From: EIG Separate Investments (Cayman), LP.

To: Harbour Energy plc ("**Harbour**")
Basf Handels- Und Exportgesellschaft Mit Beschränkter Haftung ("**BHE**")
L1 Energy Capital Management Services S.à.r.l ("**L1 Energy**")
BASF SE ("**BASF Topco**")
Letterone Holdings S.A. ("**Letterone Topco**")
(together, the "**Parties**" and each individually a "**Party**")

21 December 2023

Dear Sir/Madam

Project Warwick - Proposed acquisition by Harbour

1. **Transaction**

In this undertaking (the "**Undertaking**"), the "**Transaction**" means the proposed acquisition by Harbour of the entire issued and to be issued ordinary share capital of the target company, subject to and in accordance with the terms of the business combination agreement between Harbour, BHE, L1 Energy, BASF Topco and Letterone Topco dated on or around the date of this Undertaking (the "**Business Combination Agreement**"), as more particularly described in the transaction announcement announcing the Transaction issued or to be issued by Harbour pursuant to Chapter 10 of the Listing Rules of the Financial Conduct Authority (the "**FCA**") (the "**Listing Rules**") (the "**Transaction Announcement**").

2. **Condition of Undertaking**

The terms of this Undertaking are conditional on the release of the Transaction Announcement (in substantially the same form as set out in Appendix 1) within three business days of this Undertaking (or such later date as the Parties may agree).

3. **Consideration**

The Undertaking is given in consideration of the Parties agreeing to proceed with the Transaction.

4. **Introduction**

4.1 We are aware that the Transaction would constitute, for the purposes of the Listing Rules, a transaction which requires, and accordingly will be conditional on, among other things, the approval of Harbour's shareholders (the "**Harbour Shareholders**").

4.2 We understand that Harbour is proposing to despatch a class 1 circular (the "**Circular**") and a prospectus (the "**Prospectus**") in respect of the Transaction to the Harbour Shareholders and convene a general meeting of the Harbour Shareholders (together with any adjournments to such meeting, the "**General Meeting**") to consider and, if thought fit, approve:

(a) a resolution that the Transaction be approved for the purposes of Chapter 10 of the Listing Rules, and that Harbour's directors be authorised to take or procure to be taken all such steps as they consider necessary, expedient or appropriate to implement the Transaction;

(b) a resolution that the Harbour directors be authorised to exercise all of the powers of Harbour to allot the Harbour ordinary shares and the non-voting ordinary shares with preferential rights required to be allotted and issued to BHE and L1 Energy respectively pursuant to and in accordance with the terms of the Business Combination Agreement and in respect of the non-voting ordinary shares with preferential rights, with such rights as are set out in the Business Combination Agreement;

(c) a resolution of the independent shareholders of Harbour approving the waiver by the Panel on Takeovers and Mergers (the "**Panel**") of the obligation that would otherwise arise for BHE and L1 Energy to make a general offer to Harbour Shareholders pursuant to Rule 9 of the City Code on Takeovers and Mergers (the "**Takeover Code**"); and/ or

(d) any related matters proposed at such meeting,

each a "**Resolution**" and together the "**Resolutions**".

5. **Ownership of shares**

We hereby irrevocably and unconditionally, represent and warrant to the Parties that at the date of this Undertaking:

5.1 We are the holder of beneficial interests in the number of ordinary shares of 0.002 pence each in the capital of Harbour ("**Harbour Shares**") specified in Schedule 1 (the "**Existing Shares**"), free and clear of any lien, security interest or other interest which imposes any restriction on the right to exercise the voting rights attached to the Existing Shares.

5.2 Save as set out in Schedule 1, we are not interested in any other securities of Harbour and we do not have any rights to subscribe, purchase or otherwise acquire any securities of Harbour.

5.3 We have full power and authority and the right (free from any legal or other restrictions) to enter into this Undertaking and to perform the obligations in this Undertaking in accordance with its terms, to exercise (or procure the exercise of) all voting rights attaching to the Existing Shares and otherwise to take all necessary actions (or procure that they are taken) to approve the Transaction in respect of the Existing Shares.

6. **Undertakings**

6.1 We irrevocably undertake to the Parties that, in our capacity as a shareholder of Harbour, we shall:

(a) cast (or procure the casting of) all votes in respect of any and all Harbour Shares (or interests in Harbour Shares attributable to or deriving from such Harbour Shares), in respect of which we are the registered holder or the holder of a beneficial interest, at the voting record time for the General Meeting (the "**Shares**"), in favour of the Resolutions (with or without amendment), either in

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person or by executing and lodging a form of proxy or by giving an instruction to a proxy via the CREST system as soon as possible and in any event within the time period for receipt of proxies set out in the Circular (or as otherwise announced by Harbour); and

(b) not revoke or amend any form of proxy referred to in paragraph 6.1(a) which has been lodged or submit any new form of proxy or other proxy voting instructions in respect of the Shares for the purposes of the Resolutions.

6.2 We hereby represent, warrant and irrevocably undertake to the Parties that we shall (and shall, to the extent relevant, procure that the registered holder shall):

(a) not exercise (or procure the exercise of) any of the voting rights attached to the Shares at the General Meeting other than in accordance with this Undertaking; and

(b) not, in the capacity as a holder of Shares, enter into any agreement or arrangement with any person, whether or not conditionally, to do or omit to do (as applicable) any of the acts referred to in this paragraph 6.

