

INTERIM RESULTS 2024

18 September 2024



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Introduction

PORTFOLIO WITH POTENTIAL

Early observations since joining



Solid foundation from which to move forward

- Transformed business
- Impressive team with strong, high level in-country relationships
- Assets delivering stable production and robust cash flows
- Sustainable dividend policy no less than 10% of operating cash flow
- Very strong balance sheet; now debt free



Areas of Focus

- Extract and grow value from existing assets
 - Vietnam licence extensions required to initiate development and appraisal
 - Egypt consolidation will encourage further investment
- Enables financial flexibility and strategic optionality
- Priority on maximising shareholder returns

My tenure will be focussed **on growing value for shareholders** within a framework of **strict capital allocation**

INVESTMENT HIGHLIGHTS 1H 2024

1H 2024 REVENUE

\$65m

30 JUNE 2024 CASH BALANCE

\$30.7m

FROM 2H 2024

DEBT FREE

USD RECEIVED AGAINST EGYPT RECEIVABLES BALANCE

c.\$20m

SUSTAINABLE CAPITAL RETURN

- Interim dividend **0.363p** per share
- **10%** increase; annualised yield c.7%*
- Ongoing share buyback programme

PRODUCTION AND EXPLORATION ASSETS

Vietnam
Egypt

1H 2024 NET PRODUCTION

5,851 boepd

ACTIVITY IN BOTH JURISDICTIONS: DRILLING UNDERWAY

- TGT two-well programme commenced August
- El Fayum exploration commitment well ongoing

LEADERSHIP CHANGES

- Katherine Roe appointed as CEO 1 July 2024
- Mohamed Sayed promoted to COO 1 July 2024

SUSTAINABILITY AT OUR CORE

- Zero LTIs
- Working towards 2050 net zero commitment

* Return to shareholders yield assumes share buyback plus annualised dividends based on a share price of 24.5p per share.

ASSETS WITH CATALYSTS



Vietnam

- 2P reserves*: 9.1 mmboe
- High net back producing assets
- TGT & CNV offshore producing fields - in-fill drilling to sustain production
- Progress on licence extensions; will drive appraisal programme
- Blocks 125 & 126 - material frontier exploration potential



Egypt

- 2P reserves*: 14.4 mmboe
- Onshore, low cost, in-fill drilling path to grow production
- Multiple low-risk (extensive 3D) low-cost exploration opportunities - near-field, frontier and new plays
- Improving macro environment
- Egypt consolidation project underway



Portfolio Review


Vietnam



VIETNAM

HIGH NETBACK, CASHFLOW ASSETS

Vietnam Production

1H 2024 Production net
 **4,456** boepd

2024 Production guidance net
 **3,900 – 5,000** boepd

TGT Activities

 1H 2024 Production net **3,289** boepd

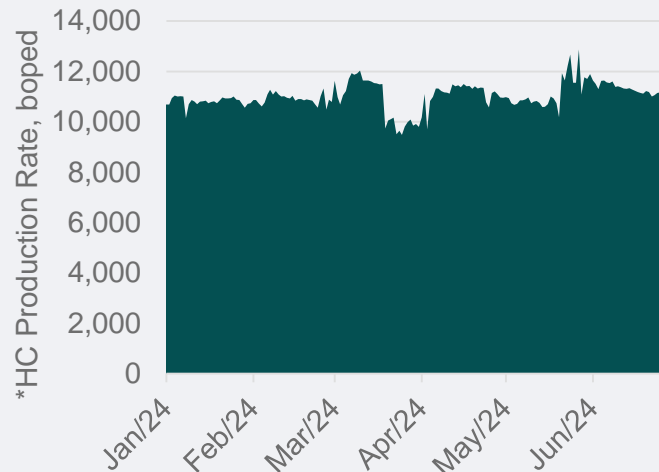
- RFDP approved on 9 January 2024; enabling 2-well drilling campaign in 2024
- Active well intervention and facilities optimisation programme

CNV Activities

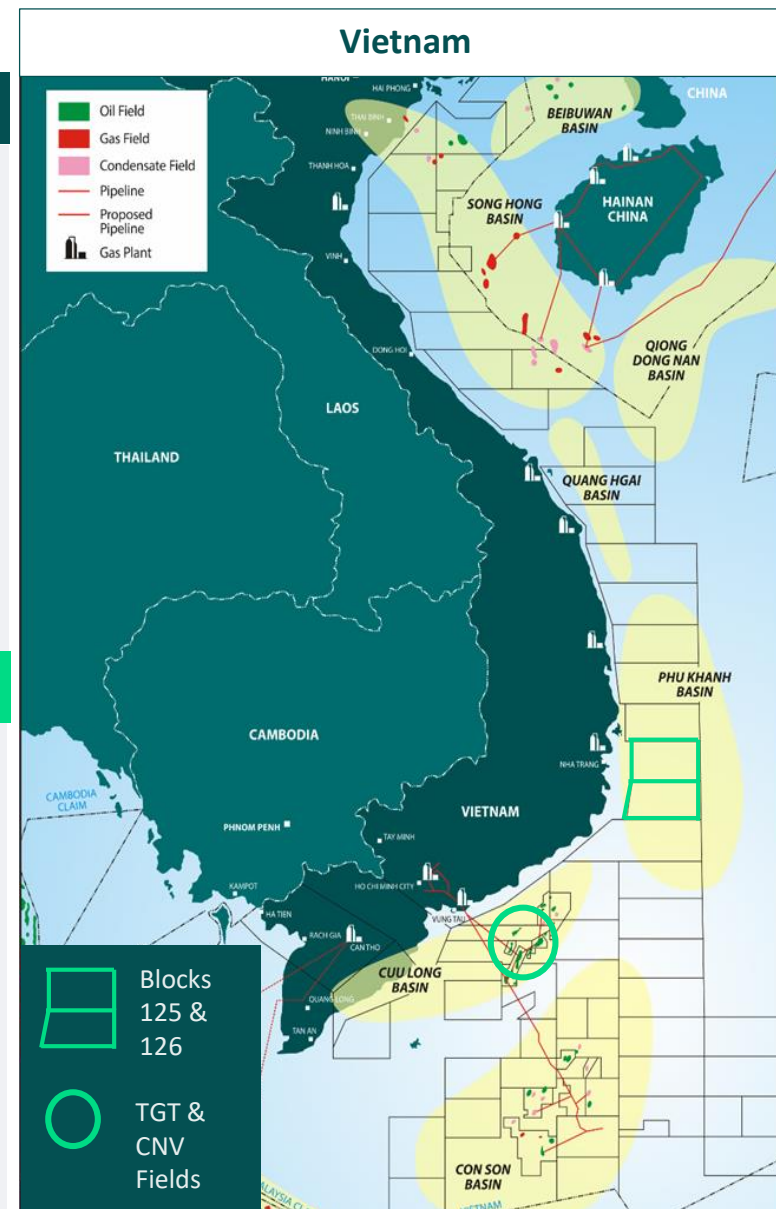
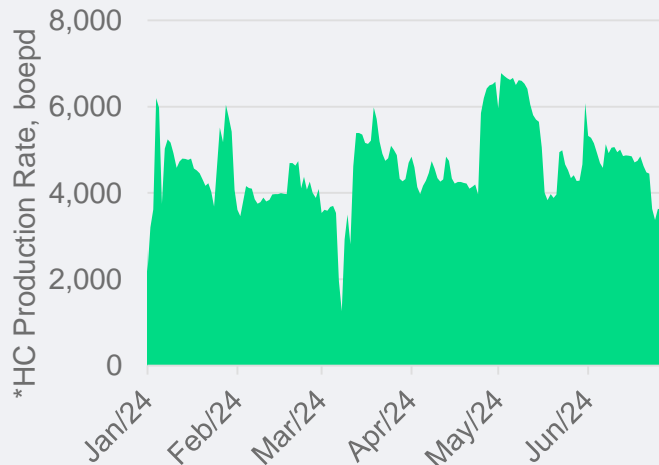
 1H 2024 Production net **1,167** boepd

