



2020 annual results
10 March 2021

MAUREL & PROM

Participants



Olivier de Langavant
Chief Executive Officer



Patrick Deygas
Chief Financial Officer



Matthieu Lefrancq
Head of Investor Relations

Key messages

✓ Ensured business continuity despite the COVID-19 pandemic

- M&P has taken all necessary measures to ensure the permanence of its activities
- No disruption of operations has been recorded

✓ Strong operational and financial resilience in a challenging economic context

- Sales of \$330 million, down sharply (35%) mainly as a result of the 40% year-on-year drop in the average sale price of oil to \$40.1/bbl and production reductions in Gabon due to OPEC quotas
- Swift implementation of the adaptation plan starting in March 2020, leading to a positive free cash flow of \$16 million
- Back to positive net income in H2 2020 thanks to cost reduction initiatives and lower depreciation and amortisation charges after the impairments recorded in the first half

✓ Robust capital structure and preserved liquidity

- Debt repayment of \$77 million in 2020, with net debt of \$455 million at 31 December 2020, down \$14 million from year-end 2019
- Cash position of \$168 million at 31 December 2020, and \$100 million available via the undrawn tranche of the Shareholder Loan

✓ Continuation of efforts and preparation for the resumption of development

- Free cash flow breakeven before debt servicing reduced to below \$30/bbl
- Maintaining financial discipline and cost-reduction initiatives introduced in 2020
- Resumption of development drilling in Gabon planned in summer 2021

Production:
26,076 boepd
-5% vs. 2019

Reduction in opex and
G&A¹: \$38 million
-23% vs. 2019

Free cash flow:
\$16 million
+\$36 million vs. 2019

Net debt:
\$455 million
as of 31 December 2020
-\$14 million vs. 2019

¹ Operated assets only

Change in governance

- The Board of Directors, having met on 18 January 2021, has co-opted John Anis as a director and appointed him as Chairman of the Board of Directors to replace Aussie Gautama, who wished to step down from his positions
- John Anis will support the development of M&P, in close collaboration with Chief Executive Officer Olivier de Langavant
 - John Anis has over 25 years of experience in the oil and gas sector
 - Graduated from Bandung Institute of Technology (ITB) with a Bachelor's Degree in Electrical Engineering and started his career in 1992 with Schlumberger
 - In 1996, he joined Total, initially based in Indonesia, then in various other countries, including France and Yemen
 - In 2013, John Anis was appointed Vice President of field operations at Total E&P Indonesia
 - In January 2018, he became Executive Vice President of Operations and East Kalimantan district manager for PT Pertamina
 - He was then appointed General Manager of PT Pertamina Hulu Mahakam as of 1 April 2018
 - Since June 2020, John has been President Director at Pertamina Internasional EP