7. Lapse of Undertaking

7.1 All of our obligations pursuant to this Undertaking will lapse and cease to have effect on and from the earliest of the following occurrences:

(a) the Business Combination Agreement is terminated in accordance with its terms;

(b) if any person announces a firm intention pursuant to Rule 2.7 of the Takeover Code to acquire the entire issued and to be issued ordinary share capital of Harbour; or

(c) the Transaction has not become effective by 23:59 on 20 June 2025.

7.2 If the obligations in this Undertaking lapse, we shall have no claim against the Parties and the Parties shall not have a claim against us under this Undertaking other than in respect of any prior breach of any of the terms of this Undertaking.

8. Consents

We agree to:

8.1 promptly, upon request, provide such information as you may reasonably require for the preparation of the Circular or Prospectus or any announcement to be made by Harbour in connection with the Transaction in order to comply with the requirements of the London Stock Exchange plc, the FCA, the Takeover Code, the Panel or of any other applicable regulatory authority, law or regulation;

8.2 the issue of the Transaction Announcement with the references to us and the registered holder of any of the Shares in which we have (or will have as the case may be) a beneficial interest and to particulars of this Undertaking, provided that we shall have the right to review and pre-approve any reference to us (such consent not to be unreasonably withheld or delayed);

8.3 particulars of this Undertaking being set out in any other announcement or document issued in connection with the Transaction and in the Prospectus and the Circular; and

8.4 this Undertaking being made available for inspection during the Transaction as required by the Panel in its administration of the Takeover Code.

9. **Other**

9.1 Any time, date or period referred to in this Undertaking may be extended by mutual agreement but as regards any time, date and period originally fixed or as extended, time shall be of the essence.

9.2 We agree that damages may not be an adequate remedy for breach of this Undertaking and accordingly the Parties shall be entitled to seek the remedies of specific performance, injunction or other equitable remedies.

9.3 The *ejusdem generis* principle of construction shall not apply to this Undertaking. Any phrase introduced by the terms "**other**", "**including**", "**include**" and "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words following or preceding those terms.

9.4 In this Undertaking, references to "**business day**" shall mean a day (excluding Saturdays and Sundays) on which banks are generally open in London for the transaction of normal banking business.

10. **Governing Law and Jurisdiction**

This Undertaking and any non-contractual obligations arising from or in connection with this Undertaking shall be governed by and construed in accordance with English law. We submit to the exclusive jurisdiction of the English courts to decide any dispute arising from or connected with this Undertaking (a "**Dispute**") (including a dispute regarding the existence, validity or termination of this Undertaking or relating to any non-contractual or other obligation arising out of or in connection with this Undertaking or its formation). We agree that the English courts are the most appropriate and convenient courts to settle any Dispute and accordingly, will not argue to the contrary.

Schedule 1

1	2
No. of ordinary shares of 0.002 pence in Harbour	**Registered holder**
14,853,009	EIG Separate Investments (Cayman), LP

EIG SEPARATE INVESTMENTS (CAYMAN), L.P.

By: EIG Asset Management, LLC, its general partner

By: [redacted]

Name: Michael Ravvin

Title: General Counsel

By: [redacted]

Name: Kamyar Daneshvar

Title: Associate General Counsel

We acknowledge and confirm our agreement to the terms above.

EXECUTED BY	)	
Howard Landes	)	[redacted] ....
acting for and on behalf of **HARBOUR ENERGY PLC**	)	

BASF Handels- und Exportgesellschaft mit beschränkter Haftung
Management Board / Geschäftsführung

[redacted]

Christian-Matthias Jutzi
Managing Director / Geschäftsführer

[redacted]

Dr. Stefan Rothweiler
Managing Director / Geschäftsführer

BASF SE

Tobias Lages
Authorized Signatory (*Prokurist*)

[redacted]

André Wehrmann
Authorized Signatory (*Prokurist*)

BASF SE

[redacted]

Tobias Lages
Authorized Signatory (*Prokurist*)

André Wehrmann
Authorized Signatory (*Prokurist*)

LETTERONE HOLDINGS S.A.

[redacted]

Name: Jonathan Muir
Class I Director and Authorised Signatory

Name:
Class I Director and Authorised Signatory

LETTERONE HOLDINGS S.A.

[redacted]

Name: VITALIJS FARAFONOV
Class I Director and Authorised Signatory

Name:
Class I Director and Authorised Signatory

L1 ENERGY CAPITAL MANAGEMENT SERVICES S. À R. L.

[redacted]

Name: PHILLIP NEIL TOYER
Manager (*gérant*) and Authorised Signatory

Appendix 1
Form of Transaction Announcement

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Harbour Energy plc
("Harbour")
Transformational acquisition of Wintershall Dea asset portfolio
21 December 2023

- Transforms scale and geographic diversification
- Materially enhances production, reserve life and margins
- Increases exposure to natural gas and lowers emissions intensity
- Delivers significant financial synergies
- Immediately accretive to free cash flow
- Enhanced and sustainable shareholder returns

Harbour is pleased to announce that it has reached an agreement with BASF and LetterOne, the shareholders of Wintershall Dea AG ("**Wintershall Dea**"), for the acquisition of substantially all of Wintershall Dea's upstream assets (the "**Target Portfolio**") for $11.2 billion (the "**Acquisition**").

The Target Portfolio includes all of Wintershall Dea's upstream assets in Norway, Germany, Denmark[1], Argentina, Mexico, Egypt, Libya[2] and Algeria as well as Wintershall Dea's CO_2 Capture and Storage ("**CCS**") licences in Europe. Wintershall Dea's Russian assets are excluded. The Acquisition will add 1.1 bnboe of 2P reserves at c.$10/boe and more than 300 kboepd of production at c.$35,000/boepd[3].

