MAUREL & PROM

HALF-YEAR REPORT

30 June 2021

www.maureletprom.fr

1 GROUP BUSINESS ACTIVITIES IN THE FIRST HALF OF 2021

in $m	**H1 2021**	**H1 2020**	***Change***
Income statement			
Sales	**188**	**142**	***32%***
Opex & G&A	-77	-86	
Royalties and production taxes	-37	-21	
Change in overlift/underlift position	43	-24	
Other	0	6	
EBITDA	**117**	**18**	***549%***
Depreciation, amortisation and provisions and impairment on assets in production and development	-43	-539	
Expenses and impairment of exploration assets	0	-30	
Other	-1	-2	
Operating income	**74**	**-553**	***N/A***
Financial income	-13	-12	
Income tax	-36	-8	
Share of income/loss of associates	7	-33	
Net income	**32**	**-606**	***N/A***
O/w net income before non-recurring items[1]	*33*	*-61*	
Cash flows			
Cash flow before income tax	118	17	
Income tax paid	-16	-16	
Operating cash flow before change in working capital	**101**	**1**	***N/A***
Change in working capital requirement	-44	94	
Cash flow from operating activities	**57**	**96**	***-39%***
Development capex	-19	-26	
Exploration capex	–	-45	
M&A	–	–	
Free cash flow	**38**	**25**	***52%***
Net cost of debt	-46	-49	
Dividends received	9	6	
Dividends paid	–	–	
Other	-2	0	
Change in cash position	**-1**	**-19**	***N/A***
Opening cash	**168**	**231**	
Closing cash	**167**	**212**	

[1] Reconciliation of net income before non-recurring items can be found in note 3.5.4.1.

At its meeting of 3 August 2021, chaired by John Anis, the Board of Directors of the Maurel & Prom Group ("M&P" or "the Group") approved the financial statements for the period ended 30 June 2021.

Olivier de Langavant, Chief Executive Officer at Maurel & Prom, stated: *"The efforts undertaken last year as part of the adaptation and cost reduction plan have allowed the Group to take full advantage of the rise in crude prices and report a major improvement in its financial results for this first half. The objective now is to maximise this performance by increasing production, particularly through development drilling in Gabon which resumed in July."*

Financial performance

The Group's valued production (income from production activities, excluding lifting imbalances and inventory revaluation) was $204 million in H1 2021, up 31% from H1 2020 ($156 million). The restatement of lifting imbalances net of inventory revaluation resulted in a negative impact of $16 million in the first half of the year. The Group's consolidated sales for first-half consequently stood at $188 million, up 32% from H1 in 2020.

Thanks to strict cost control measures, operating expenses and and G&A were kept at their H2 2020 level, coming in at -$77 million (versus -$86 million in H1 2020 and -$78 million in H2 2020). The increase in prices took royalties and production taxes to -$37 million (-$21 million in H1 2020).

After accounting for the change in underlift position ($43 million), EBITDA stood at $117 million for H1 2020, versus $18 million in H1 2020.

Depreciation and amortisation charges amounted to $43 million for H1 2021, down sharply from H1 2020 (-$66 million for current items, -$539 million in total including impairment and value losses), due to a one-time impairment charge recorded in fiscal year 2020.

Financial income was -$13 million in H1 2021, while the share of income from equity associates was $7 million, mainly from the 20.46% interest in Seplat.

Net income totalled $32 million in first-half 2021, versus -$606 million for the same period in 2020. Adjusted for non-recurring items, recurring net income was $33 million, versus -$61 million in H1 2020.

From a cash flow perspective, cash flow from operating activities in H1 2021 amounted to $57 million, despite cash consumption of $44 million resulting from the increase in working capital requirement caused by the underlift position. Free cash flow stood at $38 million, after taking into account -$19 million in development capex outlaid during the period, primarily in Gabon.

M&P's cash position at 30 June 2021 was $167 million, unchanged from 31 December 2020 ($168 million) due to just two liftings during the period. M&P also repaid $41 million in debt in H1 2020, reducing its total debt to $580 million. At end-June 2021, net debt stood at $413 million, versus $455 million at 31 December 2020.

As announced in the first quarter 2021 press release, the sum of $43 million corresponding to the debt owed by Gabon Oil Company (GOC) to M&P in respect of pre-2018 carrying costs remains frozen in an escrow account. Agreements are being finalised with the Gabonese authorities to find a positive and constructive resolution to this situation, and also to other matters currently ongoing with the Gabonese Republic.