- RFDP for two infill wells agreed by partners and submitted to government

2024 Production Performance - TGT



2024 Production Performance - CNV



Note: boe calculated using daily oil production and export gas.

VIETNAM – 2024 ACTIVITIES

TGT

- Commencement of two infill wells drilling programme in August
- Evaluation and planning of future infill drilling ongoing
- Agreement between Partners on terms and work programme commitments; now awaiting formal approval

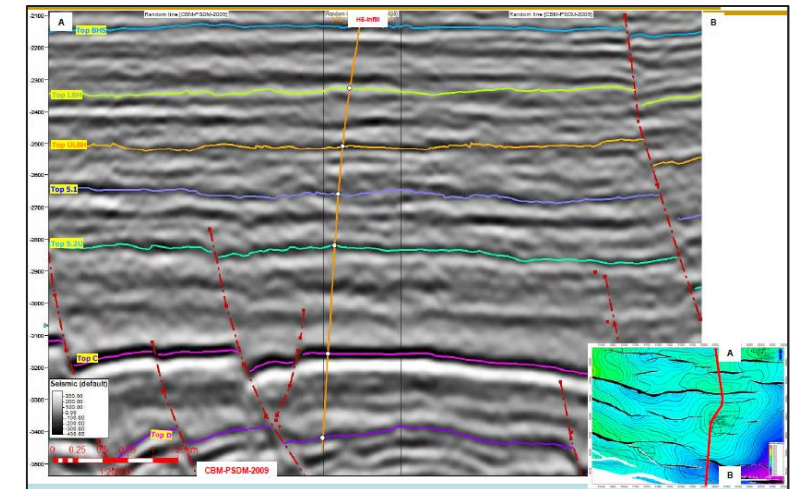
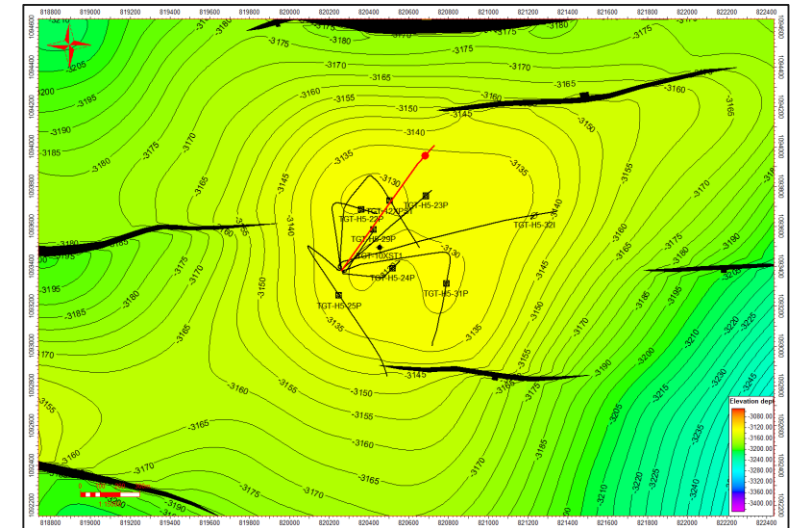
CNV

- Focus on platform and well-level production enhancement opportunities
- Data acquisition programme during CCP3 shutdown
- Agreement between Partners on terms and work programme commitments; now awaiting formal approval

Blocks 125 & 126 – Prospect of scale

- Long-lead items ordered in August
- Discussions ongoing with potential farm-in partners and rig contractors required to progress Block 125