The Acquisition is expected to transform Harbour into one of the world's largest and most geographically diverse independent oil and gas companies, adding material gas-weighted portfolios in Norway and Argentina and complementary growth projects in Mexico. Harbour will also benefit from an increased reserve life and improved margins with lower operating costs and greenhouse gas ("**GHG**") intensity.

Harbour is expected to receive investment grade credit ratings and to benefit from a significantly lower cost of financing resulting from the porting of existing euro denominated Wintershall Dea bonds with a nominal value of c.$4.9 billion[4] (the "**Wintershall Dea Bonds**") and a weighted average coupon of c.1.8 per cent. The Acquisition is also accretive to Harbour's free cash flow, supporting enhanced and sustainable shareholder returns.

Acquisition benefits

The Board of Directors of Harbour believe the Acquisition is a strong strategic fit, in line with its stated M&A objectives, and offers a transformational value-creating opportunity for Harbour's shareholders. The Acquisition:

- **Transforms Harbour's scale and geographic diversification**
  - Combined production of over 500 kboepd[5] and 2P reserves of 1.5 bnboe[6]
  - Significant production of c.170 kboepd[7] in Norway with additional material positions in Argentina, Egypt and Germany
  - Combined revenue of $5.1 billion and EBITDAX of $3.7 billion for six months to end June 2023

- **Adds high quality assets which are accretive to Harbour's reserve life and margins**
  - Increases Harbour's 2P reserve life[8] to c.8 years with organic reserve replacement opportunities from c.1.5 bnboe[9] of combined 2C resources
  - Enhances Harbour's natural gas-weighting with combined natural gas production of over 300 kboepd[10] (c.60 per cent of total production)
  - Materially accretive to margins with lower combined opex[11] of c.$11/boe and exposure to advantaged markets (Brent for oil and TTF for European gas)

- **Supports Harbour's Energy Transition goals**
  - Step change in Harbour's GHG emissions intensity, with lower combined GHG emissions intensity of c.15 $kgCO_2e$/boe[12]
  - Strong pipeline of European CCS projects with potential to store more than 10 mtpa of CO_2 (net equity share)
  - Harbour's 2035 Net Zero commitment reaffirmed[13]

- **Significantly enhances Harbour's financial strength**
  - Material financial synergies with porting of existing Wintershall Dea Bonds with a nominal value of c.$4.9 billion, a weighted average coupon of c.1.8 per cent and weighted average maturity of c.4.5 years
  - Post completion, Harbour expects to receive investment grade credit ratings, increasing its access to low cost, diverse sources of capital
  - Significantly increases Harbour's per share free cash flow[14]

- **Enables enhanced and sustainable shareholder returns framework**
  - Supports an increase in Harbour's annual dividend from $200 million to c.$455 million, of which c.$380 million will be paid to holders of ordinary shares in Harbour ("**Ordinary Shares**"). This reflects a 5 per cent increase in dividend per Ordinary Share to 26.25 cents[15]
  - High quality portfolio, free cash flow accretion and significantly enhanced financial strength underpin a sustainable increase in the dividend
  - Potential for additional returns in line with Harbour's existing policy

Consideration structure

Under the terms of the business combination agreement entered into between Harbour, BASF and LetterOne (the "**BCA**"), Harbour will acquire the Target Portfolio for $11.2 billion comprising:

- The porting of existing Wintershall Dea Bonds with a nominal value of c.$4.9 billion and a weighted average coupon of c.1.8 per cent to Harbour

- Approximately 921.2 million new Harbour shares issued to Wintershall Dea's shareholders (the "**Consideration Shares**") at an agreed value of $4.15 billion or 360 pence per Harbour share, representing a premium of c.60 per cent to Harbour's 30-day volume weighted average share price of c.227 pence[16], such that on completion:
  - BASF, a 72.7 per cent shareholder in Wintershall Dea, will own 46.5 per cent of Harbour's listed Ordinary Shares with Harbour's current shareholders owning 53.5 per cent[17]

- LetterOne, a 27.3 per cent shareholder in Wintershall Dea, will own 251.5 million non-voting, non-listed convertible ordinary shares with preferential rights (the "**Non-Voting Shares**"). If the Non-Voting Shares were to be converted into Ordinary Shares, Harbour's current shareholders would own 45.5 per cent of Harbour; BASF and LetterOne would own 39.6 per cent and 14.9 per cent, respectively

- $2.15 billion of cash consideration to be funded through cash flow generated from the Target Portfolio between the effective date of 30 June 2023 and completion, and an underwritten bridge facility

Other key details of the Acquisition

- Post completion, Harbour will continue to be Chaired by R. Blair Thomas, with Linda Z. Cook and Alexander Krane remaining as Chief Executive Officer and Chief Financial Officer, respectively

- All Target Portfolio employees will be transferred to Harbour on completion. In addition, Harbour intends to take on some employees from Wintershall Dea's corporate headquarters

- BASF will be entitled to nominate two Non-Executive Directors to the Board of Harbour provided BASF holds at least 25 per cent of the Ordinary Shares, and one Non-Executive Director in the event BASF holds between 10 and 25 per cent

- BASF's Ordinary Shares will be subject to a six month lock-up following completion (subject to customary exceptions). The lock-up arrangements will also apply to any Ordinary Shares held by LetterOne in the event LetterOne converts its Non-Voting Shares into Ordinary Shares within the period of six months from completion