Current membership of the Board of Directors



John Anis
Chairman of the Board since January 2021



Nathalie Delapalme
Independent director since May 2010



Ida Yusmiati
Director since March 2019



Carole Delorme d'Armaillé
Independent director since March 2013



Daniel Purba
Director since June 2020



Caroline Catoire
Independent director since June 2020



Harry Zen
Director since January 2021

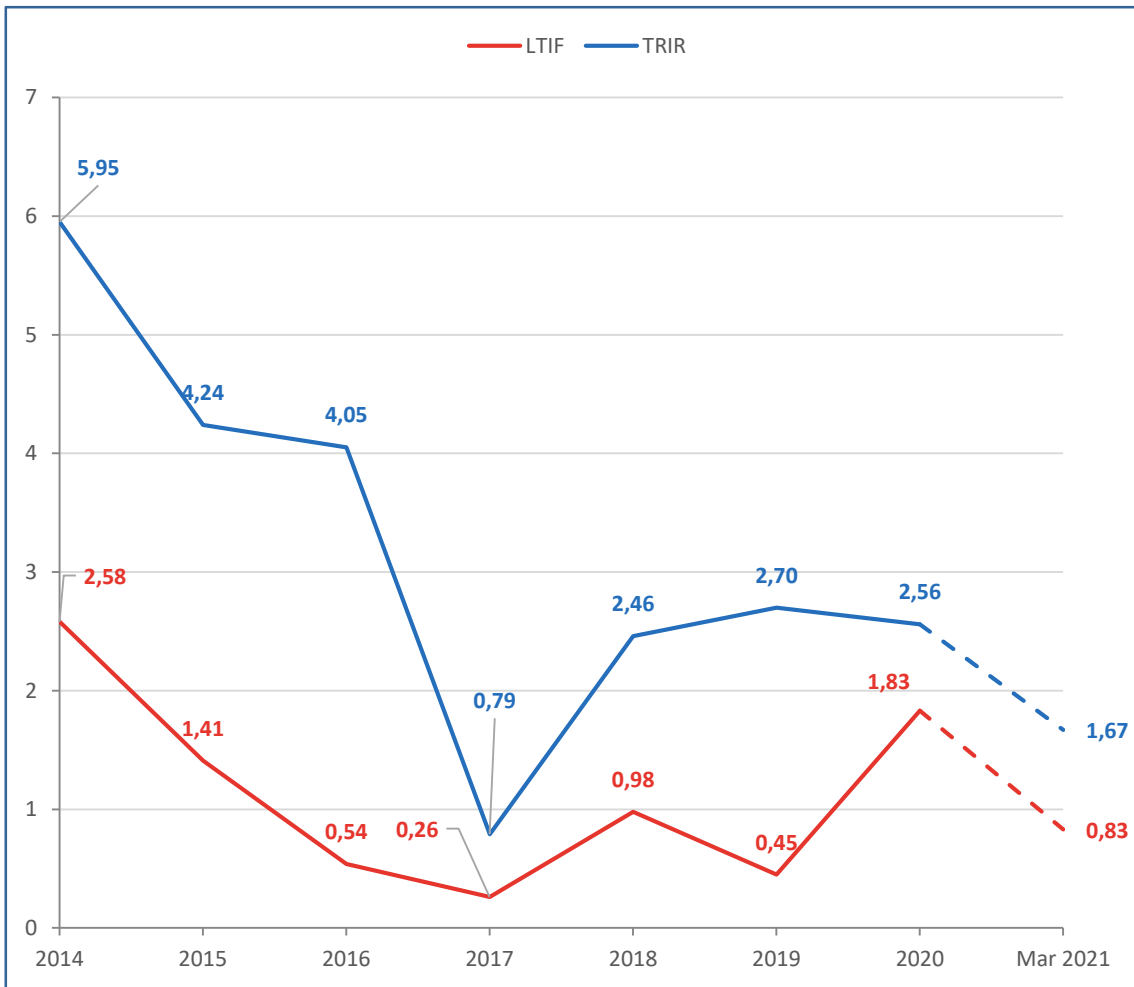


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Review of operational performance

EHS-S performance in 2020

Key performance indicators



Note: Data as of 1 March 2021; lost time injury frequency (LTIF) and total recordable injury rate (TRIR) calculated per million hours worked

As of 1 March 2021:

Cumulated days without spill:
483

Cumulated days without LTI:
305

M&P certifications
ISO 45001 (health and safety)
ISO 14001 (environmental management)

Environmental commitment

M&P rank in 2020: B
Average sector rank: C

Update on COVID-19 pandemic



- Swift implementation of harmonised processes within the Group
- Provision of masks and disinfectant gel



- Working from home encouraged as much as possible
- Social distancing in common areas



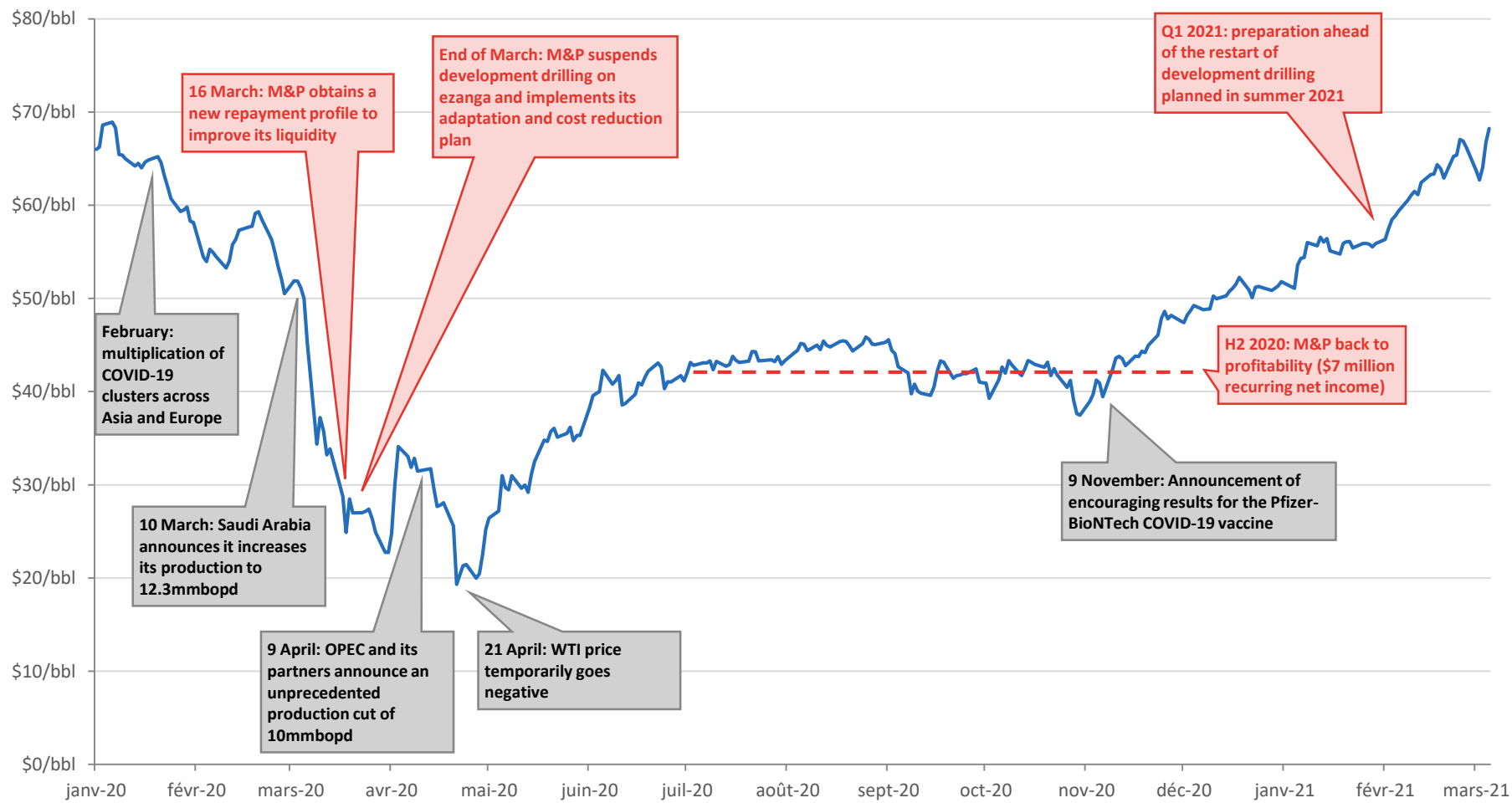
- Lockdown of staff before arrival onsite
- Distancing measures in living quarters
- Medical surveillance every 48h
- Frequent testing of staff onsite



