

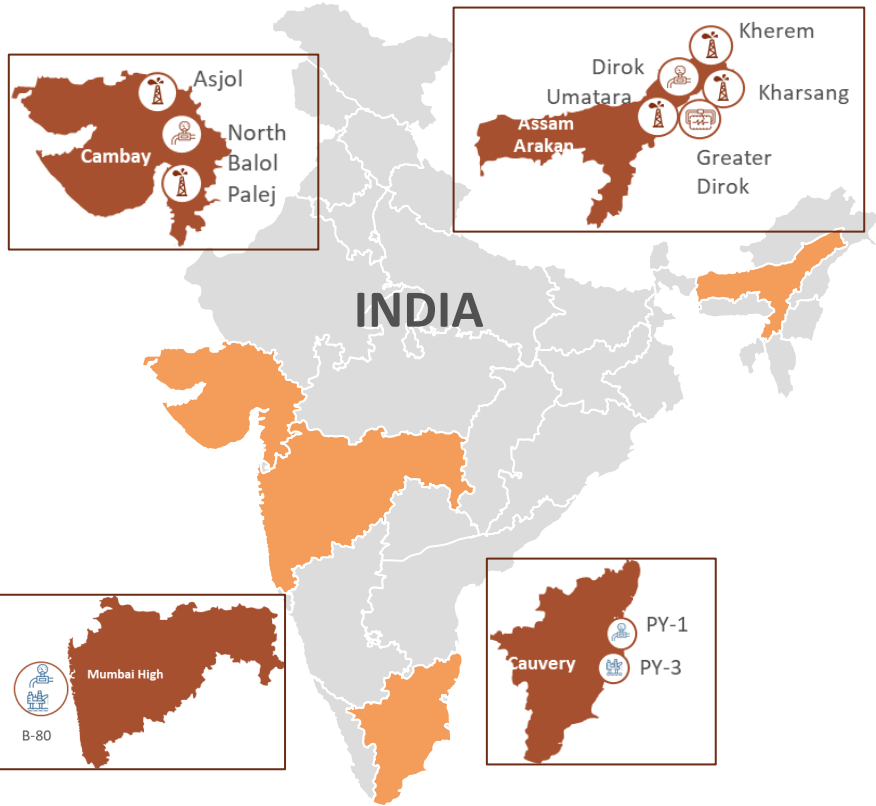
**Hindustan Oil Exploration
Company Limited**



HOEC[®]

**EARNINGS PRESENTATION |
Q1 FY 23-24
AUGUST 2023**

Tailored Asset Portfolio with Broad Geographical Presence



- India Focused Asset Portfolio tailored to deliver our strategy of rapid development of discovered resources
- Strong offshore presence with anchor assets on both east and west coast
- Established industry leading footprint in most prospective areas – North-East and Cambay

10

Out of 11 blocks with discovered / producing resources

4

Out of 7 producing basins in India with HOEC presence

Uniquely placed with right organization and right asset portfolio to deliver superior value

Focus on Discovered Resources



- Focus on discovered oil and gas resources to reduce the risk involved in exploration
- Fast-track execution to bring resources to monetization quickly

Growth strategy



- Build on Offshore Operating Edge
- Seize growth opportunities in Offshore and North-East with established footprint
- Leverage Existing Infrastructure to add Attractive Assets with Synergies

Growing responsibly



- Create long-term stakeholder value & 'Grow Responsibly'
- Respect and Care for
 - Individuals
 - Community
 - Environment

Q1 FY23-24 Operational Highlights



Gross Production (BOEPD)

Q4 FY22: 10,596

FY22-23: 8,793

Q1 FY 23-24: 6694

Net Production (BOEPD)

Q4 FY22: 4,073

FY22-23: 2973

Q1 FY 23-24: 3152

Dirok

- Q1 FY23-24 average production Gas: 10.239 mmscfd & Condensate: ~ 187 bopd
- Q4 FY22-23 average production : Gas:29.93 mmscfd & Condensate: ~ 577 bopd
- Average premium realized is > \$1/mmbtu over PPAC price.
- 70% of the laying of pipeline in the forest segment completed.