- LetterOne's Non-Voting Shares are convertible (on a one-for-one basis) into Ordinary Shares on the satisfaction of certain conditions, including receipt of relevant regulatory approvals (if applicable). In the event of conversion, LetterOne will be entitled to equivalent rights as BASF regarding the nomination of Non-Executive Directors

- The dividend payable on each Non-Voting Share will be at a 13 per cent premium to any dividend payable in respect of each Ordinary Share, reflecting its unlisted nature and limited voting rights

- LetterOne will not be permitted to acquire any Ordinary Shares for a period of six months following completion and, until such date as the conversion conditions in respect of the Non-Voting Shares have been satisfied, LetterOne will not be able to own more than 19.99 per cent of Harbour's issued share capital

- While LetterOne itself is not a sanctioned entity, certain of LetterOne's minority owners are subject to sanctions in the UK, EU and US. As such, LetterOne's Non-Voting Shares have no governance rights and, for so long as those sanctions remain in place, LetterOne will have no representation on the Harbour Board

- All of Wintershall Dea's assets located in Russia or held in joint ventures with Russian companies are excluded from the Acquisition as is Wintershall Dea's stake in WIGA Transport Beteiligungs-GmbH & Co. KG

Board recommendation and Undertakings

The directors of Harbour have determined that the Acquisition is in the best interests of Harbour based on a number of factors and intend unanimously to recommend that shareholders vote in favour of the relevant resolutions at the shareholder meeting to be held to approve the Acquisition.

The directors of Harbour and certain of their connected persons have irrevocably undertaken that they will vote in favour of the relevant resolutions required to implement the Acquisition at the shareholder meeting in respect of their own beneficial holdings of Harbour shares, representing approximately 1.7 per cent of the existing share capital of Harbour as at 20 December 2023, being the last practicable date prior to publication of this announcement.

EIG Asset Management LLC, EIG Separate Investments (Cayman) LP and Potomac View Investments, LP have each irrevocably undertaken to vote in favour of the relevant resolutions required to implement the Acquisition at the Harbour shareholder meeting in respect of their holdings of Harbour shares, representing 16.8 per cent of the existing share capital of Harbour as at 20 December 2023, being the last practicable date prior to publication of this announcement.

Conditions to closing

The Acquisition constitutes a reverse takeover for the purposes of the Listing Rules for Harbour, with the intention that Harbour applies to retain its premium London listing on completion. Harbour will seek shareholder approval and re-admission of its Ordinary Shares and admission of the new Ordinary Shares upon completion to the premium listing segment of the Official List of the Financial Conduct Authority (the "**FCA**") (or a listing on the single category for equity shares in commercial companies if such new listing category, as contemplated in FCA Consultation Paper CP23/31, has been implemented by the FCA and taken effect at the relevant time) and to trading on the main market for listed securities of the London Stock Exchange. Harbour will, in due course, issue a circular to its shareholders to convene a general meeting to seek approval of the Acquisition and publish a prospectus.

The Acquisition is subject to, amongst other things, regulatory, antitrust and foreign direct investment approvals, as well as Harbour shareholder approval. Completion of the Acquisition is expected to occur in Q4 2024.

Linda Z Cook, CEO of Harbour, commented:

"Today's announcement marks Harbour's fourth major acquisition and the most transformational step yet in our journey to build a uniquely positioned, large-scale, geographically diverse independent oil and gas company.

"The addition of Wintershall Dea's assets will increase our production to over 500 kboepd, extend our reserves life, and enhance our margins and cash flow, all supporting enhanced shareholder returns over the longer run. Importantly, the acquisition also advances our Energy Transition objectives by shifting our portfolio towards natural gas, lowering our GHG emissions intensity and expanding our CCS interests into new European markets.

"I am proud of what we have achieved so far – a testament to the skill, hard work and commitment of our people – including our track record of safe and responsible operations and disciplined capital allocation, which have made this acquisition possible.

"We look forward to completion of the acquisition and welcoming Wintershall Dea employees to Harbour, and to our further growth as we continue to build a global independent oil and gas company of the future. "

Alexander Krane, CFO of Harbour, commented:
"The acquisition of Wintershall Dea's large scale, high quality portfolio will transform our asset base as well as our capital structure. The funding structure we have put together – including the porting of $4.9 billion of low-cost investment grade bonds with a coupon of 1.8 per cent and the issuance of $4.15 billion of equity at a significant premium – will significantly improve our credit rating and deliver a transaction which is accretive on a per share basis across all key metrics. This will materially improve our cost of capital and enable access to broader and lower cost sources of funding, supporting further growth and additional shareholder returns. The 5 per cent increase to our ordinary dividend per share is a first step in this direction."

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A live audio webcast and conference call for analysts and investors will be held today at 4.30pm London time. The conference call details can be found on Harbour's website: www.harbourenergy.com

FURTHER INFORMATION ABOUT THE ACQUISITION

Additional funding details

- The Wintershall Dea Bonds form part of the Target Portfolio to be acquired by Harbour and the liabilities in respect of the Wintershall Dea Bonds will be assumed by Harbour at completion. Completion of the Acquisition will not trigger a change of control (as defined in the relevant terms and conditions) or a bond investor put right given Harbour's expected investment grade credit rating status.

- In addition to the underwritten $1.5 billion bridge facility, Harbour has secured a new underwritten $3.0 billion unsecured Revolving Credit and Letter of Credit Facility to cover its Letter of Credit requirements and to provide additional liquidity. This will replace its existing RBL facility.

