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Seplat Petroleum Development Company Plc
2019 Full Year Results

Resilience and Strength

23 March 2020

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Overview 2019

Austin Avuru
Chief Executive Officer

IMPACT OF COVID-19 AND OIL MARKET STRESSES

MITIGATING ACTIONS ON BOTH FRONTS

IMPACT OF OIL MARKET STRESS

- Twin shocks of falling demand and supply war
    - Demand hit by Covid-19
    - Oversupply due to KSA / Russia actions, with potential to fill global storage capacity
- Price volatility; Brent $38 as at 1 June 2020

IMPACT OF COVID19 IN AREAS OF OPERATIONS

- Oil / power industries have lockdown exemptions
- No confirmed or suspected cases within Seplat as at 31st May 2020
- Seplat management and administrative functions now working remotely in accordance with Nigerian/UK government advice

SEPLAT'S MITIGATION STRATEGY

- Hedged 1.5MMbbl per quarter for Q1 to Q3 @ $45
- Capex cut to $120m ($50m already invested) and focused upon three highest-return development wells
- Working capital management will focus on paying Seplat's share of obligations on time but potentially awaiting receipt of Government share of payments before passing these on to suppliers
- Field operations reduced to critical staff, most of whom live on assets (which are often in remote locations)
- HQ and London offices closed in favour of remote working, no international travel or meetings

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NIGERIA'S LEADING INDEPENDENT OIL & GAS PRODUCER

SEPLAT DELIVERED SIGNIFICANT STRATEGIC, OPERATIONAL AND FINANCIAL ACHIEVEMENTS IN 2019

KEY FIGURES

VOLUMES
Avg. daily 46,498 boepd

PROFIT
US$277m

FINAL DIVIDEND
$0.05

ACHIEVED IN 2019

Working interest production	• 46,498 boepd total • Liquids 23,935 bopd • Gas 131 MMscfd (22,563 boepd)
Strong balance sheet and cash flow	• Revenue of US$698m • US$333m cash at bank • US$338m operating cash flow
Gas diversification increases resilience	• Gas revenues of $203 million were 29% of Group revenue, de-coupled from oil price • FID taken for ANOH 300MMscfd processing plant eastern Niger Delta
US$0.05 final dividend proposed for FY 2019	• Total of $285 million returned to shareholders since IPO (FY14-FY19) • Dividend only suspended during 2016/17 production shut-in
Landmark acquisition	• Acquisition of Eland Plc adds 36 MMbbls of 2P reserves and production, diversifies Group export routes • Amobe prospect has potential to add significant reserves to Group portfolio

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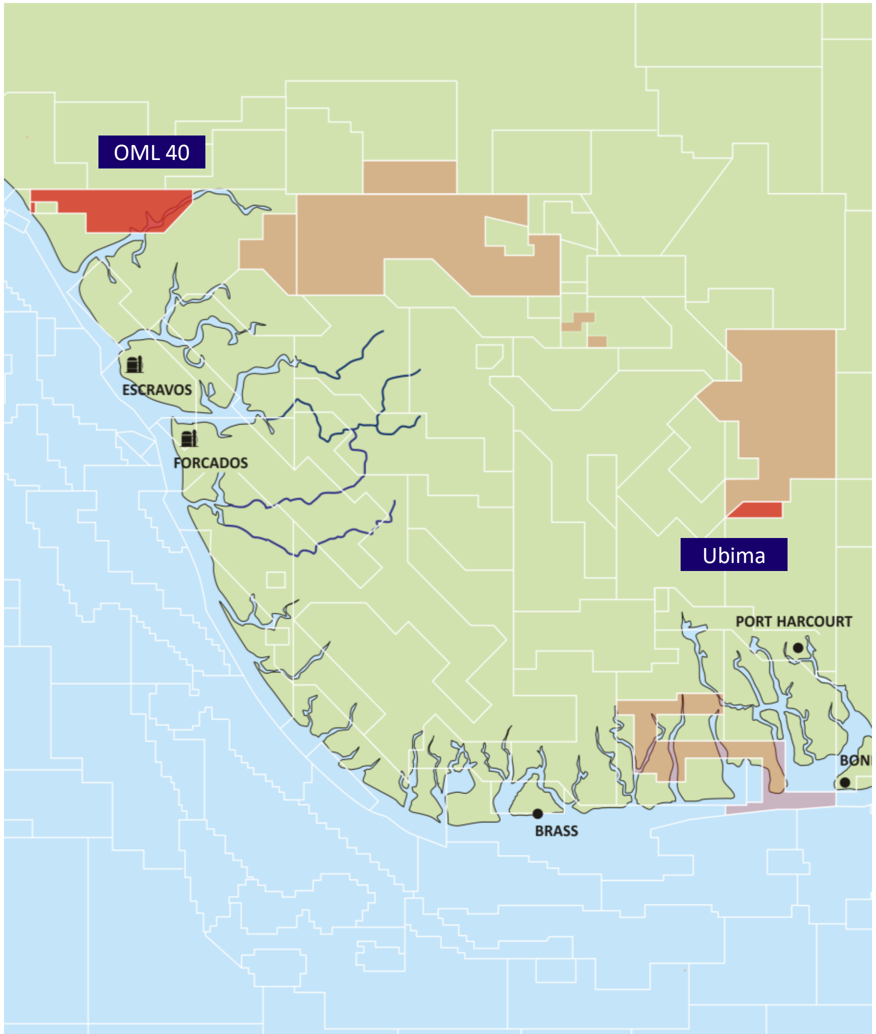
LANDMARK ACQUISITION OF ELAND OIL & GAS PLC

DIVERSIFIES PRODUCTION AND EXPORT ROUTES, ADDS SIGNIFICANT EXPLORATION EXPERTISE AND POTENTIAL



RESERVES

- Adds 36 MMbbls WI 2P reserves
- High-quality Amobe prospect with gross potential for 78MMbbls

PRODUCTION

- 8,963 kbopd achieved in 2019
- Diversifies Seplat's production base
- New Gbetiokun wells being drilled to boost production

EXPORT ROUTES

- Adds production not dependent on Trans Forcados pipeline
- Potential for new offshore export route to combine OML40 and OML 4,38 & 41 flows

EXPERTISE

- Adds significant technical and exploration expertise
- Aberdeen office adds additional technical capability to the Seplat Group

CASH FLOW

- Acquired right to be repaid $414m+ Westport loan
- Repayment schedule agreed for 2022-24
- Underpins future Group cash flows

INTEGRATION

- First major M&A
- Integration process under way
- Independents on integration team to represent Eland staff interests
- CSR projects to be integrated

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A DIVERSIFIED AND RESILIENT PLATFORM

SEPLAT IS DIVERSIFYING AND RERISKING ITS BUSINESS TO ACHIEVE SUSTAINABLE COMPETITIVE ADVANTAGE

ASSURING OIL REVENUES

- Operate mature, de-risked fields
- Addition of Eland OML 40 adds production and export routes not dependent on Trans Forcados pipeline
- Increased focus on improving uptime
- Drilling programme focused on high-return wells.

