



Half-Year Results Presentation

Responsible. Ready. Refocused.

7th September 2021

Disclaimer

These materials contain forward-looking statements regarding Cairn, our corporate plans, future financial condition, future results of operations, future business plans and strategies. All such forward-looking statements are based on our management's assumptions and beliefs in the light of information available to them at this time.

These forward-looking statements are, by their nature, subject to significant risks and uncertainties and actual results, performance and achievements may be materially different from those expressed in such statements. Factors that may cause actual results, performance or achievements to differ from expectations include, but are not limited to, regulatory changes, future levels of industry product supply, demand and pricing, weather and weather related impacts, wars and acts of terrorism, development and use of technology, acts of competitors and other changes to business conditions.

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Introduction

Simon Thomson





Strategic Delivery: Creating Renewed Platform for Differentiated Growth

India

- Near-term resolution expected with Government of India on tax issue
- Refund of ~US\$1.06 billion to be paid to Cairn
- Enables potential return up to US\$700 million to shareholders and accelerates building production scale

Egypt

- Expected completion Q3 2021
- Securing long term sustainable production, exploration potential and supporting cashflow growth

Financial Flexibility

- Balance sheet strength
- Net Cash no debt
- Focused capital discipline

Operational Delivery

- Further success in Mexico – possible hub development
- Near-term focus on ILX opportunities in UK and Egypt
- Production at top end of guidance

Executing Strategy Responsibly

- Committed to Net Zero by 2040
- Short, medium and long-term reduction targets developed
- Continued focus on safety throughout pandemic

Finance

James Smith





Strong Positioning for Growth and Returns

Balance Sheet Capacity

- Mid year cash US\$341m
- Full year capex of US\$105m*
- Projected year end net cash (post Egypt acquisition and UK sale)

Delivering Shareholder Returns

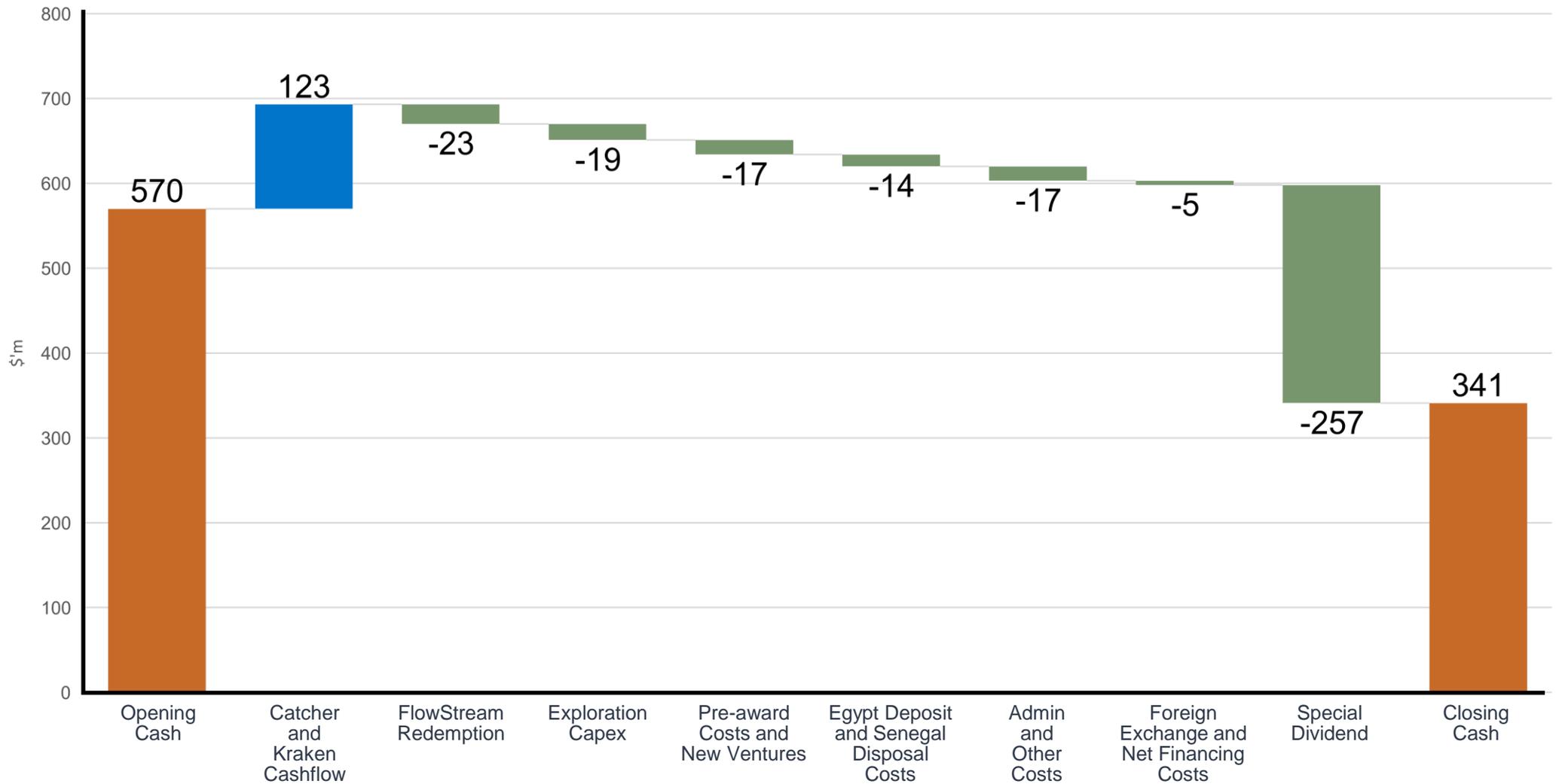
- US\$257m special dividend paid in H1 2021, post Senegal sale
- Further catalysts for shareholder returns, including India