B-80

- The Field was shut-in for production maintenance from 2nd July 2023.
- Maintenance work is completed, and the production resumed on 16th Aug 2023
- Q1 FY 23-24 average production: Gas: ~ 14.74 mmscfd & Oil: ~ 1158 bopd
- Q4 FY22-23 average production: Gas: 12.18 mmscfd & Oil: ~1329 bopd
- Price for gas sales - GSPC for 11,000 mmbtu @22.2% of Brent price. Floor price - US\$ 6
 - IOC for 8,485 mmbtu @16.2 % of Brent, ceiling WIM LNG price + US\$1, floor price US\$ 9 per mmbtu
 - 75% of volume is take or pay

PY-1

- Re-processing of seismic data is in progress
- Environment clearance is in progress

Cambay

- Environmental clearance is in progress to undertake drilling

- Field is shut-in as production was interrupted due to cyclone Biporjoy
- Preventive maintenance of Facilities carried out
- Flushing of export line with chemical & hot water treatment done
- Production resumed on 16th Aug 2023
- Produced oil is being transported and stored at the Floating Storage
- Tradable parcel size as per the demand is 4,00,000 Bbls
- Fresh Crude Assay is completed. E-Auction is underway
- Gas is being transported through ONGC and GAIL pipeline system for offtake by multiple buyers
- System established to trade excess volume in Indian Gas Exchange (IGX) at market prices at short notice
- New Floating hose has been installed
- New under buoy hose replacement will commence post-monsoon.
- Additional heating system will be installed at KGB to mitigate the wax deposition on export line, if any





2P Reserves -100%	
Oil (MMBbl)	Gas (BCF)
25.9	65.3

- Production profiles based on the current production is being studied
- Raw 3D Seismic data is being re-studied for enhanced interpretation

KGB- Offshore Installation at B-80 Site



Dirok: Production & Phase-II development



10.23 mmscfd Gas Production (Q1-FY24)	187 bopd Condensate production (Q1-FY24)	> 15% Assam Gas Production
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- Sales during Q1 FY 24 reduced by about 66% compared to the previous quarter due to consumers plant shut-down
- Field is having potential to produce up to 45 mmscfd without additional wells
- Central PSU Indradhanush Gas Grid Limited (IGGL) and GAIL UrjaGanga is expected to complete North-East Gas Grid by Q4 FY24
- Feasibility studies and preliminary discussions initiated to transport & market Dirok Gas in Guwahati through NE Gas Grid
- Re-evaluation of the reserves in progress for certification to enhance the block potential
- Reserves – 100% (MoPNG Approved)
- 2P Recoverable
 - Gas: 210 BCF
 - Condensate: 1.94 MMBbl

Dirok is a successful fast-track development with an outsourced model for processing



Phase II – FDP Approved

- Laying of 35km pipeline to connect directly to Duliajan hub
- Drilling of 3 development wells to increase production above 70 mmscfd

Project Progress

- Gas Sales Offtake Terminal (GSOT) in Duliajan: Planning in progress
- 70% of the laying of pipeline in the forest segment is completed
- On completion of NE Gas grid there would not be any demand constraint



JV Partners
 Oil India Limited



HOEC
PI
27%

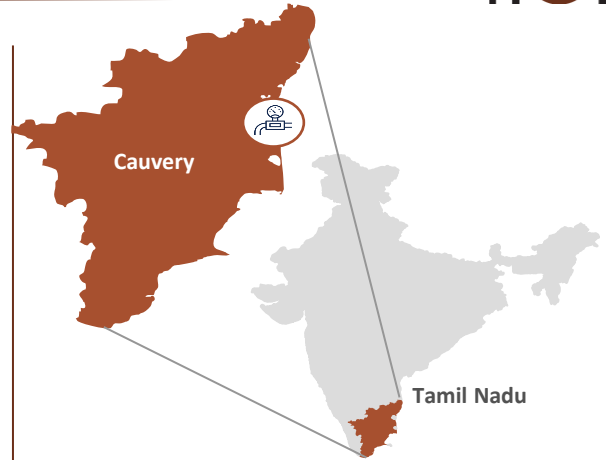
PY-1: Redevelopment

USD 3.67 Realised Price per MMBTU	55 mmscfd Processing Capacity	56 km Sub sea pipeline
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- Production Sharing Contract stands extended till October 5, 2030
- Offshore platform in Cauvery Basin with 8 slots and four wells drilled
- Unique, gas-bearing and the only offshore fractured granitic basement reservoir in India
- Seismic reprocessing is in progress for more accurate well location
- EIA study completed for obtaining Environmental Clearance for drilling additional wells



GAIL is the sole buyer for the gas produced in this field



356 boepd

Oil Production
(Q1-FY24)

