



# Energean

## Half Year 2023 Results

7 September 2023

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**ENERGEAN**  
**ETHOS** Our World, Our Responsibility

# Disclaimer

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This presentation contains certain forward-looking statements that are subject to the usual risk factors and uncertainties associated with the oil and gas exploration and production business.

Whilst Energean believes the expectations reflected herein to be reasonable considering the information available to them at this time, the actual outcome may be materially different owing to factors beyond the Group's control or within the Group's control where, for example, the Group decides on a change of plan or strategy.

The Group undertakes no obligation to revise any such forward-looking statements to reflect any changes in the Group's expectations or any change in circumstances, events or the Group's plans and strategy. Accordingly, no reliance may be placed on the figures contained in such forward-looking statements.

# Highlights

Karish producing steadily at ~6 bcm/yr equivalent; FPSO capacity increase on track for YE23

## Karish producing steadily at initial plateau

- Production for the period was 105.9 kboed, near triple that of H1 2022
- Karish production steady at ~6.0 bcm/yr; start-up issues substantially overcome

## All growth projects progressing in line with expectations

- Karish capacity increase to 8 bcm/yr on track for delivery by YE2023
- Positive results achieved at the second and third NEA/NI wells, reinforcing NEA#6 has no read-across the remainder of the field; remaining wells onstream by year-end 2023
- Cassiopea onstream 2024
- Olympus concept selected, FDP submitted to Israel MOE and FEED awarded to Technip

## Strong financial performance

- Revenues of \$588 million (up 73% y-o-y)
- EBITDAX of \$345 million (up 74% y-o-y)
- Group liquidity \$897 million at 30 June; 2024 EISL bond tranche re-financed in July

## Delivery of dividend policy in line with guidance

- One year of reliable quarterly dividend payments (\$213 million returned to shareholders); US\$1.20/sh annual cumulative returned (yield of 8%<sup>1</sup>)
- Q2 dividend of 30 US\$ cents/share declared today

1. Based on 5 September 2023 share price of GBp 1183



# Financial Review – H1 2023

Panos Benos, Chief Financial Officer

# H1 2023 results – key figures

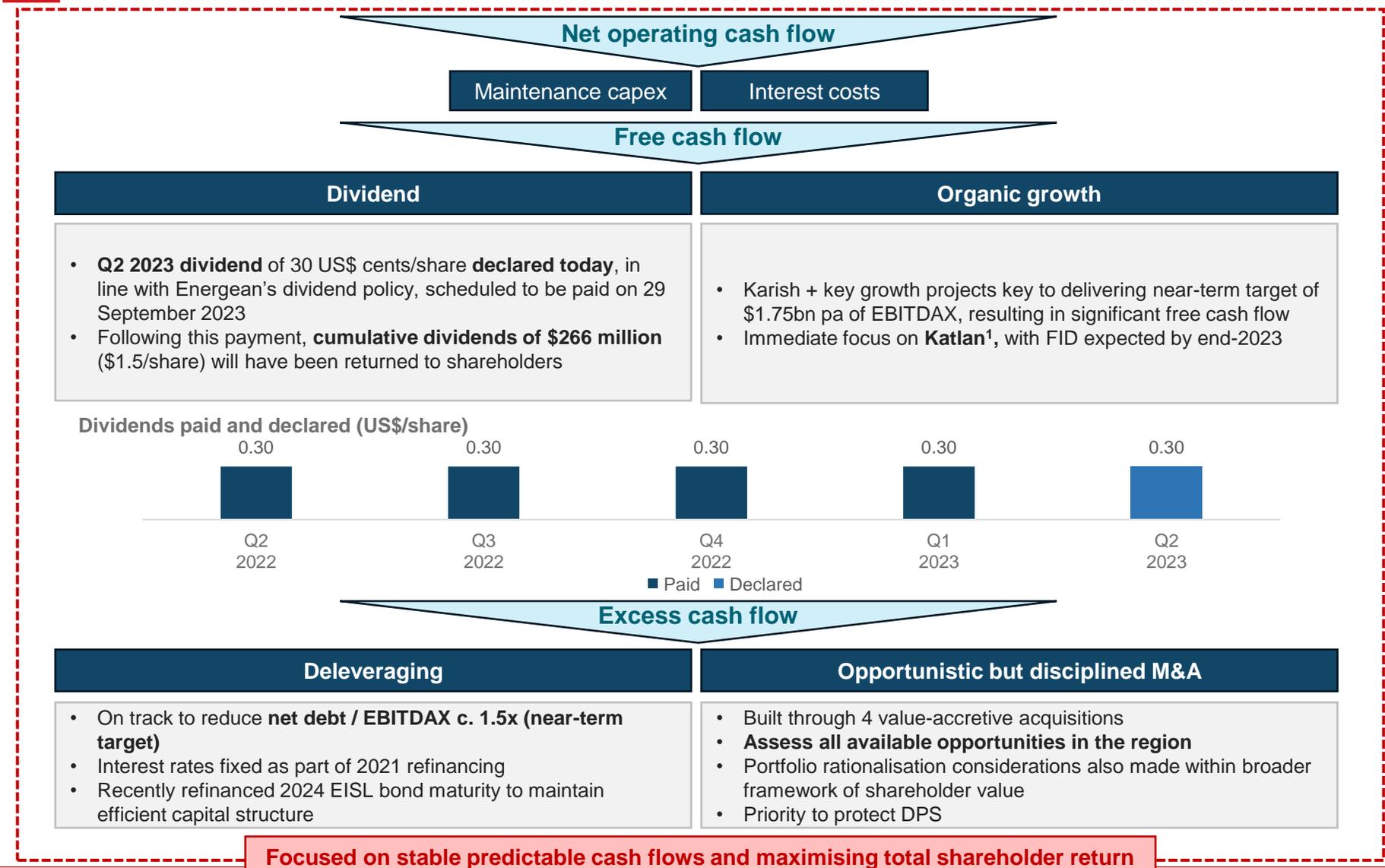
Production Figures			
	H1 2023	H1 2022	% change
Gas Production (bcm)	2.5	0.8	213%
Liquids Production (kbbbl/d)	18.6	9.6	94%
Total Production (kboed)	105.9 (82% gas)	35.4 (73% gas)	199%