Positioned for Growth and Expansion

- Egypt offers low breakeven full cycle opportunities for production growth and reserves replacement through exploration
- Balance sheet capacity to further expand the production base

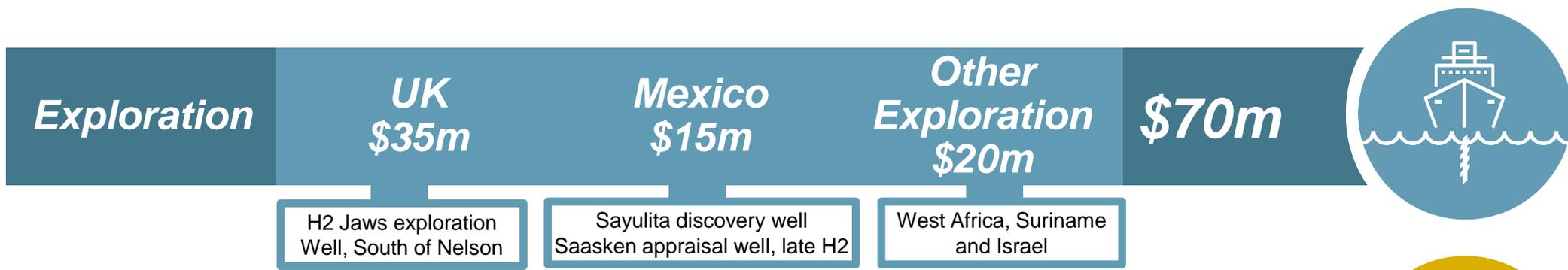
* Excludes Kraken and Catcher expenditure

H1 2021 Cashflows





2021 Capital Expenditure Full Year Guidance



2022 Capital Allocation

Egypt production ramp up
ILX in Egypt and UK
Follow on E&A in Mexico

* Refunded on completion of Kraken and Catcher sale



Egypt Acquisition

- Completion awaiting Ministerial consent, targeted for late Q3 /early Q4 2021
- Pre-completion payment of \$302m
 - \$121m equity
 - \$141m senior debt
 - \$40m junior debt
- Transition and integration planning well underway
- Priority to ramp up investment in the fields during H1 2022

Financial

Oil price breakeven ~\$30 (LoF)
Targeting opex <\$6 boe
Capex of \$3 to \$7 per boe