- Following completion and conditional upon the average price of Brent oil in certain agreed test periods, potential contingent payments of up to a maximum of $300 million may be made by Harbour to BASF and LetterOne over the four years following completion.

Key Conditions to the Acquisition

The Acquisition constitutes a reverse takeover for the purposes of the Listing Rules for Harbour, with the intention that Harbour will apply to readmit its Ordinary Shares, and admit the new Ordinary Shares, to listing in London on completion.

The Acquisition is conditional therefore on, among other things:

- Harbour shareholder approval at a general meeting convened pursuant to an FCA approved circular (the "Circular")

- Publication of an FCA approved prospectus (the "Prospectus")

- A Rule 9 Waiver (as defined below) having been granted in respect of BASF by the UK Panel on Takeovers and Mergers ("**Takeover Panel**"), subject to the approval of the waiver by the independent shareholders of Harbour

- FCA and LSE approval of the admission of all new Ordinary Shares ("**Admission**") and re-admission of all existing Ordinary Shares to listing on the premium segment of the Official List of the FCA (or a listing on the single category for equity shares in commercial companies if such new listing category as contemplated in FCA Consultation Paper CP23/31 has been implemented by the FCA and taken effect at the relevant time) and to trading on the main market of the London Stock Exchange

- Satisfaction of regulatory, anti-trust and foreign direct investment approvals in relevant jurisdictions

Shareholder approval

As indicated above, the Acquisition will be conditional on, amongst other things, approval by Harbour's shareholders. Harbour currently anticipates posting a shareholder circular to convene a shareholder meeting to approve the Acquisition in H1 2024. At that shareholder meeting, it is expected that shareholders will be asked to approve ordinary resolutions (i) consenting to the issuance of more than 30 per cent of the Ordinary Shares in Harbour to BASF without triggering a mandatory offer for the purposes of the Takeover Code (a Takeover Code "Rule 9 Waiver"); (ii) approving the Acquisition for the purposes of the Listing Rules; (iii) approving the issuance of new Harbour shares to BASF and LetterOne, as described above; and (iv) certain other matters required to effect the Acquisition.

Rule 9 Waiver

It is anticipated that BASF, as the largest shareholder of Wintershall Dea, will hold 46.5 per cent[18] of the Ordinary Shares of Harbour post completion. As a result, BASF would ordinarily be required to make a mandatory offer under Rule 9, however a Rule 9 Waiver will be sought from the Takeover Panel in order to disapply mandatory offer requirements. This Rule 9 Waiver will require approval by Harbour's independent shareholders at the general meeting to be convened pursuant to the Circular which will be sent to shareholders in due course.

Relationship agreements

At completion, Harbour will enter into separate relationship agreements (the form of which has already been agreed) with BASF and LetterOne governing the relationship between Harbour and each of BASF and LetterOne which will be effective at Admission (the "**BASF Relationship Agreement**" and the "**LetterOne Relationship Agreement**" respectively and, together, the "**Relationship Agreements**"). The principal terms of the Relationship Agreements are referred to below.

BASF Relationship Agreement

In addition to the mandatory undertakings given by BASF required under the UK Listing Rules and other customary provisions, the BASF Relationship Agreement will provide that BASF will be entitled to appoint following Admission up to two Non-Executive Directors and reasonable cooperation and assistance from Harbour in relation to any offering of Ordinary Shares by BASF.

LetterOne Relationship Agreement

The LetterOne Relationship Agreement contains similar provisions to the BASF Relationship Agreement, except, among other things, certain rights and obligations of LetterOne, including in relation to the appointment of any Non-Executive Director, which will only be triggered from the date on which LetterOne holds 10 per cent or more of the Ordinary Shares.

Lock-Up Agreements

At completion, Harbour will enter into separate lock-up agreements with BASF and LetterOne governing the disposal of shares in Harbour held by BASF and LetterOne (the "**BASF Lock-Up Agreement**" and the "**LetterOne Lock-Up Agreement**").

BASF Lock-Up Agreement

Pursuant to the BASF Lock-Up Agreement, BASF's Ordinary Shares will be subject to a lock-up for the first six months following completion during which time, subject to customary exceptions, BASF will not be permitted to sell its Ordinary Shares.

LetterOne Lock-Up Agreement

The LetterOne Lock-Up Agreement contains similar provisions to the "BASF Lock-Up Agreement". In the event that LetterOne is able to convert its Non-Voting Shares into Ordinary Shares, such Ordinary Shares will be subject to a lock-up for the first six months following completion.

LetterOne Standstill Agreement

LetterOne will also enter into a standstill agreement (the "**LetterOne Standstill Agreement**") with Harbour to be effective on completion pursuant to which it will undertake:

- Not, subject to customary exceptions, to acquire any Ordinary Shares for a period of six months following completion

- Until such time as the conversion conditions in respect of the Non-Voting Shares have been satisfied, not to own more than 19.99 per cent of Harbour's issued share capital in total

LetterOne may transfer its Non-Voting Shares to certain permitted transferees, in certain cases only with the consent of Harbour and in accordance with the terms of the Non-Voting Shares.

Key indicative financial Information on Wintershall Dea

Summary IFRS financial information

The unaudited Target Portfolio historical financial information for the year ended 31 December 2022 and the six months ended 30 June 2023 (together the "Unaudited Target Portfolio Historical Financial Information") included in this announcement reflects the historical results of operations and financial position of the Target Portfolio as if the Target Portfolio had been run during the relevant periods as a stand-alone business, in conformity with IFRS and the accounting policies adopted by Wintershall Dea in its own consolidated Annual Report and Accounts. The Unaudited Target Portfolio Historical Financial Information does not include the cost of services historically provided by the headquarters of Wintershall Dea to the Target Portfolio, however such costs will be reflected in the Prospectus Historical Financial information (as defined below).

