



Investor Presentation

Harbour Energy plc

November 2022

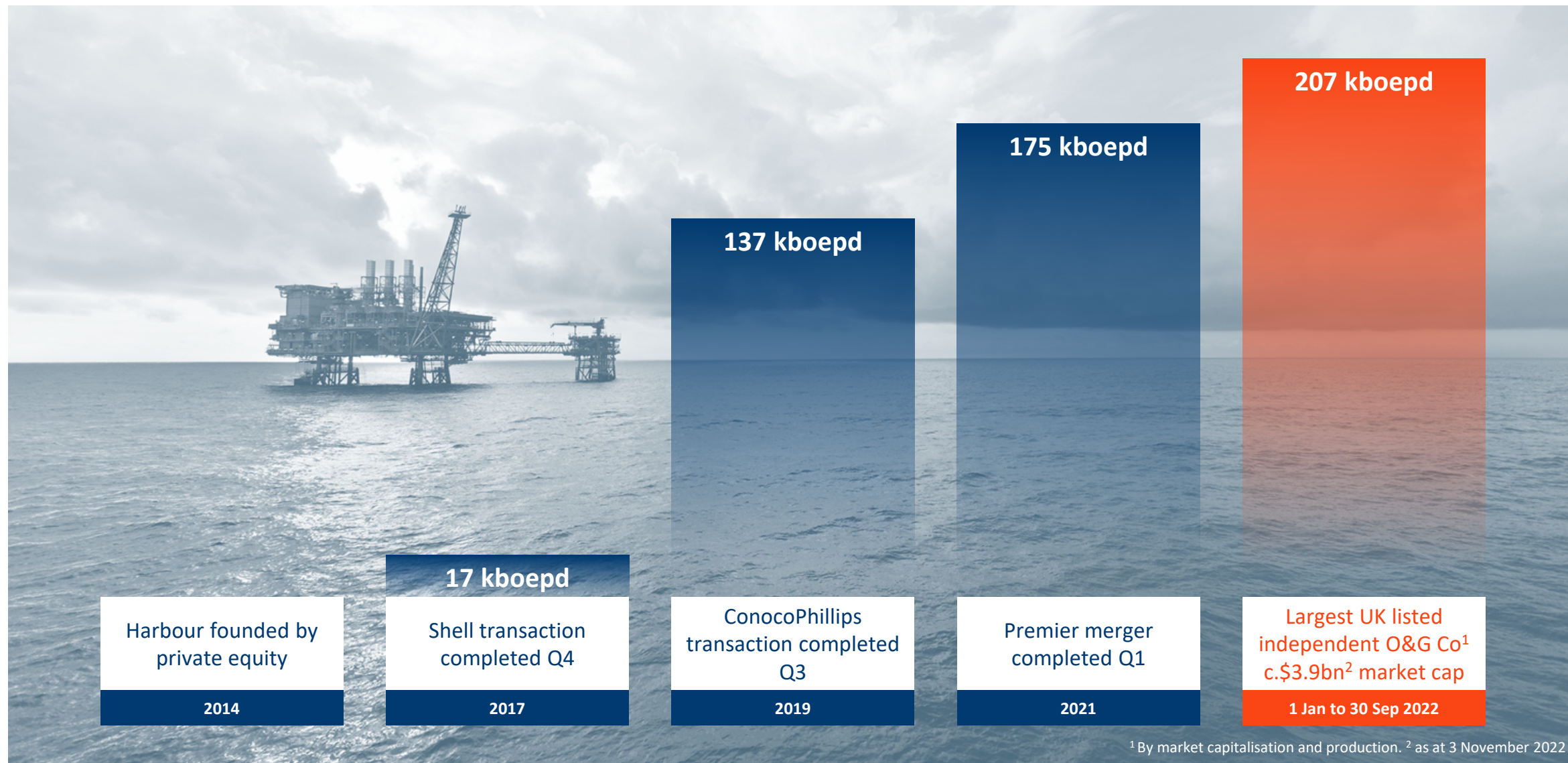
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Evolution of Harbour



Harbour at a glance

A FTSE100 global Independent O&G company

200-210 kboepd¹
(2022F)

\$14/boe¹
Operating cost
(2022F)

c.\$1.0 bn¹
Total capex (inc.decom)
(2022F)

c.0.3x
Leverage ratio⁴
(30 June 2022)

948 mmboe²
2P reserves + 2C
resources (YE 2021)

\$2-2.2bn
2022F FCF³

Net Zero 2035
Commitment⁵



¹ 2022 Guidance. ² Harbour management estimates. ³ FCF is free cash flow after tax, pre-distributions and assumes average oil and gas prices of \$102/bbl and 212p/therm for the FY 2022. ⁴ Net debt / EBITDAX. ⁵ Includes our share of Scope 1 and Scope 2 CO₂e emissions from operated and non-operated assets.

The macro-environment: the UK / European gas market

Gas remains the UK's largest source of energy, supplying 43% of energy demand in 2021¹

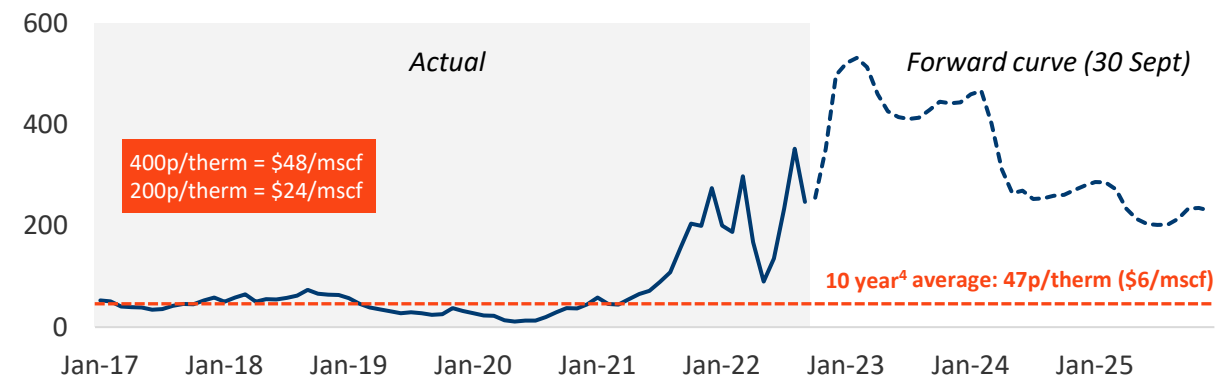
UK gas market

- Annual UK gas demand of c.2.5 TCF¹ met through domestic production, Norwegian pipeline supplies and LNG imports
- High LNG import capacity with excess gas flowed to Europe
- Limited UK gas storage capacity

European gas market

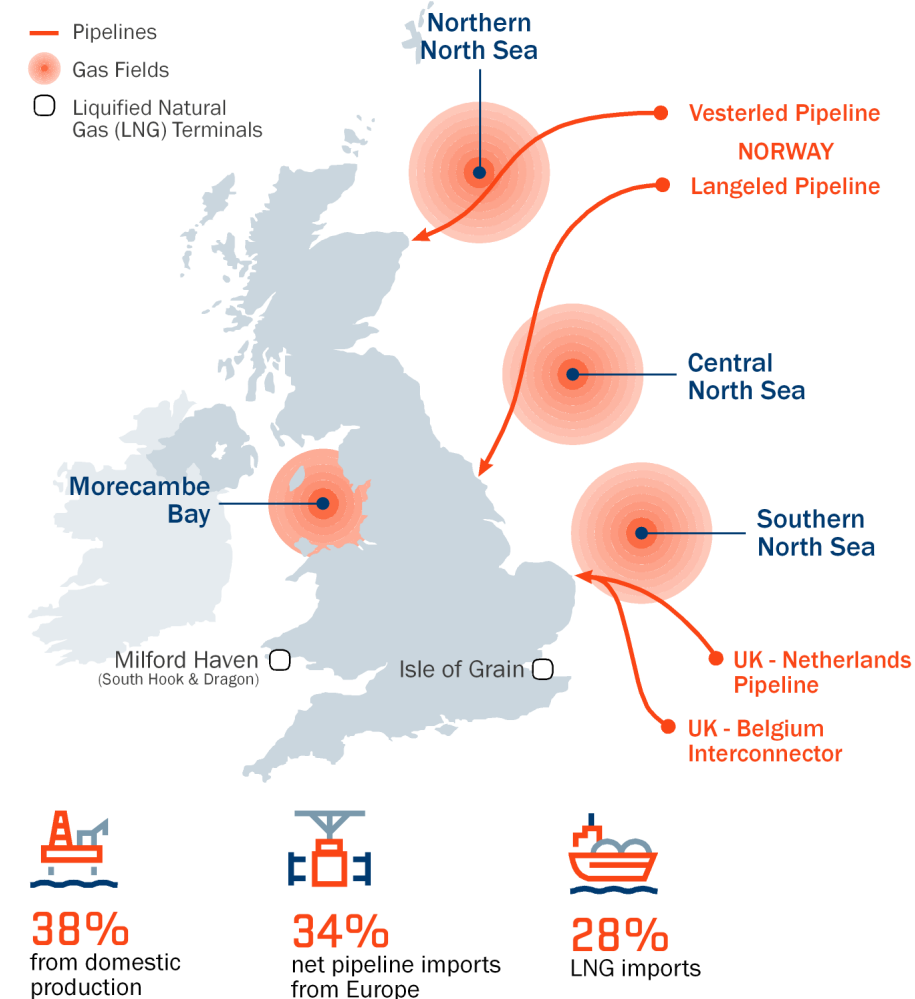
- Russia supplied c. 40%² of the EU's gas demand in 2021
- Russian gas inflows expected to fall by >50% (c. 2.5 TCF)² in 2022 versus 2021; largely replaced by LNG imports
- 68% of US LNG shipments exported to Europe in H1 2022 (35% in 2021)³
- European gas storage c.90% full, supported summer pricing