Reserves

Adds Cairn WI 2P reserves
of 113 mmboe as at 31 Dec 2020

Resources

Cairn WI 2C resources:
49 mmboe at 31 Dec 2020

Growth Opportunities

Near term exploration targeting
~100 mmboe gross unrisks resources



Divesting UK North Sea Production Interests

Transaction Overview

- Sale of Cairn's 20% interest in Catcher and 29.5% interest in Kraken to Waldorf Production
- Firm consideration of US\$460m (as at effective date 1 January 2020)¹
- Additional consideration payable based on a share of revenues generated by Brent prices in excess of US\$52/bbl in the years 2021 to 2025²:
 - ~US\$80m additional consideration at US\$60 Brent
 - ~US\$175m additional consideration at US\$70 Brent
 - Uncapped
- US\$35m of firm consideration deferred, with payment not later than 48 months from completion
- Cairn's UK exploration licences to be retained
- Substantial part of the UK tax losses expected to be retained
- Completion subject to customary third party consents

¹ Consideration to be adjusted for working capital and interim period cashflows. Interim period adjustments from 1 Jan 2020 to 30 June 2021 are ~US\$273m

² Subject to minimum production levels being achieved. Projections provided based on Cairn production profiles



Legislative change in India

- Taxation Law (Amendments) Act 2021 now enacted
- Amends 2012 retrospective tax act under which Cairn was taxed in 2014
- Expected to result in INR79bn (\$1.06bn) tax refund to Cairn

Working towards swift and final resolution

- The Amendment Act requires Cairn to withdraw all related legal claims against India
- Working with Government of India to expedite documentation and payment of refund

Capital returns and balance sheet strength

- Proposed \$500m special return, and up to \$200m buy back programme
- \$300m in addition to current net cash position to pursue value accretive expansion and diversification

Production and Development

Paul Mayland





Consistent Delivery Within Guidance

UK North Sea

- H1 2021 Net Production
~19,215 bopd
- Raising floor of full year 2021 guidance
17,000 – 19,000 bopd
- Anticipate to exceed Earn-Out floor
15,500 bopd



Egypt

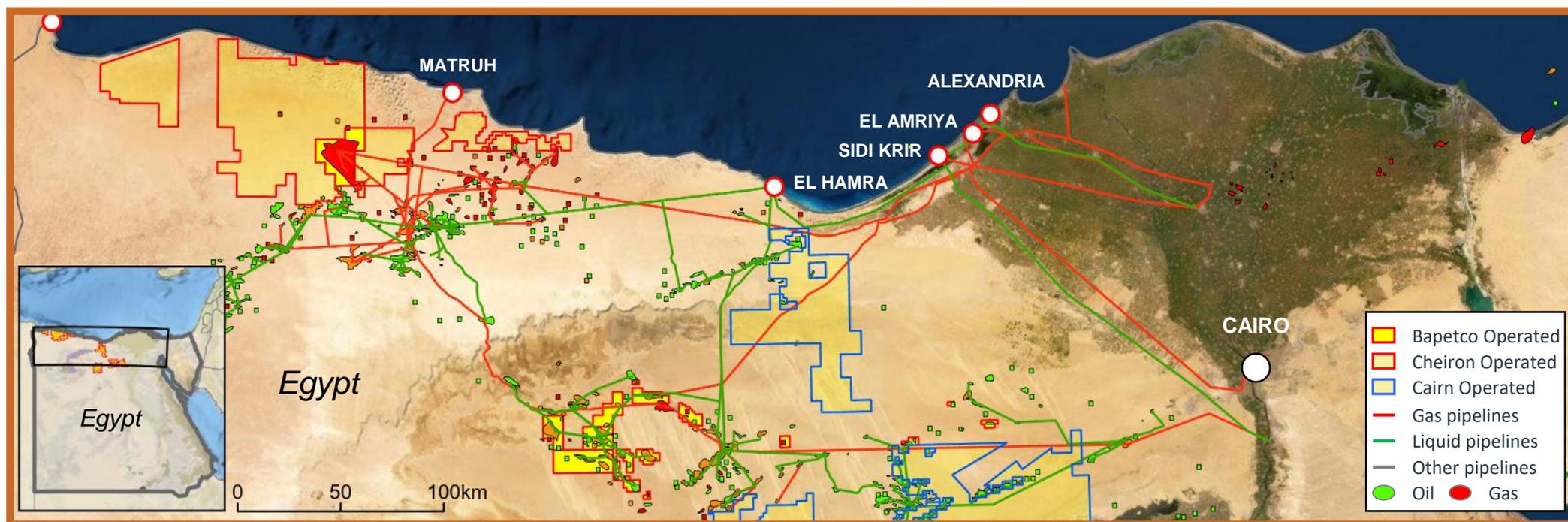
- H1 2021 Net Production
~35,500 boepd
- 2021 WI Guidance remains unchanged
~33,000 – 38,000 boepd
- Liquids Production
35%
- Existing two-rig programme with
exploration commitments in schedule





