



KISTOS
ENERGY IN TRANSITION

2022 Full Year Results Presentation

30 May 2023

Disclaimer



This presentation and its enclosures and appendices (the “presentation”) have been prepared by Kistos Holdings plc (the “Company”) exclusively for information purposes. This presentation has not been reviewed or registered with any public authority. This presentation is confidential and may not be reproduced, further distributed to any other person or published, in whole or in part, for any purpose. By viewing this presentation, you agree to be bound by the foregoing restrictions and the other terms of this disclaimer.

The distribution of this presentation and the offering, subscription, purchase or sale of securities issued by the Company in certain jurisdictions is restricted by law. Persons into whose possession this presentation may come are required by the Company to inform themselves about and to comply with all applicable laws and regulations in force in any jurisdiction in or from which it invests or receives or possesses this presentation and must obtain any consent, approval or permission required under the laws and regulations in force in such jurisdiction, and the Company shall not have any responsibility or liability for these obligations. This presentation does not constitute an offer to sell or a solicitation of an offer to buy any securities.

The contents of this presentation are not to be construed as legal, business, investment or tax advice. Each recipient should consult with its own legal, business, investment and tax adviser as to legal, business, investment and tax advice. In making an investment decision, investors must rely on their own examination of the Company and the terms of any investment in the Company, including the merits and risks involved. Although reasonable care has been taken to ensure that the facts stated in this presentation are accurate and that the opinions expressed are fair and reasonable, the contents of this presentation have not been verified by the Company or any other person. Accordingly, no representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this presentation, and no reliance should be placed on such information or opinions

Key highlights

A transformational year of continued growth



Completed acquisition of 20% interest of Greater Laggan Area in July 2022

Completed acquisition of Mime Petroleum in May 2023

Significant cash build

30 April 2023 cash of
€268mm

Gross debt reduced from €150mm to €82mm through repurchase of €68mm of bonds

30 April 2023 net cash of
€186mm

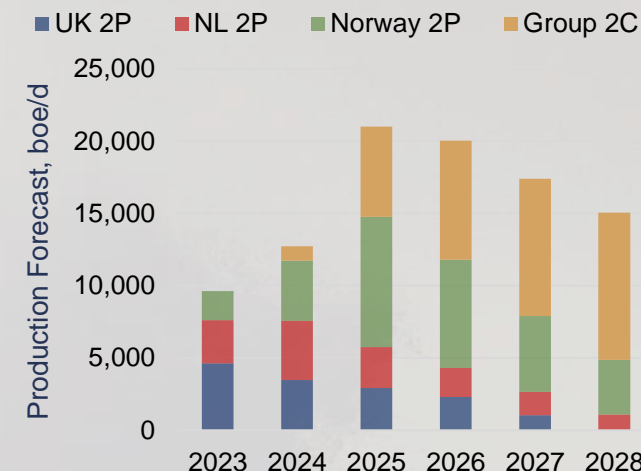
Average pro forma net daily production of 10.9 kboe/d in 2022

Total produced in 2022
3.9mmboe

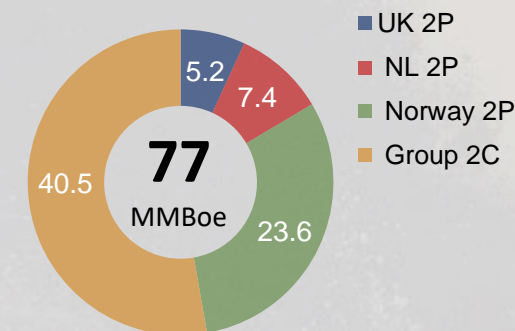
Benriach (Kistos 25%) exploration well result anticipated shortly

Post-tax well cost less than £3MM net to Kistos

Pro-forma Area Production Forecast



Pro-forma Reserves & Resources¹



¹Year-end 2022

Strategy at a glance

A proven track record of delivering against our objectives



Mission

Generate substantial shareholder returns by acquiring hydrocarbon assets that have a low carbon footprint (Scope 1 and Scope 2) and can be part of the energy transition