NBP day ahead p/therm



¹ Source: OEUK ² Source: Energy Aspects ³ Source: Refinitiv ⁴ 2010-2020

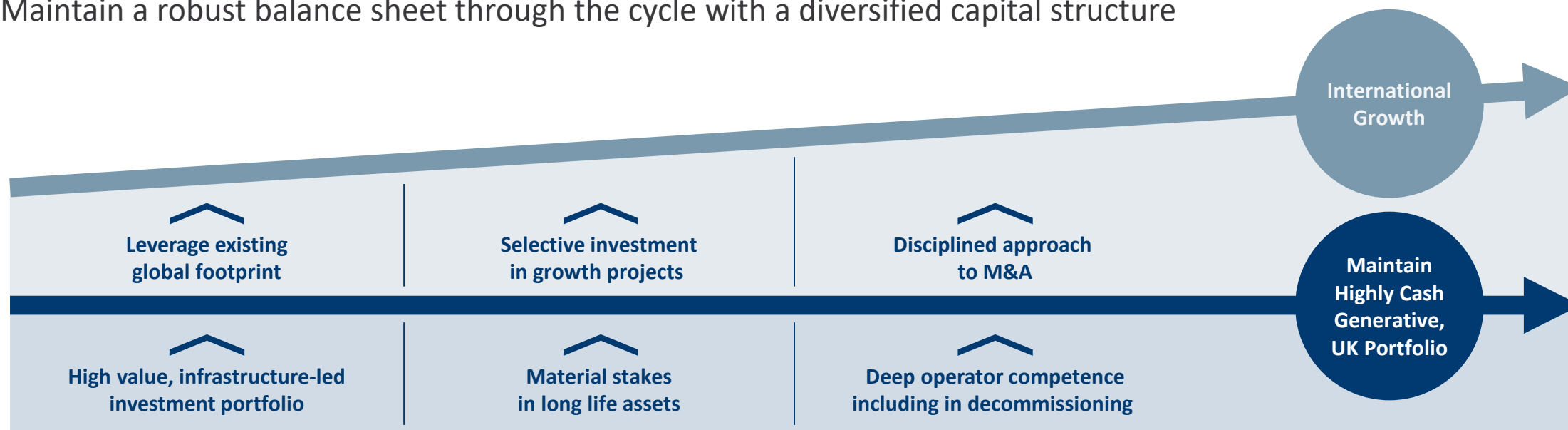
How does the UK get its gas?¹



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**

Harbour's strategic scope

Harbour will...

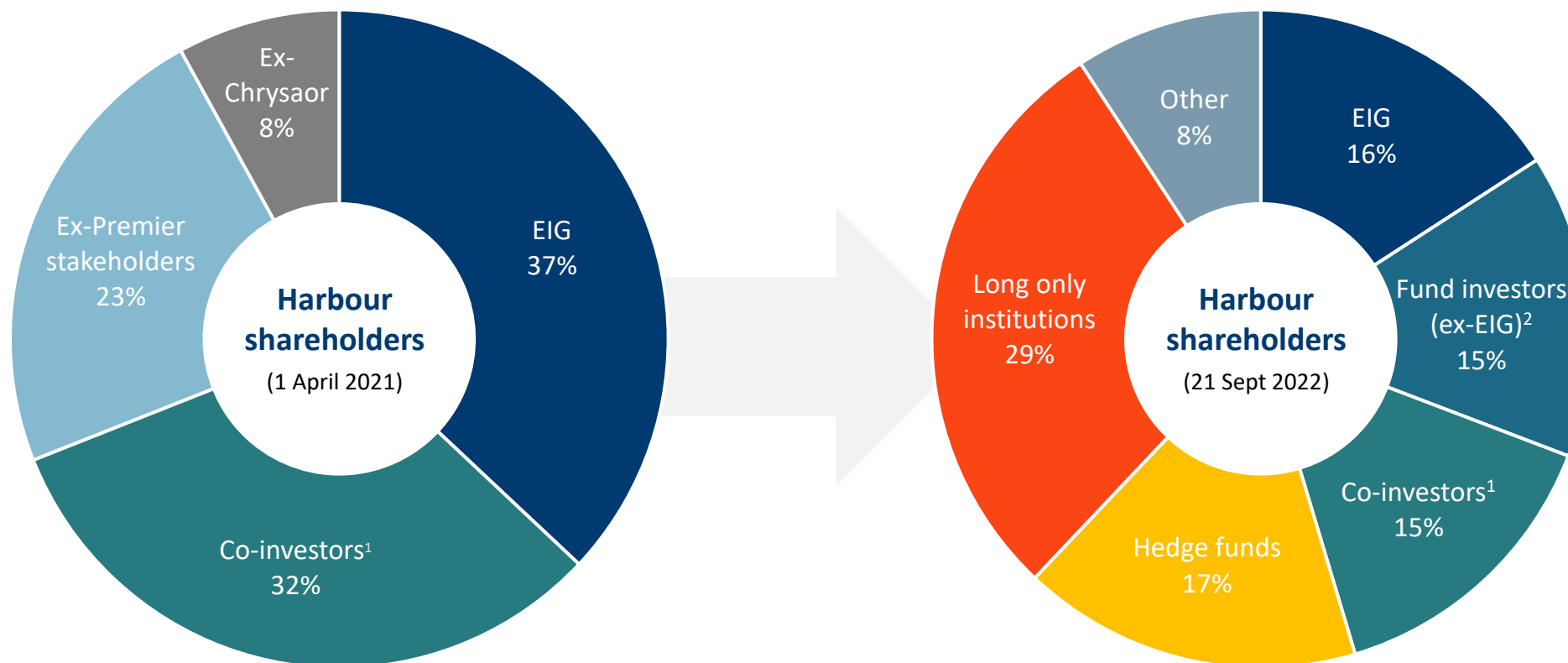
- ✓ Focus on upstream oil and gas production
- ✓ Grow to at least two regions of scale
- ✓ Ensure a balance of oil and gas production
- ✓ Maintain a high degree of operational control
- ✓ Reduce net greenhouse gas emissions to zero by 2035
- ✓ Seek to acquire production with undeveloped 2P reserves
- ✓ 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

Building a long-term shareholder base supportive of our strategy

The \$300m buyback programme has helped to accelerate the transition of the register



¹ Co-investors are those who invested alongside EIG for the Shell acquisition in 2017 and received Harbour shares directly upon completion of the Premier merger. ² Fund investors (ex-EIG) are the underlying investors who EIG distributed a 20% interest in Harbour to in July 2022

Highlights year-to-30 September



- ➔ Production averaged 207 kboepd, a 27% increase on the corresponding prior period
Full year production now expected to be in upper half of 200-210 kboepd guidance
- ➔ Revenue of \$4.1 billion with realised post-hedging oil and UK gas prices of \$80/bbl and 86 pence/therm versus average Brent price of \$105/bbl and NBP gas price of 209 pence/therm
- ➔ Operating costs of \$14/boe, an 18% decrease on the corresponding prior period
Forecast 2022 operating costs reduced to \$14/boe (vs lower end of \$15-16/boe previously)
- ➔ Total capex of \$700m; full year guidance lowered to c. \$1bn, from \$1.2bn
- ➔ Successful drilling at J-Area, Catcher (UK) and Natuna (Indonesia); eight rigs currently active including at J-Area and Beryl (UK) and Chim Sao (Vietnam)
- ➔ International growth projects making good progress towards potential FID in 2023
Zama (Mexico) and Tuna (Indonesia)
- ➔ Increased momentum on UK CCS projects including new Viking CCS partnerships with West Burton Energy and Associated British Ports
- ➔ Forecast FCF¹ increased to \$2-2.2bn; continue to expect to be net debt free in 2023
\$500m returned to shareholders YTD; new \$100m buyback programme approved

¹ FCF is free cash flow after tax, pre-distributions and assumes average oil and gas prices of \$102/bbl and 212p/therm for the FY 2022

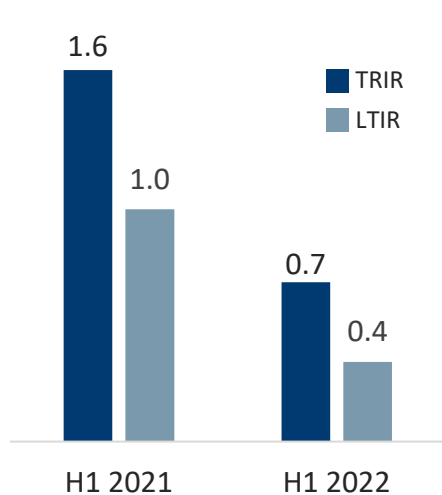
A focus on safe and responsible operations