35%

Direct + Indirect PI

Revised FDP
& Appraisal
in progress

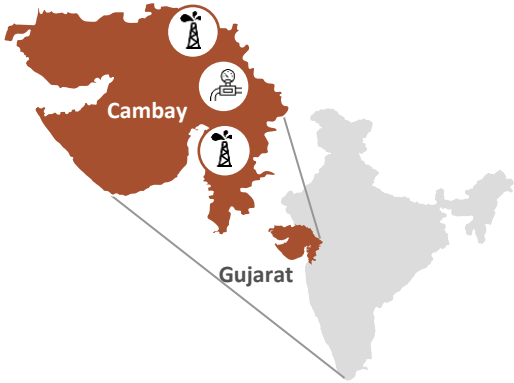
Field Overview

- HOEC holds 35% participating interest in the Block
- Acquired 50% share capital of Geoenpro and, it is now a subsidiary of HOEC
- Geoenpro is the Operator of the Block
- Kharsang oil field is in the state of Arunachal Pradesh and 60 kms away from Dirok - operating synergies in NE through the above acquisition
- Plan for additional drilling including deeper prospects to increase the production
- Potential of the Block was evaluated by Gaffney Cline Associate in 2017
- Oil Reserves – 100%
 - 2P Recoverable: 7.3 MMBbl
 - Contingent & Prospective Resources: Oil 24.4 MMBbl; Gas: 438 BCF



Cambay: Developments

<p>75 bopd Oil Production (Q1-FY24)</p>	<p>0.365 mmscfd Total Gas Production (Q1-FY24)</p>	<p>Asjol, North Balol and Palej Marginal fields at Cambay</p>
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Approved FDP to be executed over the next two years:

- **Asjol:** 2 development wells & hook-up to EPS; public hearing completed
- **North Balol:** 2 development wells & hook-up to GCS, public hearing completed
- **Palej:** RFPSC (100 sq.km. 3D seismic & 2 exploration wells – JV signed RFPSC submitted to MOPNG through DGH, awaiting approval)
- Small volume of Associated Natural Gas (ANG) sale commenced to achieve zero flaring

Asjol
JV Partner

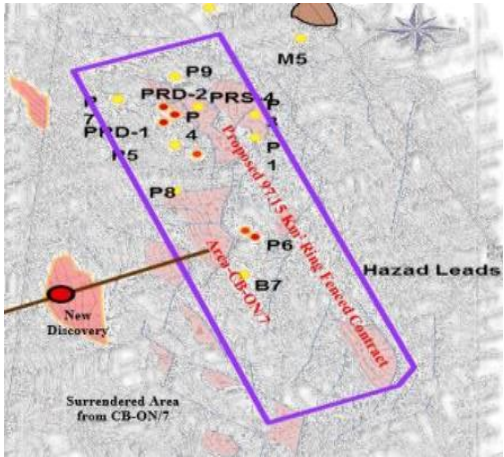
HOEC PI
50%

CB-ON/7 (Palej)
JV Partners

HOEC PI
35%

North Balol
JV Partners

HOEC PI
25%



Q1/3M FY23-24 Financial Highlights



Consolidated Statement of Profit or Loss



PARTICULARS (INR Cr)	Q1-FY24	Q4-FY23	FY23	FY22
INCOME				
Revenue from operations	167.61	175.09	558.92	155.73
Other income	6.25	4.23	8.80	11.46
Total revenue	173.86	179.32	567.72	167.19
EXPENSES				
Expenses from producing oil and gas blocks	74.87	42.25	176.49	28.23
Royalty, Cess and NCCD	16.85	21.24	67.80	32.35
Facility Operating Expenses	9.71	5.81	26.47	2.67
Decrease / (Increase) in stock of crude oil and condensate	(26.87)	(37.06)	(59.49)	3.79
Employee benefits expense	0.18	0.24	0.94	0.93
Finance costs - banks and financial institutions	7.03	5.55	30.15	3.01
Finance costs - unwinding of discount on decommissioning liability	2.17	1.61	7.73	6.21
Depreciation, depletion and amortization	20.06	22.56	73.70	26.21
Other expenses	2.69	7.15	34.53	8.84
Total expenses	106.69	69.35	358.32	112.24
Profit before tax and exceptional items	67.17	109.97	209.40	54.95
Share of profit from associate	0.44	0.15	0.11	(0.90)
Exceptional items	-	-	(12.22)	(34.37)
Profit before tax	67.61	110.12	197.29	19.68
Net tax expenses	1.54	3.47	3.24	(0.31)
Net profit for the period	66.07	106.65	194.05	19.99
Other comprehensive income	0.01	0.07	0.03	(0.04)
Total comprehensive income	66.08	106.72	194.08	19.95
Earnings per equity share of Rs 10 each - Basic	5.00	8.06	14.67	1.51
- Diluted	5.00	8.06	14.67	1.51

