

## Activity in 2020

---

- **Robust financial position and lower net debt in 2020 thanks to the success of the adaptation and cost reduction plan**
  - Cash breakeven before debt servicing lowered below \$30/bbl as a result of cost reduction efforts in 2020
  - Net debt of \$455 million at 31 December 2020, down from the previous fiscal year (\$469 million at 31 December 2019)
  - Cash position of \$168 million at 31 December 2020, after debt repayments of \$77 million during the year
- **M&P working interest in 2020: 26,076 boepd**
  - M&P working interest production on the Ezanga permit in Gabon of 16,896 bopd, down 15% from 2019 due to production cuts related to OPEC quotas
  - M&P working interest production of 3,933 bopd in Angola and 31.5 MMcfd in Tanzania
- **Sales of \$330 million in 2020, down sharply as a result of the drop in crude prices**
  - Average sale price of oil \$40.1/bbl, down 40% from 2019 (\$67.2/bbl)
  - Valued production (income from production activities, excluding lifting imbalances): \$324 million, down 37% from 2019 (\$519 million)
- **2P reserves for M&P working interest at 31 December 2020: 183 MMboe**
  - Reserves stable after being restated for 2020 production

**Olivier de Langavant, Chief Executive Officer at Maurel & Prom, stated:**

*“In a year marked by a particularly difficult economic environment, Maurel & Prom demonstrated its responsiveness by taking immediate action to address the difficulties encountered. Despite a sharp drop in crude prices and reduced output due to OPEC quotas, we managed to reduce net debt during the year, thereby proving the effectiveness of the action plan introduced in March. We are now looking to keep up these efforts, as well as initiatives enabling us to take advantage of this period to put Maurel & Prom in the best possible position for its long-term development”.*

**Key indicators for 2020**

		Q1 2020	Q2 2020	Q3 2020	Q4 2020	12 months 2020	12 months 2019	Change 2020 vs 2019
<b>M&amp;P working interest production</b>								
Gabon (oil)	bopd	19,594	16,675	16,245	15,096	16,896	19,828	-15%
Angola (oil)	bopd	4,213	4,003	3,793	3,725	3,933	1,879 <sup>1</sup>	109%
Tanzania (gas)	MMcfd	30.7	25.4	33.1	36.7	31.5	33.8	-7%
<b>Total</b>	<b>boepd</b>	<b>28,916</b>	<b>24,919</b>	<b>25,549</b>	<b>24,937</b>	<b>26,076</b>	<b>27,340</b>	<b>-5%</b>
<b>Average sale price</b>								
Oil	\$/bbl	56.5	23.0	46.6	45.0	40.1	67.2	-40%
Gas	\$/BTU	3.32	3.33	3.31	3.31	3.32	3.26	2%
<b>Sales</b>								
Gabon	\$m	83	37	65	57	242	454	-47%
Angola	\$m	13	7	10	10	40	31	30%
Tanzania	\$m	8	9	11	16	43	34	26%
<b>Valued production</b>	<b>\$m</b>	<b>103</b>	<b>52</b>	<b>85</b>	<b>83</b>	<b>324</b>	<b>519</b>	<b>-37%</b>
Drilling activities	\$m	5	1	0	0	6	12	
Trading of third-party oil	\$m	0	0	0	0	0	7	
Restatement for lifting imbalances and inventory revaluation	\$m	-28	8	-15	34	-1	-34	
<b>Consolidated sales</b>	<b>\$m</b>	<b>80</b>	<b>62</b>	<b>70</b>	<b>117</b>	<b>330</b>	<b>504</b>	<b>-35%</b>

<sup>1</sup> 4,484 bopd for M&P working interest during the asset-holding period (1 August to 31 December 2019).

M&P’s working interest production for 2020 stood at 26,076 boepd, down 5% from 2019 (27,340 boepd). This decline was largely due to production cuts on the Ezanga permit in Gabon (16,896 boepd for M&P working interest in 2020 versus 19,828 boepd in 2019) after OPEC established new quotas.

The average sale price of oil was \$40.1/bbl versus \$67.2/bbl in 2019, a drop of 40%.

The Group’s valued production (income from production activities, excluding lifting imbalances) was \$324 million, down 37% from 2019. The restatement of lifting imbalances net of inventory revaluation had a neutral effect overall and resulted in a downwards adjustment of \$1 million. After inclusion of the \$6 million earned from the activities of the drilling subsidiary (Caroil), Group consolidated sales for the year totalled \$330 million.

## Production activities

- **Gabon**

M&P's working interest oil production (80%) on the Ezanga permit was 16,896 bopd (total production: 21,120 bopd) in 2020, down 15% from 2019. The company took advantage of the period of low crude prices to temporarily suspend production at certain wells, starting in May 2020, in order to improve reservoir conditions for the long term. This effort has subsequently continued under the quotas established by OPEC, of which Gabon is a member.

In January 2021, production at the Ezanga field was still limited to 19,000 bopd (or 15,200 bopd for M&P working interest). It is expected that this constraint will be gradually relaxed during the first half of 2021.

- **Tanzania**

M&P's working interest gas production (48.06%) on the Mnazi Bay permit stood at 31.5 MMcfd (total production: 65.5 MMcfd) in 2020, a slight drop of 7% compared to 2019.