Developing Inventory of Egypt Investment Options

- Re-activation and work-over of existing wells
- New Well Drilling – both producers and injectors
- Facility De-bottlenecking and process optimisation
- Improved water-flood of existing oil fields
- Satellite field development
- Well established operating company (Bapetco) with low cost, experienced Egypt Operator (Cheiron)





Delivering Strategy Responsibly

Committed to Net Zero by 2040 or earlier

- Anchored on delivering improvements from a clear initial base; focus is Scope 1 & 2 emissions reduction
 - First UK Independent to commit to World Bank's Zero Routine Flaring by 2030
 - Aim to enact in Egypt assets over next 3-5 years
 - Offsetting remains part of our carbon removal hierarchy
 - Appointment of Energy Transition Director to lead strategic positioning of portfolio and Net Zero acceleration options
- Social action is core to Cairn's Values of Respect, Responsibility and Relationships
 - COVID-19 donations in all major jurisdictions where Cairn participates

Short to Medium-term Targets

Reduce emissions by 25% by 2030:

- Use of more energy efficient vessels and services where practicable
- Electrification of operations
- Zero routine flaring in line with our commitment to the World Bank initiative

Long-term target Net Zero

Operational improvement measures plus meaningful engineered or natural offsetting impact

2021

2030

2040

Cairn is committed to reporting transparently on progress against its Net Zero roadmap

Exploration

Eric Hathon





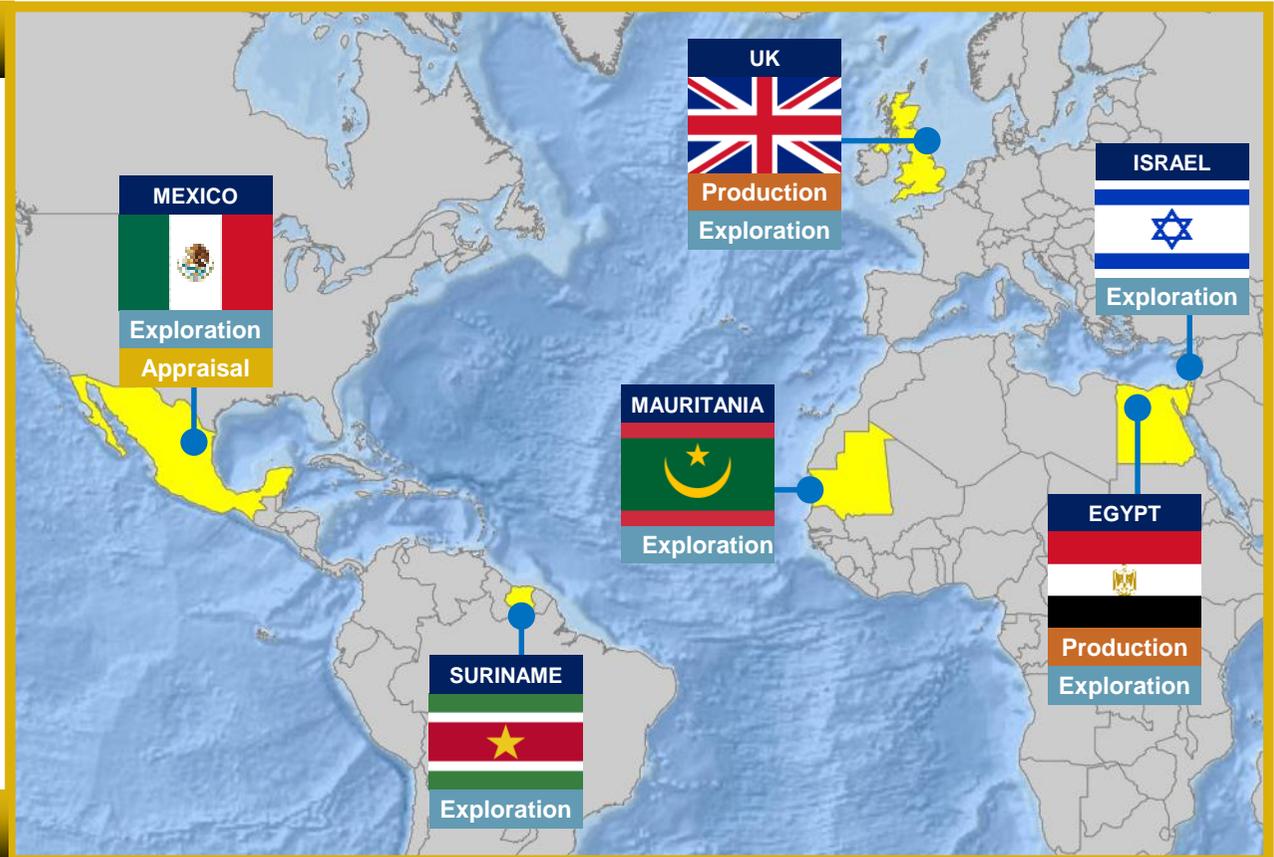
Exploration Portfolio – Focused and Flexible

