



Investor Presentation

Harbour Energy plc

May 2022

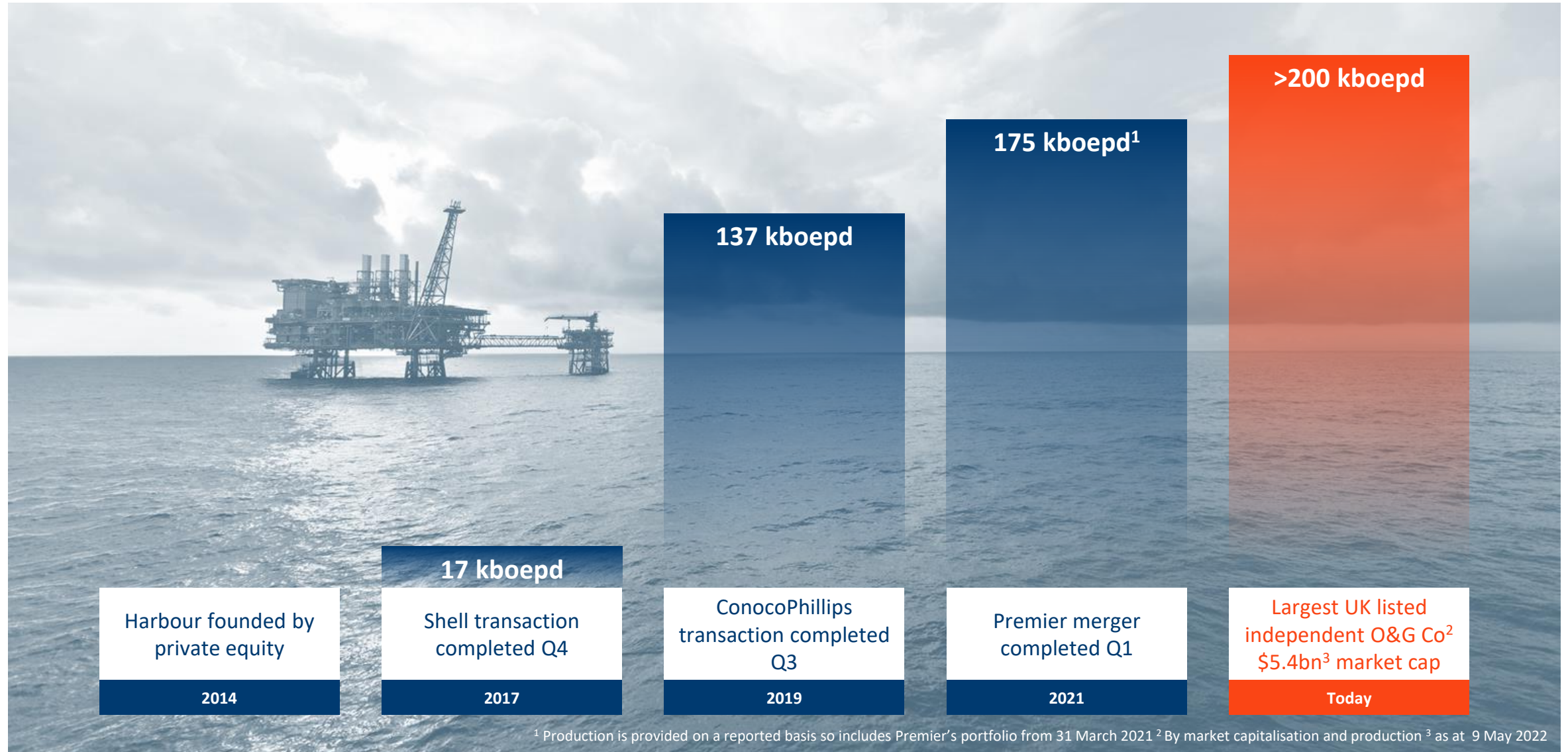
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Evolution of Harbour