Consolidated Statement of Assets & Liabilities



PARTICULARS (INR Cr)	FY23	FY22	FY21
EQUITY AND LIABILITIES			
Equity	947.21	753.12	733.17
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	814.95	620.86	600.91
Non-Current Liabilities	356.90	439.07	273.23
(a) Financial liabilities			
(i) Long term borrowings	93.35	204.61	159.17
(ii) Other financial liabilities	107.91	100.86	0.14
(b) Provisions	154.68	132.62	112.59
(c) Deferred tax liability	0.96	0.98	1.33
Current Liabilities	546.18	335.05	178.75
(a) Financial liabilities			
(i) Short term borrowings	270.84	152.73	94.52
(ii) Trade payables	116.51	37.92	31.94
(ii) Other financial liabilities	80.54	133.27	33.48
(b) Provisions	0.30	0.20	13.19
(c) Other Current liabilities	77.99	10.93	5.62
GRAND TOTAL - EQUITIES & LIABILITIES	1,850.29	1,527.24	1,185.15

PARTICULARS (INR Cr)	FY23	FY22	FY21
ASSETS			
Non-Current Asset	1,381.51	1,387.44	958.41
(a) Property, Plant and Equipment			
(i) Oil & gas assets	799.61	296.55	312.14
(ii) Others	434.06	201.13	9.94
(b) Capital work in progress	31.54	782.01	534.59
(c) Investment property	2.92	3.07	3.95
(d) Intangible assets	9.86	9.71	9.37
(e) Financial assets			
(i) Investments in associate	18.49	18.38	19.28
(ii) Deposits under site restoration fund	77.75	72.56	68.53
(iii) Other bank balances	1.09	-	-
(iii) Other financial assets	0.06	0.06	0.06
(f) Income tax assets (net)	6.06	3.76	-
(g) Other non-current assets	0.07	0.21	0.55
Current Assets	468.78	139.80	226.74
(a) Inventories	80.94	7.65	36.10
(b) Financial assets			
(i) Investments	114.71	0.34	45.38
(ii) Trade receivables	116.94	16.20	31.07
(iii) Cash & Cash Equivalents	29.88	29.12	46.89
(iv) Other bank balances	48.19	36.25	24.63
(v) Other financial assets	63.64	39.56	28.54
(c) Income tax assets (net)	-	-	7.36
(d) Other Current Assets	14.48	10.68	6.77
GRAND TOTAL - ASSETS	1,850.29	1,527.24	1,185.15

Standalone Statement of Profit or Loss



PARTICULARS (INR Cr)	Q1-FY24	Q4-FY23	FY23	FY22
INCOME				
Revenue from operations	90.13	141.63	381.05	130.51
Other income	10.33	9.07	27.91	16.80
Total revenue	100.46	150.70	408.96	147.31
EXPENSES				
Expenses from producing oil and gas blocks	73.07	39.88	169.52	22.25
Royalty, Cess and NCCD	14.96	19.13	56.72	22.95
Decrease / (Increase) in stock of crude oil and condensate	(27.70)	(36.68)	(58.70)	2.30
Employee benefits expense	0.13	0.20	0.65	0.63
Finance costs – banks and financial institutions	5.51	4.91	24.23	1.41
Finance costs – unwinding of discount on decommissioning liability	2.12	1.63	7.62	6.05
Depreciation, depletion and amortization	8.85	10.44	27.65	14.85
Other expenses	2.18	4.22	17.60	6.68
Total expenses	79.12	43.73	245.29	77.12
Profit before tax and exceptional items	21.34	106.97	163.67	70.19
Exceptional items	-	-	-	(34.36)
Profit before tax	21.34	106.97	163.67	35.83
Net tax expenses	-	-	-	-
Net profit for the period	21.34	106.97	163.67	35.83
Other comprehensive income	0.01	0.06	0.03	(0.05)
Total comprehensive income	21.35	107.03	163.70	35.78
Earnings per equity share of Rs 10 each - Basic	1.61	8.09	12.37	2.71
- Diluted	1.61	8.09	12.37	2.71