Key Activity

- Mexico
 - Second oil find in Block 10
- UK
 - ILX well programme imminent
 - New acreage in emerging play
- Egypt
 - Ongoing Non-op exploration
 - Refining Operated portfolio

Advantaged Barrels

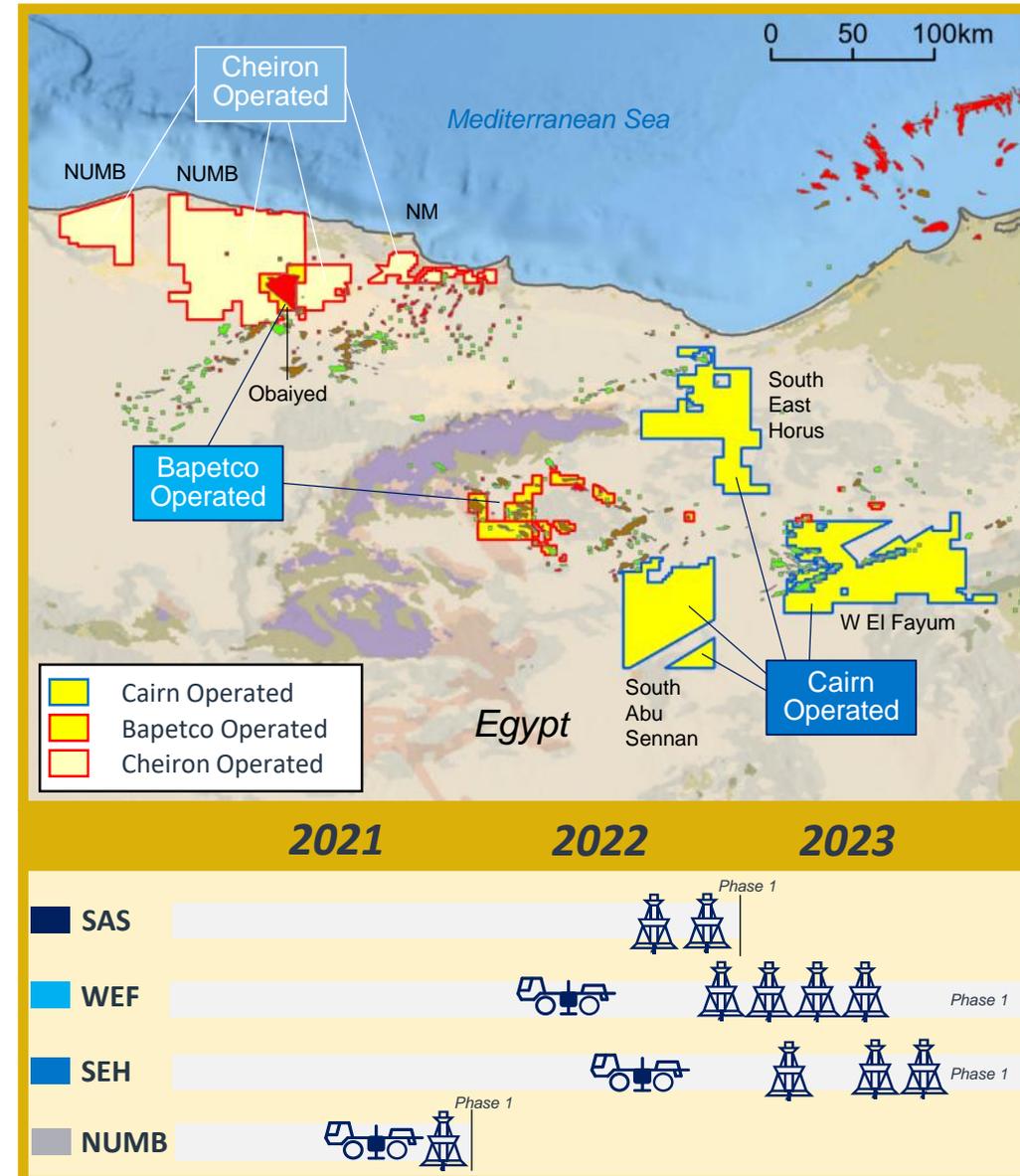
- Clear path to timely monetisation
- ILX focus; material frontier opportunities where scale drives value
- Focus on minimising carbon footprint; alignment to ESG priorities
- Flexible commitments allowing acceleration or deferral with commodity trends