Delivery

3 Years
3 Deals
3 Countries

Share Price Performance



OUR PATH FORWARDS



Maximise low carbon footprint credentials



Focus on cash flow generation



Implement a progressive dividend policy



KISTOS

Financial highlights

Income statement

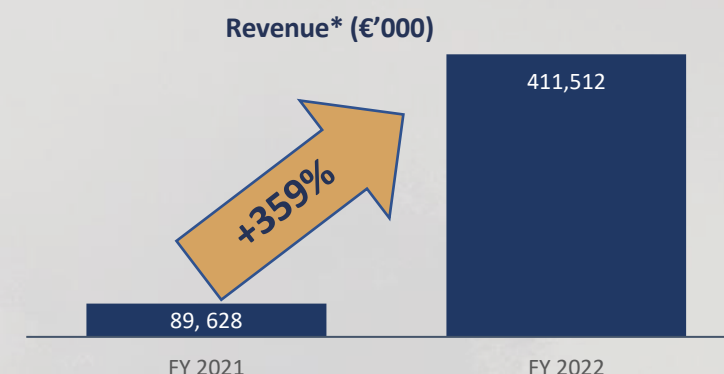
Strong cash generation supported by increased production

| | Unit | 2022 (Actual) | 2022 (Pro forma) ¹ | 2021 (Actual) | 2021 (Pro forma) ¹ |
|---|--------------------|------------------|----------------------------------|------------------|----------------------------------|
| Gas production ² | MM Nm ³ | 391 | 556 | 145 | 268 |
| Total production rate ³ | Boe/d | 10,600 | 10,900 | 4,300 | 5,000 |
| Revenue | €'000 | 411,512 | 568,445 | 89,628 | 116,731 |
| Average realised gas price ² | €/MWh | 98.7 | 93.8 | 57.4 | 39.8 |
| Unit opex ⁴ | €/MWh | 5.8 | 6.9 | 3.7 | 3.2 |
| Adjusted EBITDA ⁴ | €'000 | 380,015 | 517,202 | 78,861 | 102,862 |
| Statutory profit/(loss) before tax | €'000 | 254,125 | n/a ⁵ | (73,857) | (65,940) |

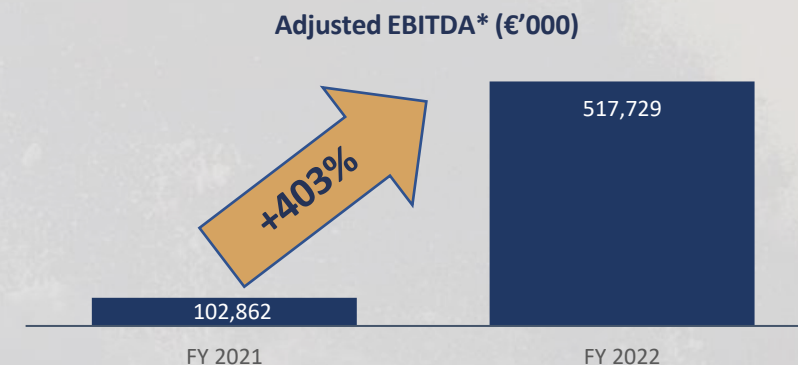
1. Pro forma figures include the GLA as if it had been acquired on 1 January 2022. The acquisition completed on 10 July 2022. Pro forma figures for 2021 include the results of Kistos NL1 and Kistos NL2 as if they had been acquired on 1 January 2021.
2. Comparative information has been restated to align with current year allocation methodology.
3. Total production rate includes gas, oil and natural gas liquids and is rounded to the nearest 100 barrels of oil equivalent per day. Actual production rates include the impact from acquired businesses only from the date of acquisition completion.
4. Non-IFRS measure. Refer to Appendix B to the financial statements for definition and calculation.
5. Certain pro forma equivalents are not applicable or meaningful. The GLA acquisition comprised the purchase of interests in an unincorporated joint arrangement with no pre-existing IFRS income statement, balance sheet or cash flow statement from which to derive pro forma information.

- * Adjusted EBITDA for the period stood at €517MM on a pro forma basis
- * Profit after tax of €26MM, including €44MM of impairment charges relating to exploration assets in the Netherlands and a total tax charge of €228MM
- * **Kistos was unhedged from April 2022**, allowing the company to benefit from the high gas price throughout the year

Revenue of €411 Million



Adjusted EBITDA €517 Million



*Pro forma

Balance sheet and capital structure

Well-capitalised to undertake development workstreams within our expanded portfolio

| Consolidated balance sheet (€'000) | 31 December 2022 | 31 December 2021 |
|-------------------------------------|------------------|------------------|
| Cash and cash equivalents | 211,980 | 77,288 |
| Current assets | 333,454 | 230,494 |
| Non current assets | 337,454 | 230,494 |
| Total Assets | 613,684 | 357,422 |
| Current liabilities | 184,147 | 68,554 |
| Non-current liabilities | 326,825 | 218,297 |
| Total Equity | 102,712 | 70,571 |
| Total Equity and Liabilities | 613,684 | 357,422 |