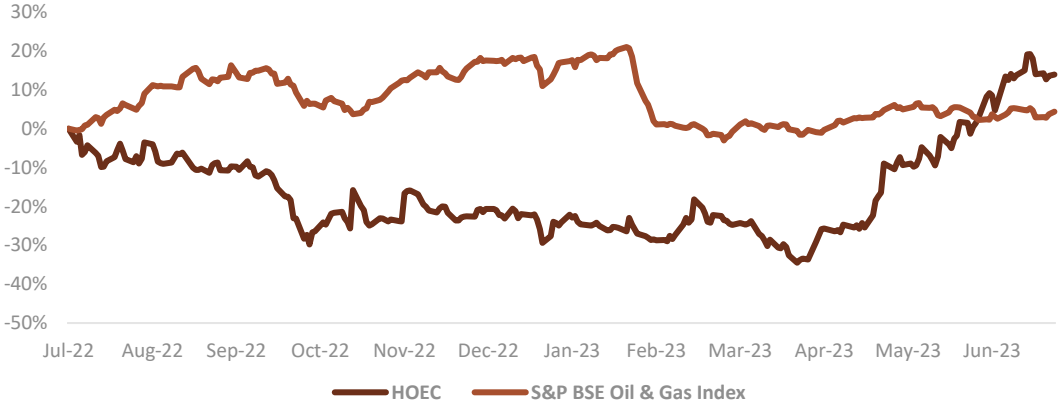
Standalone Statement of Assets & Liabilities



PARTICULARS (INR Cr)	FY23	FY22	FY21
EQUITY AND LIABILITIES			
Equity	929.66	765.97	730.18
(a) Equity share capital	132.26	132.26	132.26
(b) Other equity	797.40	633.71	597.92
Non-Current Liabilities	220.47	284.37	197.49
(a) Financial liabilities			
(i) Long-term borrowings	73.35	160.61	88.28
(ii) Other financial liabilities	10.76	8.66	0.13
(b) Provisions	136.36	115.10	109.08
Current Liabilities	420.89	225.00	107.60
(a) Financial liabilities			
(i) Borrowings	210.26	95.48	61.72
(ii) Trade payables	95.38	17.23	12.13
(iii) Other financial liabilities	47.33	101.46	28.18
(b) Provisions	0.30	0.20	0.18
(c) Other current liabilities	67.62	10.63	5.39
GRAND TOTAL - EQUITIES & LIABILITIES	1571.02	1,275.34	1,035.27

PARTICULARS (INR Cr)	FY23	FY22	FY21
ASSETS			
Non-Current Asset	960.74	990.03	704.41
(a) Property, Plant and Equipment			
(i) Oil & gas assets	781.39	275.86	288.59
(ii) Others	3.38	3.37	2.82
(b) Capital work-in-progress	26.61	511.36	274.08
(c) Investment property	2.92	3.07	3.95
(d) Intangible assets	9.86	9.71	9.37
(e) Financial assets			
(i) Loan to subsidiary	-	56.88	-
(ii) Investments in subsidiary	59.46	59.46	59.46
(iii) Deposits under site restoration fund	74.58	69.48	65.59
(iv) Other bank balances	1.09	-	-
(f) Income tax assets (net)	1.37	0.64	-
(g) Other non-current assets	0.08	0.20	0.55
Current Assets	610.28	285.31	330.86
(a) Inventories	78.25	5.71	30.46
(b) Financial assets			
(i) Investments	114.71	0.34	30.35
(ii) Trade receivables	42.88	13.60	28.02
(iii) Cash & cash equivalents	23.96	12.94	30.10
(iv) Other bank balances	33.51	32.50	15.90
(v) Loan to subsidiary	224.37	173.57	97.39
(vi) Other financial assets	90.14	45.62	30.53
(c) Income tax assets (net)	-	-	4.39
(d) Other current assets	2.46	1.03	63.72
GRAND TOTAL - ASSETS	1571.02	1,275.34	1,035.27

1 Year share price movement (As on 30th June 2023)

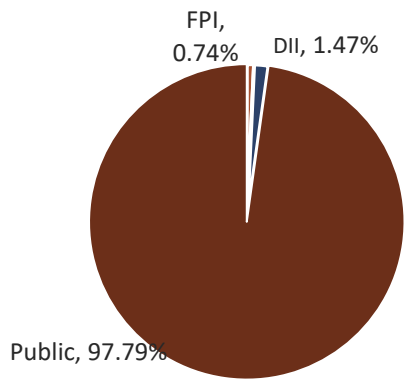


Price Data (As on 30th June 2023)

MP (INR)	206.05
52 Week H/L (INR)	219.30/115.90
Avg. Net Turnover (INR Mn)	104.29
Market Cap (INR Mn)	27,248.73
Equity Shares Outstanding (Mn)	132.24

Marquee Investors	% Holding
Housing Development Finance Corporation Ltd (HDFC)	6.39%
Kotak Small Cap Fund	1.26%

Shareholding Pattern (As on 30th June 2023)



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