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

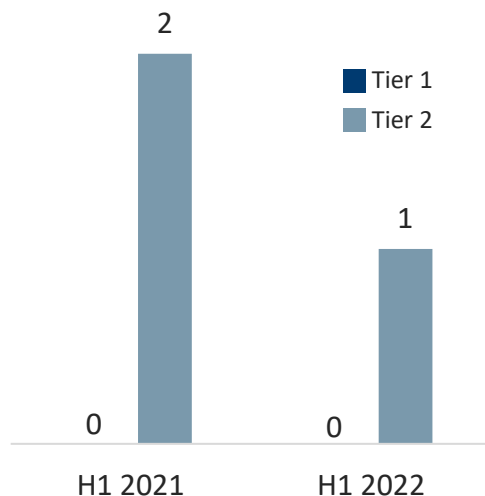
Occupational safety

TRIR, LTIR (per million hours worked)



Process safety

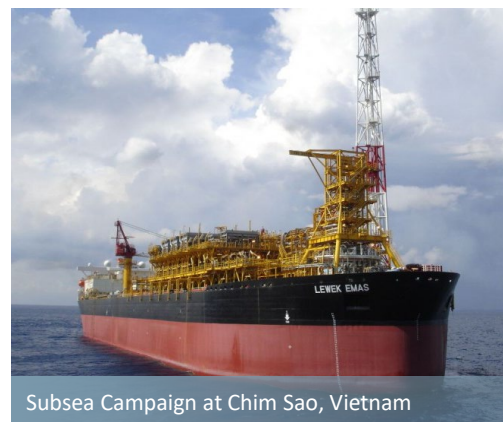
Events (Tier 1 and Tier 2)



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



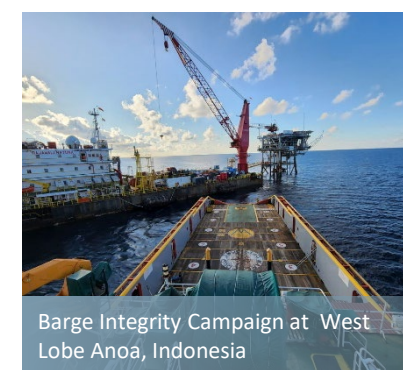
5.7 million
hours worked during H1 2022



Subsea Campaign at Chim Sao, Vietnam



Judy (UK) scaffold & walkway changeout



Barge Integrity Campaign at West Lobe Anoa, Indonesia



Well work on Greater Britannia Area



Valaris 121 at Judy, UK

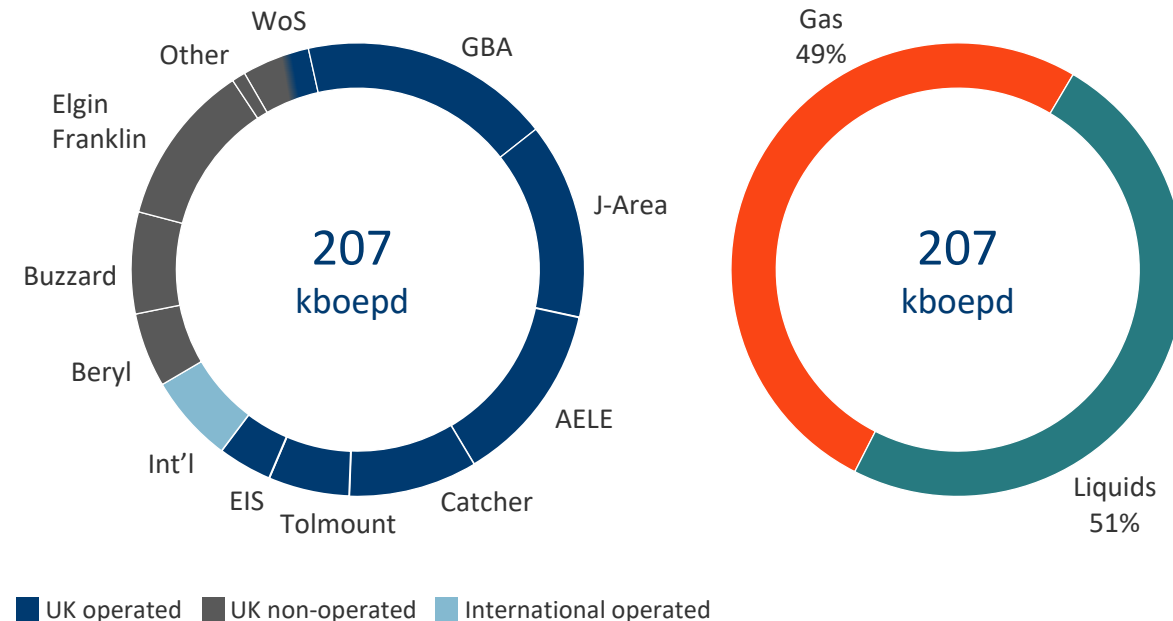
A diversified production base of scale with significant gas exposure

Harbour delivers c. 15% of the UK's O&G production & is the largest upstream producer & investor today

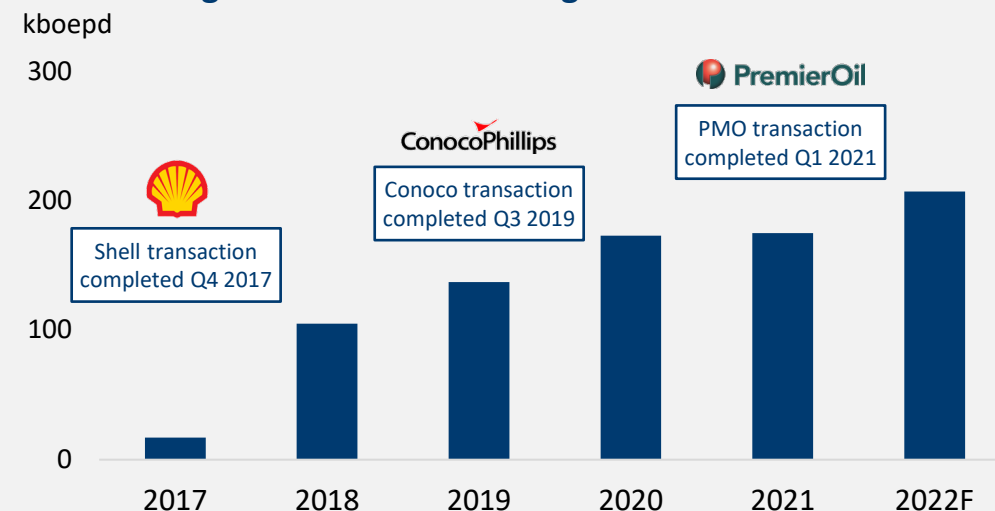
- Production of 207 kboepd, over 90% from the UK
- 51% liquids versus 49% gas, with increasing UK gas exposure
- Significant asset diversification with robust margins
- High return, low risk infrastructure-led investment opportunities to maintain near-term production levels

A diversified UK portfolio with a balance of oil vs gas

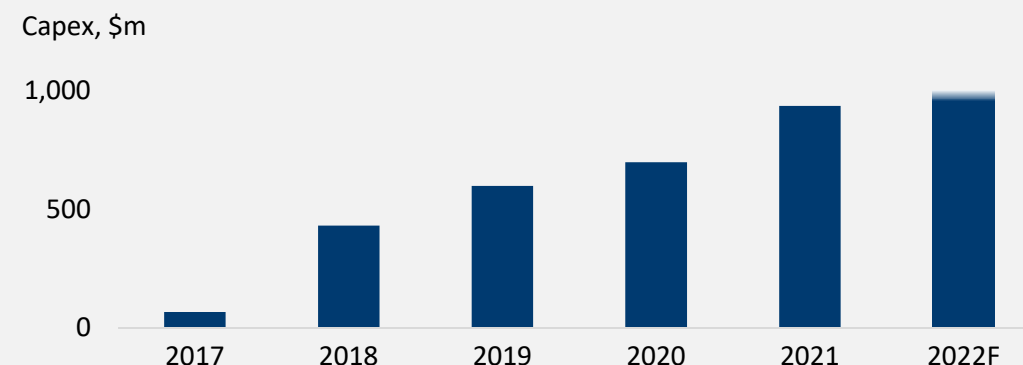
1 Jan to 30 Sep 2022



Production growth delivered through M&A...