Financial Figures			
	H1 2023	H1 2022	% change
Sales & Other Revenue (\$ million)	587.6	339.0	73%
Cash Cost of Production cost (\$/boe)	12.1	19.2	(37%)
Cash G&A (\$ million)	17.9	15.1	19%
Adjusted EBITDAX (\$ million)	345.2	198.2	74%
Operating Cash Flow	233.0	146.6	59%
Capital Expenditure (\$ million)	291.5	398.3	(27%)
	H1 2023	FY 2022	% change
Net Debt – Consolidated (\$ million)	2,715.3	2,518.2	8%
Leverage (Net Debt / Annualised Adjusted EBITDAX)	3.9x	6.0x	(35%)

# Disciplined approach to capital allocation

Focused on stable predictable cash flows and maximising total shareholder return



1. Katlan covers gas fields on the Katlan licence (formerly Block 12) and parts of the Tanin licence

# Optimised debt structure through 2024 bond refinancing

Weighted average life of debt extended to more than six years

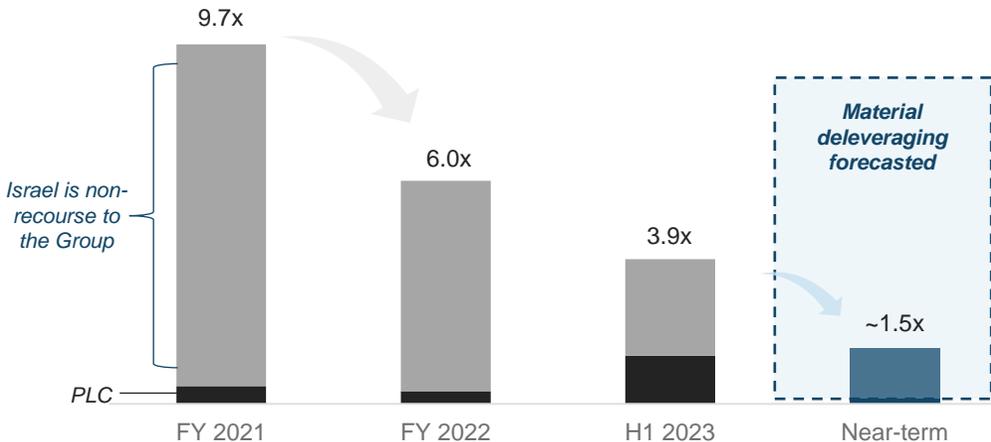


## 2024 Note refinancing completed

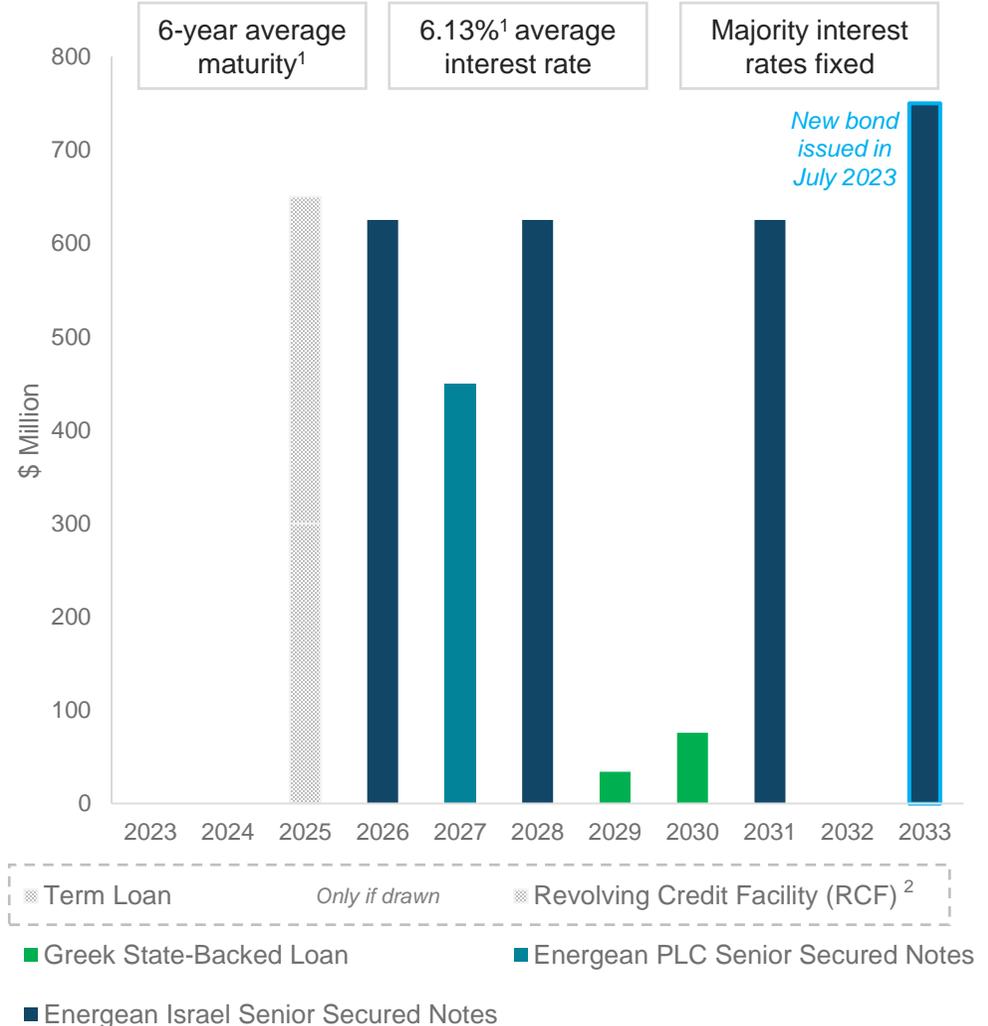
- **July 2023: issued \$750 million bond**
  - 2033 maturity
  - 8.5% coupon
- Use of proceeds:
  - To redeem \$625 million 2024 bond maturity
  - Towards final deferred consideration to Kerogen
  - Towards funding interest payment reserve account and transaction expenses
- Ring-fenced to the Israel project, i.e. non-recourse to PLC
- Proceeds currently held in escrow pending government approvals, which are expected shortly

