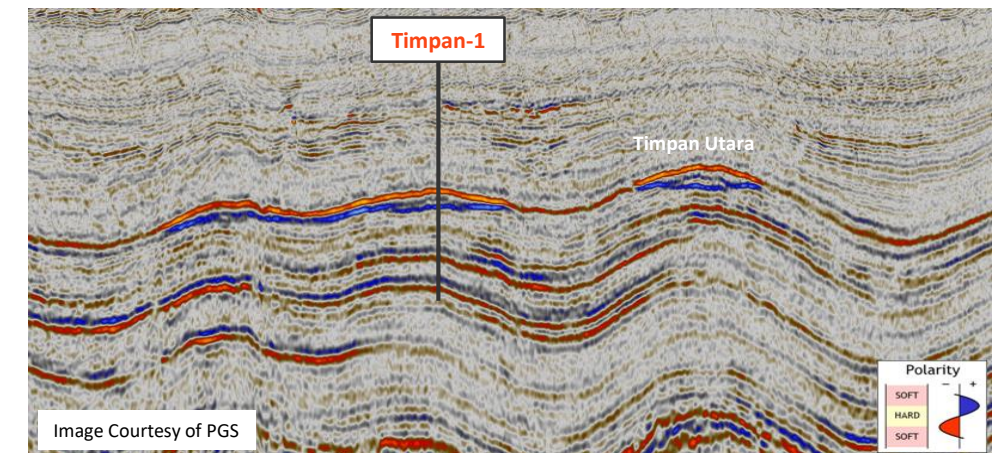
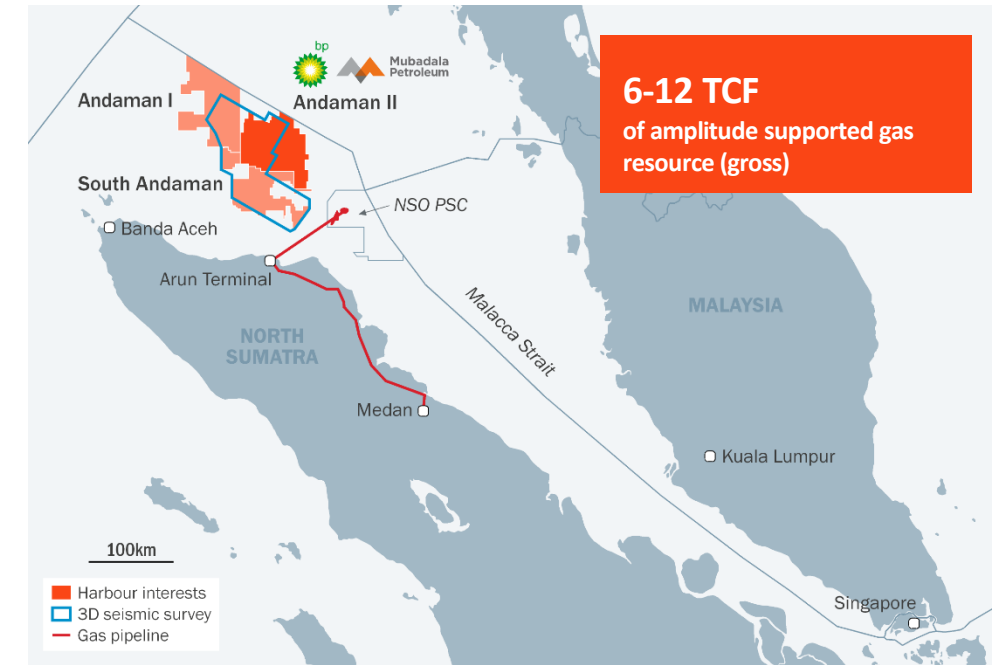


¹ This assumes a FPSO tied back to WHP with gas sales exported to Vietnam.