Strategy

Our strategy is to continue to build a global, diversified oil and gas company



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

Leverage existing
global footprint

Selective investment
in growth projects

Disciplined approach
to M&A

High value, infrastructure-led
investment portfolio

Material stakes
in long life assets

Deep operator
competence

International
Growth

Maintain
Cash Generative
UK Production

Highlights year-to-date and outlook

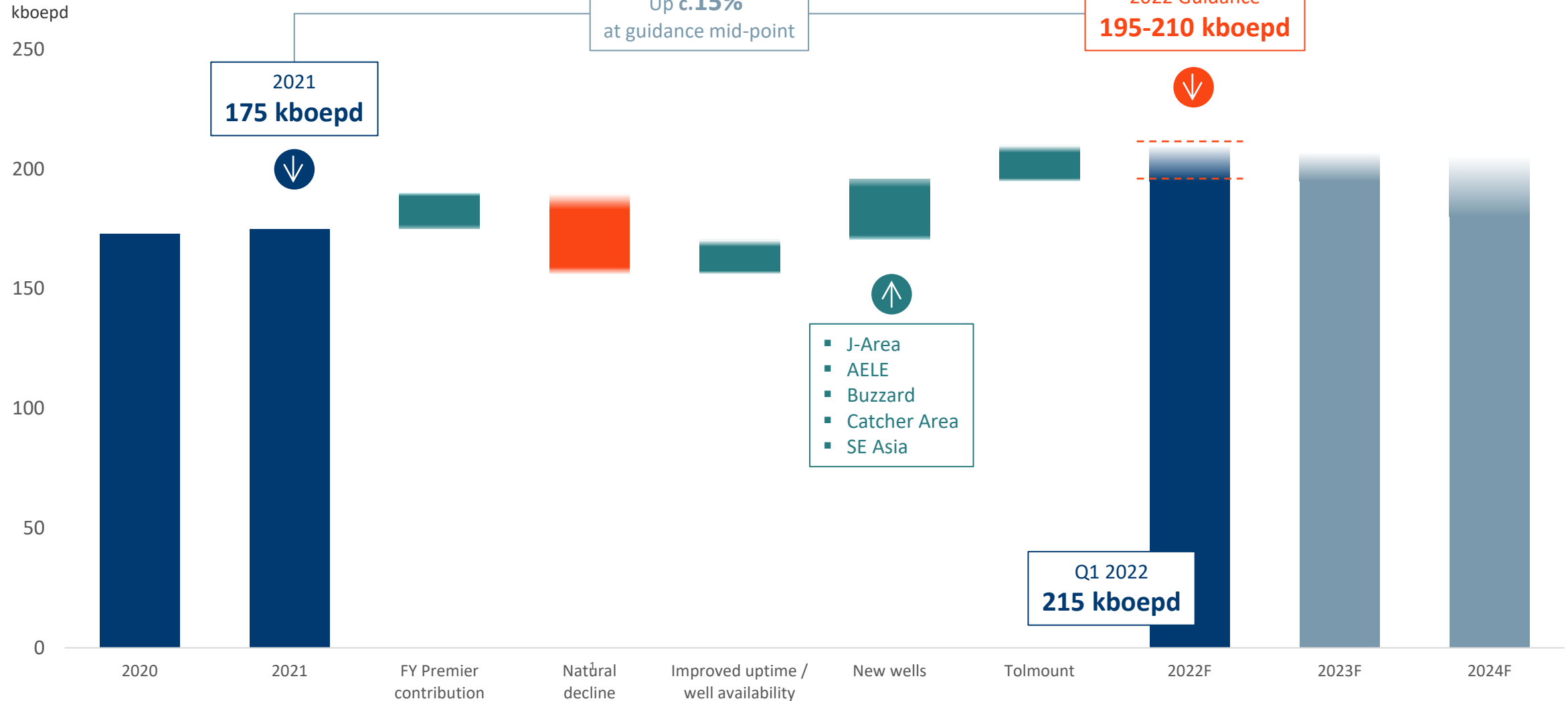


- ➔ Q1 production averaged 215 kboepd, up c. 35 per cent on Q1 2021
On track to meet full year guidance of 195-210 kboepd
- ➔ Q1 operating costs of \$14.1/boe; full year guidance unchanged at \$15-16/boe
- ➔ New wells on-stream at J-Area, AELE and Tolmount (UK); active 2022 rig programme including drilling underway at the Catcher- and J-Areas (UK) and the Andaman II licence (Indonesia)
- ➔ Total capex (including decom) of c.\$160 million for Q1; full year guidance of \$1.3 billion unchanged, reflecting an increase of c. 40 per cent versus 2021 levels
- ➔ Continued progress on Harbour's UK CCS projects in line with the Group's goal of Net Zero by 2035
- ➔ Net debt¹ reduced to \$1.7 billion at 31 March from \$2.3 billion at 31 December 2021
- ➔ Proposed final dividend of \$100 million (8.4505 pence per share) for full year 2021 to be paid on 18 May, subject to shareholder approval

¹ Excludes unamortised fees

2022 Production up c.15% due to full year from Premier, new wells on-stream and improved uptime