- ✳ **Retired 46% of outstanding debt** by repurchasing €68MN of Nordic Bonds, leaving €82MN outstanding.
- ✳ **Cash balance increased to €212MM on 31 December 2022**, achieved after capital expenditure and acquisition cash outflows of €67.0MM and bond repurchases of €72MM
- ✳ **H2 2022 capital expenditure** focused on value accretive drilling programme at Q10-A, and securing long-lead items for the Benriach exploration well
- ✳ **The Group continues to evaluate** several business development opportunities in the North Sea and elsewhere, given the company's strong financial strength



M&A

Entering the Norwegian Continental Shelf (NCS)

Providing a platform for growth in a fiscally stable jurisdiction

Adjusted consideration of \$111MM for 24mmboe 2P reserves

\$4.7/boe 2P reserves implied acquisition cost

Significant production growth to a peak of 10 kboe/d anticipated by mid-2025

Total forecast production of 2 kboe/d net in 2023

Acquisition marks Kistos' entry to the NCS and comes with a lean, experienced team

Platform for growth on the NCS

Aligned with leading NCS operator Vår Energi in its biggest project – the Balder X redevelopment

Operator expects first oil late 2024

Stable fiscal regime with clear incentives to invest, including hard tax rebates

2023 capex of c.\$130MM (78% cash tax relief available)



Source: Var Energi



Source: Offshore Technology

Balance sheet and resultant capital structure

Restructuring has allowed Mime to meet all CAPEX commitments



- * At 31 March 2023, Mime Petroleum AS. had net debt of US\$191MM
- * This excludes a tax rebate of US\$80MM due in December 2023
- * Post-completion, Mime's debt comprised:

| Mime Bond | Amount | Interest | Maturity |
|--------------|---------|-------------------------|----------------|
| Super Senior | \$120MM | 5.25% PIK 4.50% cash | September 2026 |
| MIME02 | \$105MM | 10.25% PIK | November 2027 |

- * The pro forma net debt of the enlarged Group now is as follows:

| Illustrative net debt ¹ | | Mime | Kistos | Pro forma consolidated |
|------------------------------------|------------|--------------|------------|------------------------|
| Cash at hand | €MM | 31 | 262 | 293 |
| Nordic Bonds | €MM | (207) | (81) | (288) |
| Net (debt)/cash | €MM | (176) | 181 | 5 |

¹ As if transaction had occurred on 31 March 2023, after \$75MM settlement of outstanding bonds by Mime and excluding contingent amounts payable.

- * Adjusted consideration for the transaction of \$111MM, equivalent to ~\$4.7/bbl 2P reserves
- * Payment of up to \$45MM is contingent on certain operational thresholds being met from 31 December 2024 to 31 May 2025
- * The consideration includes between 5.5 and 6 million warrants in Kistos Holdings Plc, exercisable at 385p/share

| Balance sheet impact of acquisition terms | US\$MM* |
|---|--------------|
| Mime cash at bank (31 March 2023) | 109 |
| Tax refund due (December 2023) | 80 |
| Payment to Bondholders (at completion) | (75) |
| Debt retained by the enlarged Group (at completion) | (225) |
| Adjusted Total | (111) |
| <i>Contingent amount (maximum payable in 2025)</i> | <i>(45)</i> |

* Based on NOK:USD 10.5:1 and EUR:USD 1:1.09 and on a like-for-like basis (i.e. excludes any additional cash injection into Mime from Kistos).



KISTOS

Operational overview

Balder and Ringhorne Production

Prolific hydrocarbon province with proven production history



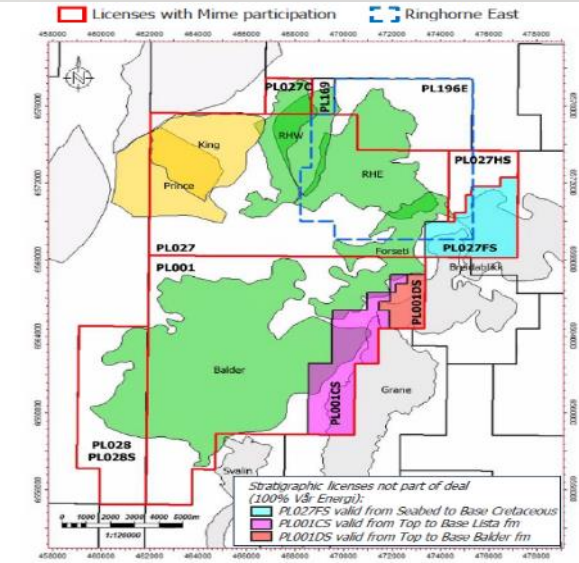
Balder & Ringhorne Producing Reservoirs

- ✱ Primary reservoirs constitute Paleocene-age Heimdal, Hermod and Eocene-age Balder formations
- ✱ Reservoirs are excellent quality, averaging 34% porosity with multi-darcy permeabilities
- ✱ 4D seismic is a crucial tool used to identify undrained sections of reservoir for future infill targets