Andaman II, Indonesia – multi TCF gas play

High impact, low risk targeted exploration

- 40% operated interest
- Strong, supportive partnership – BP, Mubadala
- Timpan play opening well spuds Q2 2022
 - Well targeting c.300 mmboe (gross, Harbour 40% interest)
 - Low risk: large 4-way dip closed structure, strong amplitude response
 - Potential for accelerated first gas by 2026 (strong gas market)
- Gross play potential up to 12 TCF and 400 mmbbls condensate



Mexico, Sureste Basin – a prolific hydrocarbon province

Zama oil field, Block 7, Sureste Basin

- 12.39% non-operated interest
- Working with Pemex to agree final terms of Zama unitisation and FDP ahead of FID targeted for 2023
- Robust economics:
 - 150 kbopd plateau
 - <\$5/bbl capex
 - >25% IRR
- Low GHG intensity
- Long life field (2040+)

Production, P&D capex

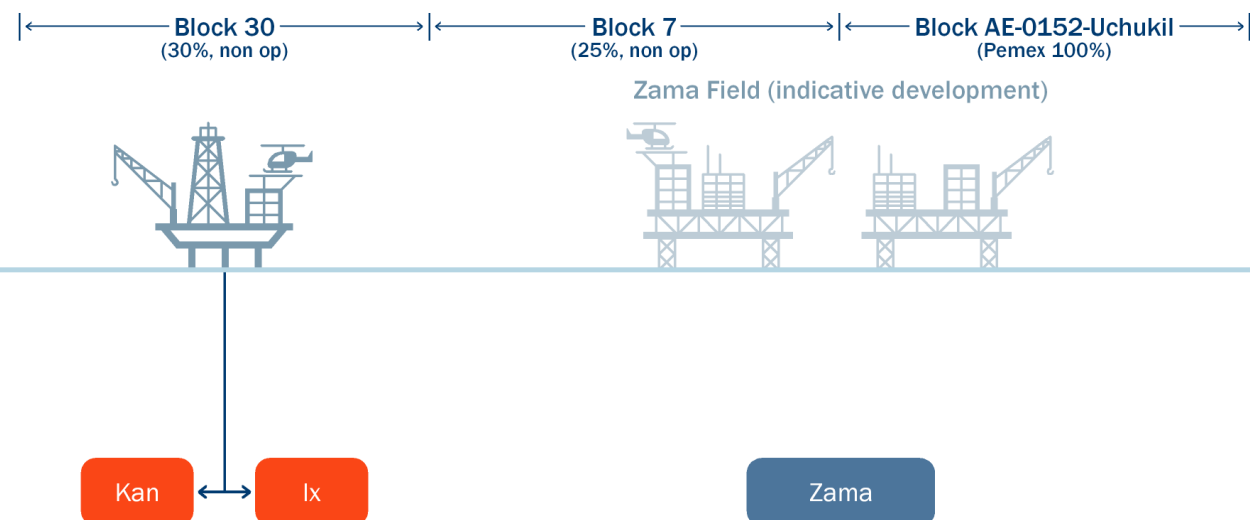
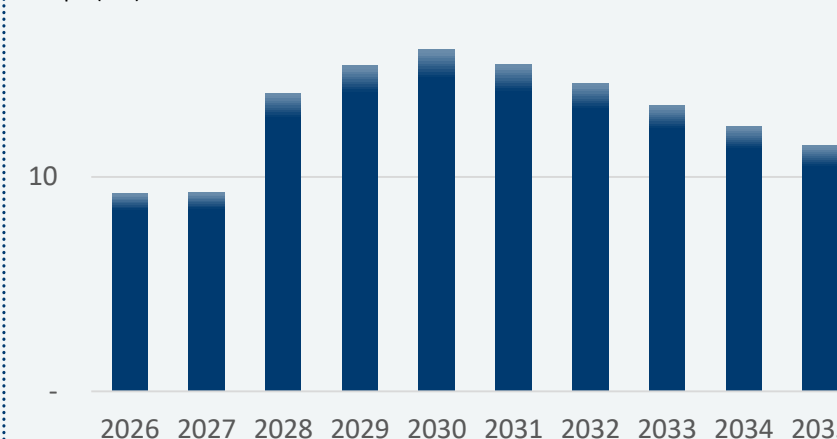
kbopd, \$m (net)