Production



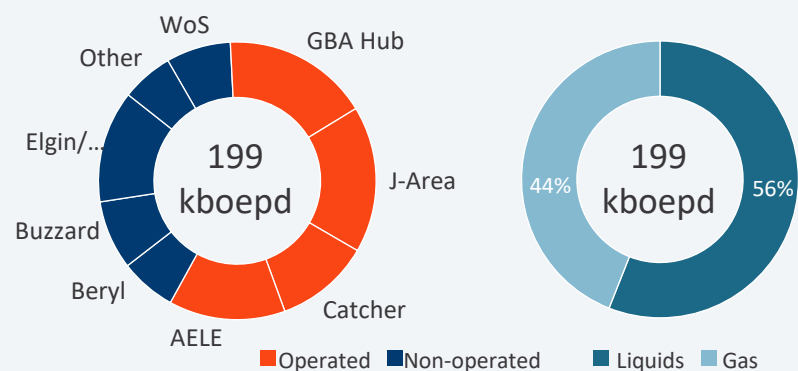
¹ 2022 maintenance programmes planned at J-Area, Catcher, Beryl, Clair and Chim Sao

North Sea assets

2022 year-to-date highlights

- Improved operational reliability
- Continued outperformance from the GBA satellite wells
- New wells on-stream, including Jade South (J-Area) and LAD (Everest)
- Tolmount first gas
- Increased drilling activity, including current programmes underway at the Catcher Area and J-Area

Diversified UK portfolio with a mix of oil and gas Q1 2022



West of Shetlands



Buzzard



Elgin Franklin



Catcher Area



Beryl Area



Greater Britannia Area



AELE



J-Area



Tolmount: First gas achieved, ramp-up underway

- ✓ ATEX inspection and repair campaign concluded
- ✓ Testing and commissioning of platform essentially complete
- ✓ Start-up complete:
 - ✓ Platform handover to ODE (duty holder)
 - ✓ Back-gassing of export pipeline
 - ✓ Well-to-pipeline line-up and testing
- 🔥 First production
 - ✓ Ramp-up underway
 - Initial rates of c.20 kboepd (net) expected

Tolmount: Will increase UK domestic gas production by >5%



Harbour's 50% share:

- Expected to contribute c.15 kboepd to full year production
- Estimated net reserves of 24 mmboe at year end 2021
- Tolmount East sanctioned; first gas expected 2023

International portfolio

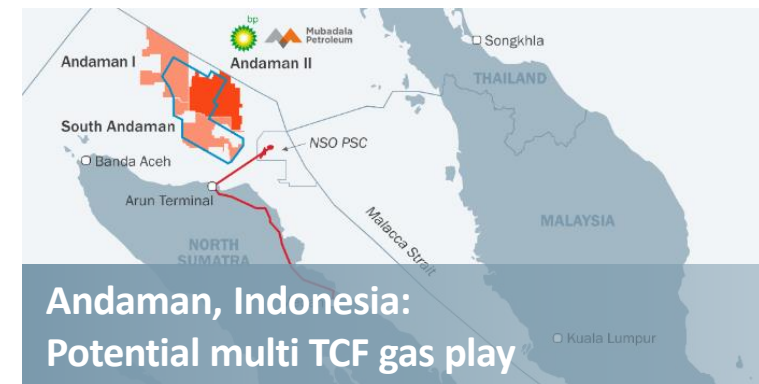
Cash generative assets in South East Asia, with attractive organic growth options in Indonesia and Mexico