TGT H5 Infill



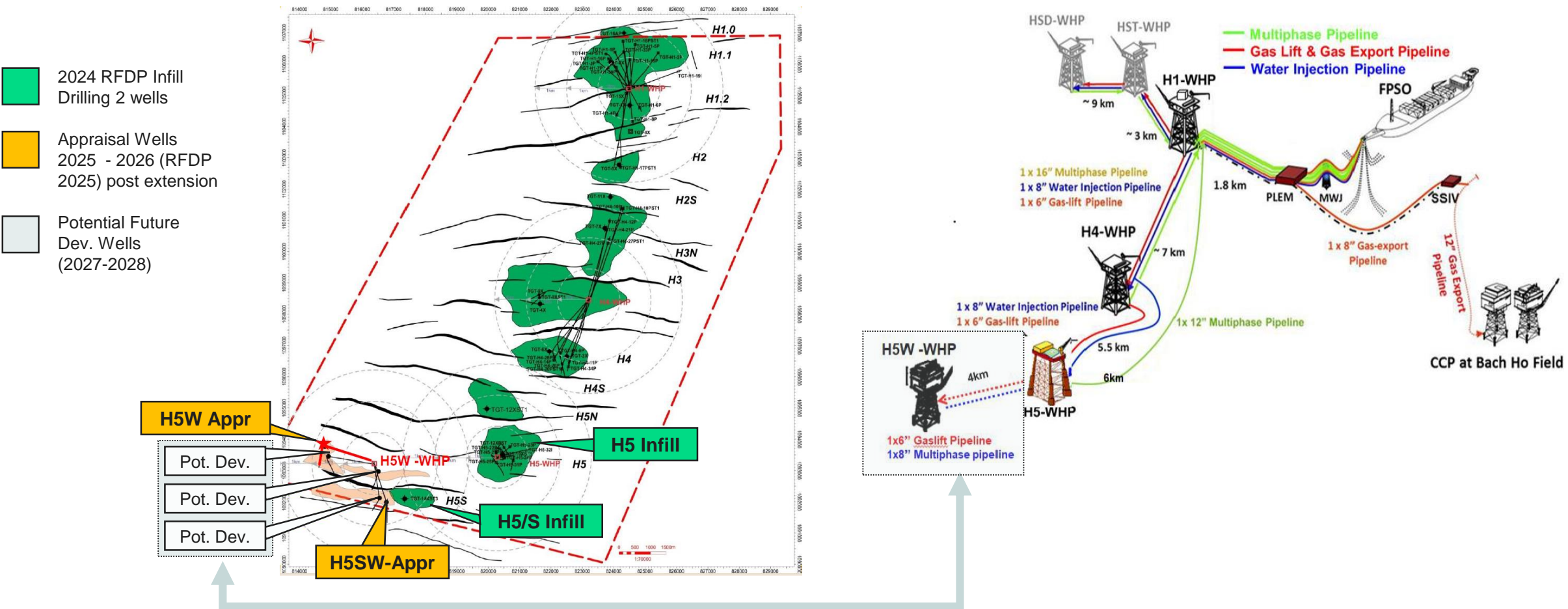
TGT 5-YEAR LICENCE EXTENSION PROJECT

3D Seismic reprocessing

2 Appraisal wells (1 firm & 1 optional) to appraise the western area of H5 fault block

Depending on success, development drilling programme will be commenced

Licence extension approval in progress



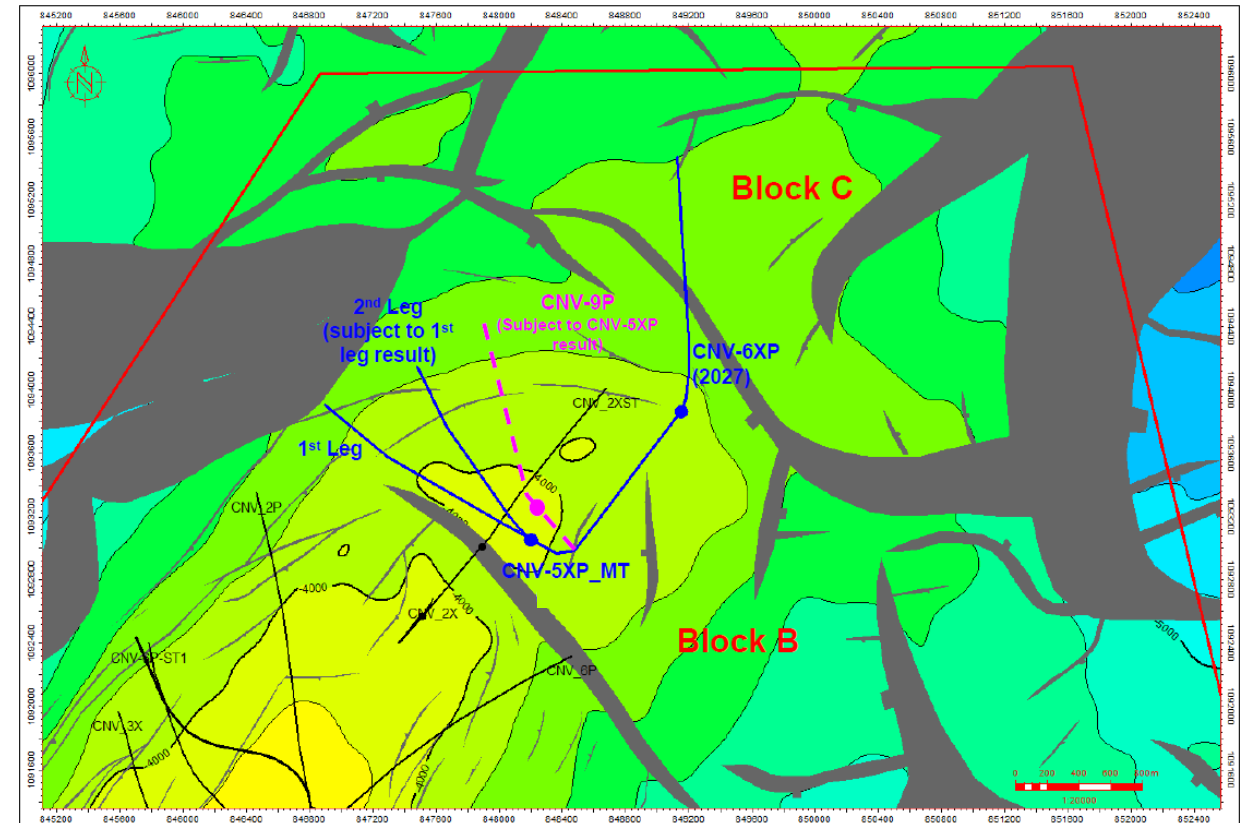
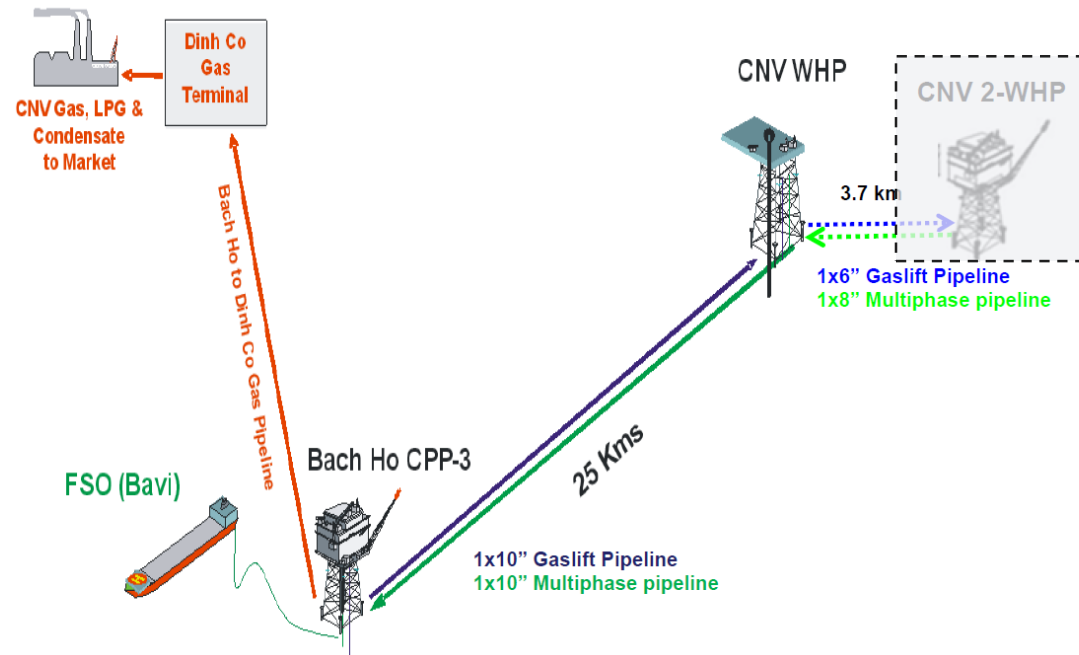
CNV 5-YEAR LICENCE EXTENSION PROJECT

3D Seismic reprocessing

1 Appraisal well (multi-lateral) to appraise Block B Basement Reservoirs

Depending on appraisal success, further appraisal and development programme will take place