## Deleveraging profile

Net Debt / EBITDAX



## Debt maturity structure



1. As of 30 June 2023

2. \$110 million of the \$300 million reserved for Letters of Credit

# 2023 guidance

Production Guidance		
	FY 2023	
Israel	87 – 94 (including 4.4 – 4.7 bcm of gas)	<i>Amended to reflect YTD production; Karish currently producing ~6 bcm/yr</i>
Egypt	23 – 25	<i>Unchanged</i>
Rest of Portfolio	10 – 11	<i>Unchanged</i>
<b>Total Production (kboed)</b>	<b>120 – 130</b>	<b><i>Narrowed</i></b>
Financial Guidance		
	FY 2023	
<b>Net Debt – Consolidated (\$ million)</b>	<b>2,700 – 2,900</b>	<b><i>Unchanged</i></b>
Israel	275 – 300	<i>Reduced to reflect revised production guidance</i>
Egypt	40 – 50	<i>Unchanged</i>
Rest of Portfolio	160 – 200	<i>Unchanged</i>
<b>Total Cash Cost of Production (includes royalties; \$ million)</b>	<b>475 – 550</b>	<b><i>Reduced</i></b>
Israel	170 – 200	<i>Unchanged</i>
Egypt	140 – 150	<i>Unchanged</i>
Rest of Portfolio	270 – 290	<i>Unchanged</i>
<b>Total Development &amp; Production Capital Expenditure (\$ million)</b>	<b>580 – 640</b>	<b><i>Unchanged</i></b>
<b>Exploration Expenditure (\$ million)</b>	<b>50 – 60</b>	<b><i>Unchanged</i></b>
<b>Decommissioning Expenditure (\$ million)</b>	<b>20 – 30</b>	<b><i>Unchanged</i></b>