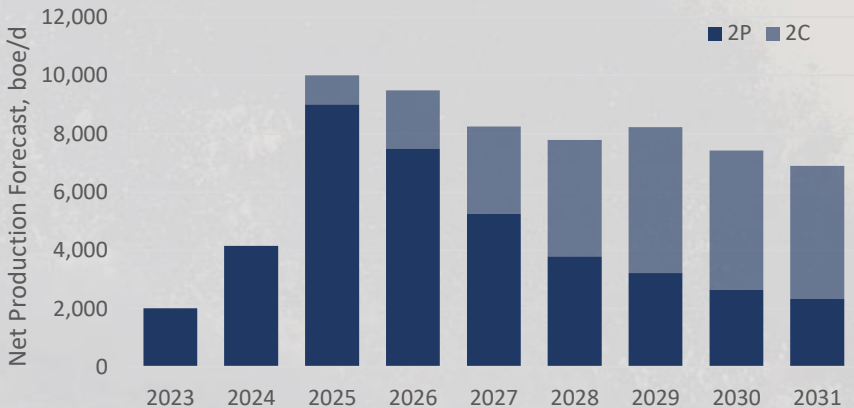
Infrastructure and 2023 Forecast Production

- ✱ Ringhorne platform and Balder FPU process and store hydrocarbons for periodic joint liftings
- ✱ Planned interventions include riser replacement, compressor servicing and a summer turnaround
- ✱ 2023 anticipated portfolio production forecast to be 2 Kboe/d net to Kistos Energy Norway

| Field | Discovery Date | First Oil | Cum. Prod to YE-2022 | Participants |
|---------------------------|----------------|-----------|----------------------|--|
| Balder | 1967 | 1999 | 477 mmboe | Kistos (10%), Vår Energi ASA* (90%) |
| Ringhorne (RHW & Forseti) | 1999 | 2003 | | Kistos (10%), Vår Energi ASA* (90%) |
| Ringhorne Øst (RHE) | 2003 | 2006 | 85 mmboe | Kistos (7.4%), Vår Energi ASA* (69.98%), DNO Norge AS (22.62%) |



Balder and Ringhorne Production Forecast inc. Developments



Balder X Development

Major infrastructure investment to increase production by 400% to 100k boe/d

Balder X Project

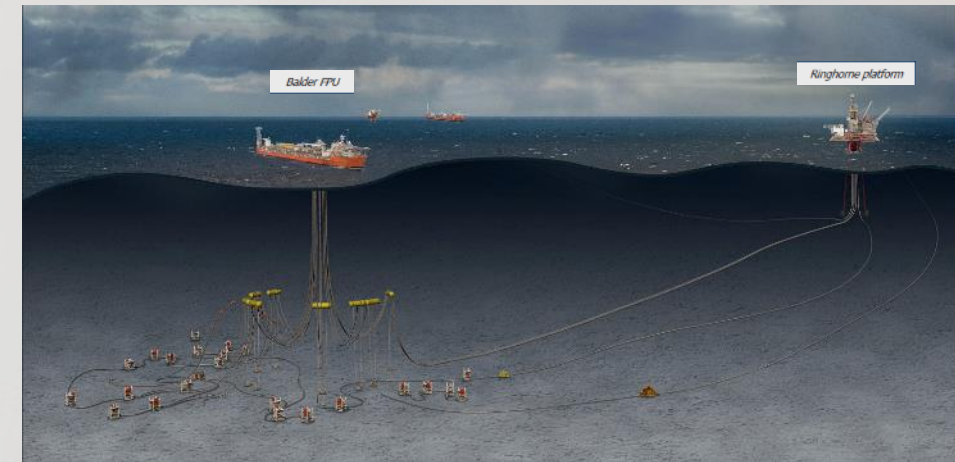
- ✿ Peak rates will boost Balder area production to over 10k boe/d net once Jotun start-up is achieved
- ✿ Sanctioned in 2019, expected first oil in 2024¹
 - Addition of 14 producers and 1 water injector – drilling underway since Q3 2021
 - Removal of Jotun FPSO (2020) into dry dock for refurbishment, planned re-deployment to new location planned for 2024 with significant life extension to beyond 2045
 - Overall >70% complete, operator estimates FPSO sail-away during 2024