- Extensive data acquisition programme, including 3 drill stem tests in 2021
- Technical and commercial work initiated: development concept comprises gas sales to Vietnam and liquids offloaded to market via FPSO
- Initial plan of development submission targeted by year end with potential FID in 2023



- 12.39% interest in Zama unit
- Unitisation process concluded in March 2021
- Working with partners to refine Unit Development Plan
- FEED expected to be initiated during 2022, FID possible in 2023



- Partners: Mubadala, BP
- Large 4 way dip closed structure; strong AVO response
- Timpan exploration well spudded in May 2022

International Growth

Leverage existing
global footprint

Selective investment
in growth projects

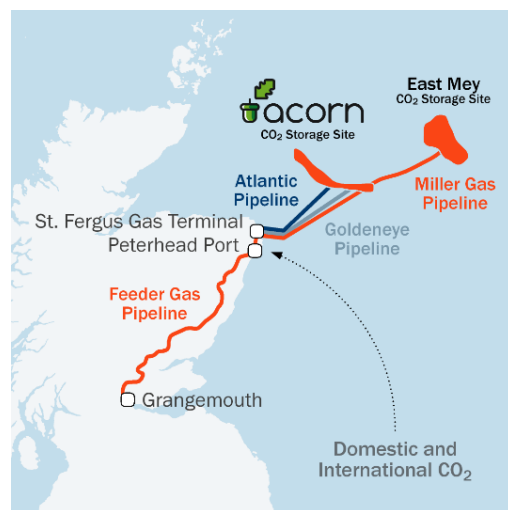
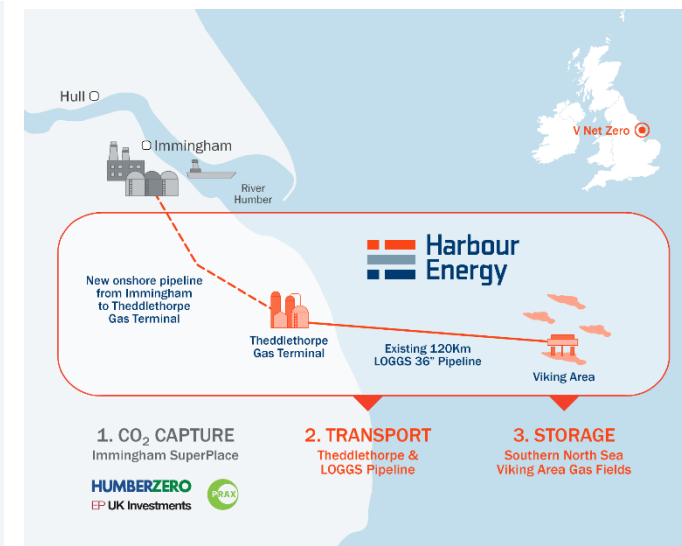
Disciplined approach
to M&A

CCS projects: V Net Zero & Acorn

Progressing our UK 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
- Targeting FID in 2024 with first CO₂ injection as early as 2027, subject to receiving clarity on inclusion in Track 2 as well as the fiscal, regulatory and commercial framework
- 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 awarded Track 1 Reserve status in 2021
- Industry partnership, led by Storegga, with Shell appointed technical developer for the capture module and the transportation and storage module
- Phase 1 will capture CO₂ emissions from St Fergus gas terminals
- Aim 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
- Potential to address up to 9 million tonnes CO₂ pa