# Operational Review – H1 2023

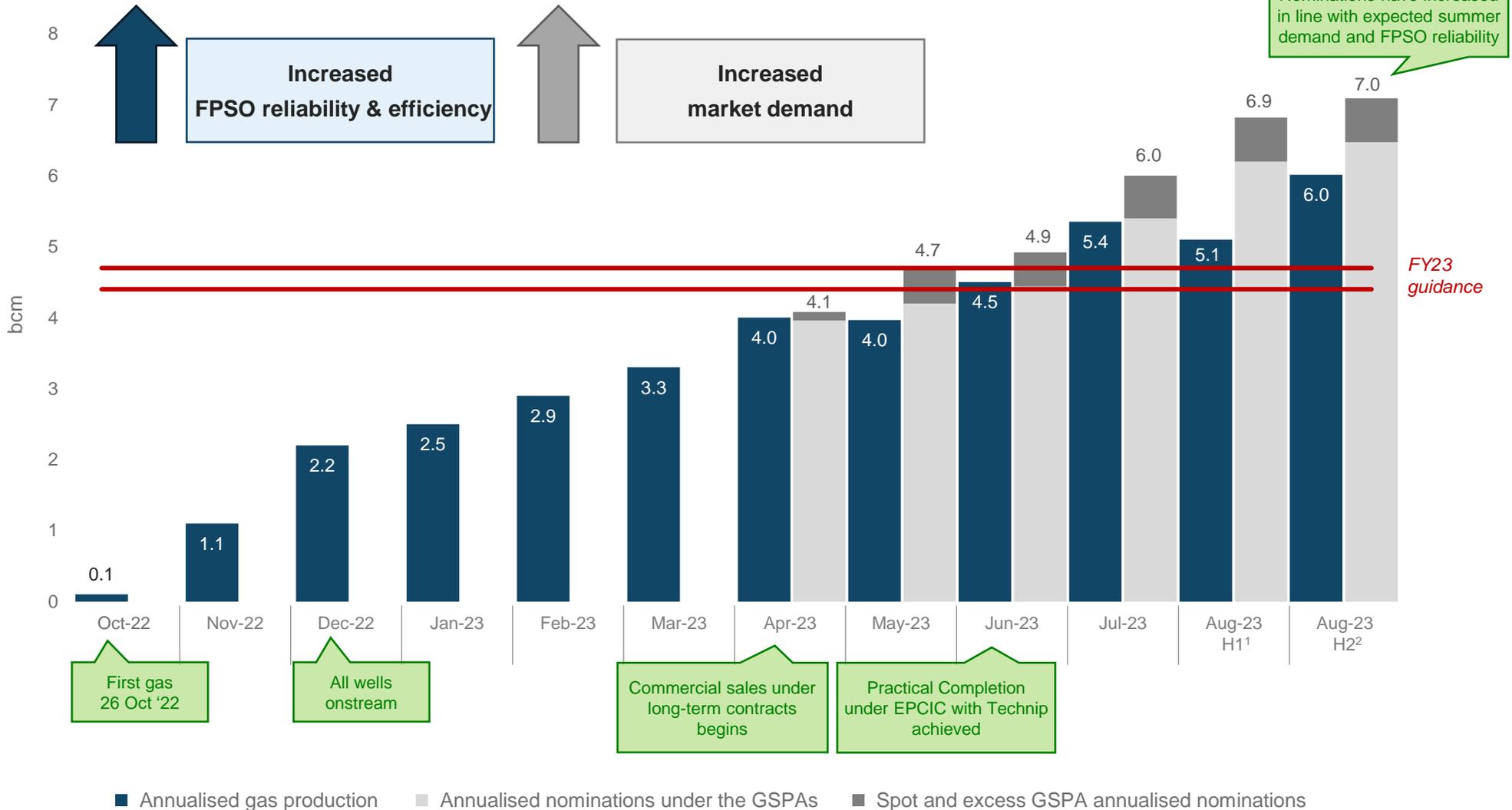
Mathios Rigas, Chief Executive Officer

# Karish – production steady at ~6 bcm/yr



Start-up issues substantially overcome

Annualised Gas Production and Nominations



# Israel – commercial update

Four new spot gas contracts signed and two new long-term contracts expected in the near-term; four hydrocarbon liquids cargoes sold



**New gas contracts signed**

- **Four new spot contracts signed in 2023; two new long-term contracts expected to be signed in the short term**
- Energean currently has a **total of 24 contracts** with high-quality independent customers, equivalent to 7.5 bcm/yr on peak

YE22: 20 contracts

**24 contracts (including 5 spot)**  
**7.5 bcm/yr on peak**

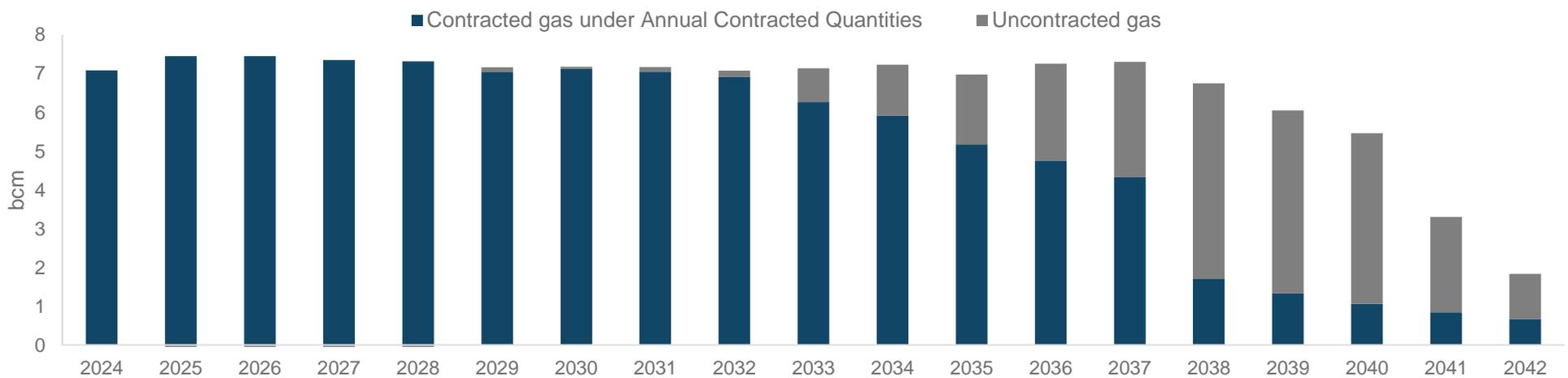
Two new long-term contracts expected in the short-term



**Four hydrocarbon liquids cargoes exported**

- **Four hydrocarbon liquid cargoes** offloaded in 2023, totalling 1.7 million bbls, with a fifth cargo expected imminently
- Cargoes sold to Vitol with **decreasing discount to Brent**

## Long-Term Plateau of Contracted Gas<sup>1</sup>



1. Based on ACQ (Annual Contracted Quantity) of existing contracts and YE-22 D&M CPR. The above profile includes Karish, Karish North, Tanin, and the Athena, Zeus and Hera fields in Katlan. For Katlan, the profile is based on an indicative profile only for 31 bcm of audited 2P reserves in Katlan.

# Israel – growth projects

Karish North and FPSO capacity increase on track for completion end-2023; Katlan FID end-2023

## ① Karish North

- Production well drilled in 2022
- Manifold installed in April 2023
- Umbilical and spool installed in August 2023
- Commissioning and start-up expected Q4 '23

## ② Second gas export riser

- Second export riser installed in March 2023
- De-watering activities expected in September
- Commissioning and completion expected in Q4 2023

## ③ Second oil train

- Loadout from Dubai expected by end-September
- Scheduled to be installed on the FPSO in Q4 2023, with commissioning and completion thereafter

## ④ Katlan<sup>1</sup>

- Development concept chosen; Backfill 8 bcm/yr FPSO, excess production targeting export markets
- Field development plan submitted to Israeli Government; FEED contract awarded to Technip; FID by year-end 2023



Projects will **increase the FPSO's capacity to 8 bcm/yr and 32 kbb/d**  
Karish North and FPSO capacity increase on track for **completion year-end 2023**  
Katlan FID on track for **year-end 2023**