Thanks to appropriate measures taken to ensure business continuity, no disruption of operations has been recorded




M&P promptly reacted to the fall in oil prices in 2020

Brent price since January 2020

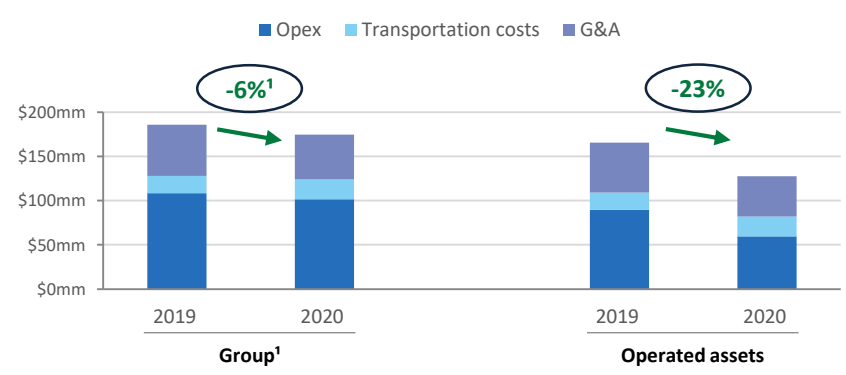


Implementation of the adaptation and cost reduction plan

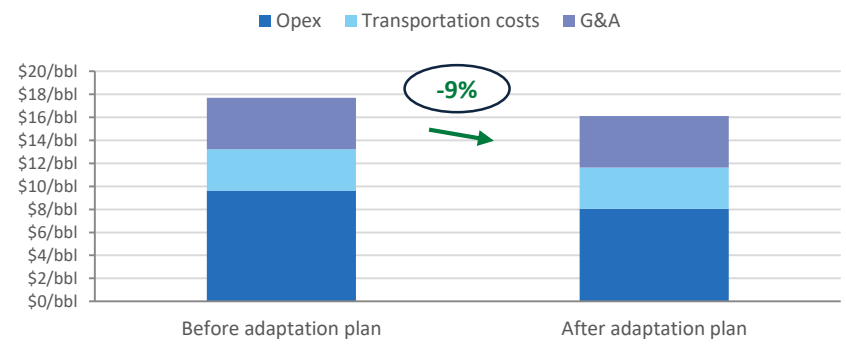
Performance achieved in only 9 months (April to December)

	Targets	Results	
Opex (operated assets)	-20% <i>annualised</i>	-25% <i>vs. 2019</i>	
G&A (operated assets)	-15% <i>annualised</i>	-19% <i>vs. 2019</i>	
Development capex	< \$50mm	\$47mm	

Change in costs between 2019 and 2020



Costs per barrel on the Ezanga licence in 2020



Stabilised cost base

¹ Angolan assets owned for five months only in 2019 (from August to December); equivalent reduction on an annual basis: -16%