INCREASING EXPORT ROUTES

- Imminent Amukpe-Escravos pipeline significantly de-risks exports from OMLs 4,38 & 41
- Mostly buried pipeline will reduce losses from vandalism
- Potential for offshore FPSO / FSO route linking Amukpe-Escravos to OML 40 export route, to reduce handling charges and losses

GAS DIVERSIFICATION

- Increasing contribution of gas to Group revenue and profitability
- Gas prices not linked to oil price, reducing volatility of Group cash flows
- Gas pipelines less prone to damage
- High drop-through of cash from gas revenues
- Massive opportunity for Oben and ANOH to serve growing domestic market

PRUDENT CAPITAL ALLOCATION

- Flexible capex can be dialled up or down to align with prevailing conditions and future needs
- Focus on highest-return prospects
- Well-managed balance sheet, not over-levered
- Solid credit rating, able to tap markets when appropriate

BUSINESS RESILIENCE

- Significant cash balance available
- Limited debt servicing in 2020 & 2021
- Hedged 1.5MMbbls per quarter at $45 for Q1-Q3 2020
- Low unit cost production $6.20 / boe in 2019
- Low breakeven enables profitability at lower oil prices
- Business continuity plan in place

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Finance update

Roger Brown
Chief Financial Officer

FY 2019 FINANCIAL HIGHLIGHTS

STRONG PERFORMANCE AGAINST CHALLENGING CONDITIONS

Profitability increased
$270 million
(Profit before deferred tax)
14%
FY 2018: $238 million

Strong cash generation
$338 million
(Cash flow from operations)
33%
FY 2018: $502 million

EBITDA
$457 million
2%
FY 2018: $447 million

Low operating costs
$6.20/boe
(Production opex)
7%
FY 2018: $5.77/boe

Capital investment
$125 million
42%
FY 2018: $88 million

Gross debt
$789 million
After Eland acquisition
77%
FY 2018: $446 million

Final dividend
US$0.05/share
(US$59 million paid out in 2019 calendar year)
00%
FY 2018: $0.05

Gas 29% of Group sales
$203 million
Includes $66.9m gas tolling fees
30%
FY 2018: $156 million

Net debt position
$456 million
Following cash acquisition of Eland
428%
FY 2018: Net cash $139 million

FY 2019 FINANCIAL RESULTS

A PROFITABLE BUSINESS WITH STRONG CASH GENERATION AND A ROBUST BALANCE SHEET

$ million	FY 2019	FY 2018	Change
Gross oil Sales	495	590	(16.2%)
Gas sales	136	156	(12.8%)
Gas tolling	67	-	
Total revenue	**698**	**746**	**(6.5%)**

- Revenues reflect lower realised prices and lower production following drilling delays
- Gas tolling is revenue received from NPDC for processing its share of the gas extracted from 2015 to 2018

$ million	FY 2019	FY 2018	Change
Revenue	698	746	(6.5%)
Cost of sales	(302)	(355)	(15.1%)
Gross profit	398	391	1.2%
G&A	(71)	(80)	(11.4%)
Other	(13.1)	(2)	721%
Operating profit	312	310	0.7%
Net finance costs	(20)	(47)	(143%)
Profit before deferred tax	270	238	13.5%
Tax expense	(29)	(117)	(75.1%)
Profit after tax	277	147	89.0%
Capex incurred	125	88	42%
Cash flow from operations	338	502	(32.7%)
NPDC receivables	222	00	00%
Cash at bank	333	585	(43.1%)

- Royalties, crude handling and DDA reflect lower oil prices and production
- Higher Operations & maintenance expense as a result of increased levels of asset integrity management activities
- US$30 million recognised within other income includes gain on sale of 55% of Oben gas plant, income generated on the use of third-party usage of the Group’s Warri Pipeline offset by a US$7 million overlift position
- Includes the cost of oil hedges and corresponding losses charged to the P&L
- Increased operating profit driven by gas tolling revenue recognised but set against the reversal of previously recognised accrued interest of US$40 million on NPDC receivables due to the settlement of these receivables
- Tax expense includes recognition of previously unutilised deferred tax assets from prior years’ tax losses and capital allowances

- Capex includes drilling costs in relation to nine development wells and facility upgrades

- Reduced cash balance reflects the cash contribution to fund the Eland acquisition, AGPC equity contribution and ANOH deconsolidation

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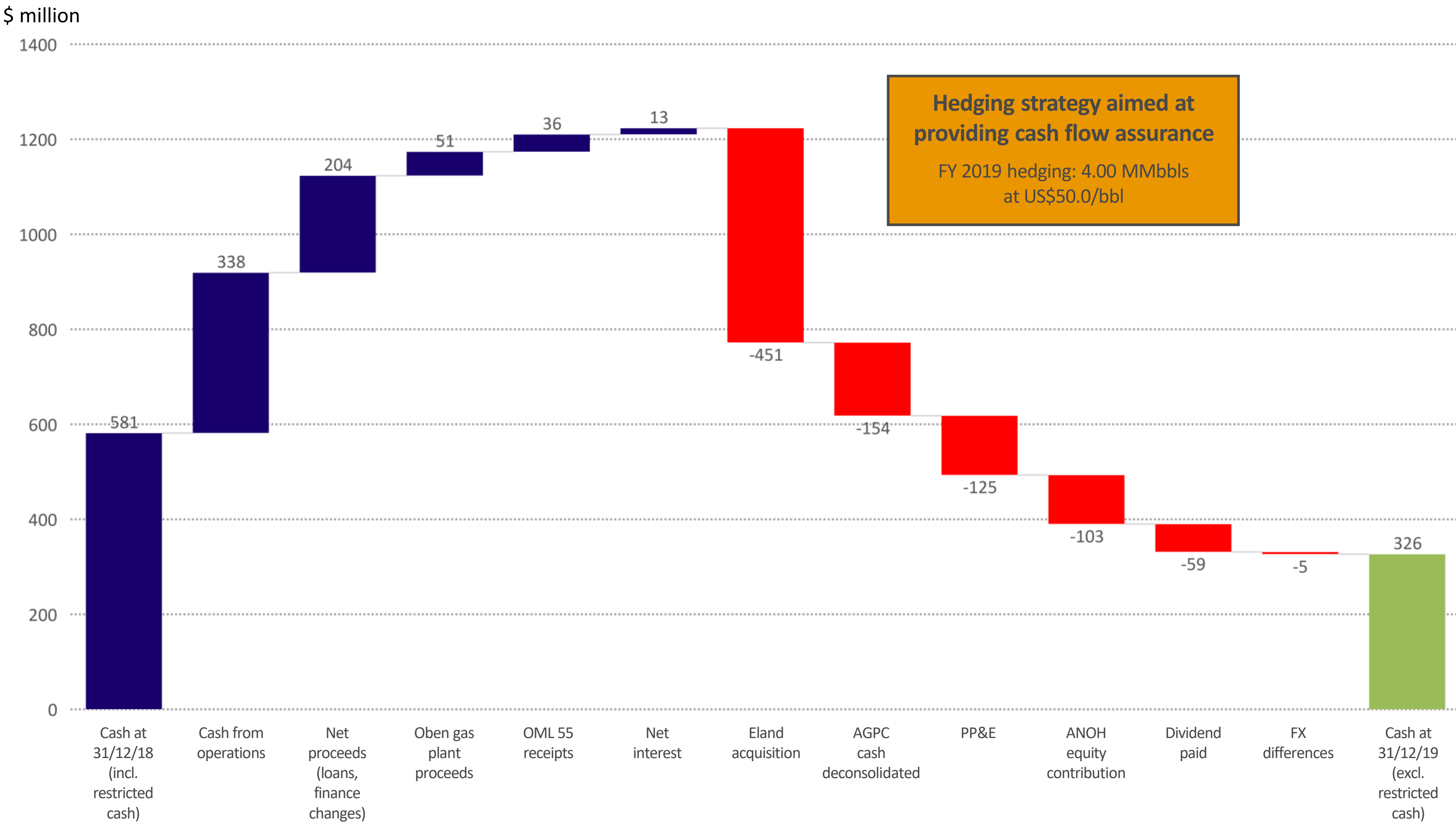
CASH RECONCILIATION