...followed by value-adding investment in the acquired assets

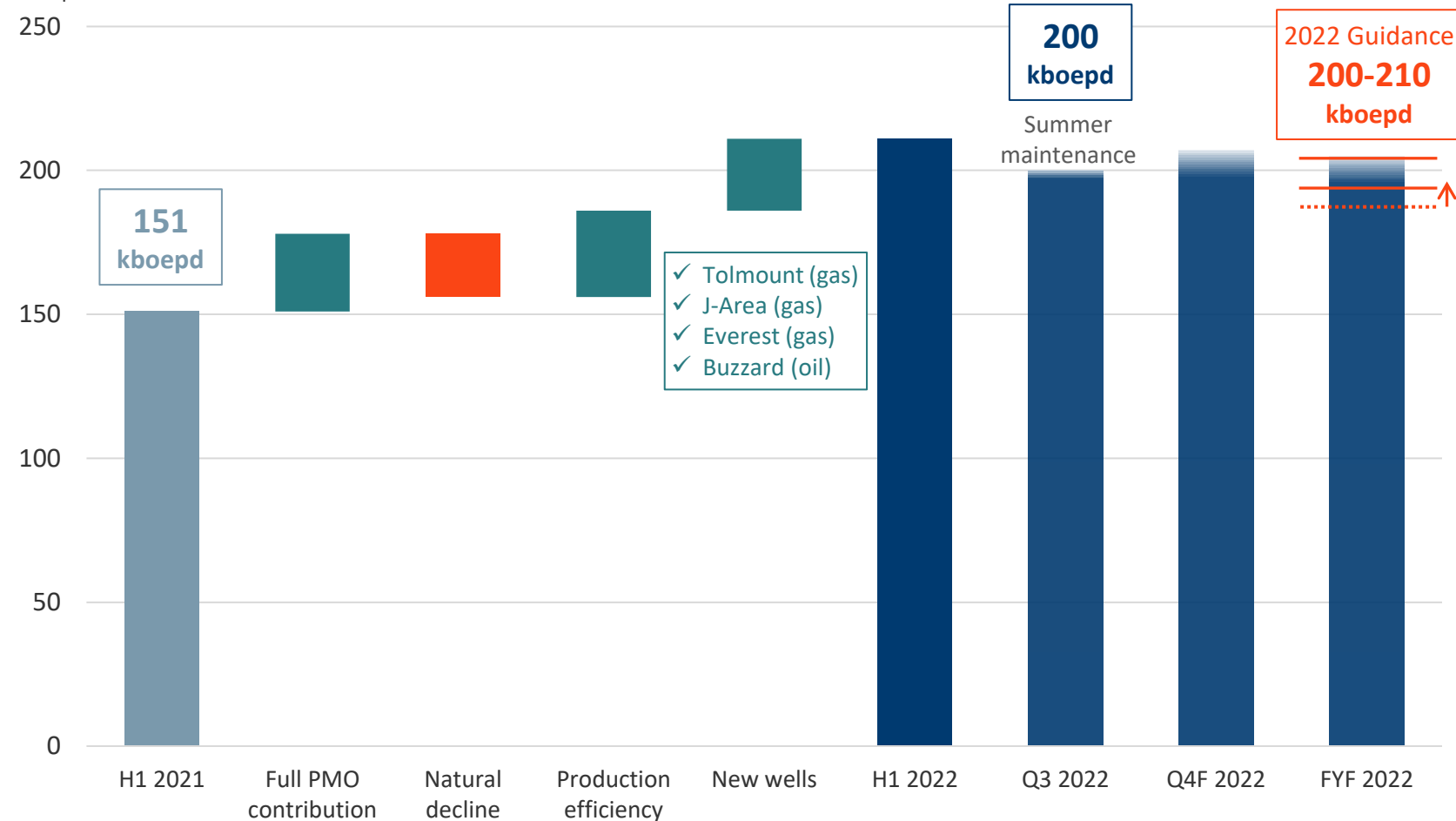


Strong operational performance

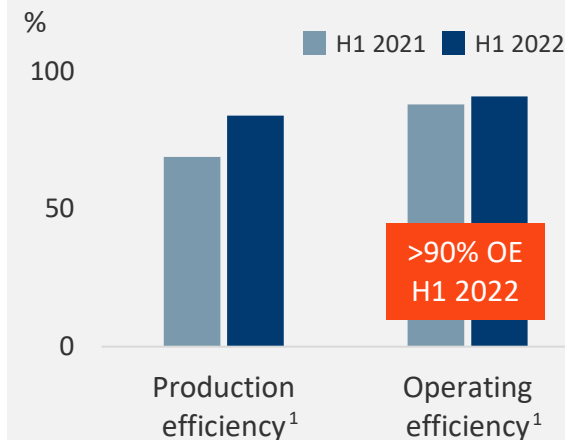
Production up 27% year-on-year, driven by full Premier contribution, improved production efficiency¹ and new wells on-stream

Production

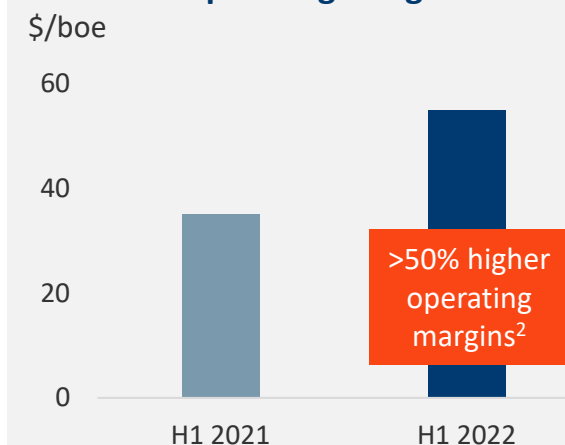
kboepd



Improved efficiency



Increased operating margins²



¹ Production efficiency takes into account planned and unplanned production losses; operating efficiency only takes into account unplanned losses. ² Revenue including hedging less opex per barrel of oil equivalent produced

Increased drilling rig activity in H2 2022

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

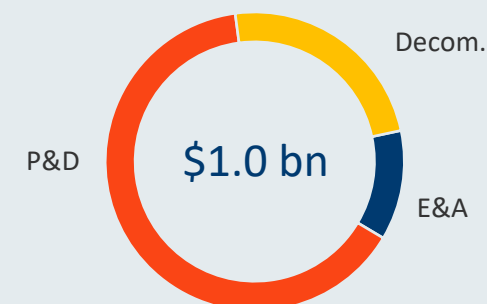
	2022		2023
	H1	H2	Q1
NORTH SEA			
J-Area	Jade S.	Jade JM J06 3x Talbot development wells	
J-Area		Judy WHP RD / Jill ERD	
GBA			Leverett app
Catcher Area		Laverda, Catcher North and Burgman Far East	
Tolmount Area			Tol. East
Beryl Platform			
Beryl Subsea		Subsea drilling programme	
Clair Phase 1			
Clair Ridge	Ongoing development programme		
Buzzard			NTM
Elgin Franklin			EIH
Decommissioning	Well P&A programme		Well P&A programme
INTERNATIONAL			
NSBA (Indonesia)		PKA-4	
Andaman II (Indonesia)		Timpan-1	
Chim Sao (Vietnam)		S-22P/23P	17XP
Block 30 (Mexico)		Kan & Ix	

■ Development
 ■ Workover
 ■ Near field E&A
 ■ Greenfield
 ■ P&A
  Rig arrival delays

Disciplined capital investment programme

- H1 2022 expenditure low due to rig arrival delays
- Average 4-5 rigs in H1 vs 7-8 in H2
- >80% of total capex in the UK
- Target low commodity price break-evens, high returns and low GHG emissions
- Over 20 development / infill wells plus several well interventions in 2022
- 3 legacy Premier greenfield exploration wells to be drilled in 2022

2022F total capex expenditure



Continued investment in organic portfolio opportunities – UK and International

Maintain 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

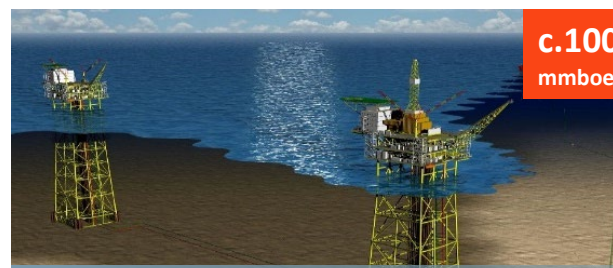
- Tolmount cash payback reached in less than six months after first production
- Tolmount East development expected online in 2024