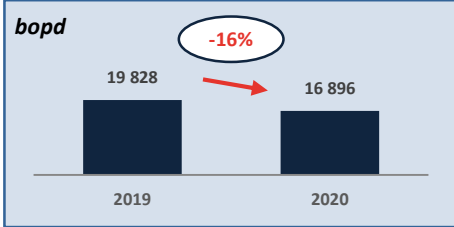
Review of production activities in 2020

M&P WI production


Commentary



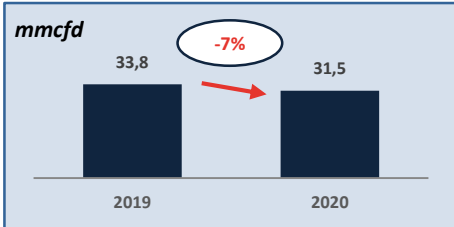
Ezanga



- Development drilling suspended in March 2020 following the implementation of the cost reduction plan
- Production limited to 19,000 bopd (15,200 bopd net to M&P's 80% working interest) as a consequence of OPEC quotas since summer, restrictions since in place as of Q1 2021



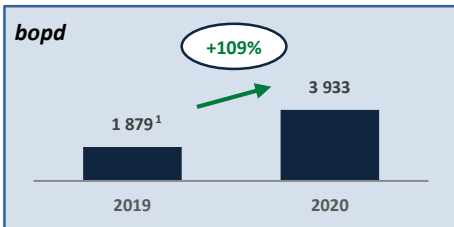
Mnazi Bay



- Gas demand down in the context of lower industrial activity due to current economic environment
- This decline was offset at 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



Blocks 3/05 and 3/05A



- Production contribution sharply up as a result of the ownership of the asset over the whole period, vs. five months only in 2019
- Restart of water injection now effective; ongoing discussions with operator Sonangol to increase production and reduce opex
- Default procedure against China Sonangol (25%) currently being finalised on Block 3/05A; M&P's stake to increase to 26.7% vs. 20% today