Licence extension approval in progress



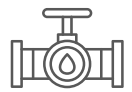
Egypt



EGYPT

- LOW COST & LOW RISK GROWTH OPPORTUNITIES

Egypt Production



1H 2024 Production net
1,395 bopd



2024 Production guidance net
1,300 - 1,500 bopd

El Fayum Activities

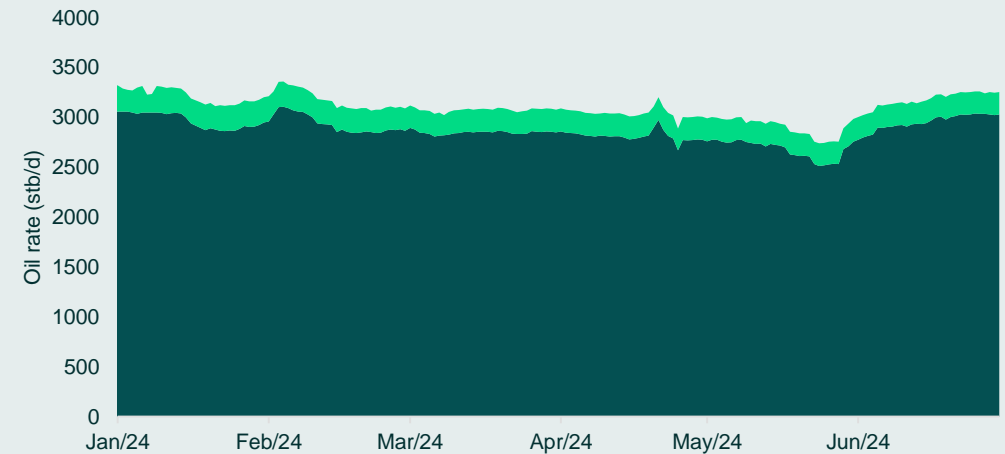
- Maintained production levels through low cost well repairs, recompletions and deployment of waterflood
- Preparation for drilling programmes for both El Fayum and NBS in 2H

NBS Activities

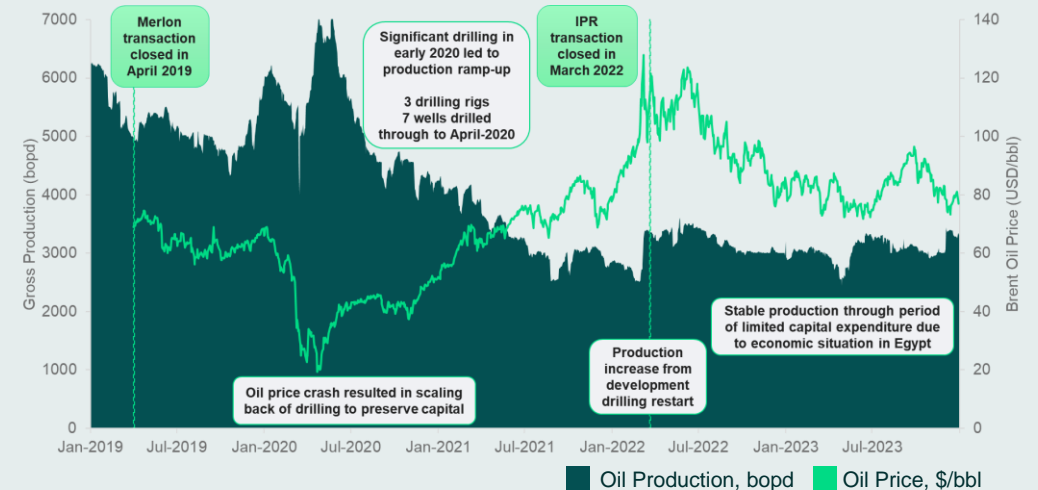
- Stable production from the first discovery well indicative of a large connected volume
- 3D seismic processing and interpretation is ongoing

2024 Production Performance – Egypt

■ El Fayum ■ NBS



El Fayum Historical Production



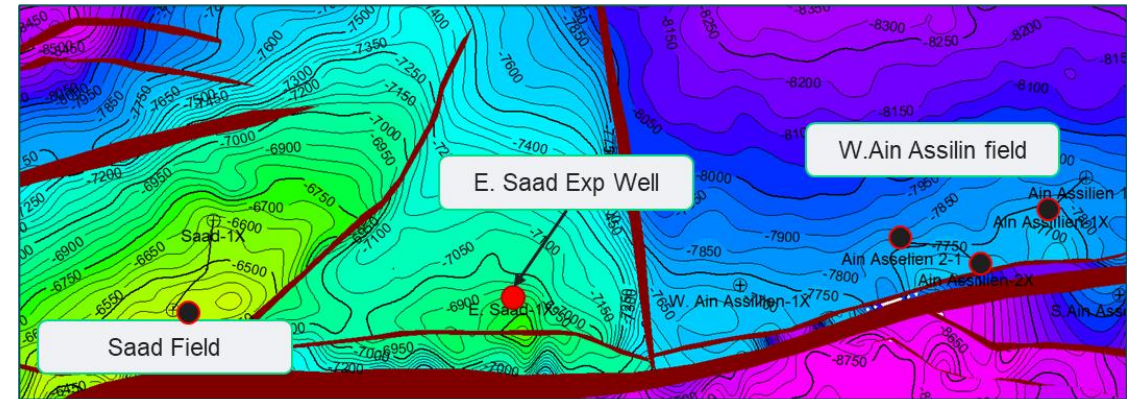
Note: Well count excludes water injectors and water supply wells. Development includes appraisal wells.

EGYPT – 2024 ACTIVITIES

El Fayum

- ✓ Completion of the exploration commitment well on El Fayum expected in 4Q
- ✓ Focus on water injection projects and recompletions
- ✓ Preparing for 2025 drilling plan

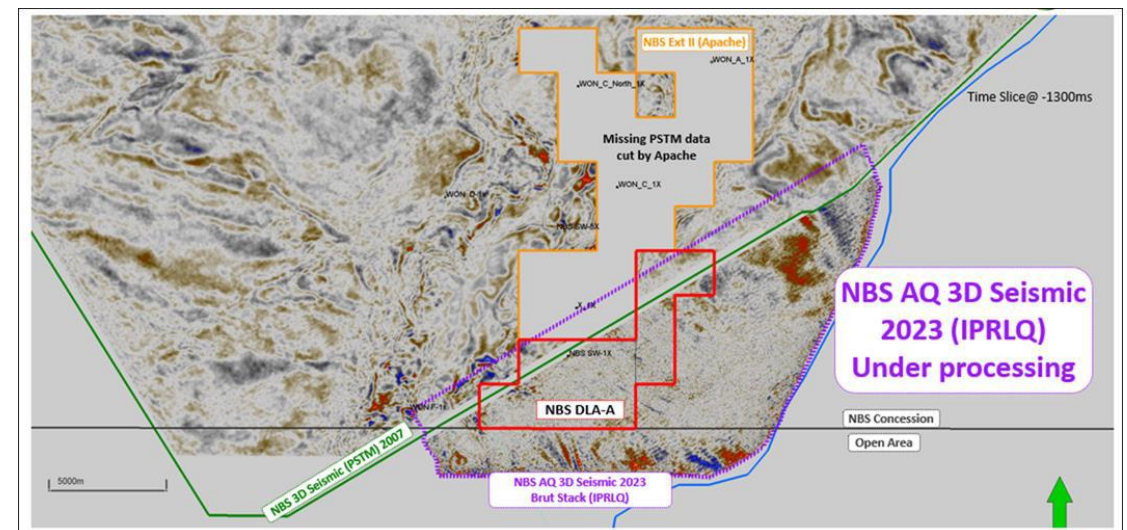
El Fayum Western Area – Saad and Ain Assillien Fields