International growth



Tuna, Indonesia: FID targeted end 2023

- Plan of Development submitted to Government in October
- FEED planned for 2023



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 commenced



Timpan, Indonesia: Material discovery

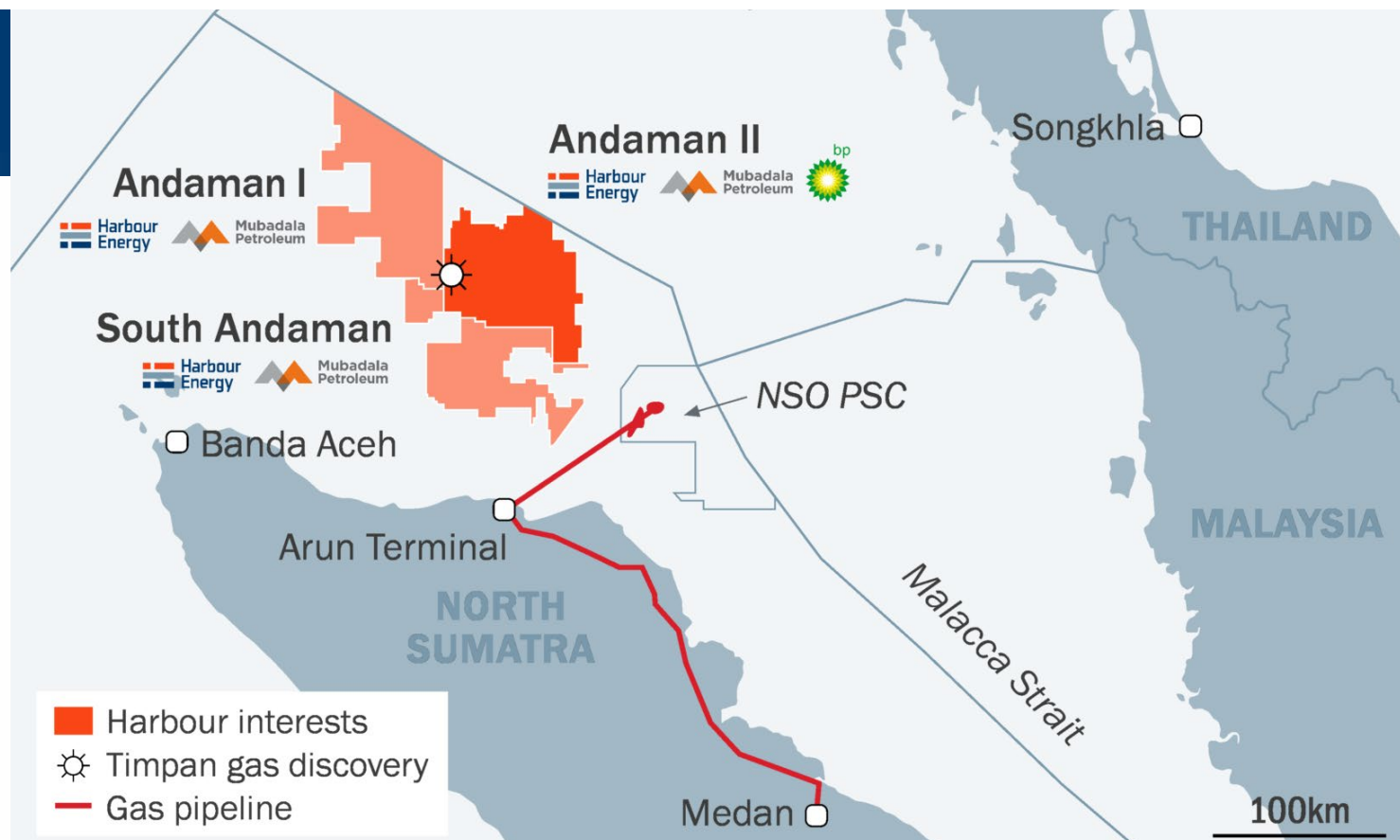
- Timpan-1 de-risks multiple prospects across Andaman acreage; potential exploration/appraisal drilling in late 2023
- Additional seismic acquisition underway

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 started over eastern area of Andaman II
- Planning underway for potential exploration and/or appraisal drilling in late 2023



	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

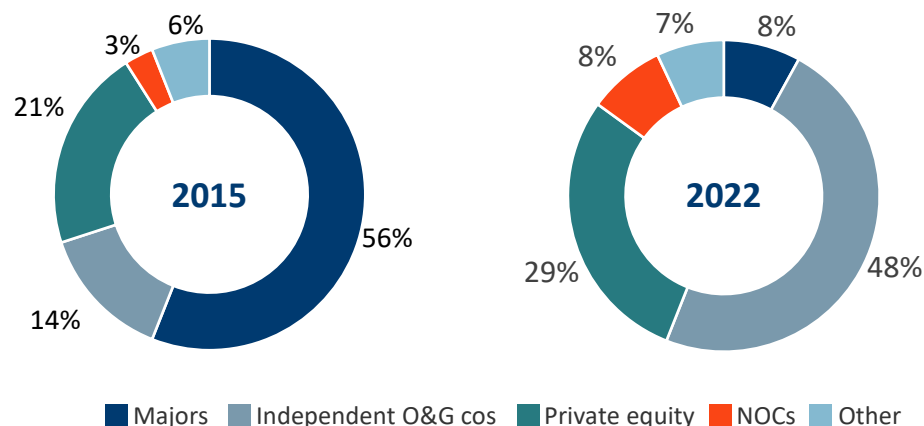
Since Q4 2021 the value of O&G deals in the market has increased by 17% to c. \$160 billion¹

Criteria:

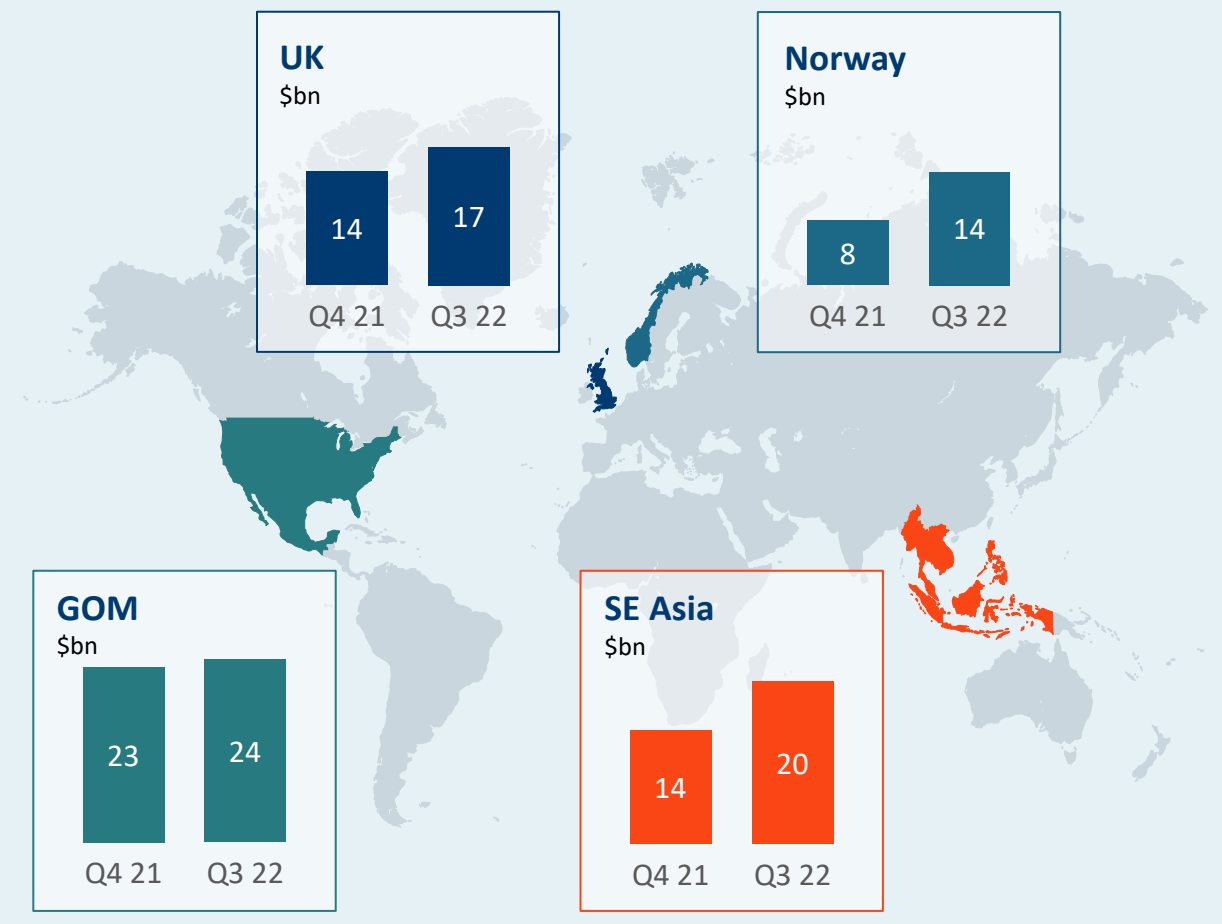
- Material, cash generative producing assets
- Accretive to reserves life, operating margins, GHG intensity
- Support enhanced, sustainable shareholder returns
- M&A, like other investment, must compete for capital with safeguarding the balance sheet and shareholder returns

O&G transactions split by buyer type²

- 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 rich¹



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

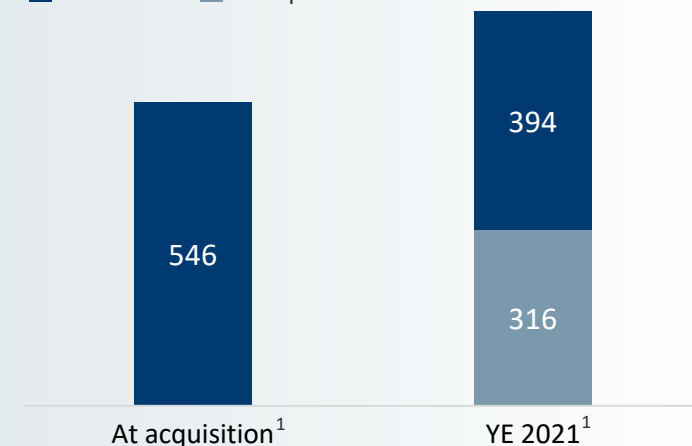
Improved recovery, added reserves & extended field life via investment