Production activities

		Q1 2021	Q2 2021	H1 2021	H1 2020	H2 2020	*H1 2021 vs* H1 2020	*H1 2021 vs* H2 2020
M&P working interest production								
Gabon (oil)	bopd	15,120	15,256	**15,189**	18,134	15,671	*-16%*	*-3%*
Angola (oil)	bopd	3,333	3,786	**3,561**	4,108	3,759	*-13%*	*-5%*
Tanzania (gas)	mmcfd	40.7	36.5	**38.6**	28.0	34.9	*+38%*	*+11%*
Total	**boepd**	**25,240**	**25,124**	**25,182**	**26,917**	**25,243**	***-6%***	***-0%***
Average sale price								
Oil	$/bbl	57.3	68.5	**63.0**	34.6	45.5	*+82%*	*+38%*
Gas	$/mmBtu	3.34	3.35	**3.35**	3.32	3.31	*+1%*	*+1%*

- **Gabon**

M&P's working interest oil production (80%) on the Ezanga permit was 15,189 bopd (gross production: 18,986 bopd) in H1 2021, stable compared with the production level of H2 2020 (15,671 bopd for M&P working interest). The lack of drilling since March 2020 adversely affected the fields' production potential, which currently stands at around 21,000 bopd (gross).

After production cuts imposed under OPEC quotas came to an end, M&P resumed development drilling in the middle of July, which is expected to significantly increase the production potential. A campaign of stimulation operations also began in mid-July to optimise the production and injectivity of some existing wells.

- **Tanzania**

M&P's working interest gas production (48.06%) on the Mnazi Bay permit stood at 38.6 mmcfd (gross production: 80.30 mmcfd) for H1 2021, up 38% from H1 2020 and up 11% from H2 2020. The low seasonal demand usually observed during the rainy season (which more or less coincides with Q2) did not materialise this year, and M&P's working interest production came in at 36.5 mmcfd in Q2 2021, versus 25.4 mmcfd in Q2 2020.

- **Angola**

M&P's working interest production (20%) in Block 3/05 in H1 2021 was 3,561 bopd (gross production: 17,804 bopd). Output from the asset rose sharply in Q2 2021 (up 14% from Q1 2021) following the completion of maintenance work, which had caused operations to be suspended or significantly reduced at the end of February and throughout March.

Workover operations are currently ongoing, which should in particular see production resume on Block 3/05A.

2 SHAREHOLDERS' EQUITY AND CORPORATE LIFE

2.1 General Shareholders' Meeting

The Combined General Meeting of Maurel & Prom shareholders, held on 30 June 2021 and chaired by John Anis, adopted all resolutions on the agenda and in particular approved the company financial statements and the consolidated financial statements for the fiscal year ended 31 December 2020.

2.2 Total number of voting rights and shares comprising the share capital

Pursuant to Article L. 233-8 II of the French Commercial Code and the French Financial Markets Authority (AMF) General Regulations, Maurel & Prom informs its shareholders that the total number of voting rights and shares comprising its share capital at 30 June 2021 was as follows:

Date	Number of shares comprising the capital	Number of voting rights
30 June 2021	201,261,570	Theoretical:* 201,766,849 Exercisable: 197,258,756

** Theoretical voting rights = total number of voting rights attached to the total number of shares, including treasury shares without voting rights.*

2.3 Risks and uncertainties

The risks linked to Maurel & Prom's activities are described in Chapter 2 of the Group's 2020 Universal Registration Document. As a reminder, the main risk factors identified are as follows:

Category	Risk	Significance
Financial risks	Risk of volatility of hydrocarbon prices	High
	Risk related to the illiquidity of the Company's share	High
	Counterparty risk	High
	Liquidity risk for the Company	Moderate
	Risk related to competitive position	Moderate
	Interest rate risk	Moderate
Operational risk	Risks related to oil and gas exploration and production activities:	
	Risks related to exploration and the renewal of reserves; geological risk	High
	Risks related to safety and security	High
	Risks related to equity associates and joint operating agreements with third-party operators	High
	Risks of lower-than-expected production	Moderate
	Information system security:	
	Cybersecurity risk	Moderate
Political and regulatory risks	Political risks	High
	Regulatory risks	High
Environmental, social and governance risks	Risk related to social factors independent of the Company	High
	Risks related to site remediation obligations	Moderate
	Risks related to the effects of climate change policies on the value of the Group's assets	Moderate
	Ethical and non-compliance risk	Moderate

3 GROUP'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3.1 Consolidated statement of financial position

ASSETS (in $ thousands)	Notes (3.5.X)	30 June 2021	31 December 2020
Intangible assets (net)	4.3	114,508	116,972
Property, plant and equipment (net)	4.4	823,296	842,819
Deferred tax assets	6.1	1,474	6,065
Equity associates	3.2	267,030	268,422
Non-current financial assets (net)	5.1	10,485	8,825
Other non-current assets (net)	4.7	81,372	84,022
NON-CURRENT ASSETS		**1,298,164**	**1,327,126**
Inventories (net)	4.5	12,440	16,476
Underlift position receivables	4.8	62,379	18,576
Trade receivables and related accounts (net)	4.6	38,151	41,656
Current tax receivables	6.1	430	614
Other current assets	4.7	31,518	43,768
Other current financial assets	5.1	63,169	54,339
Cash and cash equivalents	5.2	167,023	168,213
CURRENT ASSETS		**375,110**	**343,642**
TOTAL ASSETS		**1,673,274**	**1,670,768**