STRONG FREE CASH FLOW AND DILIGENT MANAGEMENT OF GROUP LIQUIDITY



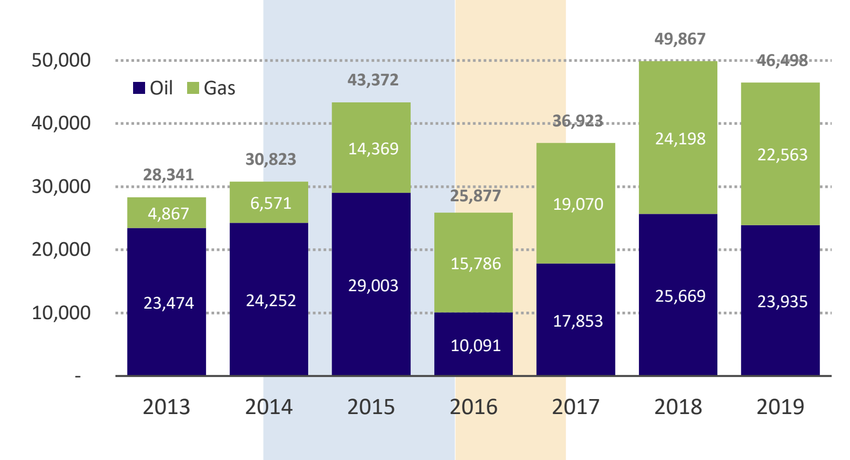
Hedging strategy aimed at providing cash flow assurance

FY 2019 hedging: 4.00 MMbbls at US$50.0/bbl

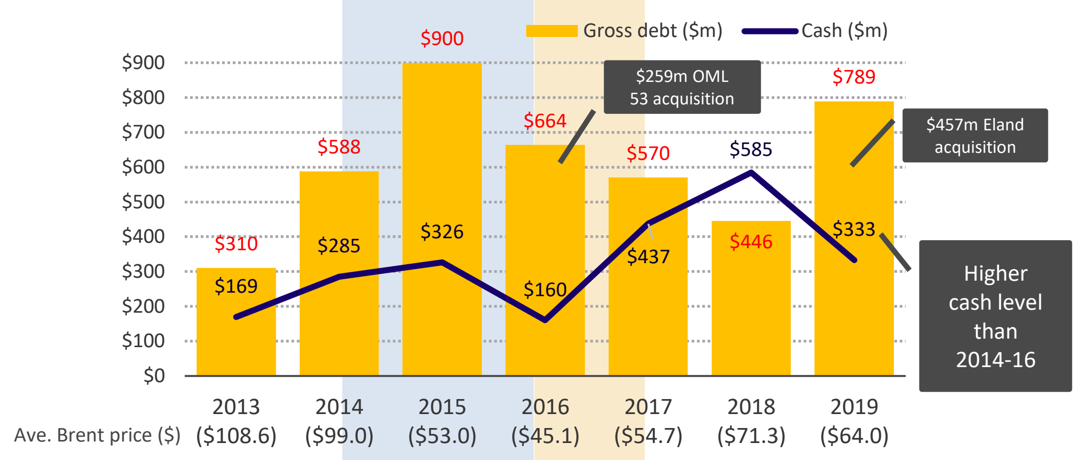
PRUDENT FINANCIAL MANAGEMENT

SEPLAT'S FLEXIBILITY TO SCALE INVESTMENT UP OR DOWN HELPED IT NAVIGATE PREVIOUS CHALLENGES

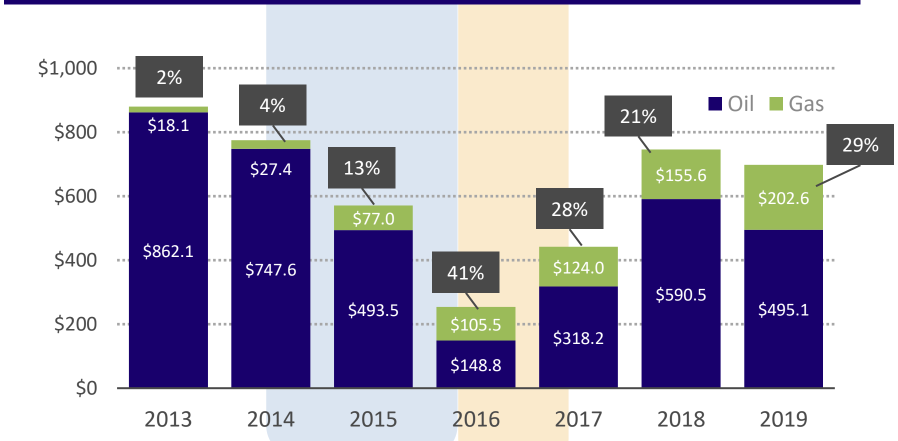
INCREASING GAS VOLUMES DIVERSIFY BUSINESS



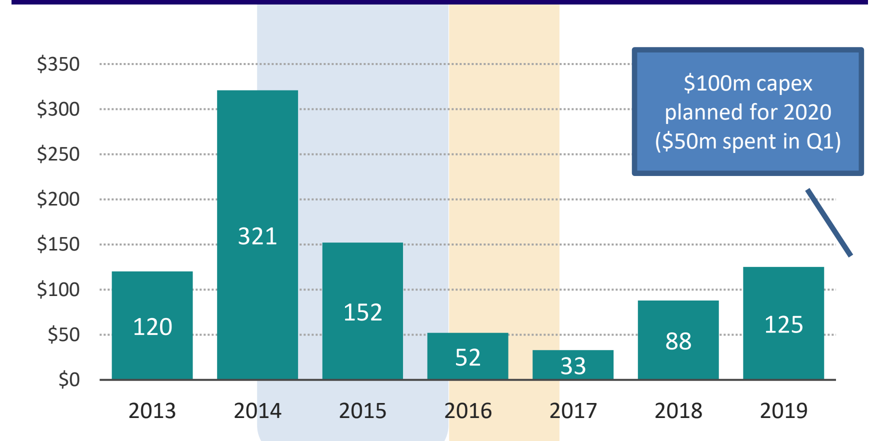
SUCCESSFUL CASH MANAGEMENT STRATEGY



RISING GAS REVENUES REDUCE EXPOSURE TO OIL PRICE



FLEXIBILITY WITH CAPITAL EXPENDITURE



Oil price crisis (Jul 14 – Jan 16)