North Beni Suef

- ✓ Development drilling in the NBS SW field planned to start in 4Q
- ✓ 3D seismic processing and interpretation expected to complete in 4Q

North Beni Suef 3D Seismic



EGYPT IMPROVING PROSPECTS

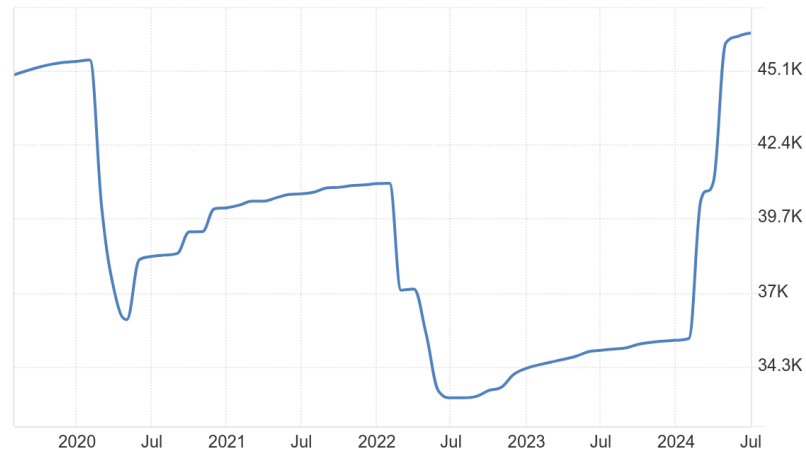
Egypt consolidation project

- Positive microeconomic signals
- Government committed to paying foreign contractors
- Proposed a win-win economic model to the government to consolidate the two concessions El Fayum and NBS
- The government is familiar with the consolidation project with several active and completed projects with other operators
- Long established relationship with the government with similar projects “El Fayum 3rd Amendment to the concession agreement”

Egypt Receivables



Egypt foreign Exchange Reserves*



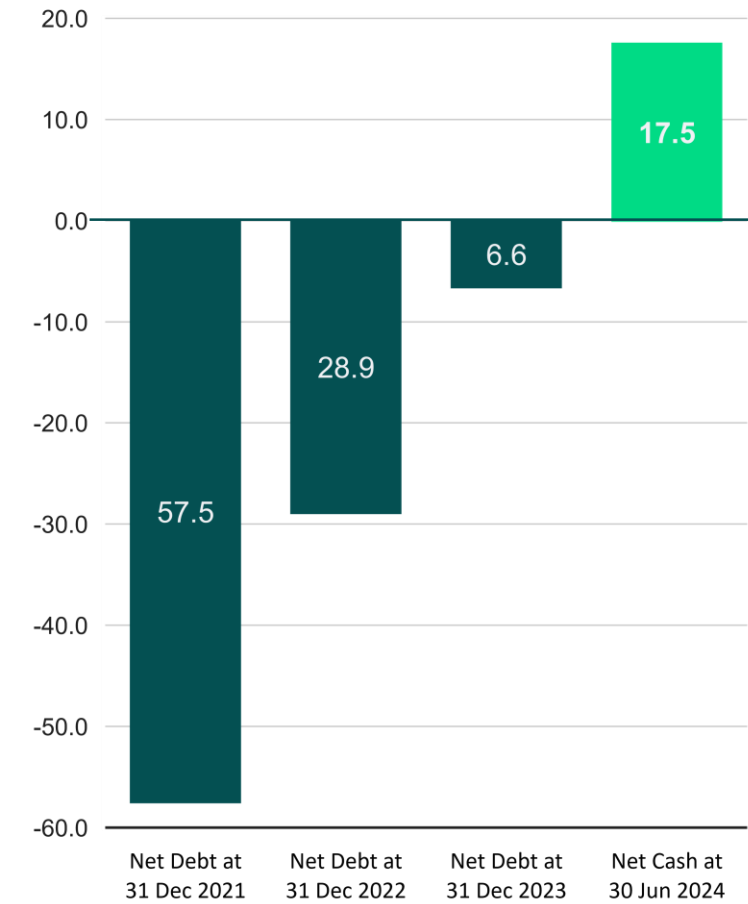
*Source: tradingeconomics.com | Central Bank of Egypt

Investing our receivables to grow value of asset base - appetite to invest grows as economy recovers

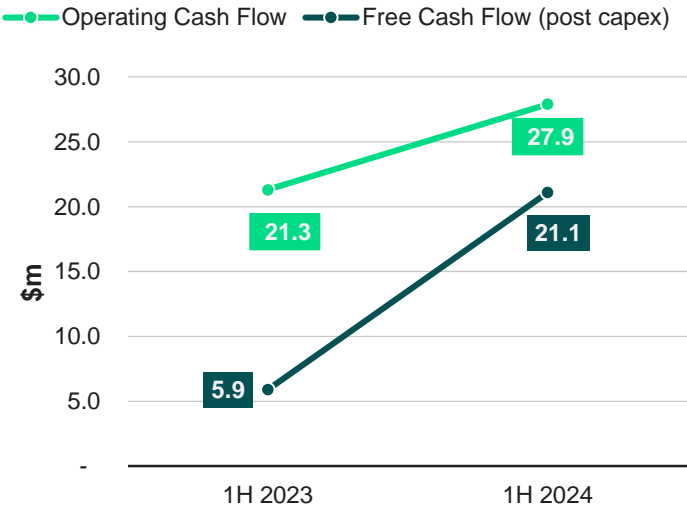
Financial Review

FINANCIAL STRENGTH

1H 24 from Net Debt to Net Cash (\$m)



Operating & Free Cash Flow (\$m)