LIABILITIES (in $ thousands)		30 June 2021	31 December 2020
Share capital		193,831	193,831
Additional paid-in capital		42,112	42,112
Consolidated reserves (*)		306,583	892,693
Net income, Group share		31,804	(588,977)
EQUITY, GROUP SHARE		**574,331**	**539,660**
Non-controlling interests		13,064	13,056
TOTAL EQUITY		**587,395**	**552,716**
Deferred tax liabilities	6.1	203,781	195,076
Non-current provisions	4.11	92,440	87,828
Other non-current borrowings and financial debt	5.3	357,854	447,690
Shareholder loans	5.3	79,250	85,500
NON-CURRENT LIABILITIES		**733,324**	**816,094**
Current provisions	4.11	28,039	27,740
Other non-current borrowings and financial debt	5.3	126,375	76,784
Shareholder loans	5.3	16,055	12,500
Overlift position liability	4.8	1,515	1,035
Trade payables and related accounts	4.10	38,867	43,819
Current tax liabilities	6.1	16,331	9,580
Other current liabilities	4.9	123,666	127,339
Current derivative financial liabilities	5.4	1,707	3,161
CURRENT LIABILITIES		**352,555**	**301,958**
TOTAL LIABILITIES		**1,673,274**	**1,670,768**

(*) Including treasury shares

3.2 Consolidated statement of profit & loss and other comprehensive income

3.2.1 Net income for the period

In $ thousands	Notes (3.5.x)	30 June 2021	30 June 2020
Sales	4.2	187,666	141,970
Other income from operations		(63)	6,215
Change in overlift/underlift position and inventory revaluation		43,323	(23,782)
Other operating expenses		(113,686)	(106,340)
EBITDA	4.2	**117,239**	**18,065**
Depreciation and amortisation & provisions related to production activities net of reversals		(38,990)	(62,834)
Depreciation and amortisation & provisions related to drilling activities net of reversals		(3,996)	(2,744)
Current operating income		**74,253**	**(47,513)**
Provisions and impairment of production and drilling assets			(473,668)
Expenses and impairment of exploration assets net of reversals		(178)	(29,658)
Other non-current income and expenses		(510)	(1,705)
Income from asset disposals		(288)	-0
Operating Income	4.1	**73,276**	**(552,544)**
Cost of gross debt		*(7,258)*	*(9,006)*
Income from cash		*457*	*1,152*
Income and expenses related to interest-rate derivative financial instruments		*(1,419)*	*(842)*
Cost of net financial debt		(8,220)	(8,695)
Net foreign exchange adjustment		(3,208)	(2,558)
Other financial income and expenses		(1,457)	(1,209)
Financial income	5.7	**(12,885)**	**(12,462)**
Income tax	6.1	(35,774)	(8,010)
Net income from consolidated companies		**24,618**	**(573,016)**
Share of income/loss of associates	3.2	7,172	(32,686)
Consolidated net income		**31,790**	**(605,703)**
o/w: - Net income, Group share		31,804	(603,517)
- Non-controlling interests		(14)	(2,185)

3.2.2 Comprehensive income for the period

In $ thousands	Note	30 June 2021	30 June 2020
Net income for the period		**31,790**	**(605,703)**
Foreign exchange adjustment for the financial statements of foreign entities		546	1,243
Change in fair value of hedging Investments instruments		1,423	(1,294)
Total comprehensive income for the period		**33,759**	**(605,754)**
- Group share		33,750	(602,768)
- Non-controlling interests		9	(2,986)

3.2.3 Earnings per share

	30 June 2021	30 June 2020
Net income attributable to Group equity holders for the period (in $ thousands)	**31,804**	**(603,517)**
Share capital	201,261,570	200,713,522
Treasury shares	4,508,093	4,625,331
Average number of shares outstanding	**196,753,477**	**196,088,191**
Number of diluted shares	**197,733,847**	**196,364,261**
Earnings per share ($)		
Basic	0.16	-3.08
Diluted	0.16	-3.07

3.3 Changes in shareholders' equity

In $ thousands	Capital	Additional paid-in capital	Other reserves (*)	Currency translation adjustment	Income for the period	Equity, Group share	Non-controlling interests	Total equity
1 January 2020	**193,345**	**42,753**	**863,554**	**(12,337)**	**37,383**	**1,124,699**	**17,117**	**1,141,816**
Net income					(603,517)	**(603,517)**	(2,185)	**(605,703)**
Fair value of hedging instruments			(1,294)			**(1,294)**		**(1,294)**
Other comprehensive income				2,044		**2,044**	(800)	**1,243**
Total comprehensive income	**0**	**0**	**(1,294)**	**2,044**	**(603,517)**	**(602,768)**	**(2,986)**	**(605,754)**
Appropriation of income – dividends			37,383		(37,383)	**0**		**0**
Bonus shares	151		462			**613**		**613**
Changes in treasury shares		(306)	(64)			**(370)**		**(370)**
Total transactions with shareholders	**151**	**(306)**	**37,781**	**(10,293)**	**(37,383)**	**243**		**243**
30 June 2020	**193,496**	**42,448**	**900,041**	**(10,293)**	**(603,517)**	**522,174**	**14,132**	**536,306**
1 January 2021	**193,831**	**42,112**	**904,452**	**(11,759)**	**(588,977)**	**539,660**	**13,056**	**552,716**
Net income					31,804	**31,804**	(14)	**31,790**
Fair value of hedging instruments			1,423			**1,423**		**1,423**
Other comprehensive income				523		**523**	23	**546**
Total comprehensive income			**1,423**	**488**	**31,804**	**33,750**	9	**33,759**
Appropriation of income – dividends			(588,977)		588,977	**0**		**0**
Bonus shares			774			**774**		**774**
Changes in treasury shares			146			**146**		**146**
Total transactions with shareholders			**(588,056)**		**588,977**	**920**		**920**
30 June 2021	**193,831**	**42,112**	**317,819**	**(11,271)**	**31,804**	**574,331**	**13,064**	**587,395**