Trans Forcados *force majeure* (Feb 16 – Jun 17)

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ROBUST CAPITAL STRUCTURE

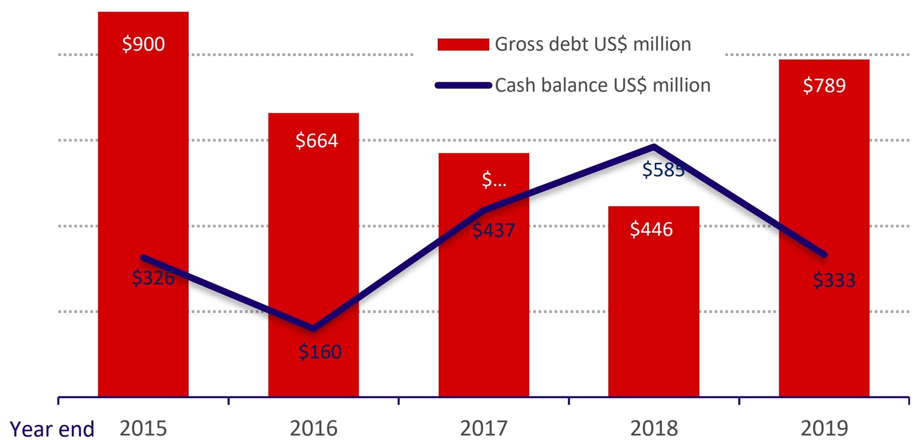
SEPLAT IS IN A POSITION OF FINANCIAL STRENGTH AND WELL-FUNDED TO CAPITALISE ON OPPORTUNITIES

- Capital structure amended following acquisition of Eland Oil & Gas PLC
- Eland RBL now part of structure
- $300m Seplat RCF upsized to $350m and extended to 2022/23

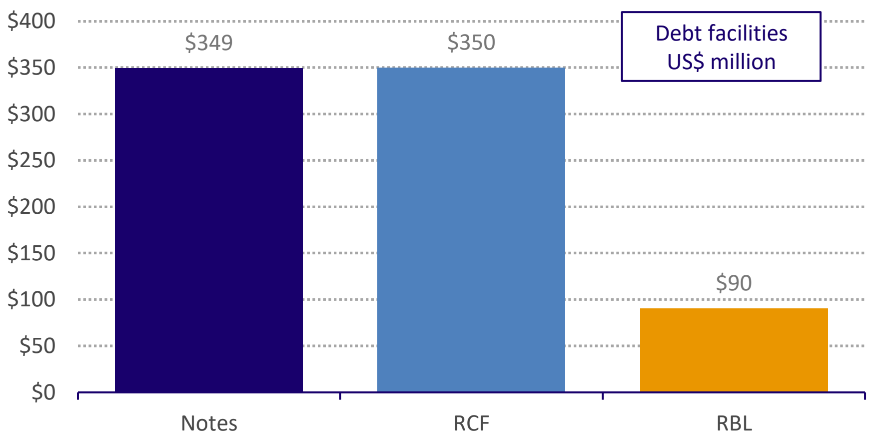
KEY TERMS

	Pricing	Tenor
Notes	9.25%	2023
RCF	LIBOR+6% falling to LIBOR+5% after Amukpe-Escravos opens	2022/23
Eland RBL	LIBOR+8% / LIBOR+7% if <50% drawn down	2023

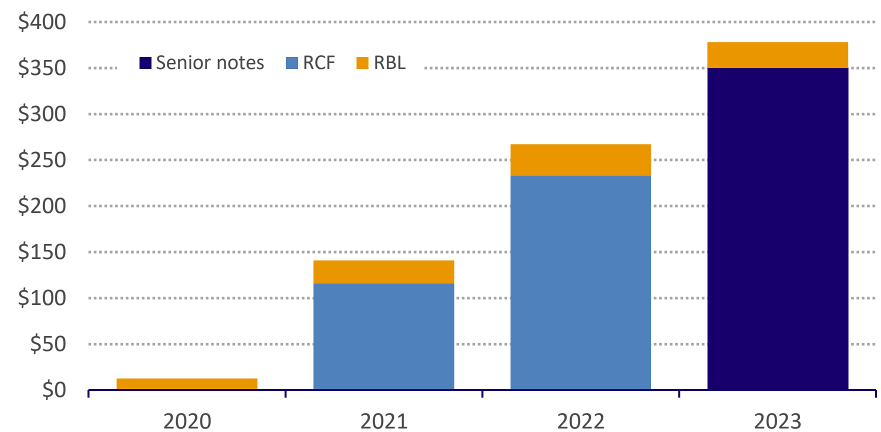
NET DEBT POSITION REFLECTS CASH ACQUISITION OF ELAND



DIVERSE CAPITAL STRUCTURE



CURRENT DEBT MATURITY PROFILE (US$ MILLION)



Note: maturity profile assumes no bond refinancing; if bond is refinanced, RCF maturity automatically extends to December 2023