Exploration Activity in the Western Desert

- JV Cairn 50%, Cheiron 50%
- Near-term programme:
 - Ten exploration wells (nine operated)
 - Three 3D seismic acquisition surveys (two operated)
- Portfolio targeting >100 mmbobe (gross unrisked)
- Latest seismic technology to unlock potential of deeper, under-explored intervals
- Cheiron operated NUMB West-1 expected to spud Q4 2021
 - Jurassic sands faulted trap
- Cairn operated seismic acquisition and drilling anticipated to begin in 2022
 - Permitting requirements underway



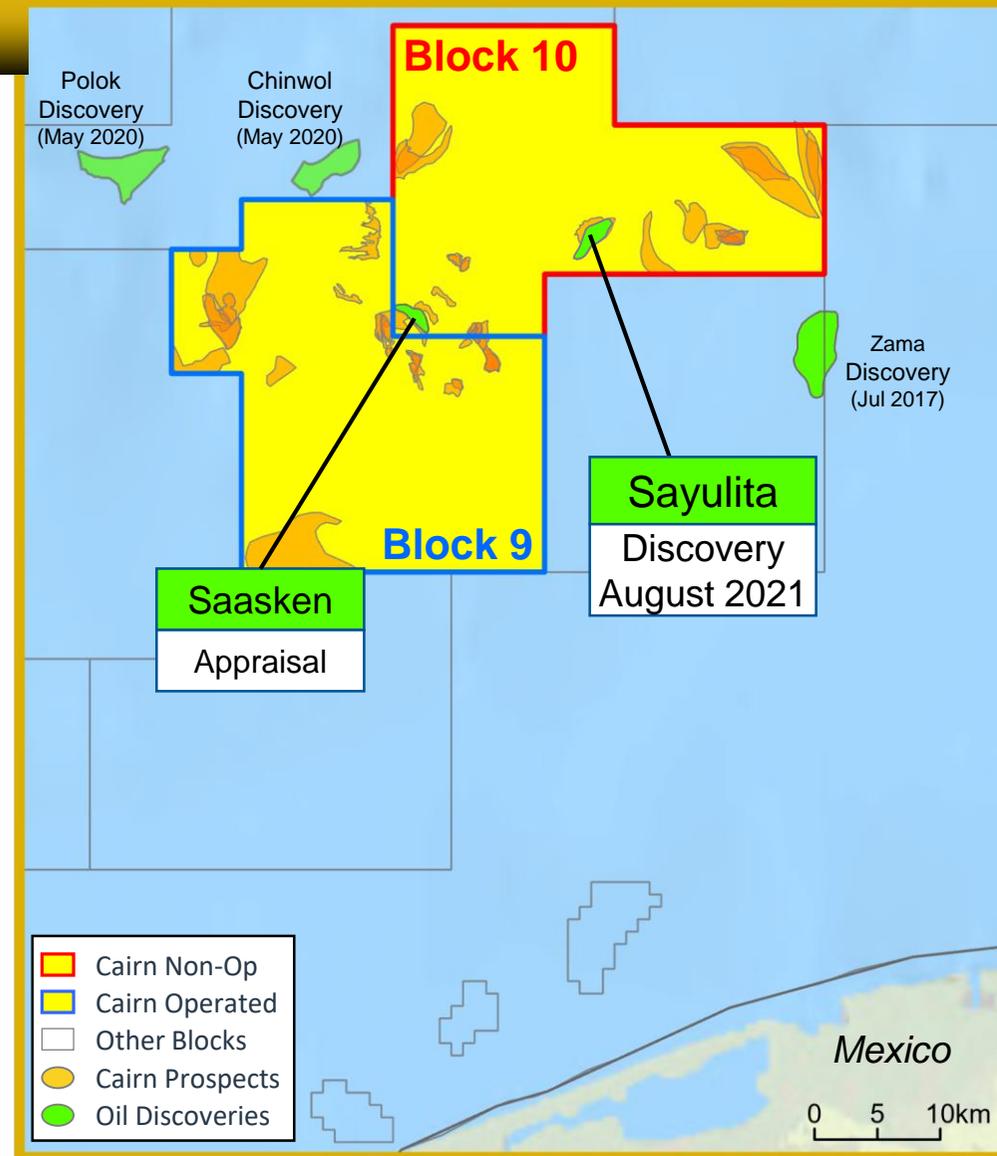


Second Find, Sureste Basin

Block 10 (ENI 65% Op, Cairn 15%, Lukoil 20%)

- Sayulita oil find
 - 55 metres net oil pay
 - Excellent quality Upper Miocene reservoir sands
 - ~150-200 mmbbls of oil in place*
 - Promising well test 3,000 bopd
- Potential for hub production development
 - Options under evaluation
- Saasken appraisal well anticipated H2 2021
 - 200-300 mmbbls of oil in place*
 - Will evaluate upside potential downdip