(*) Including treasury shares

3.4 Consolidated statement of cash flow

In $ thousands	Note	30 June 2021	30 June 2020
Net income		31,790	(605,703)
Tax expense for continuing operations		35,774	8,010
Consolidated income before taxes		**67,564**	**(597,692)**
Net increase (reversals) of amortisation, depreciation and provisions	*4.3 & 4.4 & 4.6 & 4.11*	42,986	540,589
Exploration expenses	4.3	178	29,658
Share of income from equity associates	3.2	(7,172)	32,686
Other income and expenses calculated on bonus shares		774	462
Gains (losses) on asset disposals		288	
Dilution gains and losses			
Other financial items		12,885	11,062
CASH FLOW BEFORE TAX		**117,503**	**16,765**
Income tax paid		(16,254)	(15,589)
Inventories	*4.5*	*3,926*	*(12,530)*
Trade receivables	*4.6*	*3,397*	*113,234*
Trade payables	*4.9*	*(4,914)*	*(11,152)*
Overlift/underlift position	*4.7*	*(43,323)*	*22,626*
Other receivables	*3.8 & 5.1*	*(2,855)*	*(17,198)*
Other payables	*4.10*	*(524)*	*(773)*
Change in working capital requirements for operations		(44,292)	94,208
NET CASH FLOW FROM OPERATING ACTIVITIES		**56,957**	**95,383**
Proceeds from disposals of property, plant and equipment and intangible assets			
Disbursements for acquisitions of property, plant and equipment and intangible assets	4.3	(19,171)	(70,541)
Dividends received from equity associates	3.2	9,030	6,020
Change in deposits		(1,408)	717
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**(11,550)**	**(63,804)**
Treasury share acquisitions/sales		(182)	151
Dividends paid out			
Loan repayments	5.4	(41,400)	(37,647)
Payment in respect of loan issue costs			(3,749)
Interest paid on financing	5.4	(5,040)	(9,071)
Interest received on investment		457	1,152
NET CASH FLOW FROM FINANCING ACTIVITIES		**(46,164)**	**(49,164)**
Impact of exchange rate fluctuations		(430)	(1,218)
CHANGE IN CASH POSITION (**)		**(1,186)**	**(18,802)**
CASH (**) AT BEGINNING OF PERIOD		**168,209**	**230,914**
CASH (**) AT END OF PERIOD		**167,023**	**212,112**

(*) Bank loans are reported under cash as shown below.

3.5 Notes to the condensed consolidated financial statements

3.5.1 General information

Etablissements Maurel & Prom S.A. (the "Company") is domiciled in France. The Company's registered office is located at 51 rue d'Anjou, 75008 Paris, France. The Company's condensed consolidated financial statements include the Company and its subsidiaries (together referred to as "the Group" and each individually referred to as the "entities of the Group") and the Group's share in its joint ventures. The Group, which is listed for trading on Euronext Paris, acts primarily as an operator specialising in the extraction and production of hydrocarbons (oil and gas).

The condensed consolidated financial statements, presented in thousands of dollars, were approved by the Board of Directors on 3 August 2021.

The price of Brent crude rose sharply in the first half of 2021 in line with the economic recovery in many parts of the world. It averaged $63 in first-half 2021 versus $40 in the previous year. The Group is also continuing to pursue its cost control policy.
Those effects, combined with a lower depletion charge following an asset impairment at first-half 2020, improved the Group's profitability over the period.
In first-half 2021, the Group repaid $41 million in debt while maintaining its cash position at the 2020 year-end level of $167 million.

3.5.2 Accounting rules and methods

3.5.2.1 Declaration of compliance

The Group's condensed consolidated financial statements (including the accompanying notes) have been prepared in line with International Accounting Standard (IAS) 34 Interim Financial Reporting. In accordance with IAS 34, the notes exclusively concern significant events that occurred during the first half of 2021 and they do not present all the information required for full-year financial statements. As such, they must be read in conjunction with the annual consolidated financial statements for the fiscal year ended 31 December 2020.

3.5.2.2 Principal accounting methods

The interim consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (available at https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/financial-reporting_en#ifrs-financial-statements) and as published by the IASB.