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

2P reserves

mmboe

■ 2P reserves ■ Cum. production

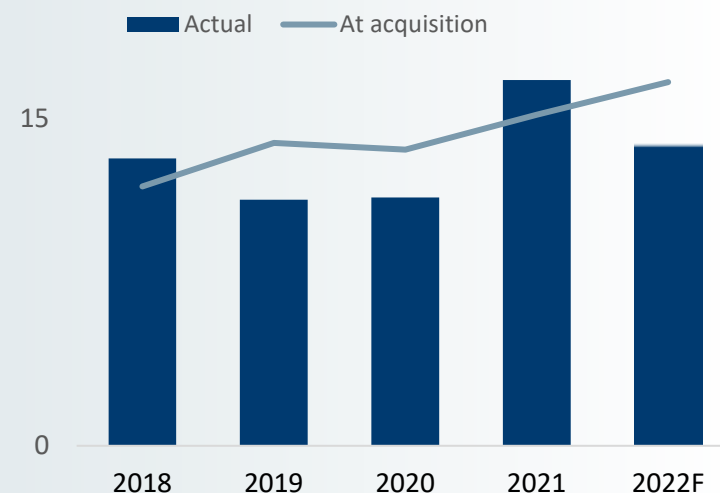


Material cost reduction, actively managed unit opex & decom costs

Forecast decommissioning costs for Conoco & Shell assets now c. \$500m lower than at acquisition²

Opex

\$/boe

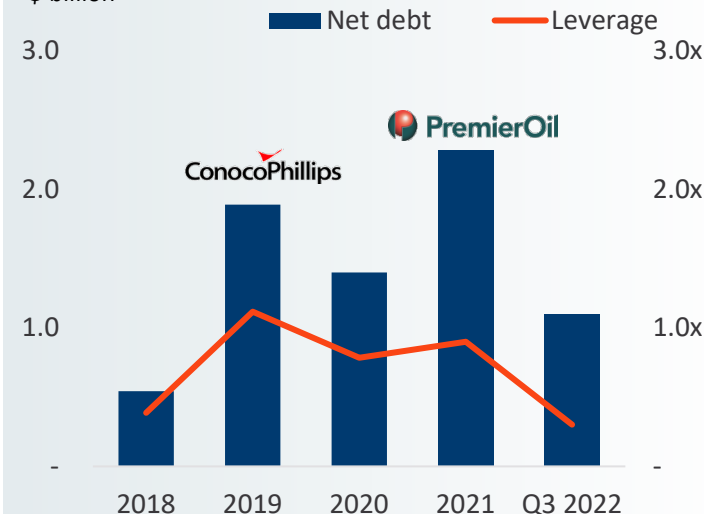


Prudent risk management: hedge to lock in returns and rapid deleveraging

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

Net debt

\$ billion



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.

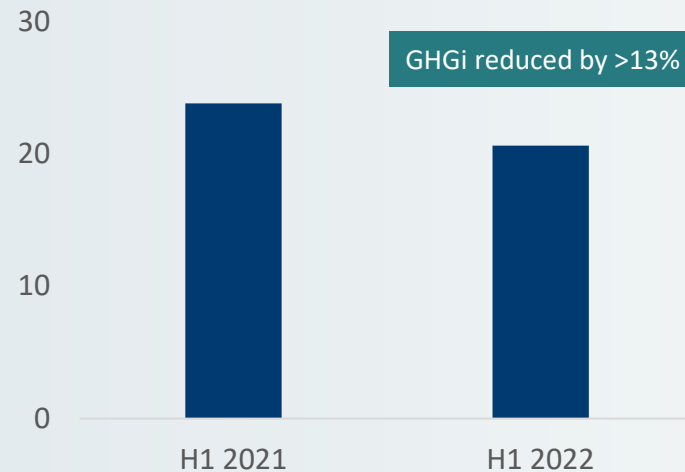
Addressing our environmental impact

Taking action to achieve our Net Zero goal by 2035

- Scope 1 and 2 emissions intensity materially improved in H1 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

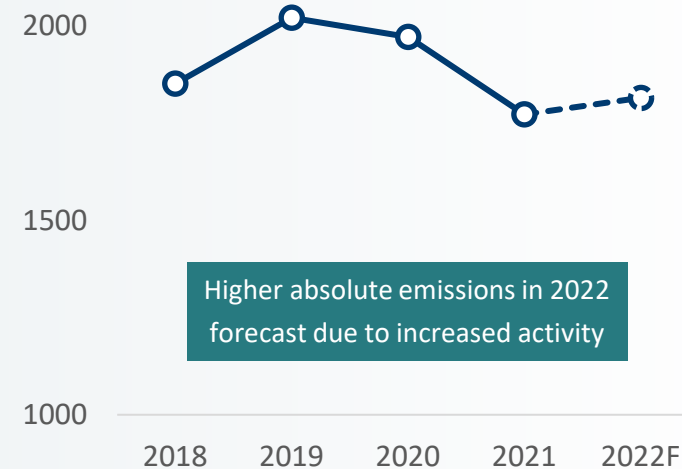
Improved GHG intensity¹

kgCO₂e / boe (Scope 1, Scope 2)



Absolute emissions²

kt CO₂e (Scope 1, Scope 2)



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



Asset decarbonisation



Supply chain



Facilities and information services



UK offshore electrification



Carbon capture technology



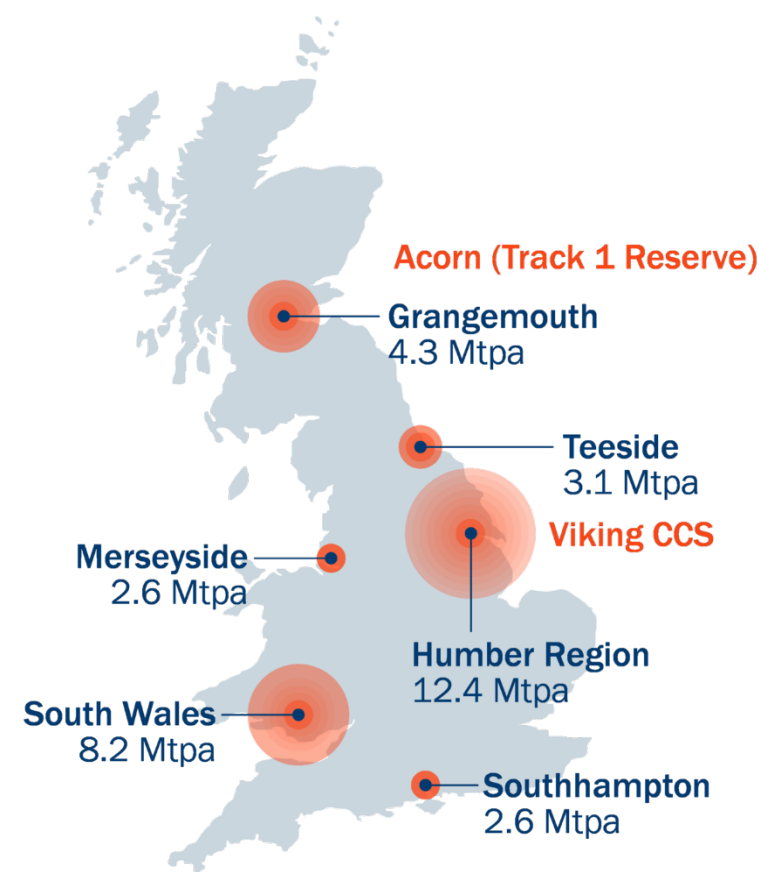
Nature-based carbon offsetting

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 CO₂ per year by 2030 via four CCS projects
- Clarity regarding the government's Track 2 project selection process expected by year end; both Harbour projects will provide submissions
- First UK offshore CCS licensing round launched in June 2022; both Harbour projects have submitted licence applications

The UK's largest clusters by industrial emissions



Acorn: Backbone of Scottish Cluster – capture, transport & store CO₂ via existing infrastructure

- Harbour 30% interest (Shell, Storegga and NSMP)
- Aim to capture, transport and store up to 9 mtpa CO₂ from Scottish Cluster emitters (Acorn Emitter Projects, St Fergus and Grangemouth) and stranded emissions via ship import

Viking CCS: transporting CO₂ via pipeline and ship import to high-quality storage

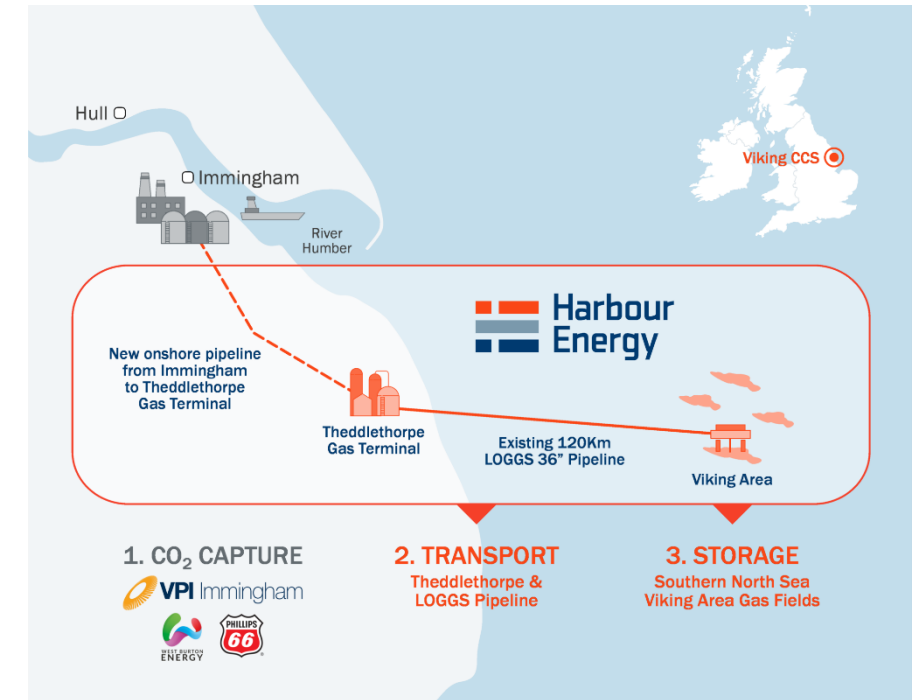
- Harbour 100% interest
- Aim to transport and store 10 mtpa by 2030 from the Humber region, the UK's most industrialised region, and connecting stranded emissions via ship import