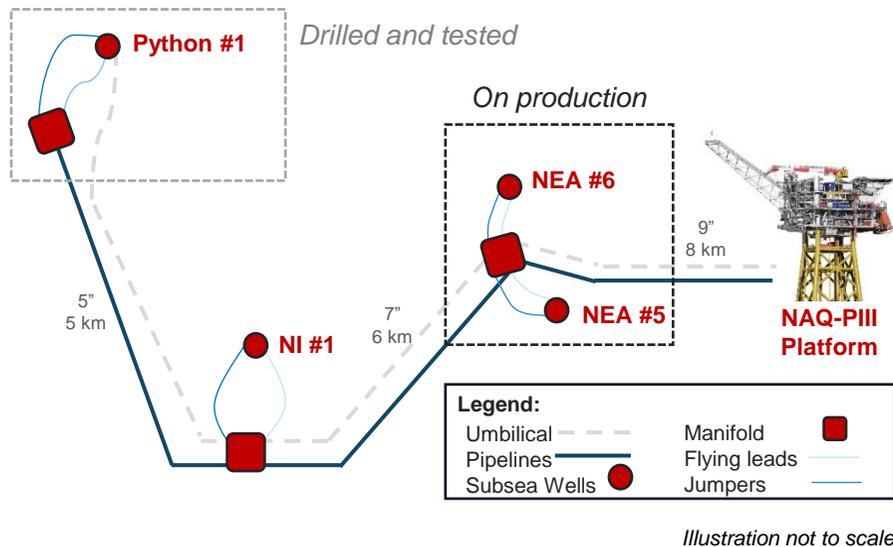
# Egypt – NEA/NI

NEA/NI on track for completion by year-end 2023

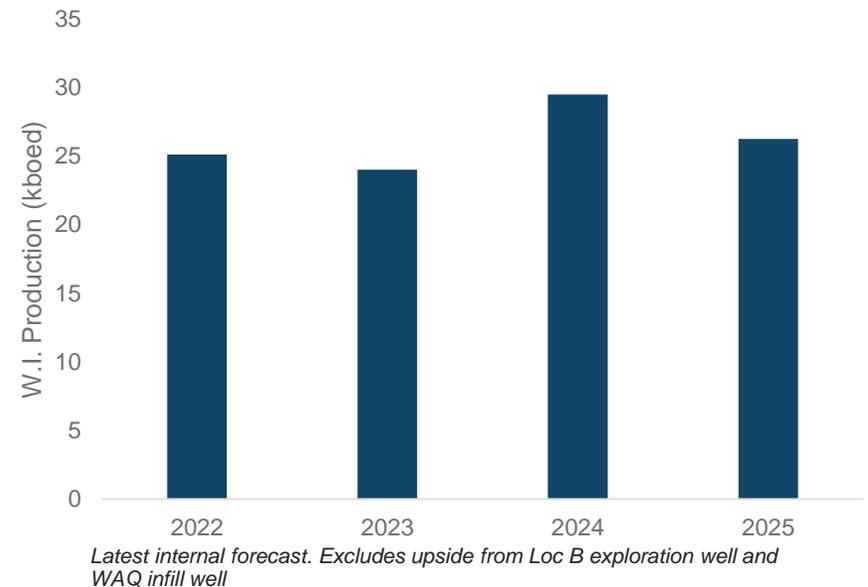
## NEA/NI update

- **NEA#6** brought **online** in March 2023; no read-across to the remainder of the field
- **NEA#5** reached **first production** in July 2023. The well is performing in line with pre-drill expectations (25 mmscfd)
- **PY#1 completed drilling** in August 2023 and has been tested at 20 mmscfd, which is in line with pre-drill expectations
- All subsea production systems installed
- **NI#1** expected to **spud in September 2023**
- PY#1 and NI#1 expected online by year-end 2023

## NEA/NI schematic



## Egypt production outlook



# Italy – Cassiopea

Italy's largest gas development, in partnership with Eni, on track for first gas in 2024

## Cassiopea update

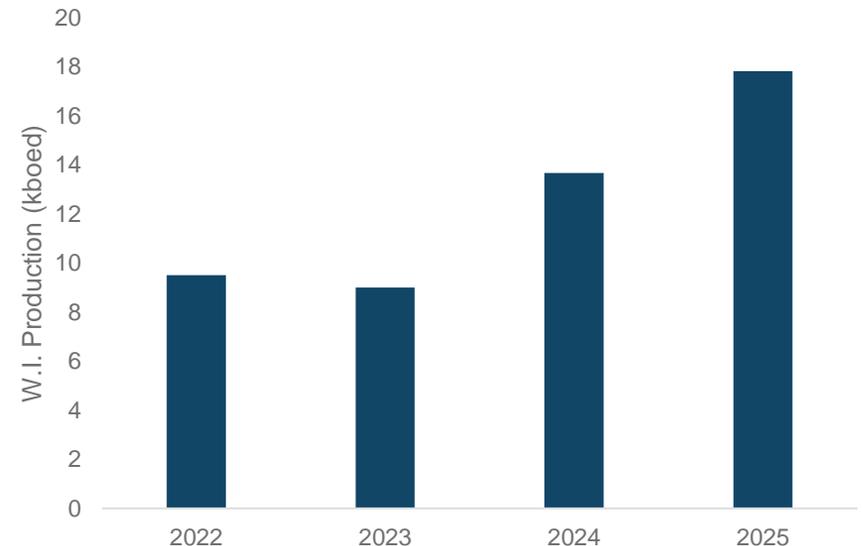
- **Italy's largest gas development project** (450 Bcf (13 bcm) gross 2P reserves<sup>1</sup>), enhancing the country's energy security
- **Carbon neutral project**
- Four well 30 km subsea-tie back to Sicily mainland; located in water depths of 400 – 600m
- **First gas expected in 2024**
- **Pipelining complete and subsea installation activities progressing well**
- Drilling expected later this year