Urdaneta West

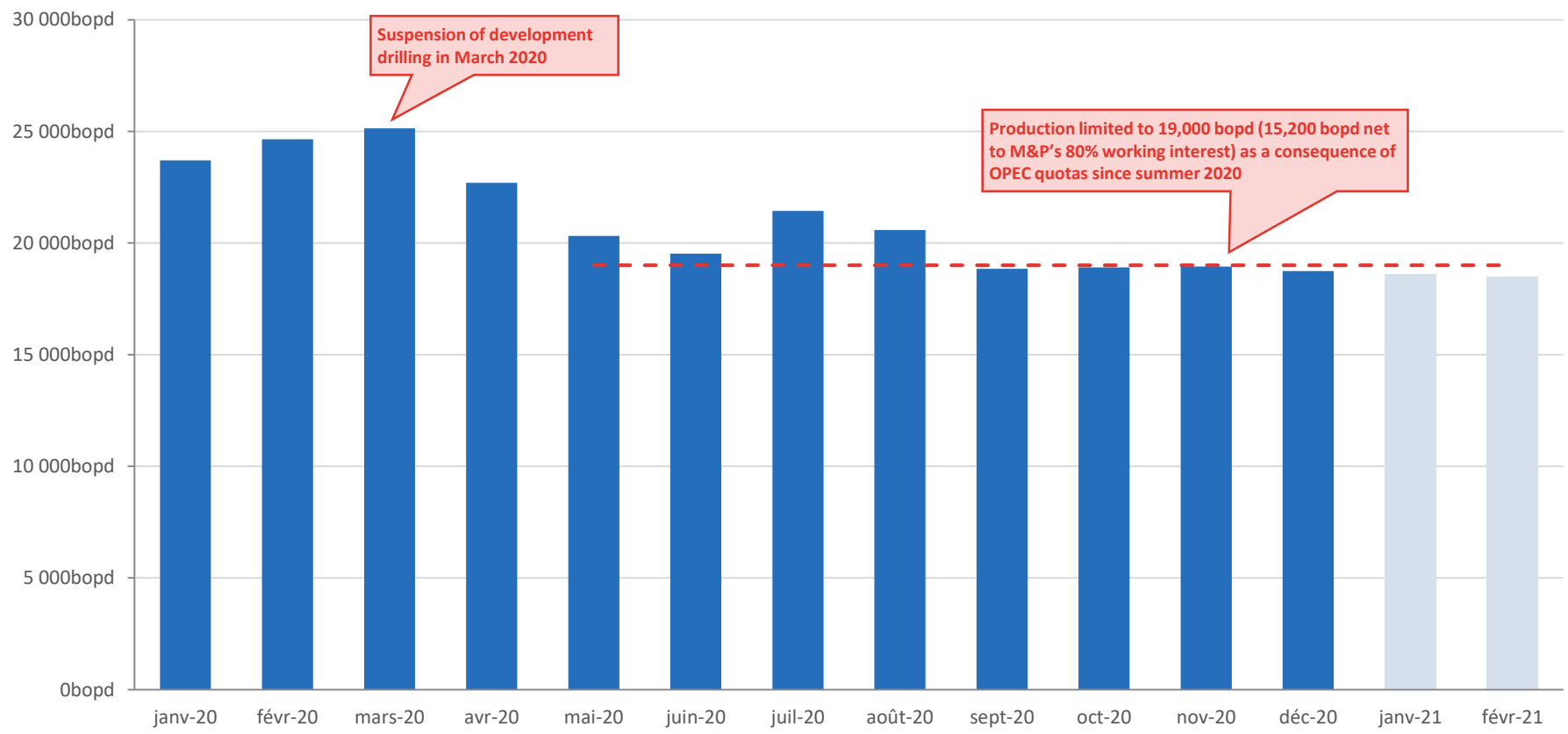


- As a result of US sanctions, no activity undertaken by M&P to support PDVSA's operations; operations limited to essential activities (EHS-S and integrity maintenance)
- Average gross production of 8,600 bopd in 2020 (vs. 9,500 bopd in 2019) – M&P did not record its 40% stake (32% net)
- 15-year licence extension (from 2026 to 2041) obtained at the end of 2020
- M&P is currently examining the possibility to lift oil in respect of dividends due for the period 2018-2019, within the scope of permitted activities under US sanctions

¹ Angolan assets held from 1 August to 31 December 2019 only (4,484 bopd over the period)