Future Upside

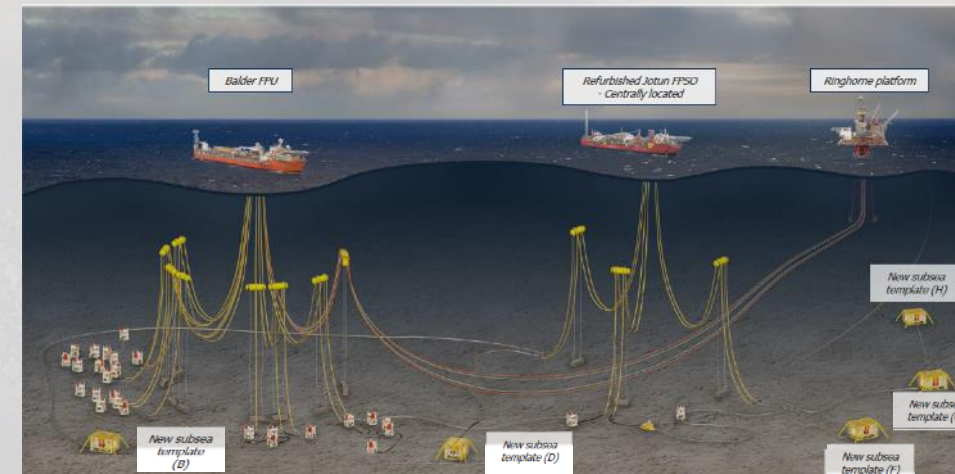
- ✿ Multiple infill well targets identified and progressing to sanction
- ✿ Facilities future-proofed with spare well slots and additional topside control systems
- ✿ Contract extension option on existing drilling rig
- ✿ New seismic being shot during 2023 – additional infill targets anticipated

¹Operator estimates

Current Balder / Ringhorne Field Layout



Planned Balder / Ringhorne Field Layout



Greater Laggan Area (UK)

A world class set-up

Producing assets

- * Four producing fields: Laggan, Tormore, Glenlivet and Edradour
- * Pro forma production of 6.2 kboe/d (95% gas) net to Kistos in 2022
- * Net reserves at year-end 2022 of 5.3 Mmboe

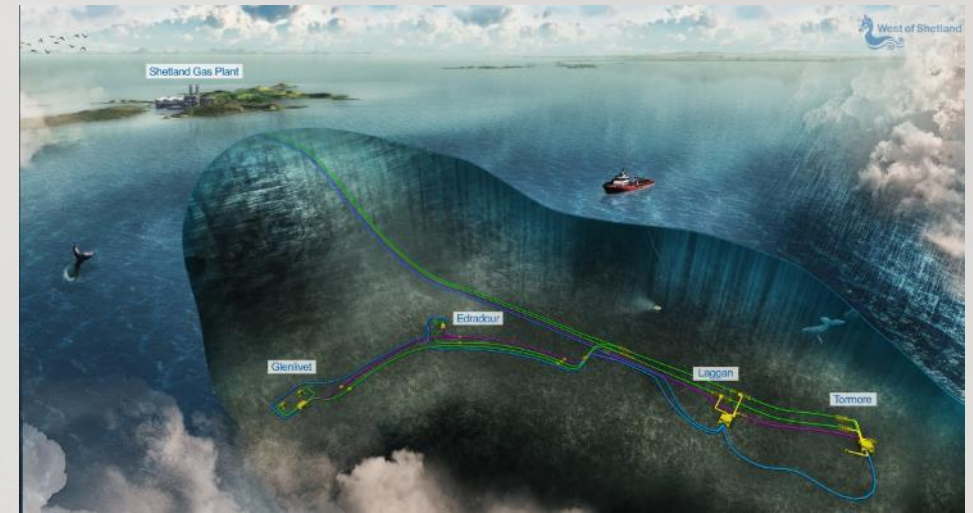
Shetland Gas Plant ("SGP")

- * The plant was designed to process up to 500 MMscf/d
- * 2022 Scope 1 + 2 emissions intensity of 11.9kg CO₂e/boe

Key Developments

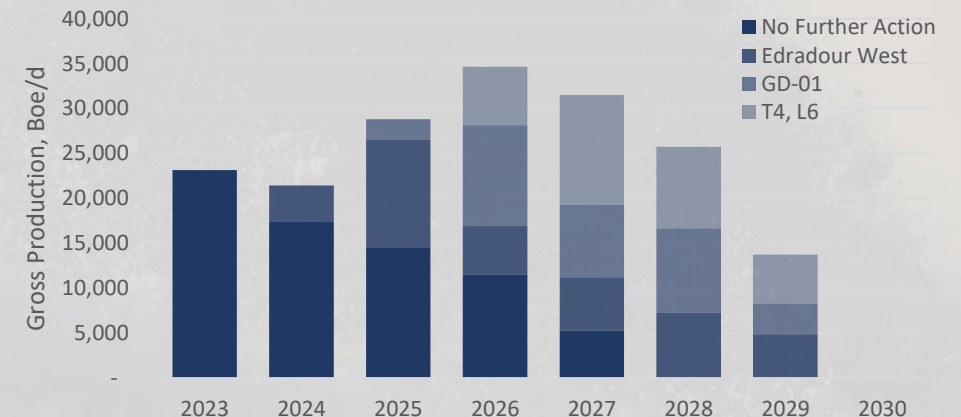
- * Edradour West FID anticipated November 2023, offshore campaign during 2024, first gas October 2024
- * Glendronach economics attractive, project on hold while TEPUK (the operator) works to offset cost inflation
- * Benriach exploration well underway and result expected by the end of Q2
- * Shell UK operated Victory gas field targeting first gas Q4 2025 – would increase throughput at SGP, extending GLA life and reducing unit opex
- * 4D seismic being acquired in 2023 to evaluate further opportunities in the basin