The Group has applied the same accounting standards, interpretations, principles and methods at 30 June 2021 as in the 2020 consolidated financial statements. There were no significant mandatory changes under IFRS applicable at 1 January 2021 that would have had a material impact on the Group's financial statements. IFRS have been applied by the Group consistently for all the periods presented, with the exception of the changes mentioned. Full details can be found in the Group's 2020 Universal Registration Document.

The consolidated financial statements are prepared according to the historical cost convention, except for certain categories of assets and liabilities valued at fair value (derivative instruments), in accordance with IFRS.

3.5.2.3 Estimates

The preparation of consolidated financial statements under IFRS requires the Group to make accounting choices, produce a number of estimates and use certain assumptions that affect the reported amounts of assets and liabilities, the notes concerning potential assets and liabilities as at the reporting date, and the income and expenses for the period. Changes in facts and circumstances may lead the Group to review such estimates.
The results obtained may differ materially from such estimates when different circumstances or assumptions are applied. In addition, when a specific transaction is not treated by any standard or interpretation, the Group's Management uses its own discretion to define and apply the accounting methods that will provide relevant, reliable information. The

financial statements give a true and fair view of the Group's financial position, performance and cash flows. They reflect the substance of transactions, are prepared with prudence, and are complete in all material respects.

Management estimates used in preparing financial statements relate primarily to:

- *recognition of oil carry transactions and impairment tests on oil assets;*
- *provisions for site remediation;*
- *valuation of equity associates and underlying assets;*
- *accounting treatment of derivative instruments subscribed by the Group;*
- *underlift/overlift positions;*
- *recognition of deferred tax assets;*
- *estimates of proven and probable hydrocarbon reserves.*

When preparing these interim financial statements, the Management's main estimates and the Group's accounting standards are consistent with those applied for the consolidated financial statements for the fiscal year ended 31 December 2020.

3.5.2.4 Seasonality

The Group's business is affected by the consequences of seasonal trends and its full-year earnings largely depend on the performance levels achieved over the second half of the year. The upstream oil sector is therefore impacted by international demand and prices per barrel. As such, income for the first half of 2021 is not necessarily representative of the results to be expected for the full fiscal year in 2021.

3.5.3 Basis for consolidation

3.5.3.1 List of consolidated entities

Company	Registered office	Consolidation method (*)	% control 30 June 2021	% control 31 December 2020
Etablissements Maurel & Prom S.A.	Paris	Parent	Consolidating company	
Maurel & Prom Assistance Technique International S.A.	Geneva, Switzerland	FC	100.00%	99.99%
Maurel & Prom West Africa S.A.	Brussels, Belgium	FC	100.00%	100.00%
Maurel & Prom Gabon S.A.	Port-Gentil, Gabon	FC	100.00%	100.00%
Maurel & Prom Exploration et Production BRM S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Exploration Production Tanzania Ltd	Dar es Salaam, Tanzania	FC	100.00%	100.00%
Cyprus Mnazi Bay Limited	Nicosia, Cyprus	FC	60.08%	60.08%
Maurel & Prom Mnazi Bay Holdings S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Namibia S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Amérique Latine S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Italia Srl (formerly Panther Srl)	Ragusa, Sicily	FC	100.00%	100.00%
MP Energy West Canada Corp.	Calgary, Canada	FC	100.00%	100.00%
MP West Canada S.A.S.	Paris, France	FC	100.00%	100.00%
Saint-Aubin Énergie Québec Inc	Montreal, Canada	FC	100.00%	100.00%
Maurel & Prom Colombia BV	Rotterdam, Netherlands	EM	50.00%	50.00%
Seplat	Lagos, Nigeria	EM	20.46%	20.46%
Deep Well Oil & Gas, Inc.	Edmonton, Alberta, Canada	EM	19.57%	19.57%
Caroil S.A.S.	Paris, France	FC	100.00%	100.00%
Caroil Assistance Technique International S.A.	Geneva, Switzerland	FC	100.00%	100.00%
Maurel & Prom Services S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Trading S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Iberoamerica S.L. (formerly M&P Venezuela S.L.)	Madrid, Spain	FC	100.00%	100.00%
Petroregional Del Lago (PRDL)	Caracas, Venezuela	EM	40.00%	40.00%
MP Servicios Integrados UW S.A.	Caracas, Venezuela	FC	100.00%	100.00%
Maurel & Prom Angola S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Exploration Production France S.A.S.	Paris, France	FC	100.00%	100.00%

(*) FC: Full consolidation / EM: equity method

3.5.3.2 Equity associates

In $ thousands	Maurel & Prom Colombia BV	Seplat	Deep Well Oil	Petroregional Del Lago	Total
Equity associates as at 31/12/2020	**0**	**186,271**	**44**	**82,108**	**268,422**
Income	(465)	7,638			7,172
Change in OCI					0
Reclassification	465				465
Dividends		(9,030)			(9,030)
Equity associates as at 30/06/2021	**0**	**184,878**	**44**	**82,108**	**267,030**