Focus on the production situation in Gabon

Monthly gross oil production on the Ezanga licence

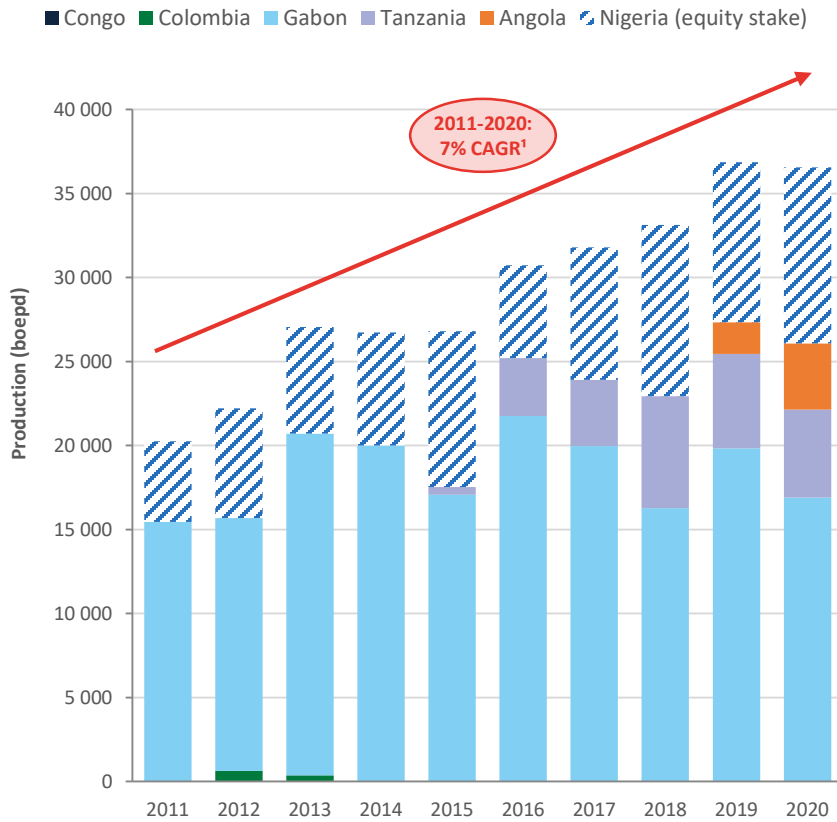


Lifting of production limitations expected by summer 2021

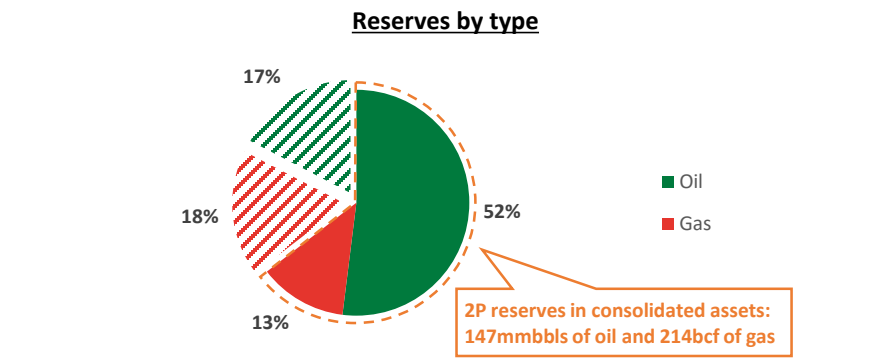
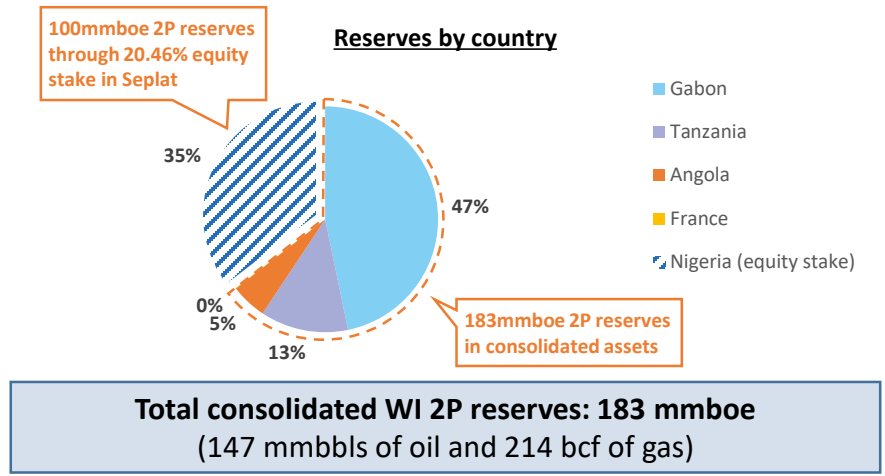
Note: M&P holds a 80% working interest in Ezanga

Production and reserves

Production – Last 10 years



Working interest reserves as of 31 December 2020



2P reserves stable compared to year-end 2019 – no revision beyond production for the period

Note: Gas to oil conversion ratio of 6bcf/mmboe
¹ "CAGR" is the compound annual growth rate (i.e. the equivalent annual growth rate over the period)

Source: DeGolyer and MacNaughton (Gabon, Angola, France) and RPS (Tanzania) reserves reports as of 31 December 2020; Seplat reserves as of 31 December 2020 as per 2020 annual results published on 1 March 2021



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Review of financial performance

Review of accounts for fiscal year 2020

\$mm	FY 2020	FY 2019	Variation
Income statement			
Sales	330	504	-35%
Opex and G&A	-164	-180	
Royalties and production taxes	-50	-80	
Change in overlift/underlift position	-27	34	
Other	6	9	
EBITDA	95	286	-67%
Depreciation, amortisation and provisions and impairment of production assets	-592	-163	
Expenses on exploration assets	-31	-48	
Other	-6	-4	
Operating income	-534	70	N/A
Net financial expenses	-11	-31	
Income tax	-29	-62	
Share of income/loss of associates	-18	59	
Net income	-592	35	N/A
O/w net income before non-recurring items	-54	19	N/A
Cash flows			
Cash flow before income tax	91	298	
Income tax paid	-35	-35	
Operating cash flow before change in working capital	56	263	-79%
Change in working capital	53	-102	
Operating cash flow	109	162	-33%
Development capex	-46	-104	
Exploration capex	-47	-43	
M&A	-	-35	
Free cash flow	16	-21	N/A
Net cost of debt	-95	-24	
Dividends received	12	12	
Dividends paid	-	-9	
Other	5	-7	
Change in cash position	-63	-49	N/A
Opening cash	231	280	
Closing cash	168	231	

Does not include \$43 million paid by GOC and currently on escrow account (proceedings ongoing as of Q1 2021 to obtain release of the funds)

Commentary

Income statement

- The swift implementation of the adaptation plan significantly reduced the Group's opex and G&A to \$164 million from \$180 million in 2019
 - On a like-for-like basis of operated assets, the reduction is \$38 million, a 23% decrease vs. 2019
- A total of \$514 million in other non-current operating income was recorded for the year
 - See detail on next slide
- Net financial expenses amounted to \$11 million, a sharp drop due to lower interest rates and a foreign exchange effect in the revaluation of receivables in Gabon
- The share of income from equity associates was negative \$18 million, mainly due to negative net income of \$17 million recognised on the Seplat stake

Cash flows

- Development capex was down significantly year-on-year due to the suspension of development drilling in Gabon, and stood at \$46 million
- Exploration capex (\$47 million) was mainly related to the drilling of the Kama-1 well in Gabon
- Debt expense amounted to \$95 million, of which \$77 million for repayments and \$18 million for cost of debt
- M&P also received \$12 million in dividends from Seplat, the same amount as in 2019