## Cassiopea location



1. YE22 D&M CPR

## Italy production outlook

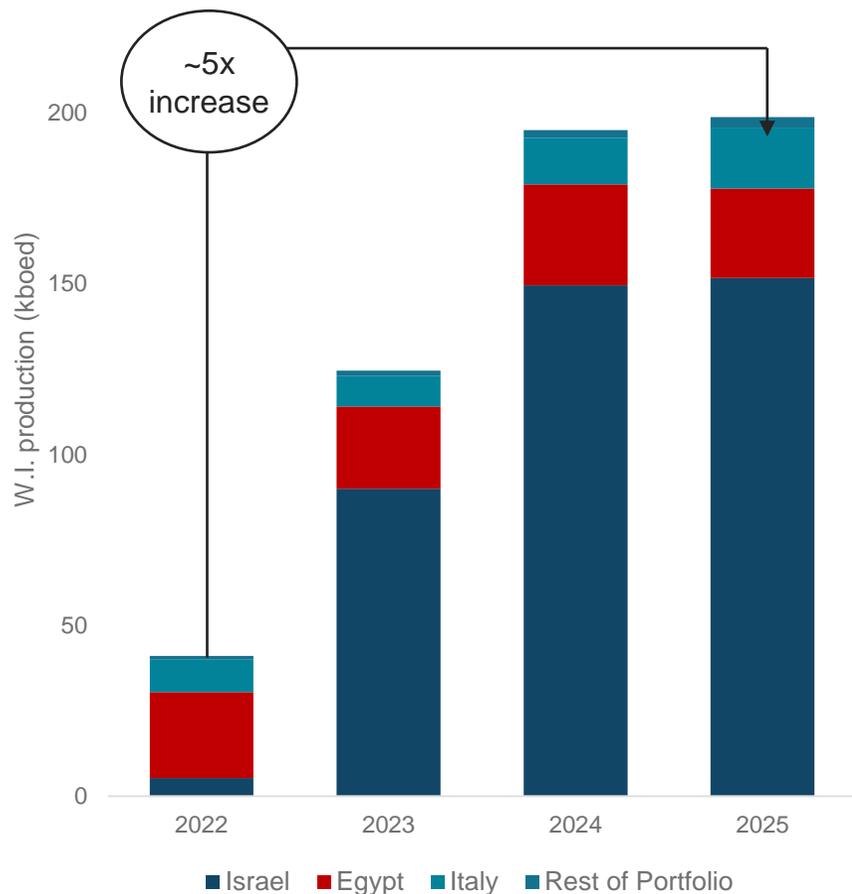


Latest internal forecast

# Growing into a 200 kboed production business

Near-term targets reiterated

## Group production forecast<sup>1</sup>



1. Latest internal forecast. Israel 2024/25 forecast based upon the ACQ under the GSPAs, which assumes 100% offtake and no spot sales

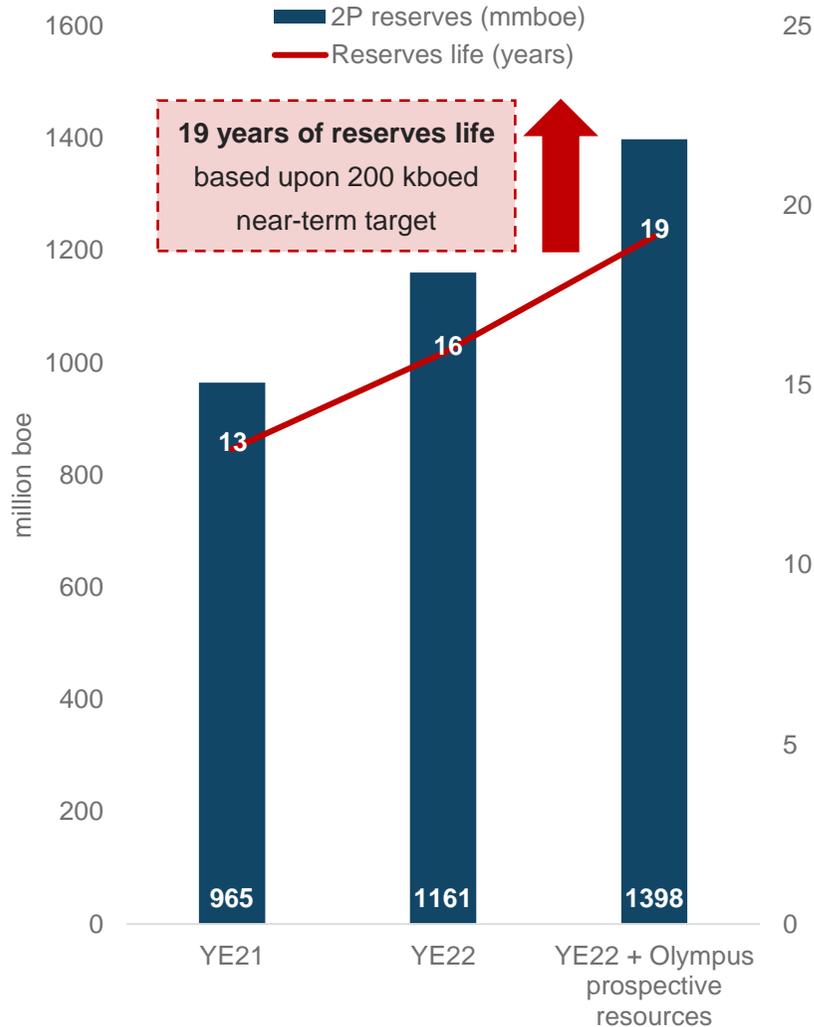
## Our near-term targets

Production	200 Kboed
Revenues	\$2,500 Million
Cost of Production	\$9 – 11 / boe
EBITDAX	\$1,750 Million
Net debt / EBITDAX	c.1.5x