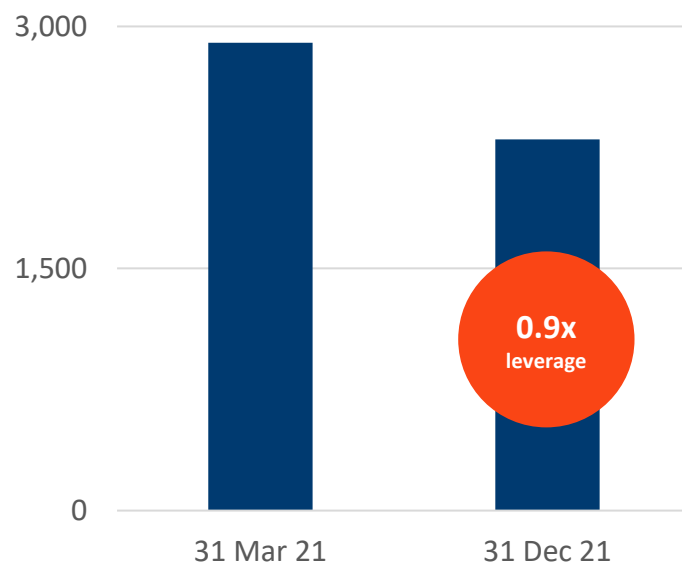
Delivering against our capital allocation priorities

Safeguard balance sheet

- Targeting leverage of less than 1.5x through the commodity price cycle
- Ensure significant liquidity
- Disciplined hedging programme

Net debt¹

\$ million

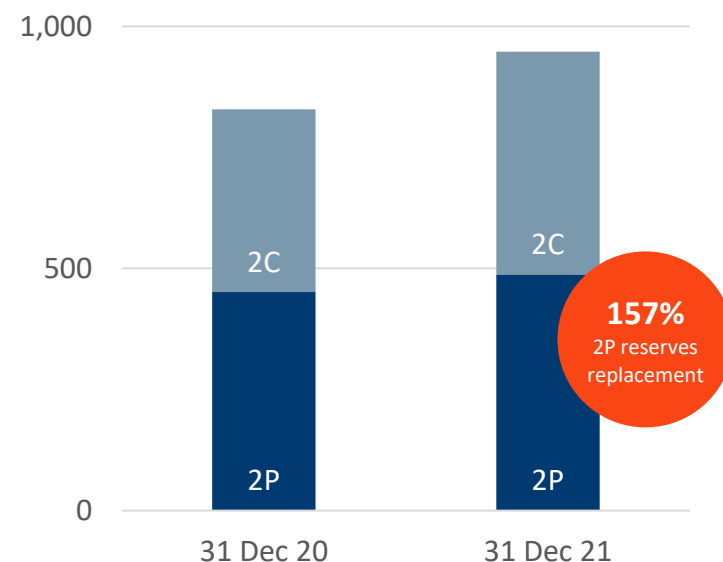


Ensure a robust & diverse portfolio

- Focused investment to underpin cash generation
- Establish material production base outside the UK
- Target reserves life of 8-12 years

2P reserves and 2C resources

mmboe

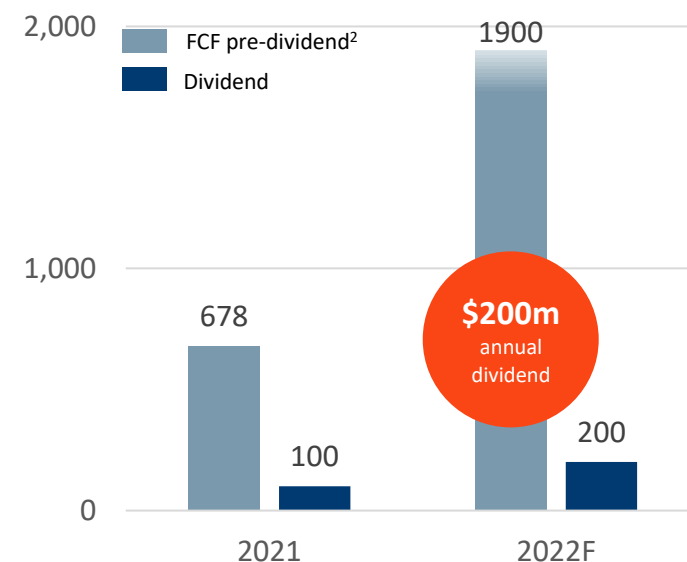


Deliver shareholder returns

- Aim to deliver both growth and income to shareholders
- \$200m annual dividend announced
- Additional shareholder returns to be considered in line with our capital allocation policy