Reconciliation of recurring and non-recurring items

Split of recurring and non-recurring items

<i>\$mm</i>	Recurring item	Non-recurring items	Total
Sales	330	–	330
Operating income and expenses	-235	–	-235
EBITDA	95	–	95
Depreciation, amortisation and provisions and impairment of production assets	-114	-477	-592
Expenses on exploration assets	–	-31	-31
Other	–	-6	-6
Operating income	-19	-514	-534
Net financial expenses	-11	–	-11
Income tax	-29	–	-29
Share of income/loss of associates	6	-23	-18
Net income	-54	-537	-592

Commentary

- A total of \$537 million in other non-current charges was recorded for the year, including:
 - An impairment charge of \$477 million (net of deferred tax effects) on production assets in Gabon, France and Angola, and on drilling rigs
 - \$31 million in exploration expenses related to the completion of drilling operations that began in 2019 on the Kari permit in Gabon and a seismic data acquisition campaign in Sicily
 - \$23 million of impairment on the share of net income of associates (mainly related to the 20.46% stake in Seplat)
- Adjusted for these non-recurring items, recurring net income for 2020 stood at negative \$54 million

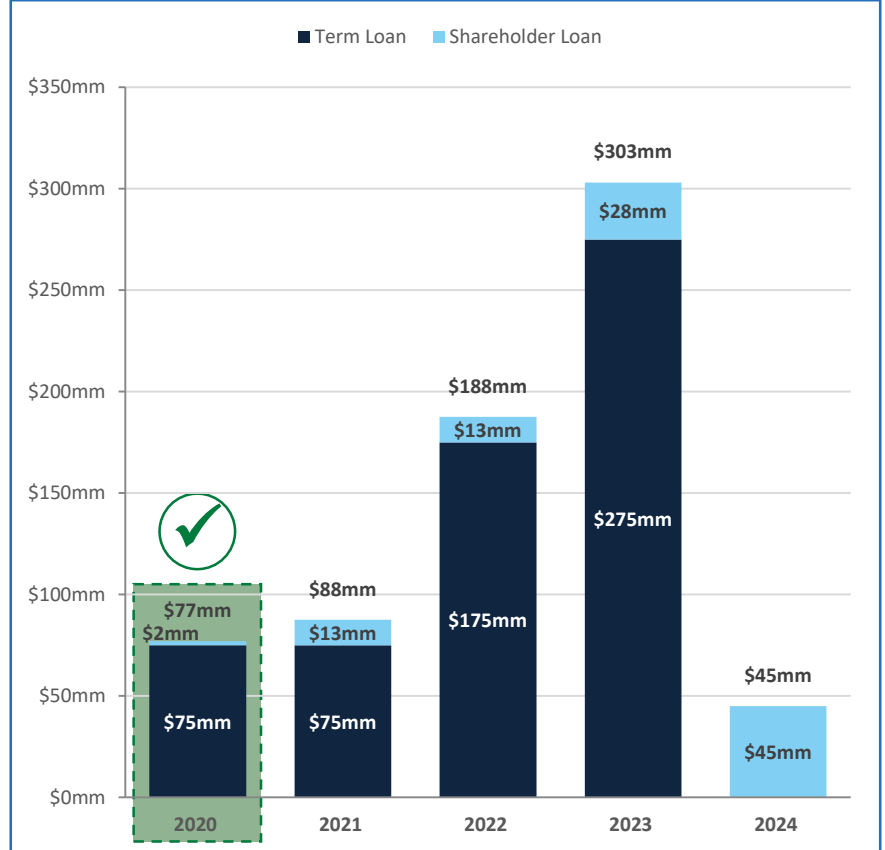
Back to profitability in the second half of 2020 with a recurring net income of \$7 million in a \$42/bbl price environment

Capital structure and maturity profile

Capital structure as of 31 December 2020

	Cost	Maturity	Amount
Term loan	Libor + 1.5%	Dec. 2023	\$525mm
Shareholder Loan	Libor + 1.6%	Dec. 2024	\$98mm
Total debt			\$623mm
Cash			\$168mm
Net debt			455 M\$

Debt maturity profile



\$77 million of debt repaid in 2020; refinancing envisaged in the coming year



3 2021 perspectives

Objectives for 2021



Strive for EHS-S excellence

- ✓ LTIF and TRIR targets: -30%
- ✓ Completion of the transition of power generation towards production gas on Ezanga
- ✓ Maintain strict protocols in place in the context of the COVID-19 pandemic



Pursue efforts

- ✓ Stable cost base since the implementation of the adaptation plan in March 2020
- ✓ Creation of function to monitor ongoing initiatives and define new targets



Maintain financial discipline




- ✓ Continue with debt repayments (\$88 million in 2021); active reflection on upcoming refinancing
- ✓ Waiting for a stabilised price environment to envisage a restart of exploration activities



Restart development

- ✓ Drilling restart planned for summer 2021
- ✓ Preparation of drilling campaign ongoing as of Q1 2021: target identification, assembling drilling teams