■ % 2021 production ■ % 2022-24 capex

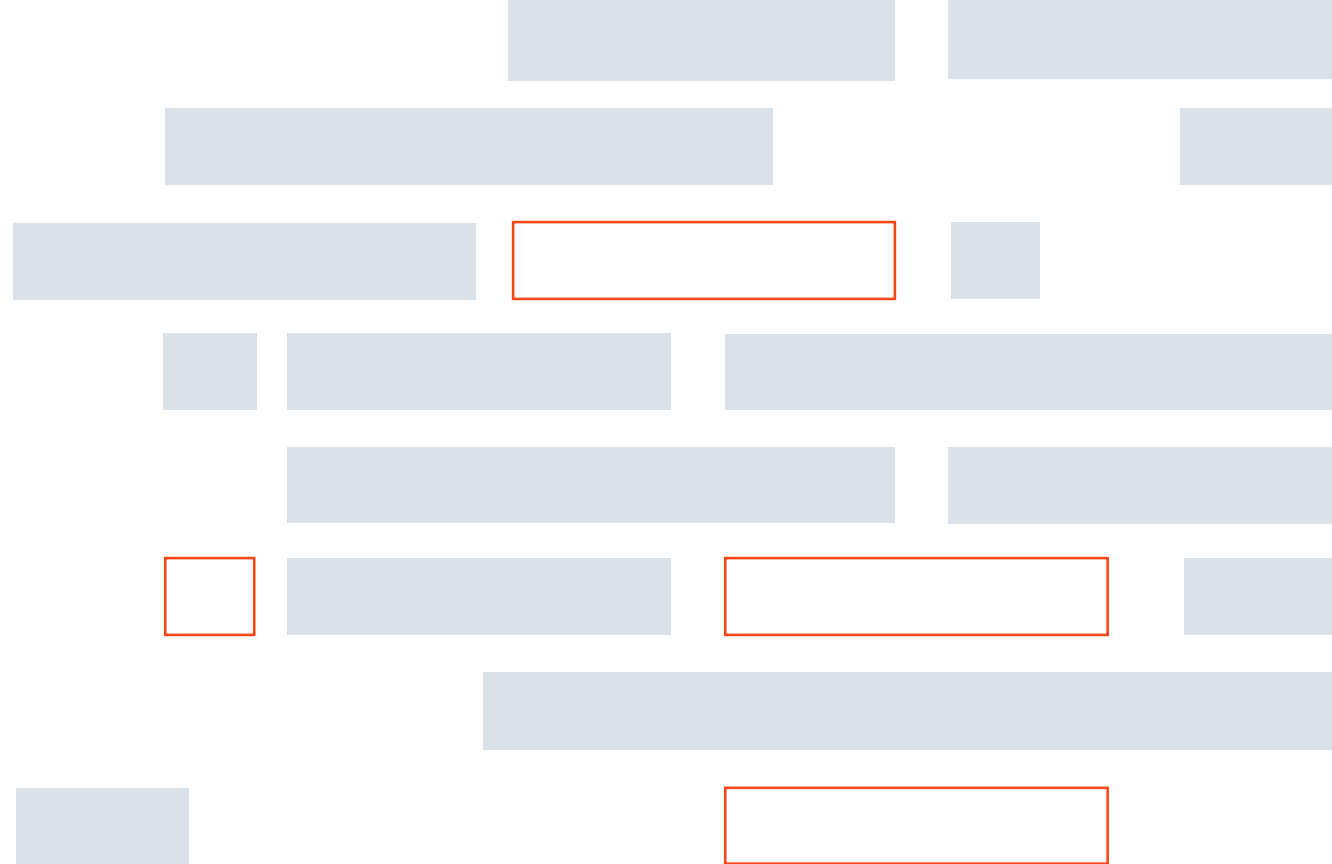
Zama illustrative production profile

kbopd (net)



Block 30, Sureste Basin

- 30% non-operated interest, WDEA operator
- Two shallow water exploration wells in H2 2022
 - Kan (Wahoo): c. 90 mmboe (gross, unrisked)
 - Ix (Pike): c. 75 mmboe (gross, unrisked)