Following closing of the Acquisition Wintershall Dea may provide services to Harbour in connection with the Target Portfolio under a number of service agreements.

The Unaudited Target Portfolio Historical Financial Information has been prepared in accordance with Wintershall Dea IFRS accounting policies and no adjustments have been made to align the accounting policies of Wintershall Dea to those of Harbour. The Unaudited Target Portfolio Historical Financial Information has been extracted without material adjustments from the accounting records that underpin Wintershall Dea's 31 December 2022 consolidated Annual Report and Accounts and 30 June 2023 Half Year Results.

The accounting records referred to above are presented in EUR, which have been converted to USD using the Harbour foreign exchange (FX) rates in the tables below:

IFRS	**Six months ended 30 June 2023**	**EUR to USD FX rates**[19]	**Six months ended 30 June 2023**
Revenue[20]	2,878 million EUR	1.08	3,116 million USD
EBITDAX[21]	2,069 million EUR	1.08	2,240 million USD
Operating costs per barrel[22]	7.9 EUR/boe	1.08	8.6 USD/boe
Oil and gas reserves[23]	n/a	n/a	n/a
Production	n/a	n/a	317 kboepd

Twelve months ended 31 December 2022	**EUR to USD FX rates**[19]Error! Bookmark not defined.	**Twelve months ended 31 December 2022**
7,651 million EUR	1.05	8,030 million USD
6,002 million EUR	1.05	6,300 million USD
7.6 EUR/boe	1.05	8.0 USD/boe
n/a	n/a	1,129 million boe
n/a	n/a	318 kboepd

In accordance with the Listing Rules, the Circular and Prospectus will contain Historical Financial Information on the Target Portfolio covering the latest three financial years (expected to be the years ended 31 December 2023, 2022 and 2021) (the "**Prospectus Historical Financial Information**") prepared in accordance with IFRS and will be consistent with Harbour's accounting policies, adopted in Harbour's Annual Report and Accounts for the year ended 2023, expected to be latest annual consolidated accounts prior to the publication of the Circular and Prospectus. Such Prospectus Historical Financial Information on the Target Portfolio contained in the Circular and Prospectus may therefore differ from the Unaudited Target Portfolio Historical Financial Information set out above.

Harbour has undertaken an initial review to compare Wintershall Dea's accounting policies to those of Harbour. The following areas are expected to require alignment when preparing the Prospectus Historical Financial Information to be included in the Circular and Prospectus but have not been adjusted in the summary financial information included in this announcement:

a) **Presentational currency** – Harbour's presentational currency is the US Dollar while Wintershall Dea's presentational currency is the Euro

b) **Exploration and evaluation expenditure ("E&E") capitalisation** – There is a difference in some of the E&E costs capitalised by Harbour and Wintershall Dea, primarily those relating to seismic survey costs.

   Once the technical feasibility and commercial viability of a well are demonstrable, Wintershall Dea's license acquisition costs are transferred to intangibles and the cost of successful exploration drilling is transferred to Property, Plant and Equipment ("PPE"); in Harbour, both cost categories are transferred to PPE

c) **Over-/under-lift positions** – Harbour measures over-/under-lift at net realisable value using an observable year-end oil or gas market price and included within receivables, whereas Wintershall Dea values over-/under-lift based on actual production cost. Harbour and Wintershall Dea both measure overlift at net realisable value using an observable year-end oil or gas market price and is included in payables

d) **Inventory valuation –** Harbour measures all inventories, except for petroleum products, at the lower of cost and net realisable value. The cost of materials is the purchase cost, determined on a first-in, first-out basis. Wintershall Dea uses weighted average cost. Harbour petroleum products are measured at net realisable value using an observable year-end oil or gas market price, and are included in inventory whereas Wintershall Dea petroleum products are measured using weighted average cost and included in inventory

e) **Finance income and finance cost –** Wintershall Dea reports FX gains/ losses net under finance income or expense whereas Harbour reports them gross as income and expense. Wintershall Dea reports derivative gains/losses net under finance income or expense whereas Harbour reports them gross as income and expense

On the basis of Harbour's initial review, and noting that both Wintershall Dea and Harbour report under IFRS, the accounting policy differences set out above are unlikely to have a material impact on Wintershall Dea's Unaudited Target Portfolio Historical Financial Information. Further differences may be identified upon finalisation of the accounting policy difference exercise in relation to which Harbour has been unable to assess materiality at this stage. The Prospectus Historical Financial Information will differ from the Unaudited Target Portfolio Historical Financial Information in respect of the accounting policy differences identified above, any other accounting policy differences identified and the central allocation of historical costs for services provided by Wintershall Dea to the Target Portfolio.

Illustrative post completion unaudited financial information for Harbour

The following sets out the illustrative post completion unaudited historical financial information for Harbour for the periods stated. The historical financial information below in relation to Harbour has been extracted from Harbour's Half Year Results for the six months ended 30 June 2023 and Annual Report and Accounts for the year ended 31 December 2022. The financial information below in relation to the Target Portfolio has been extracted from the above table in the Summary IFRS financial information section of this announcement. The post completion financial information below is a summation of the Harbour and Wintershall Dea financial information.