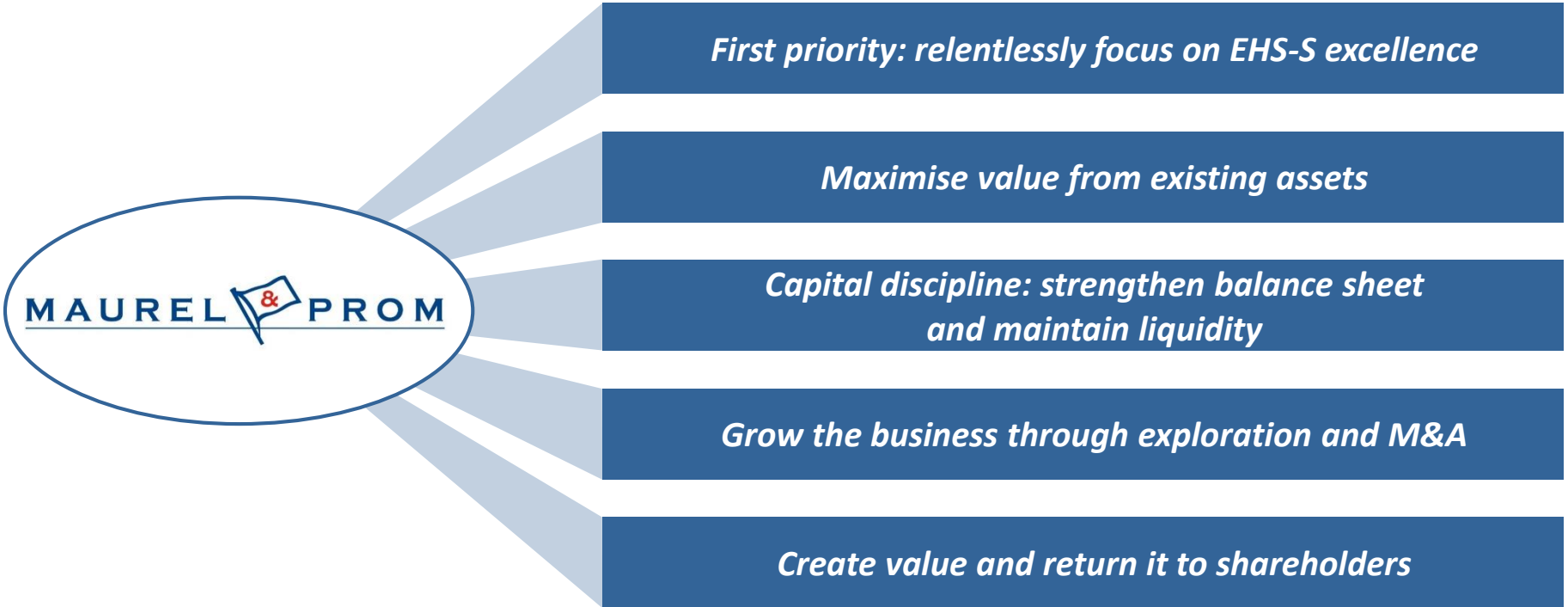
Operational and financial guidance for 2021

Production guidance		
	Gross	M&P WI
Gabon 	21,000 bopd	16,800 bopd
Tanzania 	70 mmcf/d	34 mmcf/d
Angola 	20,000 bopd	4,000 bopd
Total		26,400 boepd

¹ Include \$43 million paid by GOC and currently on escrow account (proceedings ongoing as of Q1 2021 to obtain release of the funds)


Cash flow guidance	
<p>Operating cash flow¹ at various Brent prices:</p>	<ul style="list-style-type: none"> ➤ @ \$50/bbl: \$175 million ➤ @ \$60/bbl: \$225 million ➤ @ \$70/bbl: \$275 million
<p>Capex: \$90 million</p>	<p>Financing: \$105 million</p>
<p><u>Including:</u></p> <ul style="list-style-type: none"> ➤ \$50 million in Gabon, based on a resumption of drilling activities in summer 2021 ➤ \$20 million in Angola (non-operated), including in particular a workover campaign 	<p><u>Including:</u></p> <ul style="list-style-type: none"> ➤ \$88 million in debt repayment ➤ \$17 million in net cost of debt

M&P remains focused on its long-term objectives




Operational flexibility

- ✓ Control of operatorship of main assets (Ezanga, Mnazi Bay, exploration)
- ✓ Operations rationalised as part of the adaptation plan



Asset resilience

- ✓ Free cash flow breakeven reduced below \$30/bbl
- ✓ Net income breakeven reduced below \$45/bbl



Financial strength

- ✓ \$168 million cash balance as of end 2020
- ✓ \$100 million immediately available via the Shareholder Loan if necessary
- ✓ Pertamina group support