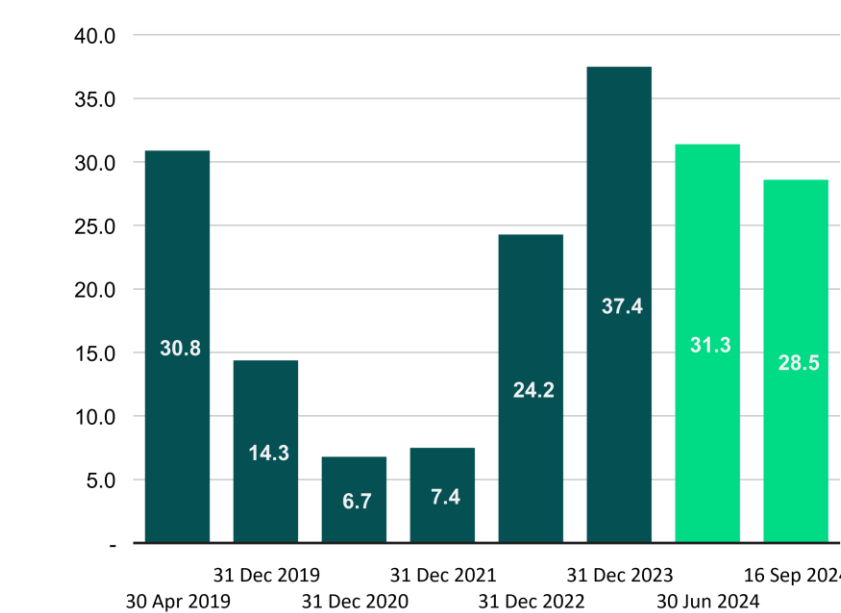
Debt down at HY

Now **DEBT FREE**



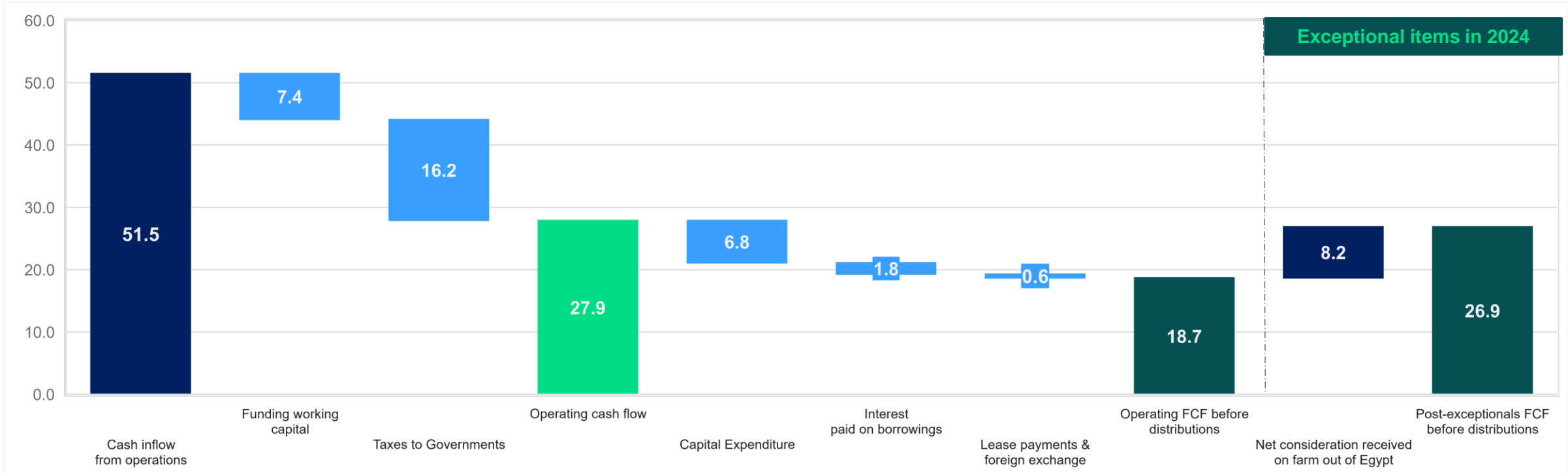
Business performance
net profit **\$2.7m**
(1H 2023: \$0.9m)

Egyptian Receivables – Over \$20m recovered YTD



- Egyptian Receipts in 1H 2024 **\$14.8m**
- **\$6.0m** Receipts since 1st July 2024
- **56%** recovery of year end receivables

STRONG FREE CASH FLOW FROM PRODUCTION (\$'M)

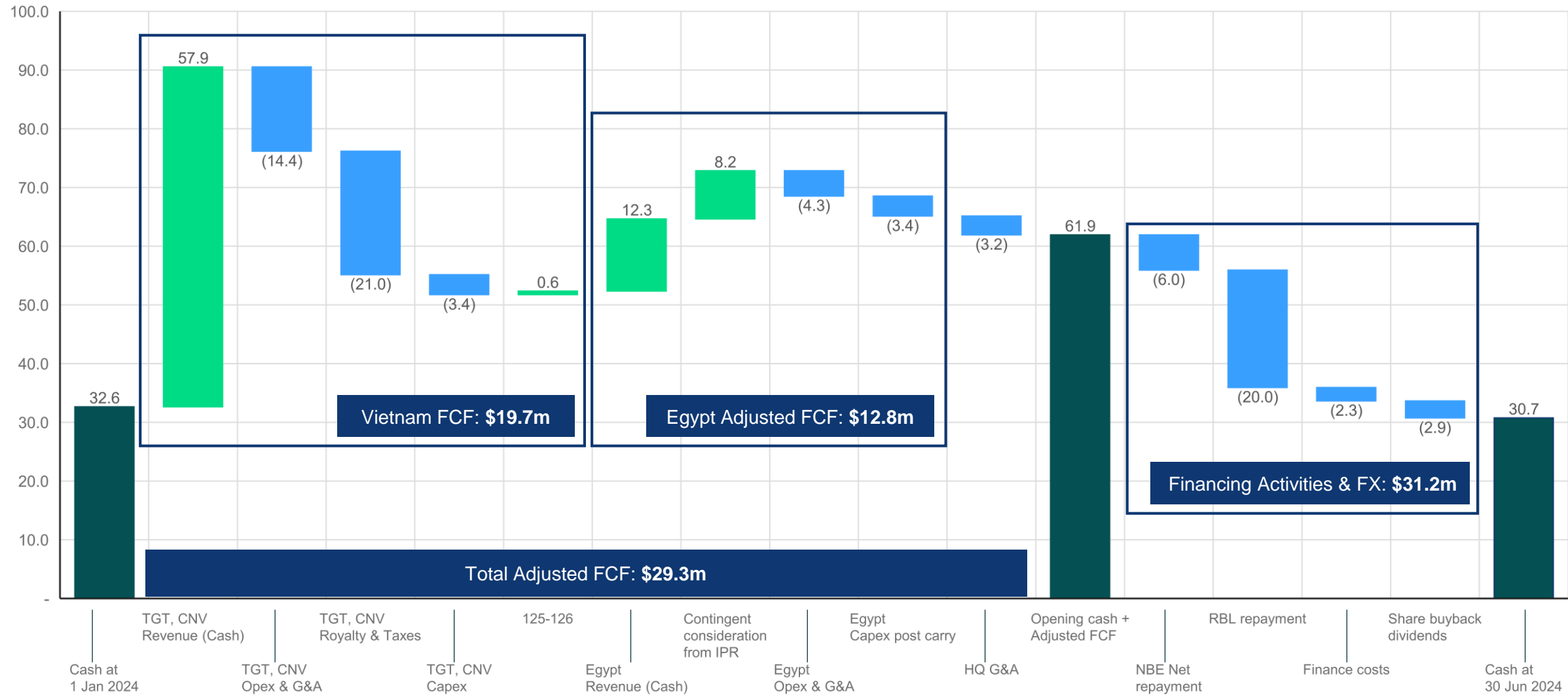


21% OPERATING FCF YIELD and 16% OPERATING FCF (POST-CAPEX) YIELD *

TOTAL CAPITAL EXPENDITURE \$6.8m					
VIETNAM			EGYPT		
TGT	\$0.9m abandonment	\$3.4m	El Fayum	2 conversions & 1 re-completion, plus cost allocations	\$3.4m
CNV	\$0.2m abandonment	\$1.6m			\$2.4m
Block 125	Cost allocations for operating office, incl. timewriting	\$0.6m	North Beni Suef	Production facilities installation, seismic processing & cost allocations	\$1.0m
		\$1.2m			

* OCF of \$27.9m, OCF (post-capex) \$21.1m and price per share of 23.80 pence as at 16 September 2024.