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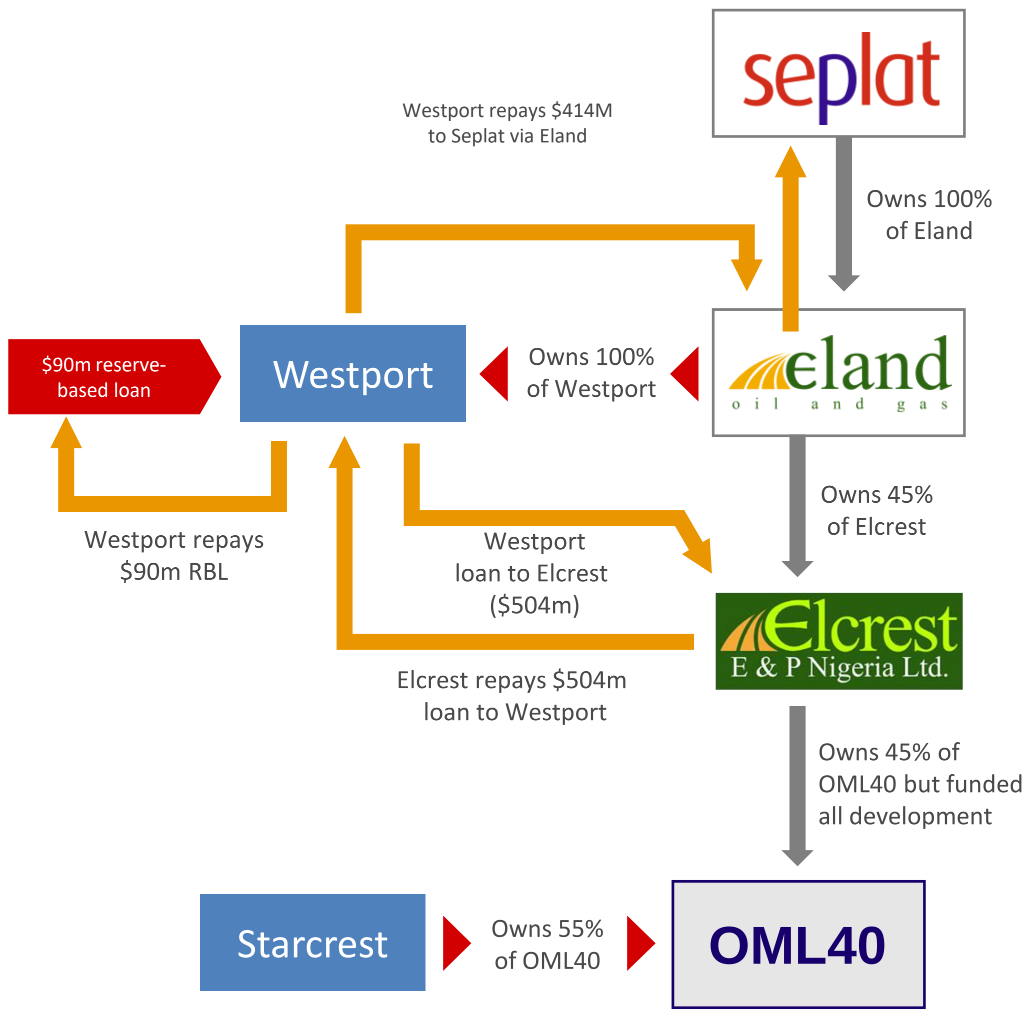
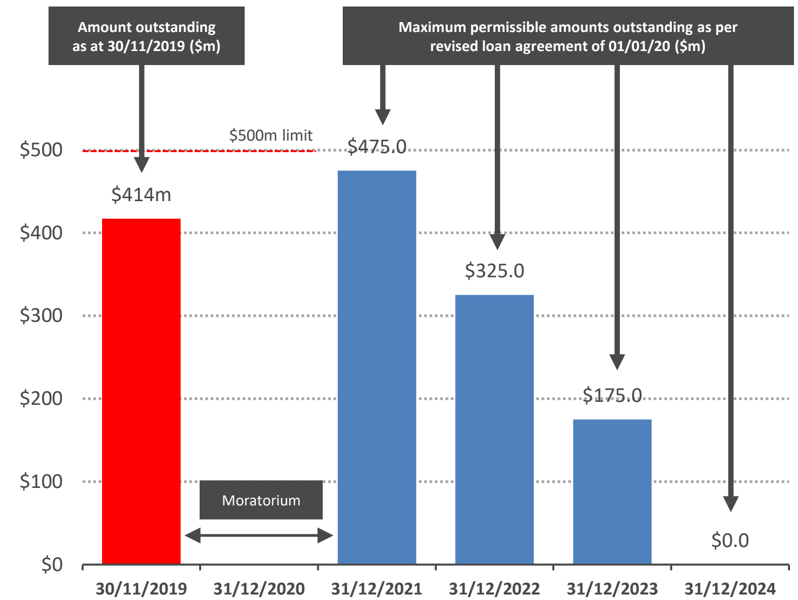
WESTPORT LOAN REPAYMENTS UNDERPIN FUTURE CASH FLOW

SEPLAT HAS ACQUIRED THE RIGHT TO BE REPAID MORE THAN $414M BETWEEN 2021-24



When Seplat paid EV $457m for Eland it acquired:

- Eland's share of OML40
- The right to be repaid $414m by Westport
- The right to consolidate Elcrest's 45% of OML 40 until the loan is repaid
- The loan will be repaid between 2021-24, but extension possible



Loan agreement guarantees cash flows from Elcrest to Westport of up to $150m in 2022 and 2023 and up to $175m in 2024, but extension is possible depending on circumstances

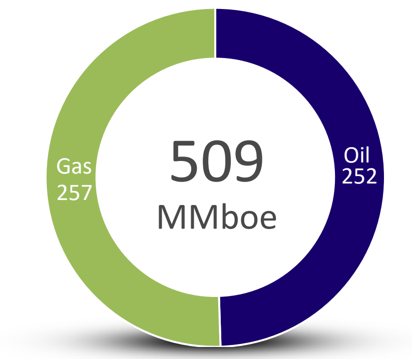
Operations Update

Effiong Okon
Operations Director

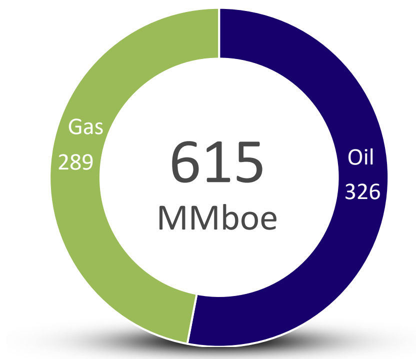
RESERVES AND CONTINGENT RESOURCES AT 1/1/20

ELAND ADDS SIGNIFICANT PROVEN RESERVES AND EXPLORATION POTENTIAL

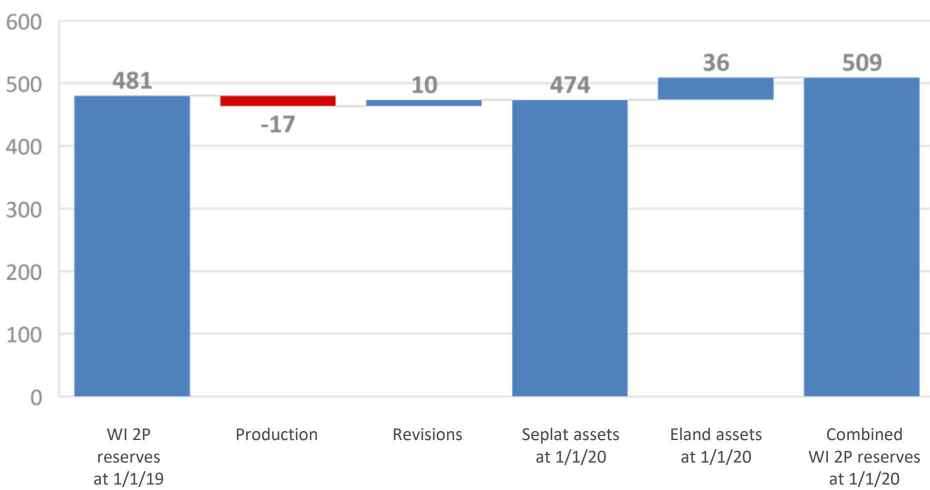
2P WI RESERVES [1]