	Six months ended 30 June 2023			**Twelve months ended 31 December 2022**		
	Harbour IFRS[24] (A)	**Wintershall Dea** IFRS[25] (B)	**Harbour post completion** IFRS (A+B)	**Harbour** IFRS[26] (C)	**Wintershall Dea** IFRS[25] (D)	**Harbour post completion** IFRS (C+D)
Revenue (USD million)	2,016	3,116	5,132	5,431	8,030	13,461
EBITDAX (USD million)	1,428	2,240	3,668	4,011	6,300	10,311
Oil and gas reserves (mmboe)	n/a	n/a	n/a	410	1,129	1,539
Operating cost per barrel (USD/boe)	15.4	8.6	11.2	13.9	8	10.3
Production (kboepd)	196	317	513	208	318	526

In the above table Revenue, EBITDAX and oil and gas reserves are shown under the respective company's definitions but for Operating cost per barrel the Harbour definition has been used for both Harbour and Wintershall Dea (as summarised in note 21).

In accordance with the Listing Rules, the Circular and Prospectus when published will include Harbour pro forma financial information prepared in accordance with the requirements of the Prospectus Regulation Rules. Such information may differ from the illustrative post completion Harbour financial information set out above.

NOTES TO EDITORS

About Harbour

Harbour started as a private company in 2014 and has grown through M&A to c.200 kboepd. Harbour publicly listed in the UK through a reverse merger with Premier Oil in 2021.

Today, Harbour is the UK's largest oil and gas producer with over 90 per cent of its production coming from the UK and the balance from its assets in South East Asia. In addition, Harbour has a portfolio of international growth opportunities including in Indonesia and Mexico and is progressing two CCS projects in the UK, including the Harbour-led Viking project, one of the largest planned CCS projects in the world.

Harbour is a premium-listed, FTSE 250 company headquartered in London with approximately 2,000 staff and contractors across its offshore platforms and offices. In 2022, Harbour delivered free cash flow of $2.1 billion (post-tax, pre shareholder distributions) with production of 208 kboepd, split approximately 50 per cent liquids, 50 per cent gas. Harbour had combined 2P reserves and 2C resources of 865 mmboe as of December 2022.

Further information on Harbour can be found at **www.Harbourenergy.com**. The Group's ticker symbol is HBR-GB.

About Wintershall Dea

Wintershall Dea is a leading European independent gas and oil company, headquartered in Kassel and Hamburg, Germany.

Wintershall Dea has more than 120 years of experience as an operator and project partner across the entire E&P value chain. The company with German roots explores for and produces gas and oil in 11 countries worldwide in an efficient and responsible manner. With activities in Europe, Latin America and the MENA region (Middle East & North Africa), Wintershall Dea has a global upstream portfolio and, with its participation in natural gas transport, is also active in the midstream business. Furthermore, the company develops carbon management and low carbon hydrogen projects to contribute to climate goals and secure energy supplies.

As at 30 June 2023, Wintershall Dea had gross assets of $20,156[27] million. This does not reflect the gross assets of the defined perimeter of the Acquisition.

BASF

BASF creates chemistry for a sustainable future and combines economic success with environmental protection and social responsibility. More than 111,000 employees in the BASF Group contribute to the success of customers in nearly all sectors and almost every country in the world. Its portfolio comprises six segments: Chemicals, Materials, Industrial Solutions, Surface Technologies, Nutrition & Care and Agricultural Solutions.

BASF generated sales of €87.3 billion in 2022. BASF shares are traded on the Frankfurt stock exchange (BAS) and as American Depositary Receipts (BASFY) in the United States.

LetterOne

LetterOne is a £20 billion long-term investment business headquartered in Luxembourg. It supports 125,000 jobs globally in sectors including health, energy, technology and retail.

Target Portfolio

The Target Portfolio consists of Wintershall Dea's non-Russia connected upstream assets, including producing and development assets as well as exploration rights in Norway, Argentina, Germany (excluding midstream), Mexico, Algeria, offshore Libya, Egypt and Denmark (excluding the Ravn field) as well as Wintershall Dea's CCS licences in Europe.

The excluded assets are those located in Russia and those held through joint ventures with Russian majority state-owned energy corporation Gazprom: Wintershall Dea Noordzee B.V. (50 per cent Wintershall Dea / 50 per cent Gazprom[28], registered in Rijswijk, The Netherlands), Wintershall Dea AG

(51 per cent Wintershall Dea / 49 per cent Gazprom, registered in Celle, Germany) and Nord Stream AG (15.5 per cent Wintershall Dea / 51 per cent Gazprom, registered in Zug, Schweiz). WIGA Transport Beteiligungs-GmbH & Co. KG (50.02 per cent Wintershall Dea / 49.98 per cent SEFE, registered in Kassel, Germany) is also not part of the asset perimeter.

The Target Portfolio comprises:
Production of 317 kboepd (65 per cent gas) in H1 2023
Operating costs of c.$9/boe in H1 2023

IMPORTANT NOTICE

The information contained in this announcement is for information purposes only and does not purport to be complete. The information in this announcement is subject to change.

This announcement has been prepared in accordance with English law, the UK Market Abuse Regulation and the Disclosure Guidance and Transparency Rules and Listing Rules of the FCA and information disclosed may not be the same as that which would have been prepared in accordance with the laws of jurisdictions outside England.

No person has been authorised to give any information or make any representations to shareholders with respect to the Acquisition other than the information contained in this announcement and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of Harbour, the Harbour directors, or any other person involved in the Acquisition. None of the above take any responsibility or liability for, and can provide no assurance as to the reliability of, other information that you may be given. Subject to the UK Market Abuse Regulation and the FCA's Disclosure Guidance and Transparency Rules and Listing Rules, the delivery of this announcement shall not create any implication that there has been no change in the affairs of Harbour since the date of this announcement or that the information in this announcement is correct as at any time subsequent to its date.