Dividend, FCF²

\$ million

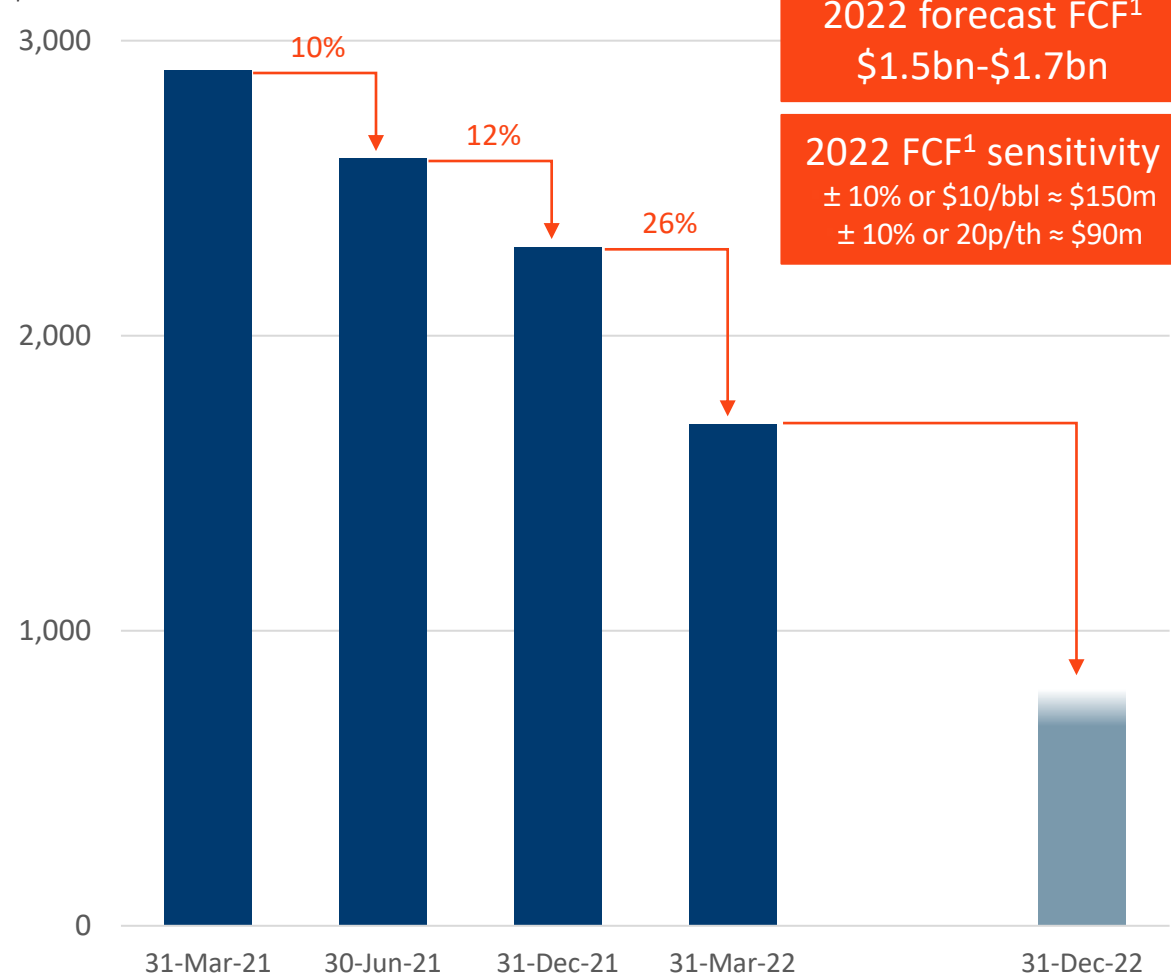


¹ Net debt excludes unamortised fees; ² FCF after tax, pre dividend; assumes \$100/bbl and 200 pence/therm

Increased production and commodity prices to drive materially higher free cash flow in 2022

Net debt

\$ million



¹ FCF is defined as after tax and \$200m dividend; assumes \$100/bbl, 200p/therm in 2022 and mid point of 195-210 kboepd production guidance