* Operator estimate





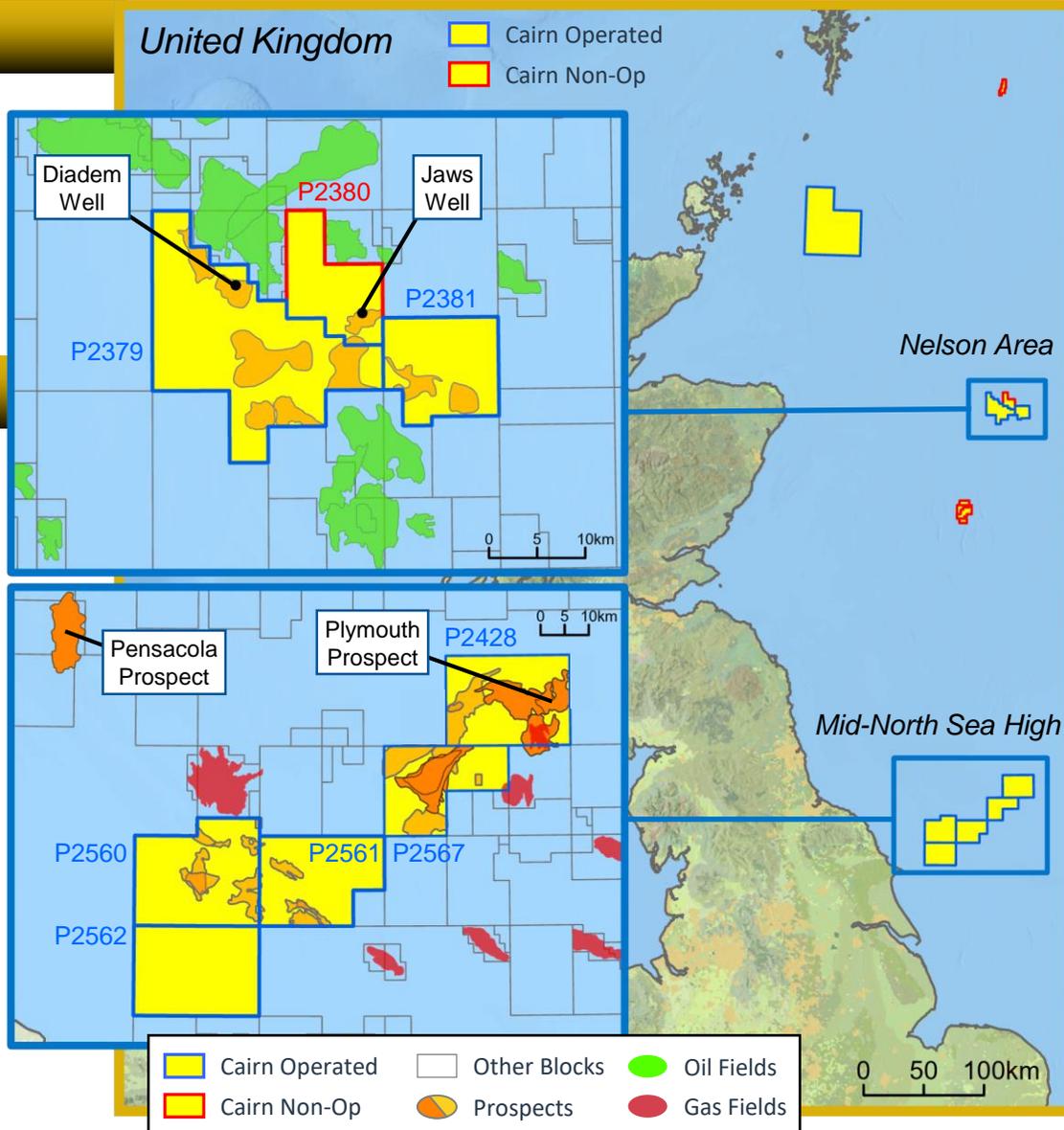
UKCS – Infrastructure Led Exploration (ILX)

Nelson Area

- P2379 and P2380
 - Cairn 50%, Shell 50%
- Shell-operated Jaws-1 well to spud Q4 2021
- Cairn-operated Diadem-1 well to spud H1 2022

Mid-North Sea High Entry

- Operated interest in five licences with Deltic Energy
 - P2428 and P2567 (Cairn 60%, Deltic 40%)
 - P2560, P2561 and P2562 (Cairn 70%, Deltic 30%)
- Work programme focused on maturing prospectivity to drill decision in 2023
- Exposure to exciting emerging Zechstein carbonate play
- Additional potential in Permian and Carboniferous sands
- Shell drilling Pensacola well reduce uncertainty
- Tie-back options nearby



Conclusion

Simon Thomson





Conclusion

All investment decisions assessed against multiple externally assured energy transition scenarios



Portfolio Management

- Monetise for returns and reinvestment
- Flexible and balanced capital allocation
- Enhance weighting towards gas
- Identify and execute carbon abatement opportunities



Sustainable Cashflow Base

- Diversify and extend production base
- Ensure low full-cycle break even economics
- Cashflow yield to support reinvestment and returns over time



Selected Exploration

- Core area exploration to sustain production
- Select transformational exploration



Balance Sheet Flexibility

- Capital structure resilient to price shocks
- Controllable and flexible capital programme



Shareholder Returns

- Key differentiator
- Competition for capital between reinvestment and returns