Greater Laggan Area ("GLA") Overview



Source: TEPUK

GLA Production Forecast inc. Developments



Netherlands

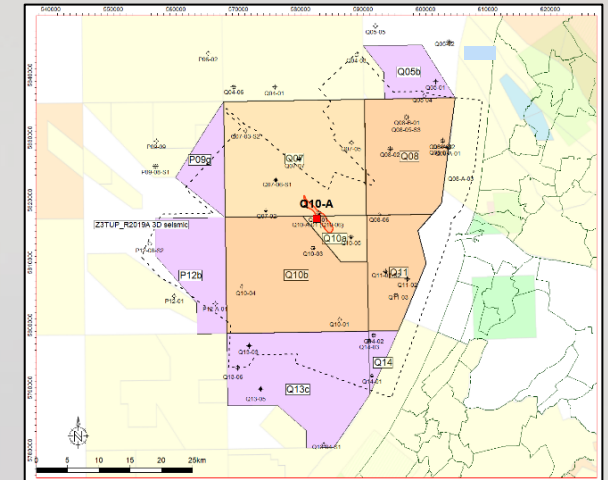
Existing production with upside

Q10-A producing field

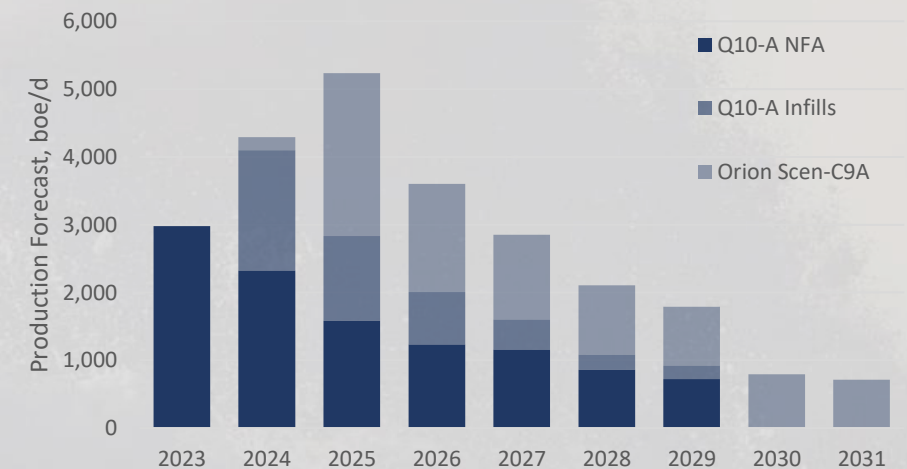
- * Q10-A platform is a 4-leg steel jacket, currently with 6-well slots (can increase to 8 slots) and minimal facilities
- * Self-sustaining platform powered by two wind turbines plus an array of solar panels with battery storage
- * Located in shallow (~20m) water depths, ~20km from shore
- * Wet gas production is routed down a dedicated 14", 42km pipeline to the TAQA-operated P15-D platform
- * P15-D processes gas to sales spec, before exporting through a 26" line to the grid at Maasvlakte
- * Average daily production from Q10-A was 4.7 kboe/d (net to Kistos) in 2022

Orion oil discovery

- * Located in the Vlieland formation, above the gas-producing reservoir of Q10-A, flowed 3,200 b/d on test during 2021
- * Base case concept envisages commingled production through existing 14" PL to P15 receival facilities, utilising artificial lift
- * Concept Assess Stage gate passed in late 2022
- * Concept Select phase split into two stages and expected to complete in Q3
 - * Stage 1 – focus on "red flags"
 - * Stage 2 – anticipated to commence before the end of Q2 with intention to commence FEED prior to year-end 2023 for FID and execution during 2024