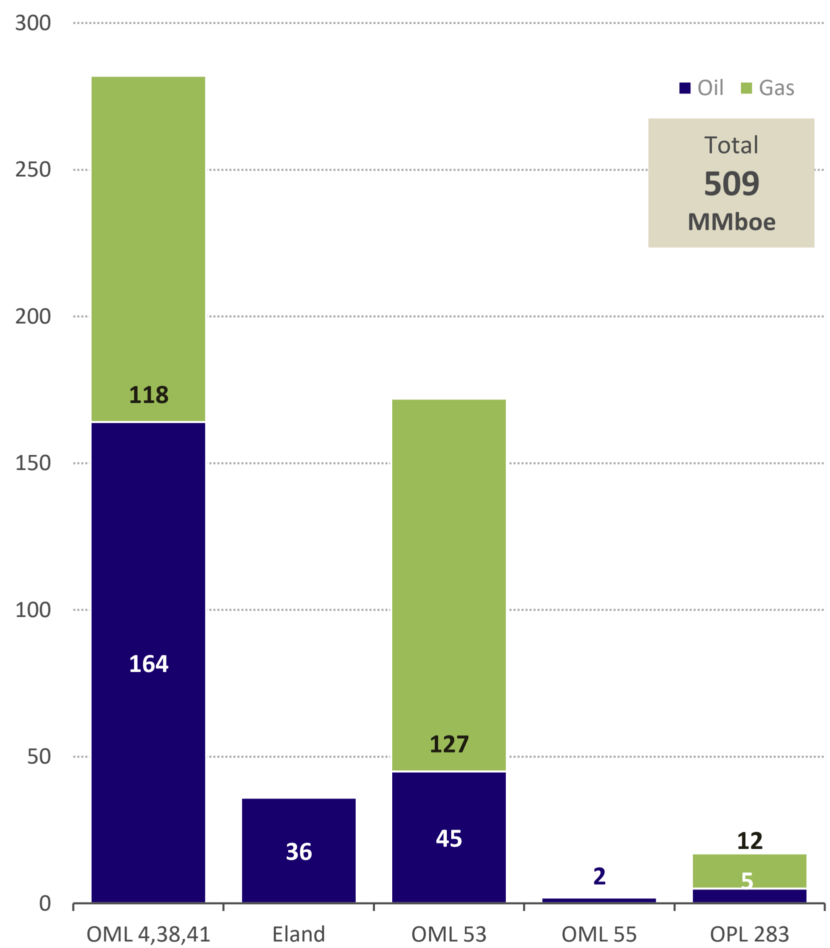
2P + 2C WI RESERVES & RESOURCES [1]



YEAR ON YEAR MOVEMENT IN 2P RESERVES (BOE)



WI 2P reserves at 1/1/20 (Mboe)



Note: (1) Reserve and contingent resource volumes stated at 1/1/20 are based on independent estimates from Ryder Scott (Seplat) and NSIA (Eland).

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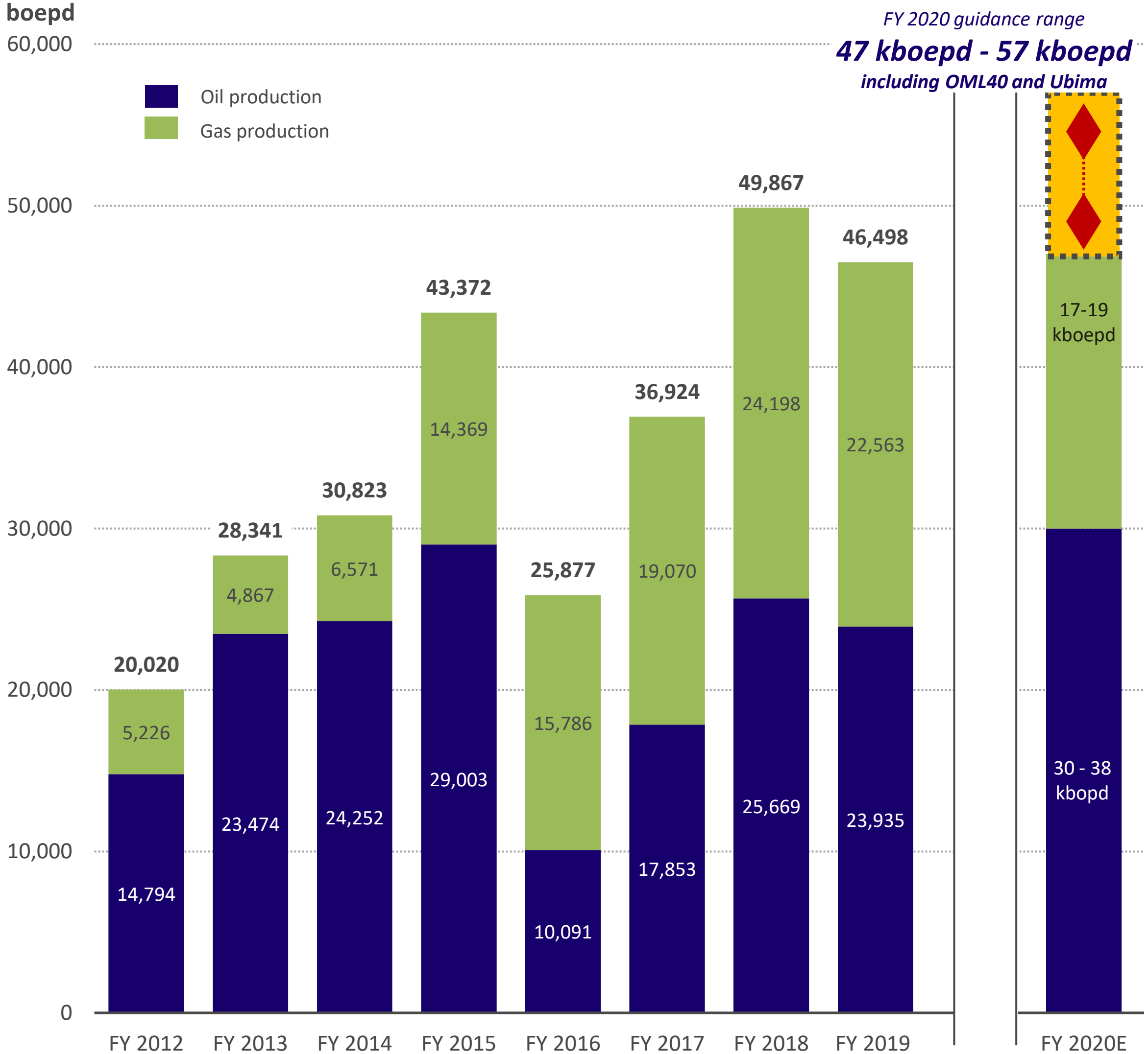
2019 WORKING INTEREST PRODUCTION & FY 2020 GUIDANCE