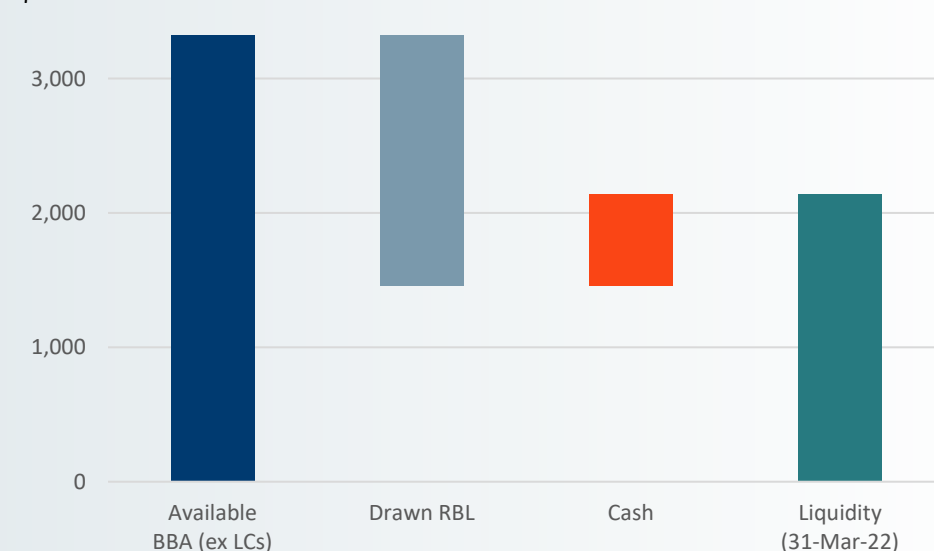
A diversified capital structure

- \$4.5 billion RBL, including sub-limit of \$1.25 billion for Letters of Credit
- \$500 million unsecured bonds
- <5% weighted average cost of debt

Significant liquidity

- Cash and available undrawn facilities in excess of \$2 billion

\$ million



Three year (2022-2024) capital allocation outlook

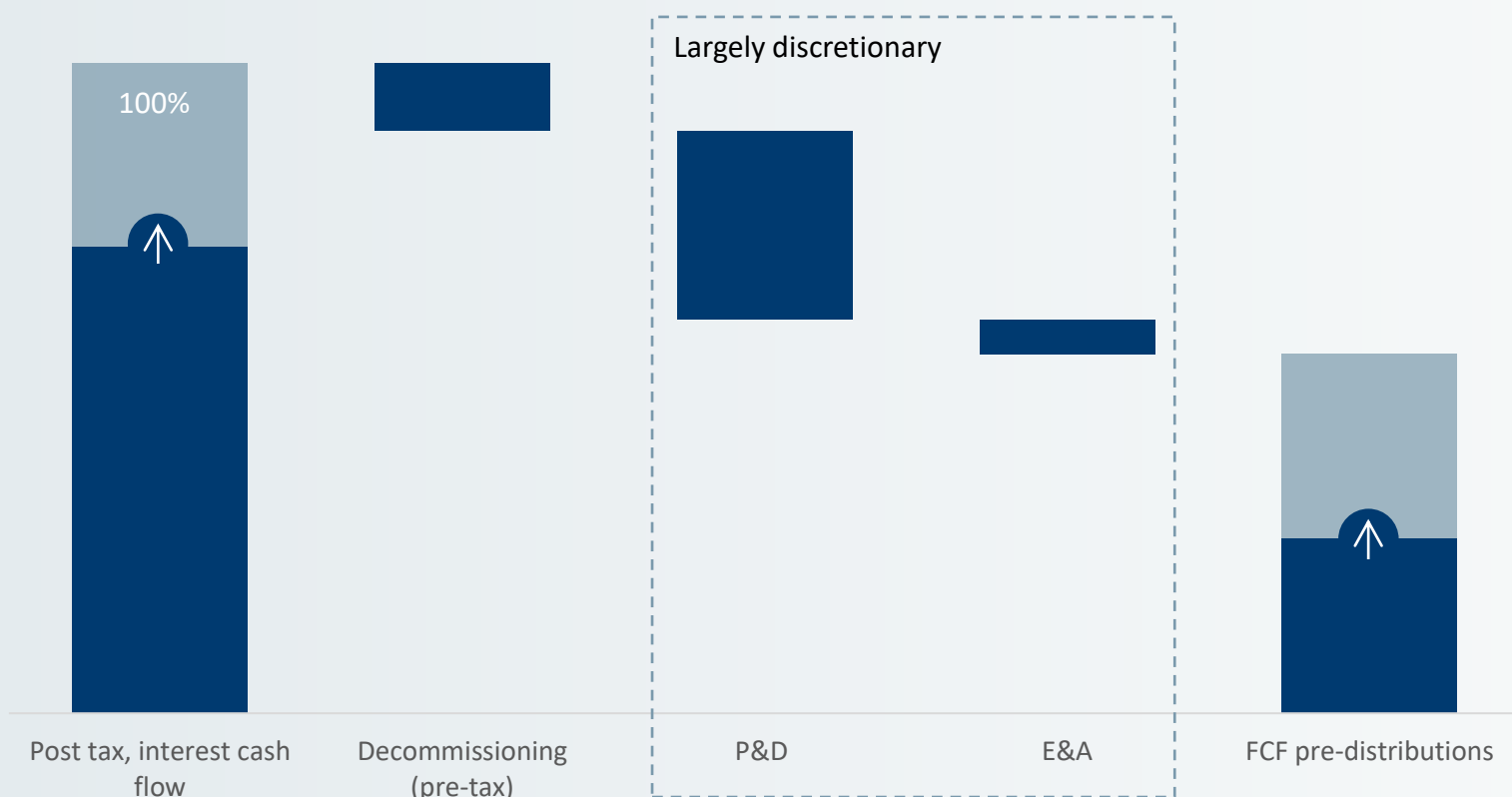
Well placed to deliver value creation, growth and shareholder returns