Harbour-led Viking CCS: CO₂ transportation and storage from the Humber region

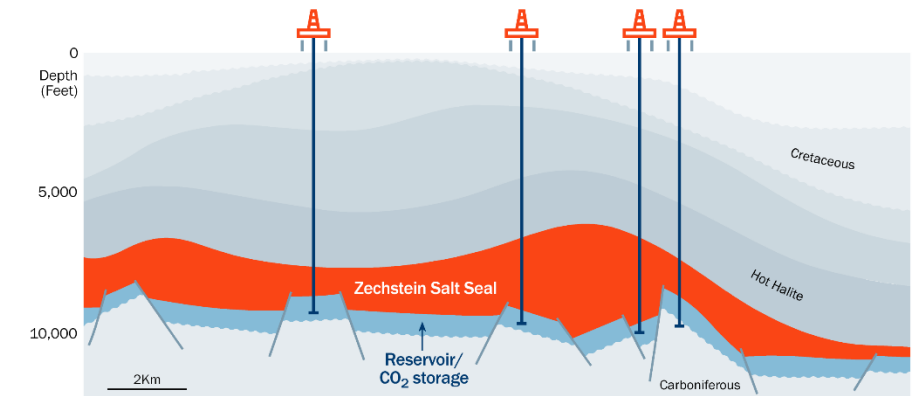
Harbour is well positioned to deploy its skills and infrastructure to accelerate CCS, building on >40 years operating experience

- 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 and exclusive commercial relationship with Associated British Ports
- Statutory consultation for the Viking CCS onshore pipeline to commence later in 2022 ahead of submission of a planning application in 2023
- Over 300MT of robust CO₂ storage in depleted Viking Fields; 1 of 6 UK CO₂ storage licences in the UK, Viking licence issued in 2021
- Reuse existing 120km trunk pipeline (BP 50%); 30 mtpa transport capacity
- New CO₂ infrastructure
 - 55km onshore pipeline (sized for 17mtpa),
 - Offshore injection facilities that are scalable.
- Targeting FID in 2024 with first CO₂ 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