Q10-A Area + Orion Production Forecast





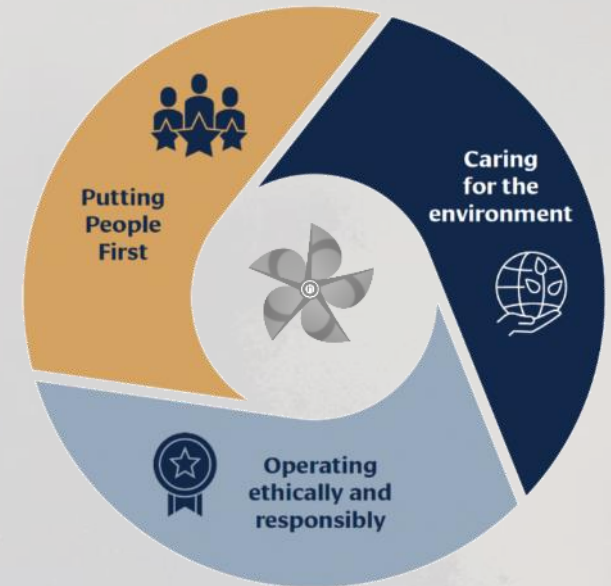
KISTOS

Sustainability

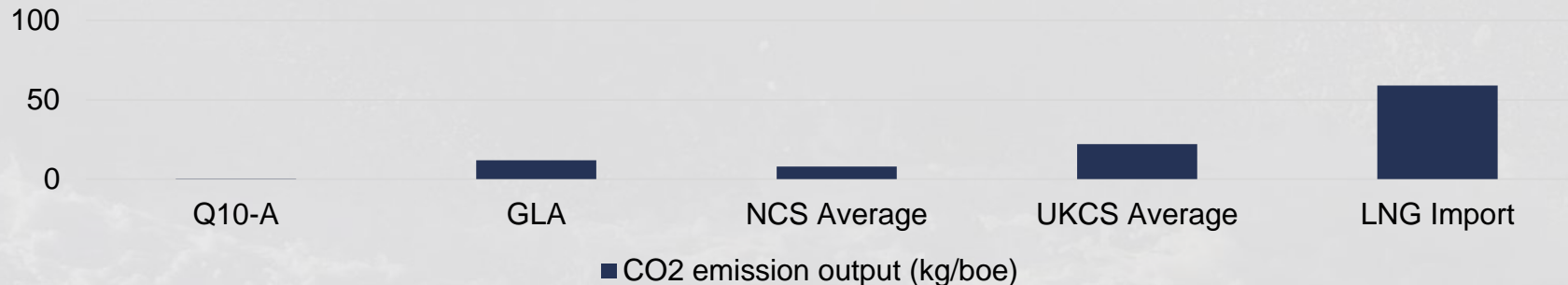
Sustainability

Maintaining an industry-low CO₂ footprint

- ✿ As an energy business with a vital role to play in society's transition to a low-carbon future, we constantly look for opportunities for growth and value-creation for our investors
- ✿ We continue to explore ways to produce gas with a very low carbon footprint. In 2022, plans were made to increase the wind generation capacity at Q10-A. This will be implemented in 2023
- ✿ Q10-A platform is unmanned and powered sustainably using solar energy and wind turbines. This saves an estimated 41 tonnes of CO₂ emissions annually
- ✿ Estimated Scope 1 emissions related to our activities in the Netherlands were less than 0.01kg CO₂e/boe (excluding necessary flaring during drilling operations)
- ✿ Scope 1 and Scope 2 emissions from the GLA are significantly below the UK North Sea average
- ✿ The company strictly adheres to EU REACH regulations in preventing effluents and waste