Illustrative three year capital allocation

\$m

■ CMD price assumptions¹
■ Current price sensitivity²



Over 2022-2024, Harbour's business:

- Delivers production of c.200 kboepd over the period
- Generates free cash flow every year
- Committed to an initial dividend of \$200 million per annum
- Potential to be net debt free 2023²
- Material optionality over additional shareholder returns and M&A

Additional shareholder returns to be considered with Half Year Results

¹ \$70/bbl, 90p/therm in 2022, \$65/bbl, 60p/therm in 2023 and \$60/bbl, 55p/therm in 2024

² \$100/bbl, 200p/therm in 2022, \$85/bbl, 150p/therm in 2023 and \$70/bbl, 100p/therm in 2024

Guidance

	2021 Actual ¹	2022 Guidance	Q1 2022 Actual ¹
Production	175 kboepd	195-210 kboepd	215 kboepd
Operating Cost	15.2 \$/boe	15-16 \$/boe	14.1 \$/boe
P&D and E&A Capex		1,000 \$m	130 \$m
	935 \$m		
Decommissioning expenditure		300 \$m	30 \$m

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

Well positioned for value creation

**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**



**Commitment to
shareholder returns**

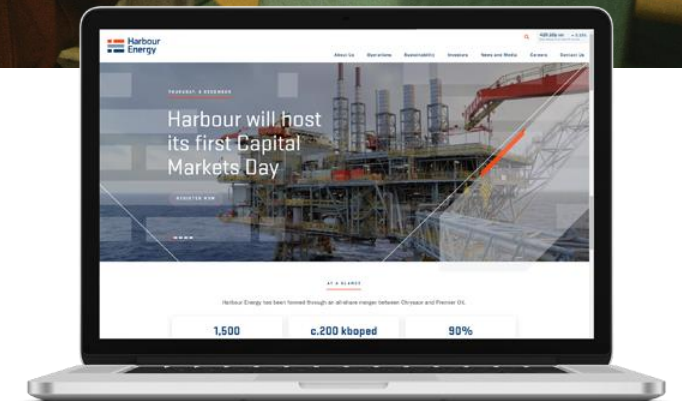


**Track record of creating
value through M&A**



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