This decline was offset at the sales level by the allocation of additional rights to M&P. These rights related to corporate income tax now being charged to the partner TPDC, pursuant to the production sharing contract. Consequently, M&P sales in Tanzania rose by 26% to \$43 million, versus \$34 million in 2019.

- **Angola**

M&P's working interest production (20%) in Block 3/05 in 2020 was 3,933 bopd (total production: 19,663 bopd). Despite the drop in crude oil prices, valued production was up by 30% (\$40 million versus \$31 million in 2019) due to the asset being included over the entire period (versus just five months in 2019).

## Group reserves as at 31 December 2020

The Group's reserves correspond to the volumes of technically recoverable hydrocarbons representative of the Group's share of interests in permits currently in production plus those revealed by discovery and delineation wells that can be operated commercially. These reserves were certified as at 31 December 2020 by DeGolyer and MacNaughton in Gabon, Angola and France, and by RPS Energy in Tanzania.

The Group's 2P reserves stood at 182.9 MMboe at 31 December 2020, including 120.1 MMboe of proven reserves (1P). The change from 2019 was due to production in the year just ended, with no significant revision in 2020.

2P reserves for M&P working interest:

	Oil (MMbbl) Gabon	Oil (MMbbl) Angola	Oil (MMbbl) France	Gas (Bcf) Tanzania	MMboe
31/12/2019	138.6	14.8	0.8	225.4	191.9
<i>Production</i>	-6.2	-1.4	0.0	-11.4	-9.5
<i>Revision</i>	0.0	1.3	-0.6	0.1	0.7
<b>31/12/2020</b>	<b>132.4</b>	<b>14.6</b>	<b>0.2</b>	<b>214.0</b>	<b>182.9</b>
<i>O/w 1P reserves</i>	89.0	11.8	0.1	115.3	120.1
<i>or</i>	67%	81%	46%	54%	66%

Note that these figures do not take into account the 20.46% interest held by M&P in Seplat, which is one of Nigeria's main operators listed on the London and Lagos stock exchanges. For the record, Seplat's 2P reserves stood at 509 MMboe at 1 January 2020 (or 104 MMboe for the 20.46% stake held by M&P).

In addition, due to the international sanctions against Venezuela's state oil company PDVSA, the activity of M&P, relating to its stake in the company PRDL, is limited for the time being to operations related solely to the safety of staff and assets, and to environmental protection. Consequently, no reserve to date has been retained as regards this share.

### Financial position

The Group's cash position at 31 December 2020 stood at \$168 million, versus \$212 million at 30 June 2020 and \$231 million at 30 September 2020. Net debt fell in 2020 from \$469 million to \$455 million after a \$77-million debt repayment (\$75 million for the Term Loan and \$2 million for the Shareholder Loan).

The \$43 million debt of the Gabon Oil Company (GOC) associated with its entry on the Ezanga permit in 2019, and corresponding to the amount owed to M&P in respect of the pre-2018 carrying cost, has now been validated through a procedure to obtain an expert opinion from the ICC (International Chamber of Commerce). These \$43 million, which are not included in the cash position of \$168 million at 31 December 2020, are subject to procedures in order to obtain them quickly.

The cost-cutting initiatives that began in March 2020 and the asset impairments recorded during the first half of 2020 significantly lowered the Group's breakeven in terms of net income. The breakeven is now \$45/bbl (excluding exceptional items and share of Seplat's earnings) based on current production figures. As far as the cash breakeven is concerned, this is less than \$30/bbl before debt servicing.

Français		Anglais	
pieds cubes	pc	cf	cubic feet
millions de pieds cubes par jour	Mpc/j	mmcfd	million cubic feet per day
milliards de pieds cubes	Gpc	bcf	billion cubic feet
baril	B	bbl	barrel
barils d'huile par jour	b/j	bopd	barrels of oil per day
millions de barils	Mb	mmbbls	million barrels
barils équivalent pétrole	bep	boe	barrels of oil equivalent
barils équivalent pétrole par jour	bep/j	boepd	barrels of oil equivalent per day
millions de barils équivalent pétrole	Mbep	mmbpe	million barrels of oil equivalent

For more information, visit [www.maureletprom.fr](http://www.maureletprom.fr)

## Contacts

### **Maurel & Prom**

Press, shareholder and investor relations

Tel: +33 (0)1 53 83 16 45

[ir@maureletprom.fr](mailto:ir@maureletprom.fr)

### **NewCap**

Financial communications and investor relations/Media relations

Louis-Victor Delouvrier/Nicolas Merigeau

Tel: +33 (0)1 44 71 98 53/+33 (0)1 44 71 94 98

[maureletprom@newcap.eu](mailto:maureletprom@newcap.eu)

*This document may contain forward-looking statements regarding the financial position, results, business and industrial strategy of Maurel & Prom. By nature, forward-looking statements contain risks and uncertainties to the extent that they are based on events or circumstances that may or may not happen in the future. These projections are based on assumptions we believe to be reasonable, but which may prove to be incorrect and which depend on a number of risk factors, such as fluctuations in crude oil prices, changes in exchange rates, uncertainties related to the valuation of our oil reserves, actual rates of oil production and the related costs, operational problems, political stability, legislative or regulatory reforms, or even wars, terrorism and sabotage.*

Maurel & Prom is listed for trading on Euronext Paris  
CAC All-Tradable – CAC Small – CAC Mid & Small – Eligible PEA-PME and SRD  
Isin FR0000051070/Bloomberg MAU.FP/Reuters MAUP.PA