Information on Seplat, the main entity contributing to income from equity associates, is detailed below:

In $ thousands	Seplat
Location	Nigeria
Activity	Associate Production
% interest	20.46%
Total non-current assets	2,829,688
Total current assets	326,778
Cash and cash equivalents	298,789
Total assets	**3,455,255**
Total non-current liabilities	(1,403,752)
Total current liabilities	(394,263)
Total liabilities (excl. equity)	**(1,798, 015)**
Reconciliation with balance sheet values	0
Total shareholders' equity or net assets	**1,657,240**
Historical conversion adjustment	
Net assets	**1,657,240**
Share held	339,083
IFRS 3 fair value adjustment (1)	(162,718)
Value of diluted shares (2)	8,513
Balance sheet value at period-end	**184,878**
Sales	308,771
Operating income	118,498
Impairment (3)	
Financial income	(56,512)
Income from JV and deconsolidation	106
Corporate income tax	(25,915)
Net income from equity associates	**36,177**
Share held	7,402
Impairment (3)	
Restatements for standardisation (5)	236
Share of earnings	**7,638**

(1) Fair value adjustment for Seplat under IFRS 3 (consolidated at the stock market value) recorded in 2015 in connection with the merger with MPI.
(2) In 2018 Seplat issued 25 million bonus shares which resulted in a 0.9% dilution of M&P's equity stake less the IFRS 3 fair value adjustment from 2015, valued at the market price of $8.7 million.
(3) Impairment recorded so that the assets' book value would equal their value in use.
(4) Share of net negative assets is reclassified to other provisions.
(5) The main restatement for standardisation relates to the recognition through profit or loss of Seplat share-based payments.

3.5.4 Operating activities

3.5.4.1 Segment reporting

In accordance with IFRS 8, the segment information reported must be based on the very same principles as those used in the internal reporting. It must reproduce the internal segment information defined to manage and measure the Group's performance.

In $ thousands	Production	Exploration	Drilling	Other	30 June 2021	*Recurring*	*Exploration and other non-recurring items*
Sales	186,717	386	563		187,666	187,666	
Operating income and expenses	(62,130)	(2,806)	(242)	(5,250)	(70,427)	(70,427)	
EBITDA	**124,587**	**(2,419)**	**321**	**(5,250)**	**117,239**	**117,239**	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(38,345)	(4)	(3,996)	(641)	(42,986)	(42,449)	
Current operating income	**86,242**	**(2,424)**	**(3,675)**	**(5,890)**	**74,253**	**74,253**	
Expenses and impairment of exploration assets net of reversals	14	(99)	(94)		(179)		(179)
Other non-recurring expenses	(226)	(1)	(99)	(184)	(510)		(510)
Gain (loss) on asset disposals			(288)		(288)		(288)
Operating income	**86,030**	**(2,523)**	**(4,157)**	**(6,074)**	**73,276**	**74,253**	**(977)**
Share of underlying profit of equity associates	7,638	(465)			7,172	7,172	
Share of income of equity associates	**7,638**	**(465)**			**7,172**	**7,172**	
Financial income	(1,647)	(13)	(25)	(11,200)	(12,885)	(12,885)	
Income tax	(34,248)		(93)	(1,432)	(35,774)	(35,774)	
Net income	**57,773**	**(3,002)**	**(4,275)**	**(18,706)**	**31,790**	**32,767**	**(977)**

	Production	Exploration	Drilling	Other	30 June 2021
Intangible investments	**66**	**528**	**(0)**	**287**	**1,696**
Intangible assets (net)	**108,541**	**4,785**	**13**	**1,169**	**114,508**

	Production	Exploration	Drilling	Other	30 June 2021
Investments in property, plant and equipment	**20,415**	**(0)**	**(109)**	**64**	**20,434**
Property, plant and equipment (net)	**811,306**	**0**	**11,033**	**957**	**823,296**

For reference, data for the previous half year are presented below:

In $ thousands	Production	Exploration	Drilling	Other	30 June 2020	*Recurring*	*Exploration and other non-recurring items*
Sales	136,163	17	5791		141,970	141,970	
Operating income and expenses	(116,692)	(5,085)	(6,942)	4,813	(123,906)	(123,906)	
EBITDA	**19,471**	**(5,068)**	**(1,151)**	**4,813**	**18,065**	**18,065**	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(62,144)		(2,744)	(689)	(65,578)	(65,578)	
Current operating income	**(42,673)**	**(5,068)**	**(3,896)**	**4,124**	**(47,513)**	**(47,513)**	
Provisions and impairment of production and drilling assets	*(433,367)*	*(28,921)*	*(8,333)*	*(3,046)*	*(473,668)*		*(473,668)*
Expenses and impairment of exploration assets net of reversals		*(29,658)*			*(29,658)*		*(29,658)*
Other non-recurring expenses	*6*	*(170)*	*(841)*	*(700)*	*(1,705)*		*(1,705)*
Gain (loss) on asset disposals							
Operating income	**(476,035)**	**(63,817)**	**(13,070)**	**378**	**(522,544)**	**(47,513)**	**(505,030)**
Provisions and impairment of assets of equity associates	*(39,878)*				*(39,878)*		*(39,878)*
Share of underlying profit of equity associates	8,302	(1,109)			7,192	7,192	
Share of income of equity associates	**(31,577)**	**(1,109)**	**0**	**0**	**(32,686)**	**7,192**	**(39,878)**
Financial income	*(5,557)*	*951*	*288*	*(8 1445)*	*(12,462)*	*(12,462)*	
Income tax	*(7,721)*		*350*	*(639)*	*(8,010)*	*(8,010)*	
Net income	**(520,889)**	**(63,976)**	**(12,432)**	**(8,405)**	**(605,703)**	**(60,794)**	**(544,908)**
Intangible investments	**5,874**	**38,894**	**0**	**(4)**	**44,764**		
Intangible assets (net)	**116,250**	**4,861**	**16**	**118**	**121,246**		
Investments in property, plant and equipment	**21,117**	**2,765**	**843**	**1,052**	**25,777**		
Property, plant and equipment (net)	**849,980**	**2,240**	**14,918**	**2,580**	**869,717**		

3.5.4.2 Operating income

Sales

		H1 2021	H1 2020	H2 2020	Change H1 2021 vs H1 2020	Change H1 2021 vs H2 2020
M&P working interest production						
Gabon (oil)	bopd	**15,189**	18,134	15,671	*-16%*	*-3%*
Angola (oil)	bopd	**3,561**	4,108	3,759	*-13%*	*-5%*
Tanzania (gas)	MMcfd	**38.6**	28.0	34.9	*+38%*	*+11%*
Total	**boepd**	**25,182**	**26,917**	**25,243**	***-6%***	***-0%***
Average sale price						
Oil	$/bbl	**63.0**	34.6	45.5	*+82%*	*+38%*
Gas	$/MBTU	**3.35**	3.32	3.31	*+1%*	*+1%*
Sales						
Gabon	$m	**151**	119	122	*+27%*	*+24%*
Angola	$m	**28**	20	20	*+38%*	*+39%*
Tanzania	$m	**25**	17	26	*+49%*	*-7%*
Valued production	**$m**	**204**	**156**	**169**	***+31%***	***+21%***
Drilling activities	$m	**1**	6	0		
Restatement for lifting imbalances and inventory revaluation	$m	**-16**	-20	19		
Consolidated sales	**$m**	**188**	**142**	**188**	***+32%***	***+0%***

M&P's working interest production stood 25,182 boepd in H1 2021, relatively unchanged from H2 2020 (25,243 boepd), with production declines in Gabon and Angola being offset by increased gas production in Tanzania.

The average sale price of oil was $63.0/bbl for the period, versus $40/bb H2 2020.

The Group's valued production (income from production activities, excluding lifting imbalances and inventory revaluation) stood at $204 million for H1 2021, a rise of 31% versus H1 2020 and 21% versus H2 2020. The restatement of lifting imbalances net of inventory revaluation had a negative impact of $16 million in the first half of the year. As a result, the Group's consolidated sales for first-half 2021 came in at $188 million.

Operating income

Others operating expenses are:

In $ thousands	30 June 2021	30 June 2020
Purchases and external services	(44,107)	(49,351)
Taxes, contributions & royalties	(36,557)	(20,638)
Personnel expenses	(33,023)	(36,351)
Other operating expenses	**(113,686)**	**(106,340)**

Current operating income stood at $74 million and was directly impacted by the rise in oil prices and the ongoing voluntary plan to reduce operating expenses.

Operating income includes non-current items amounting to negative-$1 million in first-half 2021.

3.5.4.3 Intangible assets

In $ thousands	31 December 2020	Currency translation adjustment	Investments	Transfer	Operating expenses	Amort.	30 June 2021
Assets attached to permits in production	112,142	(0)	66	4		(3,671)	108,541
Assets attached to permits in exploration	4,741	(0)	528		(483)		4,785
Drilling	13						13
Other	76		287	812		(7)	1,169
Intangible assets (net)	**116,972**	**(1)**	881	**817**	**(483)**	**(3,678)**	**114,508**

For reference, data for the first half of the previous year are presented below:

In $ thousands	31 December 2019	Currency translation adjustment	Investments	Transfer	Operating expenses & impairment	Amort.	30 June 2020
Assets attached to permits in production	214,922		5,874	22	(98,076)	(6,492)	116,250
Assets attached to permits in exploration	8,146		38,894		(42,142)	(36)	4,861
Drilling	16					(1)	16
Other	144		(4)	29		(51)	118
Intangible assets (net)	**223,228**	**0**	**44,764**	**51**	**(140,218)**	**(6,579)**	**121,246**

3.5.4.4 Property, plant and equipment

In $ thousands	31 December 2020	Currency translation adjustment	Investments	Transfer	Scrapping & disposal	Amort.	30 June 2021
Assets attached to permits in production	826,904	(11)	18,336	384		(34,306)	811,306
Assets attached to permits in exploration	0						0
Drilling	13,188				(397)	(1,757)	11,033
Other	2,728		64	(1,201)		(634)	957
Property, plant and equipment (net)	**842,819**	**(11)**	**18,400**	**(817)**	**(397)**	**(36,698)**	**823,296**

Investments in property, plant and equipment during the period were primarily related to development on the Ezanga permit.