A STRONG PORTFOLIO OF PRODUCTIVE FIELDS



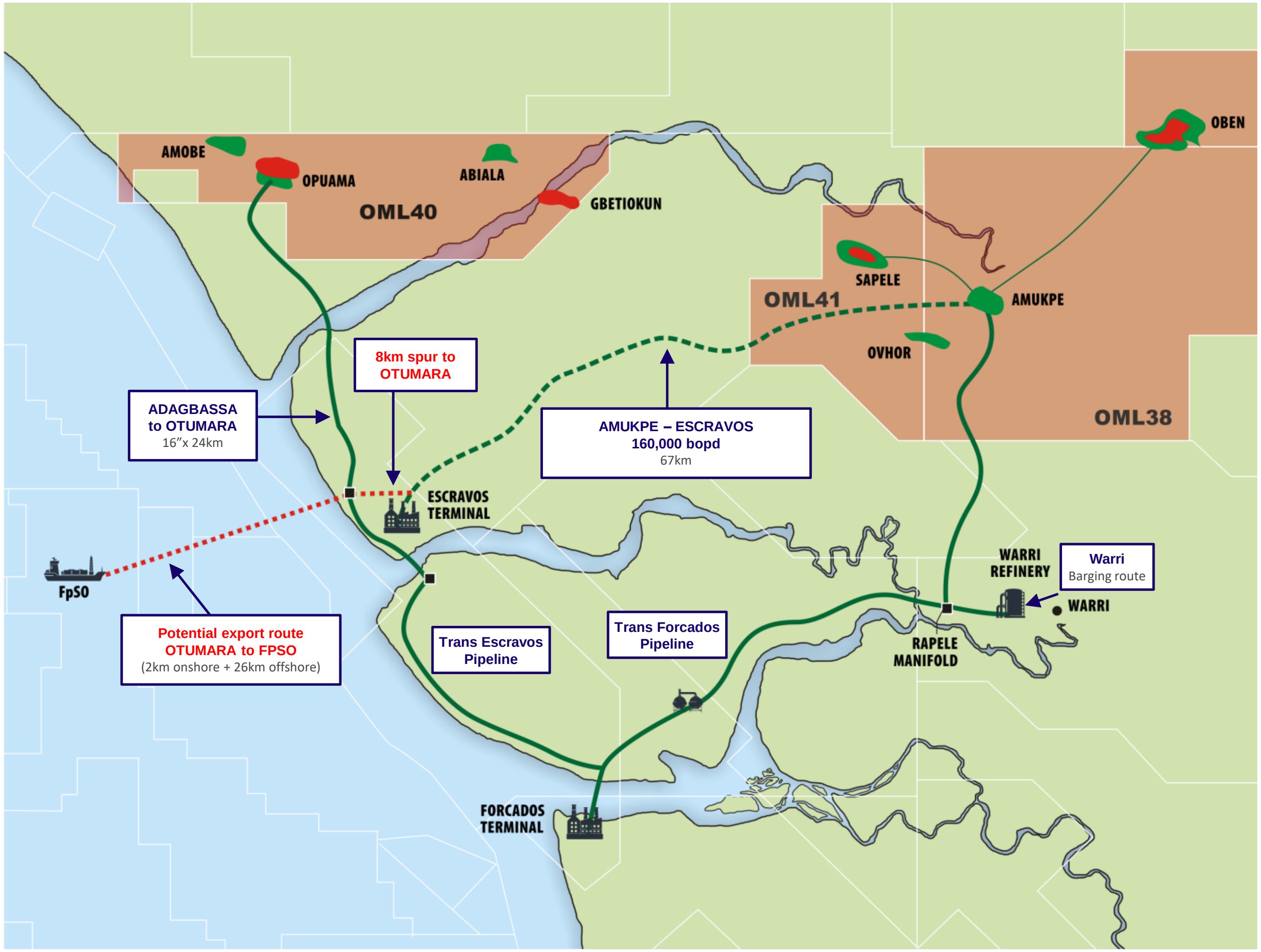
- Average working interest production: **46,498 boepd** (2018: 49,867 boepd)
- 92% production uptime achieved
- Five new wells drilled in 2019
  - Sapele, Ovhor, Oben
  - One sidetrack (Sapele)
  - Two initial completions (OHS)
- Oben-48 onstream March 2020
- Eland assets achieved 8,963bopd

FY 2020 working interest production guidance[(1)] revised to reflect current market conditions	
Oil	**24kbopd – 28kbopd**
Gas	**99MMscfd – 110MMscfd (17kboepd - 19kboepd)**
Eland	**6kbopd – 10kbopd**
Total	**47 kboepd – 57 kboepd**

(1) Before reconciliation losses, volumes measured at the LACT unit, assumes on no major force majeure or lock-in event in 2020.

VALUE CREATION FROM FUTURE EXPORT ROUTES

ADDITIONAL ROUTES WILL DIVERSIFY AND DERISK EXPORTS, ASSURING GREATER REVENUE FLOW



AMUKPE-ESCRAVOS

- Scheduled to open H1 2020
- Alternative to Trans Forcados pipeline
- Mostly underground pipe, protected from vandalism
- Assures more secure export route for Western assets
- Seplat has right to 25% of capacity, or 40,000 bopd

OML40

- Exports via pipeline from Opuama to Forcados (Trans Escravos Pipeline)
- Gbetiokun output via barge to Adagbassa and then to TEP

OFFSHORE FPSO / FSO POTENTIAL

- Possibility of creating offshore route to combine oil from Western assets with OML 40
- Create 8km spur from Amukpe-Escravos to Otumara, then offshore to Floating Storage, Production & Offloading vessel (FPSO)
- Reduces crude handling costs and losses

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THE LONG TERM VISION FOR SEPLAT'S GAS BUSINESS

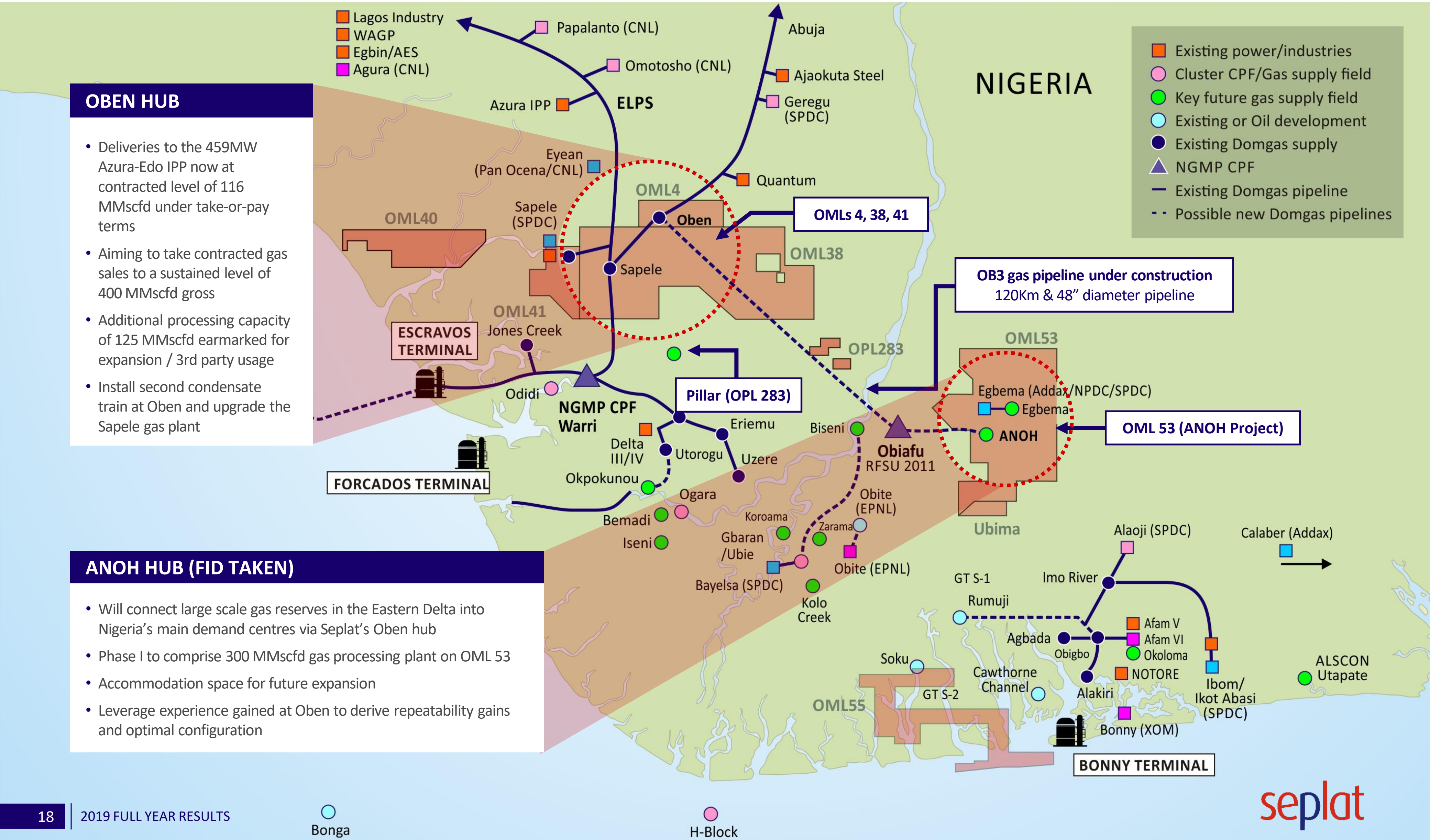
ESTABLISHING AND GROWING CORE GAS HUBS WITH INTERCONNECTIVITY TO NIGERIA'S LARGEST DEMAND CENTRES