PHAROS SOURCES – USAGE 2024 \$M



SUSTAINABLE SHAREHOLDER RETURNS



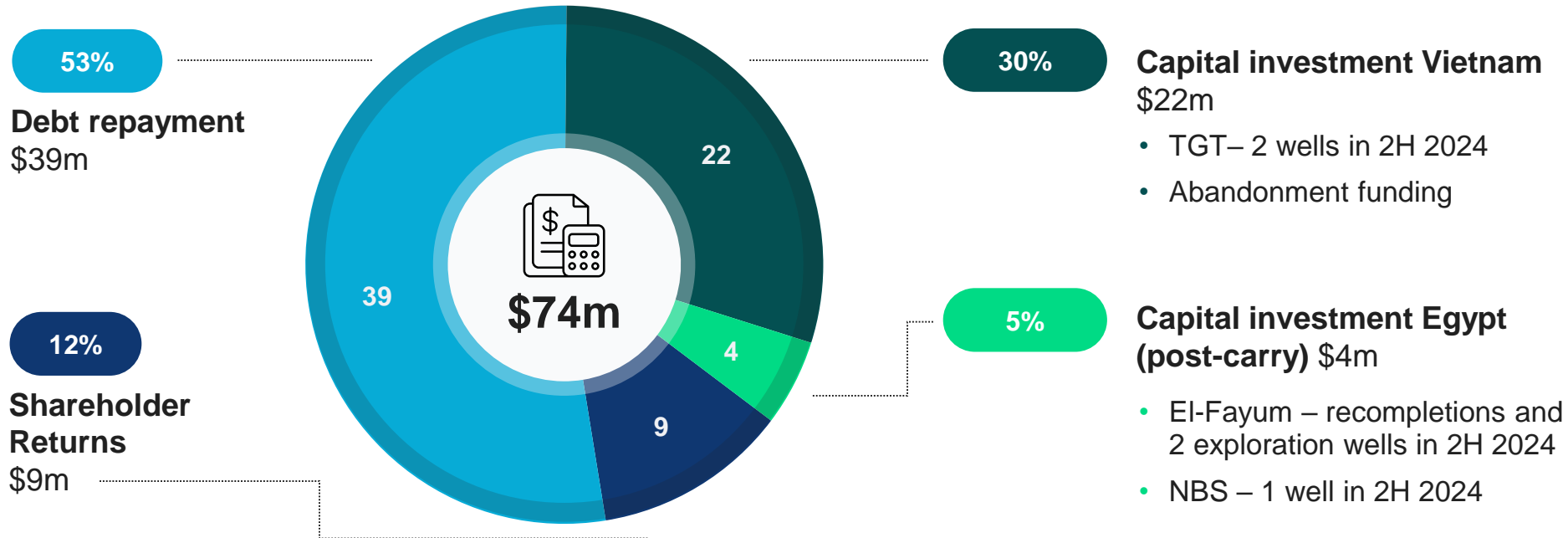
Dividends & Share buyback programme

- Dividend policy: To return no less than 10% of operating cash flows
- Interim dividend for 2024 of **0.363p a share**, \$1.9m, to be paid in January 2025 (**increase of 10% on prior year**)
- Ongoing share buy back now in third programme – \$6.8m redeemed by June 2024 since initiation
- Return to shareholders annualised yield c.7%*

* Return to shareholders yield assumes share buyback plus annualised dividends based on a share price of 24.5p per share.

2024 CAPITAL ALLOCATION

Disciplined capital programme focused on asset development, sustainable shareholders returns and strengthening balance sheet



Outlook:

Licence extension in Vietnam and consolidation in Egypt will enable further development activity across the assets

Vietnam

- Low break-even, high premiums to Brent
- TGT & CNV five-year licence extension work ongoing
- CNV RFDP approval in progress
- Block 125 ongoing discussions to secure a drilling slot

Egypt

- Contingent receipt - \$3.6m received in June 24 from IPR
- Ongoing discussion for assets consolidation and terms improvement
- Reduced receivables, over \$20m received so far in 2024



Sustainability

CORPORATE RESPONSIBILITY FRAMEWORK

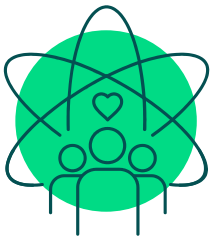
Operating a sustainable business



Environment

39,322 tonnes CO₂e produced by equity share in 1H 2024

11% decrease in total emissions compared to 1H 2023



Society

\$85,700 invested in 7 long-term community projects in 1H 2024

\$500,000 invested in training levies to develop industry talent in Vietnam & Egypt ⁽¹⁾



Business

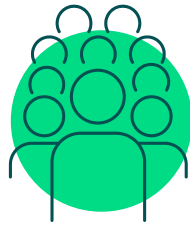
100% Vietnamese and Egyptian oil produced and sold domestically

\$188.0m tax & royalty payments to government in 2023 ^{(1) (2)}



Ethics

100% employees and relevant contractors undertaken annual anti-bribery and corruption (ABC) training



People

0 Lost Time Injury in Egypt & Vietnam⁽³⁾

11 nationalities across all assets

50% of Board members are women

United Nations Sustainable Development Goals

Aligning our social programme with the United Nations Sustainable Development Goals (UN SDGs). Building on community investments done by in-country JOCs for 20+ years.



(1) Data as at 31 December 2023. | (2) includes \$110.8m for indirect taxes based on production entitlement in Vietnam and \$18.4m indirect taxes based on production entitlement in Egypt. | (3) Pharos' Vietnam assets have maintained a zero Lost Time Injury record since inception.