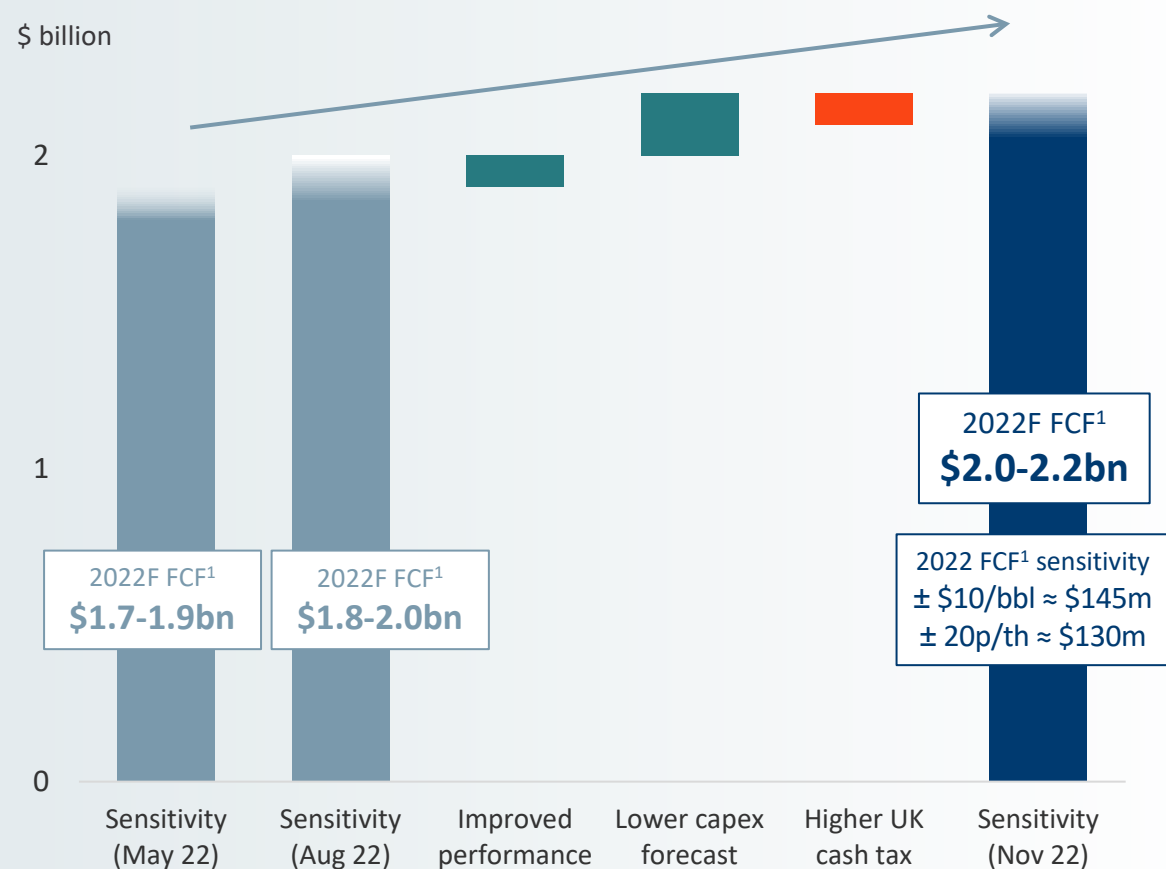
1 **Safeguard balance sheet**

2 **Ensure a robust and diverse portfolio**

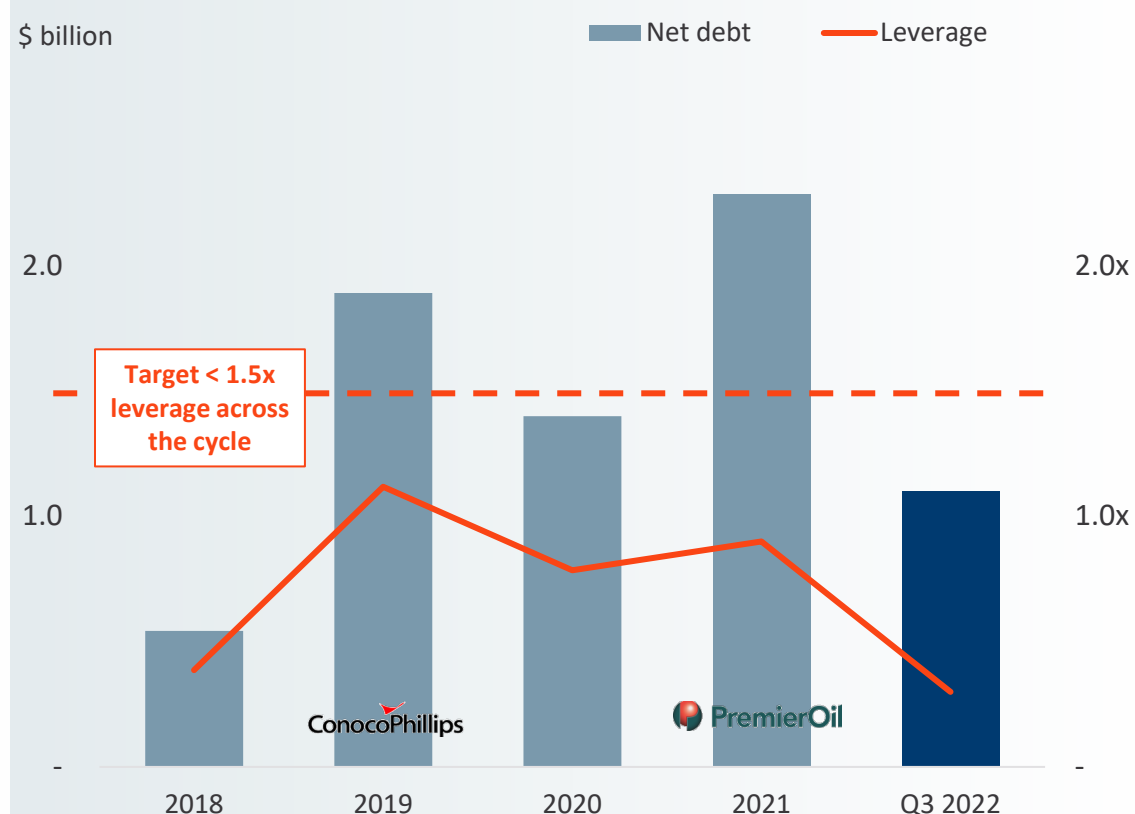
3 **Deliver shareholder returns**

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

H1 performance supports improved free cash flow generation outlook



Proven track record of rapid pay down post acquisitions



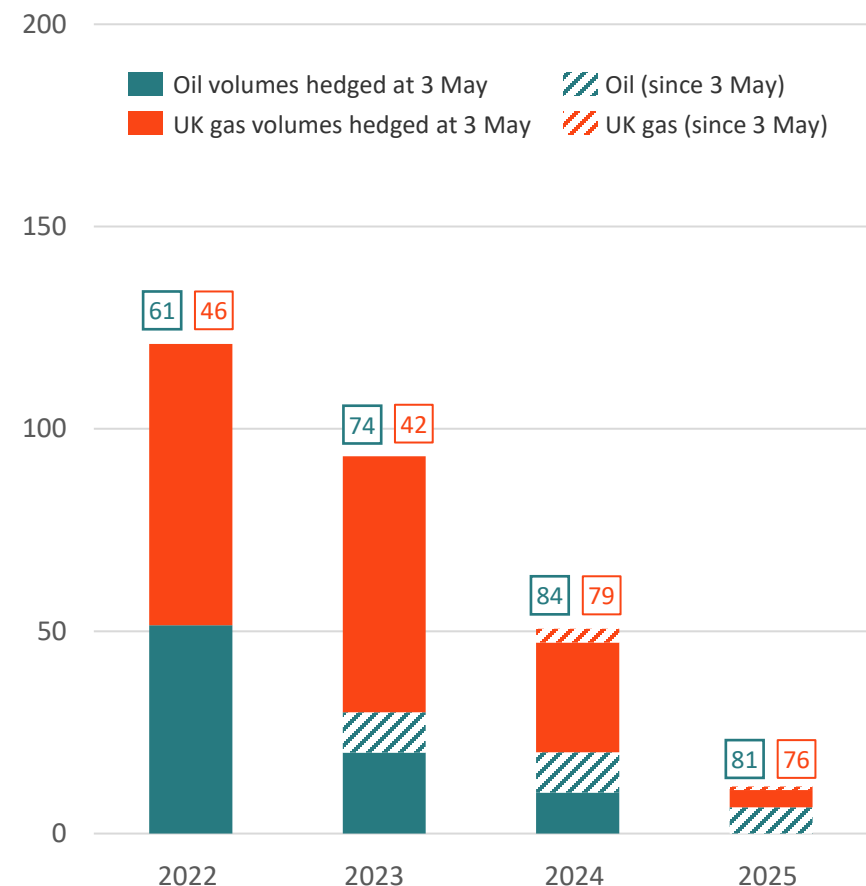
¹ Free cash flow is after capex and tax and before shareholder distributions; May and August sensitivity assumed \$100/bbl, 200p/therm and \$1.35/£; November sensitivity assumes \$102/bbl, 212p/therm and \$1.2/£ exchange rate

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

...while continuing to protect the downside

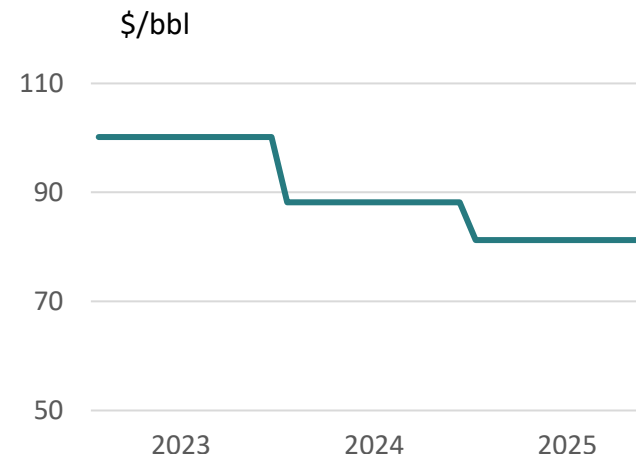
Hedged volumes reduce materially over next 3 years

kboepd¹

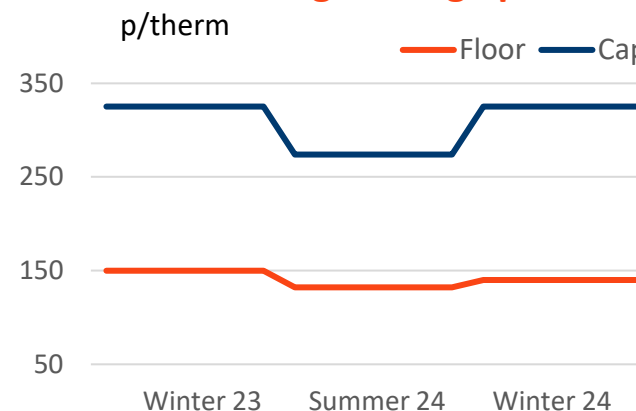


¹ As at 26 October 2022 □ Av. hedged oil price (\$/bbl) □ Hedged UK gas price (p/therm)

Recent oil hedging prices



Recent UK gas hedge prices



- 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 trade¹

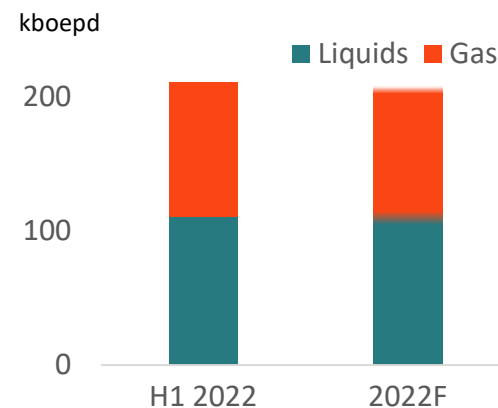
Winter 2024 ZCC
200p floor vs 437p cap
Last executed gas trade¹

Guidance

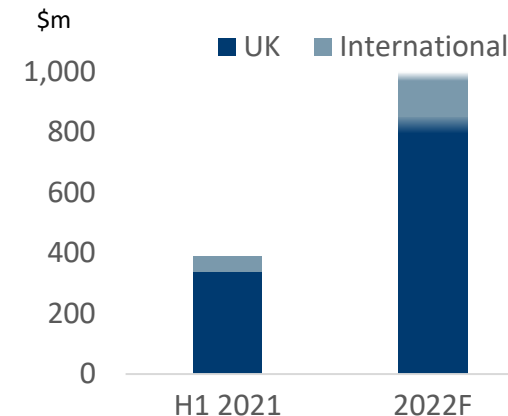
Free cash flow is first half weighted due to timing of capex, tax payments and shareholder returns

	2022 Guidance (as at May 22)	2022 Guidance (as at Aug 22)	1 Jan to 30 Sep 2022 (Actual)	2022 Guidance (as at Nov 22)
Production kboepd	195-210	200-210	207	Upper end of 200-210
Operating cost \$/boe	15-16	Lower end of 15-16	14	14
Total capex \$m	1,300	1,200	700	1,000

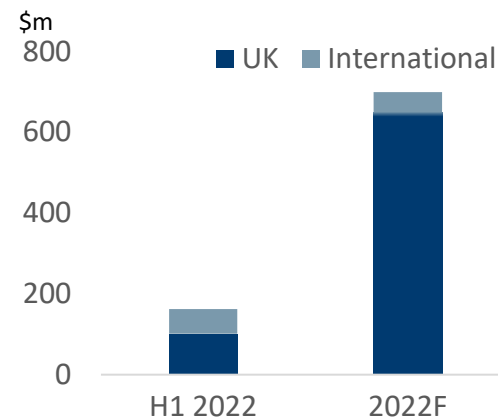
Production



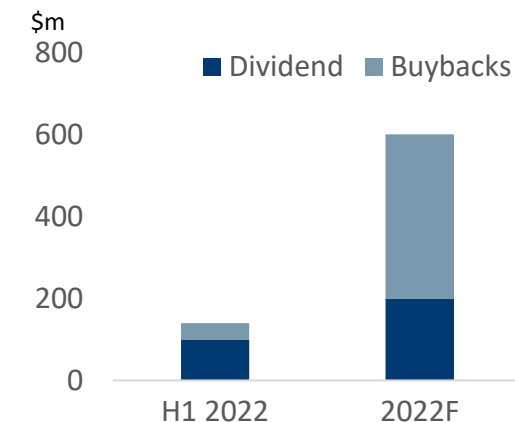
Total capex



Tax payments



Shareholder returns



Why Harbour Energy?

Well positioned for value creation, growth and shareholder returns

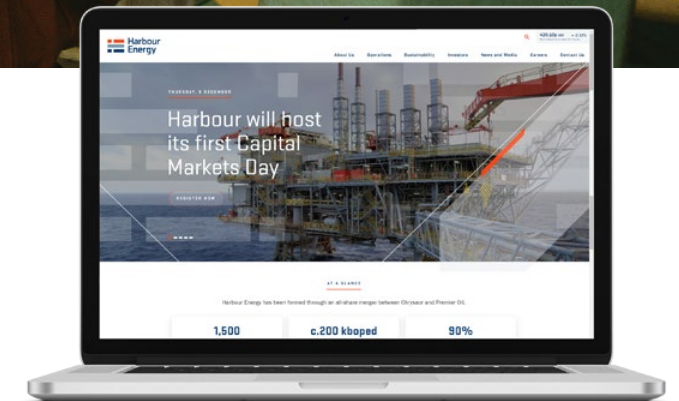
- Pure-play, upstream global O&G producer
- A focus on safe and responsible operations
- High quality, diversified cash generative asset base of scale with significant gas exposure
- Track record of organic reserve additions and extending field life
- Proven delivery of large-scale, value accretive M&A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





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