# Strong reserves life increase from Olympus Area discoveries

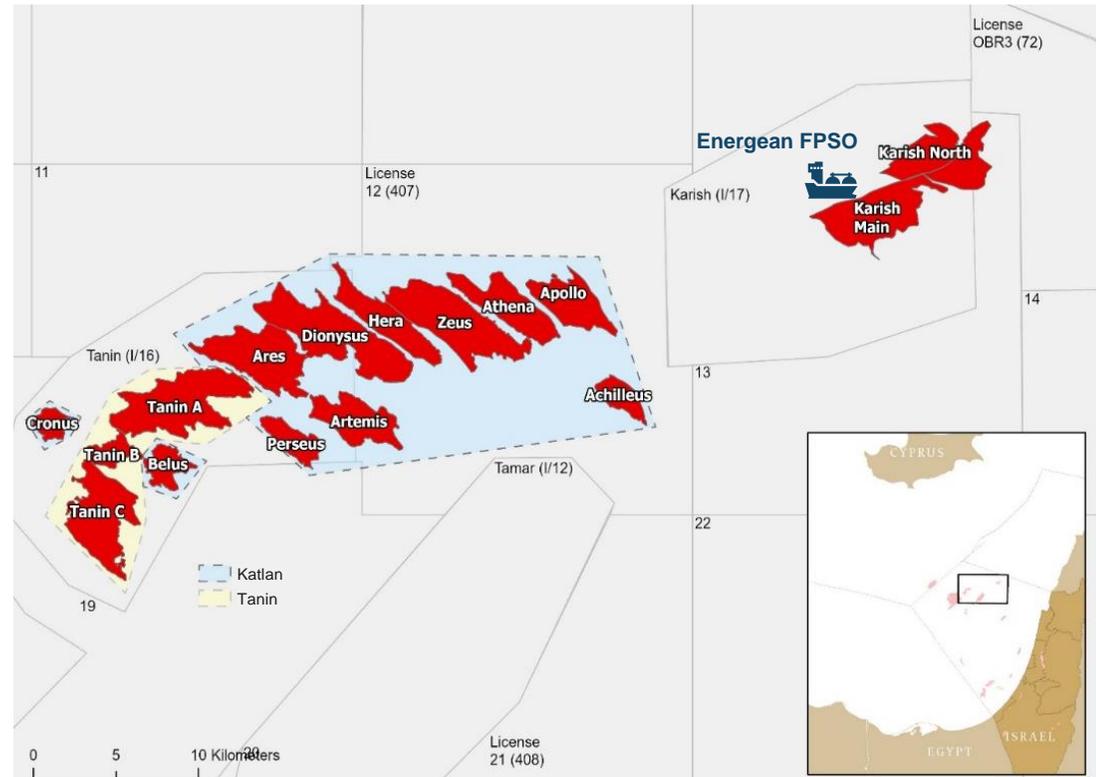
FID for Katlan<sup>1</sup> targeted by year-end 2023

## Reserves and reserves life growth



## Katlan Overview

68 bcm Katlan focus of near-term development plans



1. Katlan covers gas fields on the Katlan licence (formerly Block 12) and parts of the Tanin licence

# Exploration

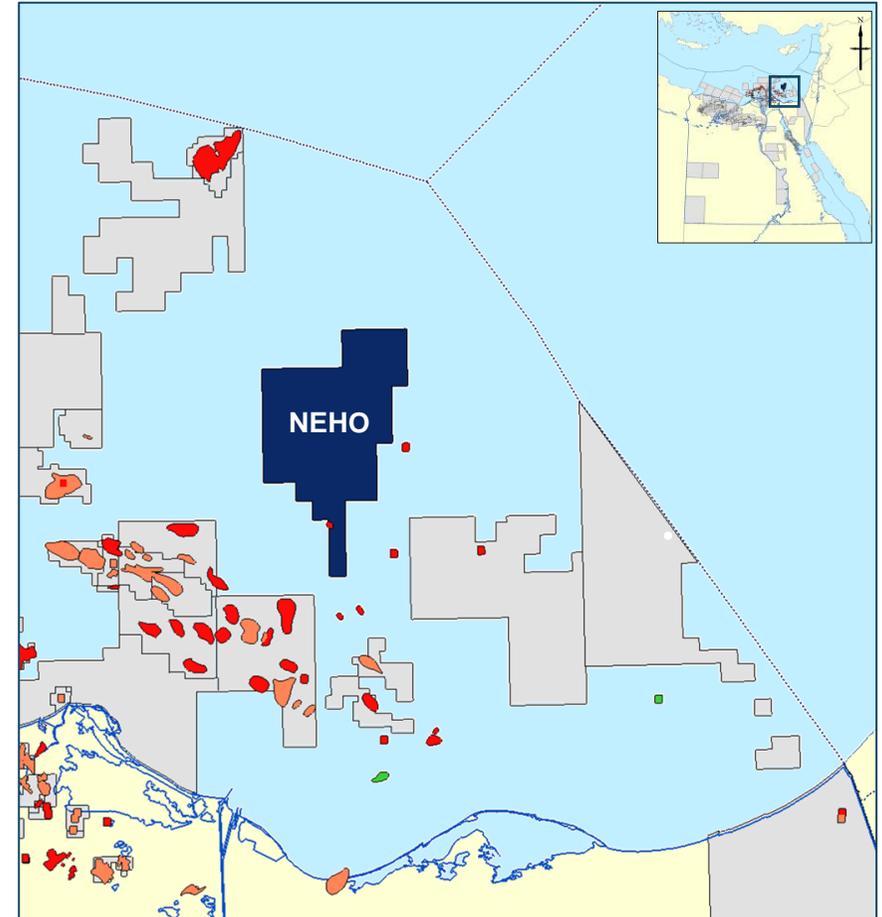
Orion-1x drilling expected in Q4 2023 targeting multi-tcf, high-risk, high-reward gas prospect