Barclays Bank PLC, acting through its Investment Bank ("Barclays"), which is authorised by the Prudential Regulation Authority and regulated in the UK by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively as joint financial adviser and sponsor for Harbour and no one else in connection with the Acquisition and shall not be responsible to anyone other than Harbour for providing the protections afforded to clients of Barclays nor for providing advice in connection with the Acquisition or any other matter referred to herein.

J.P. Morgan Securities plc, which conducts its UK investment banking activities as J.P. Morgan Cazenove ("J.P. Morgan Cazenove"), and which is authorised in the United Kingdom by the Prudential Regulation Authority and regulated in the United Kingdom by the Financial Conduct Authority and the Prudential Regulation Authority, is acting exclusively as joint financial adviser for Harbour and no one else in connection with the Acquisition and shall not be responsible to anyone other than Harbour for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in connection with the Acquisition or any other matter referred to herein.

The contents of this announcement are not to be construed as legal, business or tax advice. Each shareholder should consult its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice respectively.

Percentages in tables have been rounded and accordingly may not add up to 100 per cent. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this press release may vary slightly from the actual arithmetic totals of such data.

Forward-looking statements

Certain statements in this announcement are forward-looking statements. In some cases, these forward looking statements can be identified by the use of forward looking terminology including the terms "believes", "expects", "estimates", "anticipates", "intends", "may", "will" or "should" or in each case, their negative, or other variations or comparable terminology. These forward looking statements reflect Harbour's current expectations concerning future events and speak only as of the date of this announcement. They involve various risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Harbour Group, the post-completion Harbour Group, third parties or the industry to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Such risks, uncertainties and other factors include, amongst other things, general economic and business conditions, industry trends, competition, changes in regulation, currency and commodity price fluctuations, the Harbour Group's or the post-completion Harbour Group's ability to recover its reserves or develop new reserves and to implement expansion plans and achieve cost reductions and efficiency measures, changes in business strategy or development and political and economic uncertainty. There can be no assurance that the results and events contemplated by these forward looking statements will in fact occur.

No statement in this announcement is intended as a profit forecast or estimate for any period and no statement in this announcement should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Harbour Group or the post-completion Harbour Group, as appropriate, for the current or future years would necessarily match or exceed the amount set out in any forward-looking statement or historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Harbour Group or the post-completion Harbour Group, as appropriate.

This announcement and the documents required to be published pursuant to Rule 26.1 of the UK Code on Takeovers and Mergers (the "Takeover Code") will be made available at the relevant time for inspection on Harbour's website at www.Harbour.com. Neither the content of Harbour's (or any other website) nor the content of any website accessible from hyperlinks on Harbour's website (or any other website) is incorporated into, or forms part of, this announcement.

The information contained within this announcement is deemed by Harbour to constitute inside information for the purposes of Article 7 of Market Abuse Regulation (EU) No 596/2014 (as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018). By the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain. The person responsible for arranging for the release of this announcement on behalf of Harbour is Howard Landes, General Counsel.

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[1] Excluding the Ravn field.
[2] Excluding Wintershall AG.
[3] Production is for the six months to 30 June 2023, as per management estimates. 2P reserves is based on verified year end 2022 2P reserves.
[4] Average exchange rate of $1.08 over H1 2023.
[5] Based on H1 2023 production, as per management estimates.
[6] Based on verified year end 2022 2P reserves.
[7] Based on H1 2023 production, as per management estimates.
[8] Based on year end 2022 2P reserves and average H1 2023 production, as per management estimates.
[9] Based on verified year end 2022 2C resources.
[10] Based on H1 2023 production, as per management estimates.
[11] Direct operating costs (excluding over/under-lift), including insurance costs, mark to market movements on emissions hedges and tariff expense, less tariff income, divided by working interest production.
[12] Scope 1 and Scope 2 emissions on a net equity share basis.
[13] Scope 1 and 2 emissions on a gross operated basis.
[14] Free cash flow is post tax and before distributions.
[15] Based on 770.4 million existing Ordinary Shares and 1,440.1 million Ordinary Shares post-completion.
[16] Based on 30 calendar days, as at 20 December 2023.
[17] Prior to conversion of the Non-Voting Shares.
[18] Prior to conversion of the Non-Voting Shares.
[19] Harbour's monthly average exchange rate has been used to convert Revenue, EBITDAX and Operating costs per barrel.
[20] Revenue includes i) oil and gas revenues; ii) other revenues (including tariff income); and iii) other operating income.
[21] EBITDAX comprises earnings before interest, taxes, depreciation, amortisation and exploration expenses adjusted for special items. Wintershall and Harbour EBITDAX definitions are not materially different.
[22] Direct operating costs (excluding over/under-lift) for the period, including insurance costs, mark to market movements on emissions hedges and tariff expense, less tariff income, divided by working interest production.
[23] Reserves are those quantities of oil and natural gas anticipated to be commercially recoverable from known accumulations of hydrocarbons. Wintershall Dea presents proved reserves plus reserves that are deemed probable to be commercially recoverable.
[24] As per Harbour's Half Year Results 2023.
[25] As per table on page 8.
[26] As per Harbour Annual Report and Accounts 2022.
[27] €18,389, using Harbour's 30 June exchange rate of 1.10.
[28] As per Wintershall Dea Annual report 2021.