Concluding remarks

Linda Z Cook

Well positioned for value creation

**Exposure to pure-play
upstream, global O&G
company**



**Diverse, cash
generative producing
portfolio of scale**



**Positioning for the
energy transition**



A unique investment opportunity



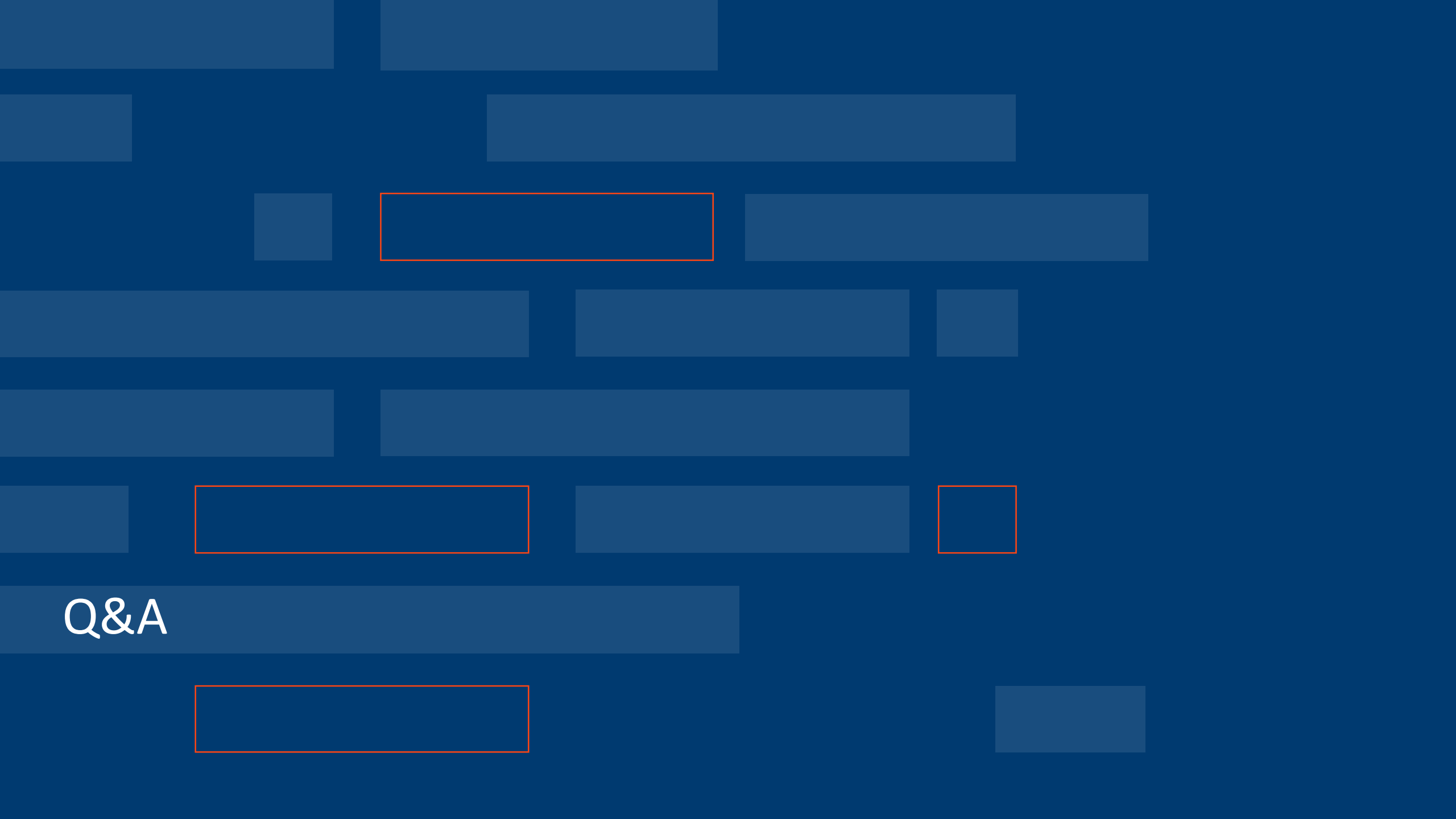
**Conservative financial
risk management policy**



**Shareholder returns
through dividends**



**Track record of creating
value through M&A**

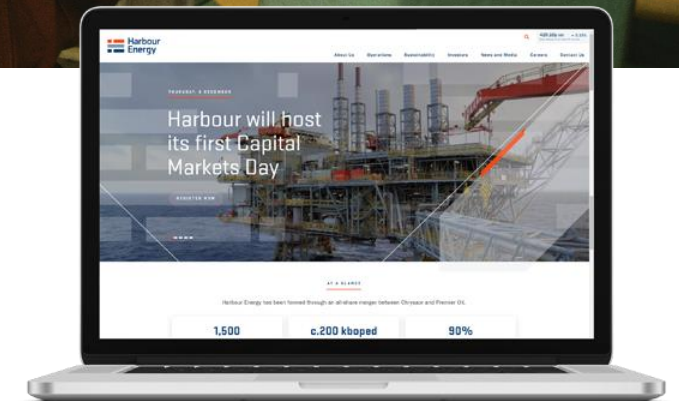


Q&A



+44 (0)20 773 0111

investor.relations@harbourenergy.com



www.harbourenergy.com