## Orion-1x exploration well (Egypt):

- Participation: IEOC (Eni; 70%; operator) and Energean (30%)
  - Energean is finalising its farm-down to 19% from 30% W.I.
- Location: North East Hap'y (NEHO) licence, offshore Egypt
- Spud date: Q4 2023
- Gross unrisked P50 GIIP: 283 bcm (9,996 bcf / 1.8 bnboe)
- Gross unrisked P50 OIIP: 400 mmboe
- Rig: Saipem's Santorini Drill Ship
- Water depth: 730 metres

## Other exploration activities:

- Derisking of Arcadia and Hercules areas (Israel)
- Izabela-9 exploration well in Q4 2023 (Croatia)
- Drill or drop decisions in 2024 (Greece)
- Cassiopea and Abu Qir area prospects maturation (Italy and Egypt)

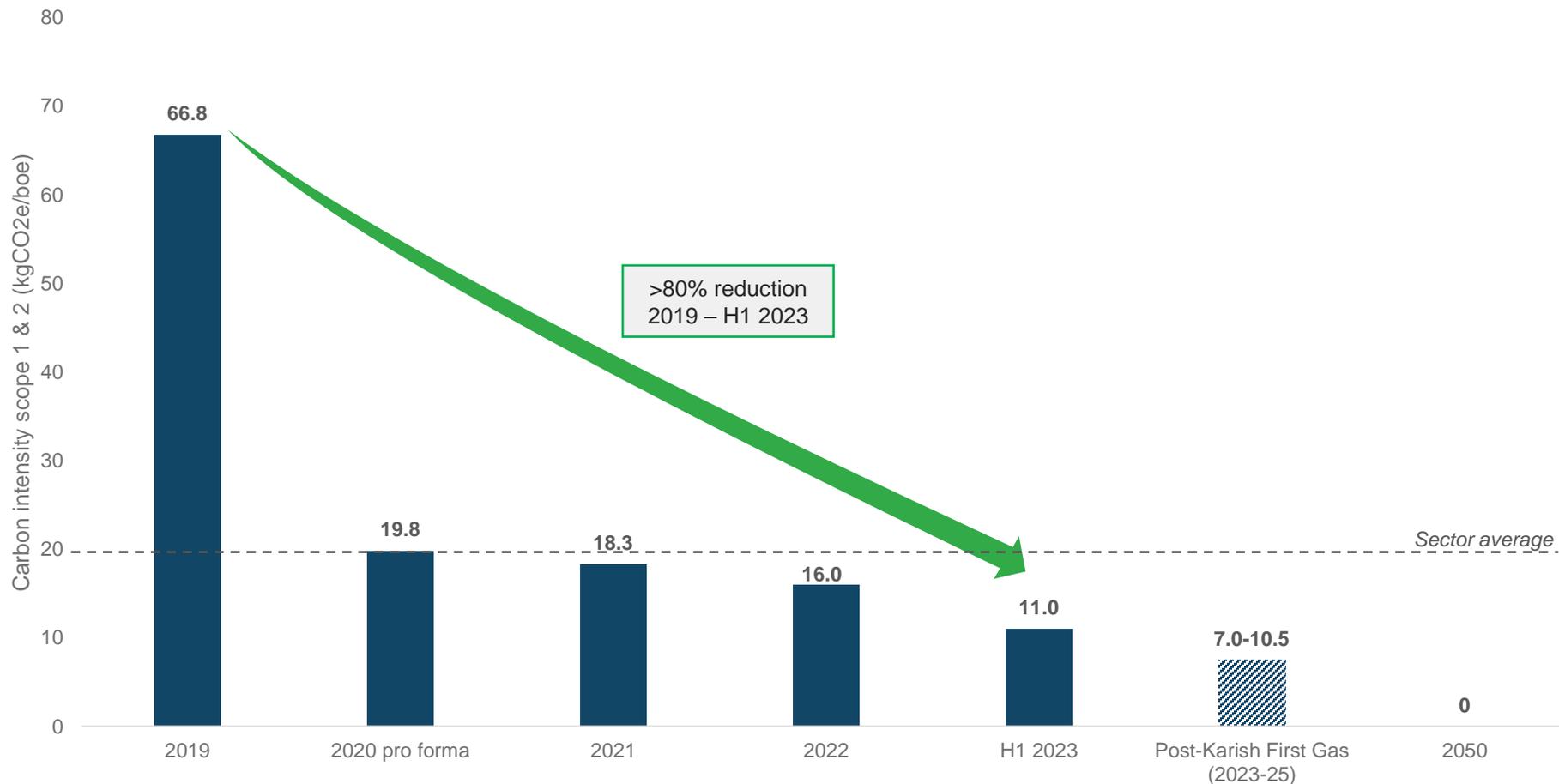


# Progress on Net Zero commitment

30% decrease in emissions intensity in H1 2023 versus FY 2022



## Energean's Net Zero progress



1. Scope 1 and 2 emissions

# Outlook



# Outlook over the next 18-months

- 1 FPSO capacity increase to 8 bcm/yr and 32 kbb/d and continued production optimisation
- 2 FID for the Olympus Area
- 3 Remaining NEA/NI wells onstream
- 3 Orion-X1 exploration well farm-down and spud
- 4 Payment of quarterly dividend in line with policy
- 5 Achievement of short-term targets: 200 kboed production, \$2.5bn revenue and \$1.75bn EBITDAX
- 6 Continued progress on commitment to net zero by 2050

# Contact information

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