Gas Producing Assets¹

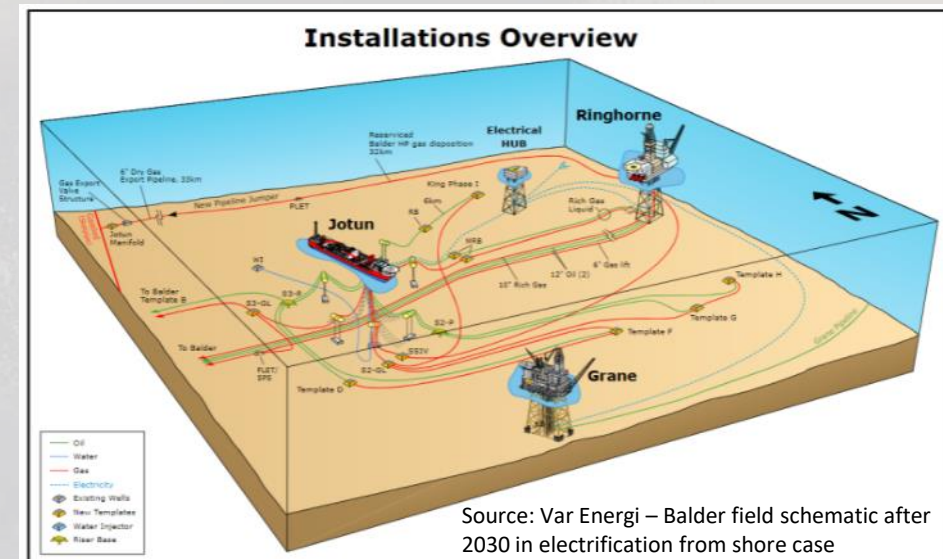
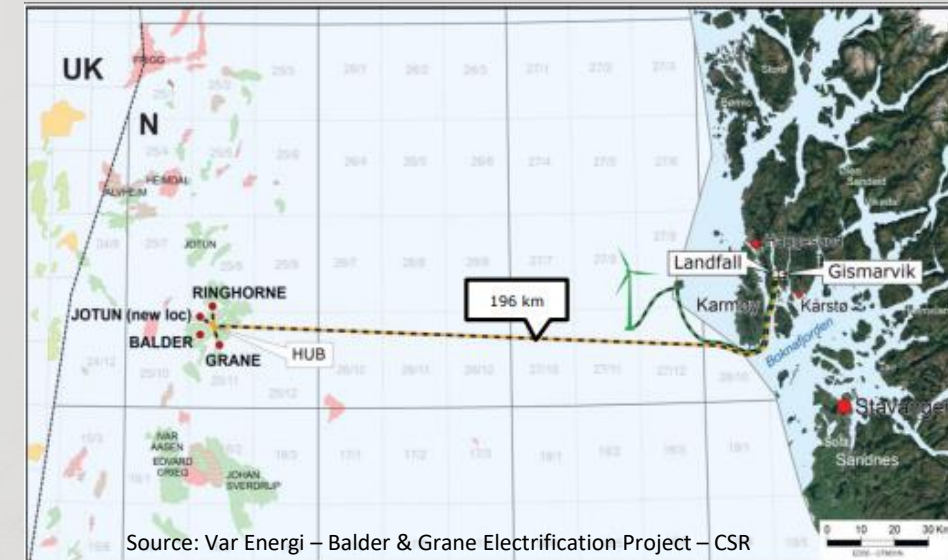


¹Source: North Sea Transition Authority

Case Study

Aligning our sustainability strategy with our M&A strategy

- ✳ The Acquisition of Mime Petroleum is consistent with Kistos' strategy to acquire hydrocarbon assets with a route to a lower carbon footprint
- ✳ The operator of the Balder fields has publicly stated ambition to reduce GHG emissions from its operations
- ✳ Carbon emissions intensity expected to reduce by more than 50% to <8kg/boe in 2025, significantly better than the North Sea or global average
- ✳ There is an opportunity to materially reduce emissions through the potential electrification of Jotun FPSO and Ringhorne Platform from shore
 - This project passed concept select phase in Q1 2022
 - It is being further matured in conjunction with the Grane joint venture, operated by Equinor
- ✳ The Balder FPU is currently planned to go off station in 2030, which will result in a significant reduction in total area emissions



Outlook

Investing in our future

Foothold in three attractive markets with consistent production and plentiful development workstreams



Norway

- * Acquisition of material portfolio at an attractive price
 - US\$4.70/boe of 2P reserves, US\$2.07/boe of 2P reserves plus 2C resources
 - Operator is a leading NCS E&P company with a clear strategy to develop key hubs
- * Platform for further deals with experienced team of industry professionals
- * Clear path to substantial production growth by 2025 in prolific region
- * Stable fiscal regime to enable confident investment decisions



United Kingdom

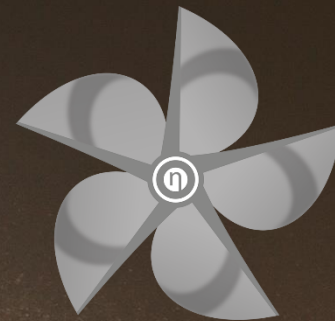
- * Well-timed acquisition during 2022
- * World class and committed operator in TotalEnergies
- * Near term developments, third party opportunities, and exploration upside
 - Current fiscal regime supports short-cycle investment
 - Potential to enhance and extend field life
 - Potential for 3rd party tariffs to lower unit operating costs



The Netherlands

- * Upside from infill drilling exists in Q10-A
- * Orion Concept Select phase is progressing with FID anticipated this year
- * Exposure to continental European gas prices





KISTOS

Contact us today

Kistos Holdings plc

2nd Floor

3 St James Square

London

SW1Y 4JU

E info@kistosplc.com

T +44 (0)20 4531 2800

kistosplc.com