OBEN HUB

- Deliveries to the 459MW Azura-Edo IPP now at contracted level of 116 MMscfd under take-or-pay terms
- Aiming to take contracted gas sales to a sustained level of 400 MMscfd gross
- Additional processing capacity of 125 MMscfd earmarked for expansion / 3rd party usage
- Install second condensate train at Oben and upgrade the Sapele gas plant

ANOH HUB (FID TAKEN)

- Will connect large scale gas reserves in the Eastern Delta into Nigeria's main demand centres via Seplat's Oben hub
- Phase I to comprise 300 MMscfd gas processing plant on OML 53
- Accommodation space for future expansion
- Leverage experience gained at Oben to derive repeatability gains and optimal configuration



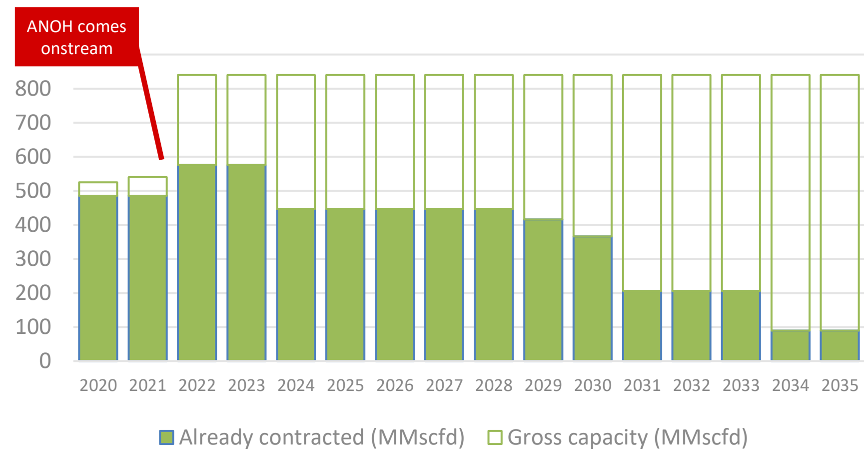
GAS DELIVERS MULTIPLE CASH FLOW BENEFITS

LONG-TERM VISIBILITY OF REVENUES WITH HIGHER DROP-THROUGH OF CASH

ADVANTAGES OF GAS FOR GROUP CASH FLOWS

1. Gas pricing de-couples revenue from oil price volatility
2. 10-15 year offtake agreements deliver long-term revenue visibility
3. Superior earnings quality from higher cash drop-through
4. Lower royalties paid on gas (7% vs 20% on oil)
5. Lower tax rate applies to gas profits (30% vs 85% Petroleum Profits Tax)
6. Possible allocation of gas costs to oil operations, where permissible
7. Because Seplat meets its Domestic Supply Obligation it can contract with “willing buyers” at more than the guaranteed $2.50/MMscf DSO price
8. No reconciliation losses (unlike oil, up to 12% losses)
9. No transportation tariffs, gas sold at wellhead prices
10. Gas pipelines less prone to vandalism, assuring higher uptime

VOLUMES ALREADY CONTRACTED OUT TO 2035



Oben contracted off-takers	Volume (MMscfd)	Duration (years)	Take or Pay
Domestic Supply Obligation (DSO)			
Sapele Power Plant	50	10	No
Geregu Power Plant	80	10	No
Nigeria Gas Corporation (NGC)			
• Firm*	50	10	Yes
• Variable	<140	10	No
New Gas to Power Projects			
• Azura Power	116	15	Yes
• Industrial	30	10	Yes
• Industrial	20	10	Yes
• Other**	<150	5-15	-

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OUTLOOK

Austin Avuru
Chief Executive Officer

OUTLOOK

SHORT TERM FOCUS ON CASH PRESERVATION, LONGER TERM SIGNIFICANT GROWTH PROSPECTS

GUIDANCE FOR 2020

VOLUMES

Seplat: 41 – 47 kboepd*

Eland: 6 – 10 kbopd *

HEDGING

1.5 MMbbl/quarter @ $45

Q1 – Q3 2020

CAPEX

$100m

$50 million spent in Q1 2020

SHORT-TERM VALUE DRIVERS (0-2 YEARS)

1. Increase in production from Eland's OML40, with exports not dependent on Seplat's existing export routes
2. Greater/more reliable output from OMLs 4,38, and 41 as Amukpe-Escravos pipeline assures more secure flow and reduces losses through shut-ins and pipeline vandalism
3. Potential for dedicated export route via Floating Storage and Offload vessel to support OML 40 and OML 4,38,41, reducing handling costs and reconciliation losses
4. Improved uptime from increased focus on operational improvements in 2020; increased field development
5. Prolific swamp wells coming onstream to increase production
6. Significant 2P reserve potential from Eland's Amobe prospect at OML40, benefiting from Eland expertise

LONGER-TERM VALUE DRIVERS (2+ YEARS)

1. Significant opportunity from gas displacement of diesel generators as government prioritises gas-fired electricity
2. ANOH significantly boosts potential income from gas from 2022, further decoupling value from oil price volatility; expansion potential beyond 300MMscfd to serve increasing demand
3. Opportunity to increase scale of oil and gas businesses through M&A as IOCs divest Nigerian assets
4. Cash flows from repayment of $414m+ Westport loan 2022-24

*assuming continuous export possible

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Q&A

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