UPDATE ON NET ZERO COMMITMENT



Net Zero Roadmap published

- Key commitment to Net Zero by 2050 for Scope 1 & 2 for all assets
- Key target 5% reduction by 2026. On course to meet target
- 18% reduction in total emissions in 2023 compared to baseline in 2021

✓ **COMPLETED**



Decarbonisation progress

- Reducing gas flaring
- Reducing fuel consumption
 - Gas generators in Egypt
 - LED lighting on FPSO and WHPs in Vietnam

IN PROGRESS



Other climate action

- Focus on enhancing measurement of GHG emissions data
- Obtaining ISO 14001:2015 certification in Vietnam
- Continue planning for the Emissions Management Fund

IN PROGRESS

On track to achieve key Net Zero targets

Outlook



INVESTMENT HIGHLIGHTS



FUTURE GROWTH

- **Strong operational delivery**
Stable production; robust assets
- **Financial strength**
Supports commitment to sustainable shareholder returns
- **Deleveraging provides future optionality**
Repayment of RBL and NBE in full; debt free from 2H 2024
- **Transparent, disciplined capital allocation**
Prioritise near term value creation for existing assets
- **Exploration upside**

- **Extract and grow value from existing assets with improved terms**
Vietnam development and appraisal;
Egypt recompletions and exploration
- **Maintain commitment to sustainable shareholder returns**
Dividend policy linked to operating cashflow;
Share buy back programme continues if competitive returns
- **Renewed focus on delivering exploration upside in Block 125**
Commitment to long lead items demonstrates confidence
- **Position of strength attracts additional growth options**
Delivering returns to shareholders **number one priority**

Transformed business | Focus on growth | Capital allocated for highest returns for shareholders

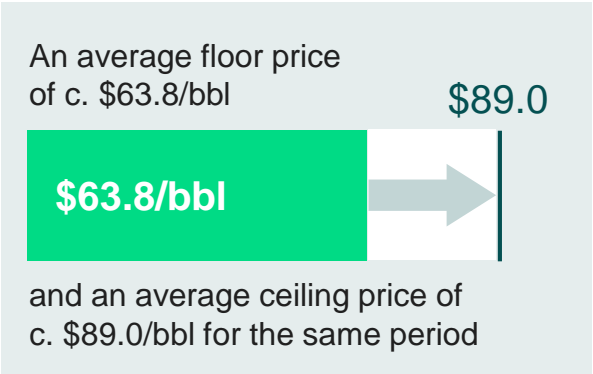
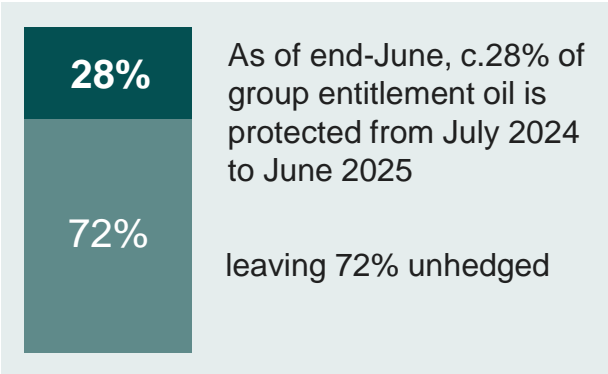
Appendix

HEDGING

Protecting revenues and retaining upside through hedging

HEDGING EXECUTION

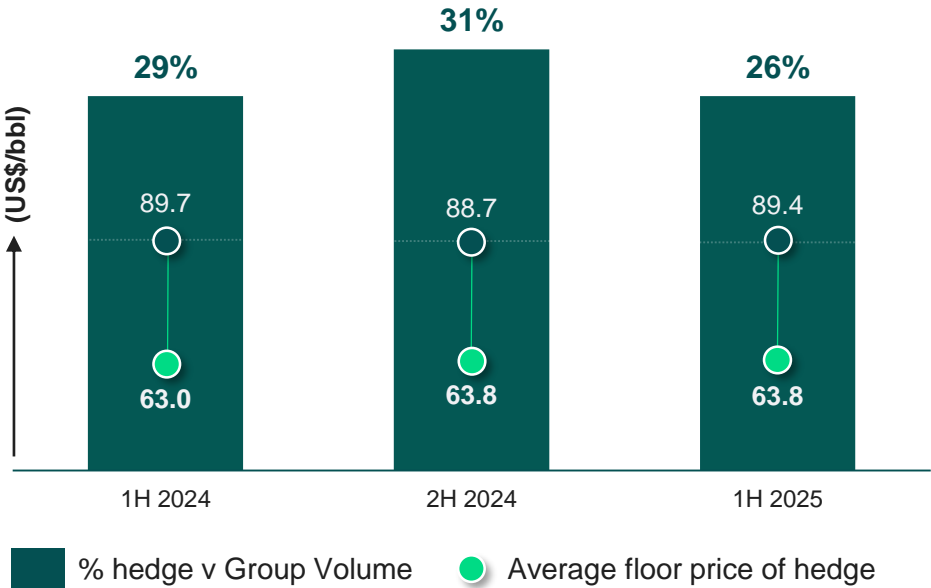
Pharos’ hedging policy protects against significant declines in oil prices while allowing for potential gains if prices increase



Fully hedged using zero-cost collar to eliminate upfront cost

HEDGING OUTLOOK

Hedged % of total group entitlement, average floor & ceiling prices



BLOCK 125 – INDEPENDENT ERCE STOIIP ASSESSMENT OF PROSPECTS

Prospect A (Drape and North)

Prospect Name	STOIIP (MMstb)			
	P90	P50	P10	Mean
Prospect A Drape UM 06	5	19	73	33
Prospect A Drape UM 05b	39	108	307	150
Prospect A Drape UM 05a	178	403	911	492
Prospect A North MMU	17	89	450	201
Prospect A North Top C	5	17	59	27
Prospect A North Top D	84	321	1,193	543
Prospect A North Top E	221	962	4,414	1,914
Prospect A North Lower E	196	818	3,363	1,488
Prospect A North Top F/G	147	1,504	15,684	6,983
Prospect A North Basement	279	1,226	5,404	2,359
Total	1,171	5,467	31,858	14,190

Full ERCE Competent Persons Report (CPR) available at:
www.pharos.energy/investors/results-reports-and-presentations/
 20 July 2023

Probabilistic Volumetrics Assessment

Lead A South

Prospect Name	STOIIP (MMstb)			
	P90	P50	P10	Mean
Lead A South UM06	119	489	1,961	874
Lead A South MMU	26	169	962	418
Lead A South Top C	87	398	1,746	757
Lead A South Top D	11	59	290	126
Lead A South Top E	144	635	2,760	1,198
Lead A South Lower E	76	381	1,947	837
Lead A South Top F/G	2,146	9,759	42,811	18,863
Lead A South Basement	726	2,687	9,945	4,436
Total	3,335	14,577	62,422	27,509

Prospect D

Prospect Name	STOIIP (MMstb)			
	P90	P50	P10	Mean
Prospect D Middle Miocene	528	2,568	12,761	5,505

Prospect E1

Prospect Name	STOIIP (MMstb)			
	P90	P50	P10	Mean
Prospect E1 UM15	22	73	253	118
Prospect E1 B1.2	3	16	74	33
Prospect E1 B1.1	51	277	1,457	662
Prospect E1 Top C	30	98	299	143
Total	106	464	2,083	956



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