For reference, data for the first half of the previous year are presented below:

In $ thousands	31 December 2019	Currency translation adjustment	Investments	Transfer	Operating expenses & impairment	Amort.	30 June 2020
Assets attached to permits in production	1,404,132		21,117	5,980	(525,980)	(55,269)	849,980
Assets attached to permits in exploration	11,421	(133)	2,765	0	(11,814)		2,240
Drilling	25,152		843		(8,333)	(2,744)	14,918
Other	5,376	(2)	1,052	(29)	(3,046)	(772)	2,580
Property, plant and equipment (net)	**1,446,082**	**(136)**	**25,777**	**5,952**	**(549,173)**	**(58,785)**	**869,717**

3.5.4.5 Inventories

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Ezanga (Gabon)	5,771		796			6,567
Ezanga chemicals (Gabon)	2,352		(388)			1,965
Trading oil inventory	4,876		(4,876)			0
BRM (Tanzania)	3,475	(110)	0			3,366
Drilling			541			541
Net overlift/underlift position	**16,474**	**(110)**	**(3,926)**			**12,440**

Trading oil inventories are valued at market price less cost of sales.
Oil inventories on Ezanga correspond to inventory in the pipeline and are valued at production cost.

3.5.4.6 Trade receivables and related accounts

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Ezanga (Gabon)	6,901		2,104			9,006
Trading	11,154		(8,440)			2,714
Mnazi Bay (Tanzania)	23,407		2,678			26,085
Drilling	178		58		(107)	130
Other	16	(1)	202			217
Trade receivables and related accounts (net)	**41,656**	**(1)**	**(3,397)**		**(107)**	**38,151**

Trade receivables on Ezanga for hydrocarbon sales essentially reflect the receivables from Sogara, which purchases a percentage of the production from the Ezanga permit fields.
Trade receivables on Mnazi Bay for natural gas sales are mostly from the national company TPDC and Tanesco.
The recoverability of all of these receivables is not called into question. There is no significant impaired receivable.

3.5.4.7 Other assets

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Supplier advances	1,502		(1,119)			383
Operating receivables	10,355	8	(2,520)	(7,075)	(656)	111
Prepaid and deferred expenses	5,457	(1)	(1,809)			3,648
Tax and social security receivables	110,475	(2,786)	576		483	108,748
Other assets (net)	**127,790**	**(2,778)**	**(4,872)**	**(7,075)**	**(173)**	**112,890**
Gross	142,250	(2,778)	(4,872)	(7,075)	292	127,815
Impairment	(14,460)				(465)	(14,925)
Non-current	84,022	(2,650)				81,372
Current	43,768	(128)	(4,872)	(7,075)	(173)	31,518

“Tax and social security receivables (excluding corporation tax)” primarily comprise VAT receivables from the Gabonese state, denominated in XAF, the portion under an MOU being classified as non-current.

The transfer of operating receivables corresponds to the reclassification of the balance of the partner's receivable on Mnazi Bay to other financial assets (see consideration in Note 3.5.5.1).

3.5.4.8 Overlift/underlift position

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Underlift position receivables	18,576		43,803			62,379
Overlift position liability	(1,035)		(480)			(1,515)
Net overlift/underlift position	**17,541**		**43,323**			**60,864**

Overlift or underlift positions posted to current assets (underlift position receivable) or current liabilities (overlift position liability) are valued at the period-end market price. No lifting has been made in Angola during the period.

3.5.4.9 Other current liabilities

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer & scope	Impairment/Reversals	30 June 2021
Social security liabilities	16,314	(27)	(2,580)	(3,208)		10,498
Tax liabilities	30,987	(1)	(5,402)		(1,958)	25,584
WCR financing advances from partners	24,517		(1,678)			22,839
TPDC advances	27,180					27,180
Angola operator liability	10,431		7,105	(2)		17,533
Miscellaneous liabilities	17,910		2,117	4		20,032
Other current liabilities	**127,339**	**(28)**	**(439)**	**(3,207)**		**123,666**

The TPDC advance corresponds to a deposit received as a sales guarantee. It will be reimbursed once TPDC has set up another type of financial guarantee.
The Angola operator liability corresponds to calls for funds to be issued by Sonangol.
The transfer of social security liabilities corresponds to a reclassification of various retirement benefit provisions (see consideration in Note 3.5.4.11).

3.5.4.10 Trade payables and related accounts

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Ezanga (Gabon)	32,688		(2,277)			30,411
Mnazi Bay (Tanzania)	596		(84)	6		518
Drilling	2,286	(1)	(1,008)			1,277
Other	8,249	(36)	(1,546)	(6)		6,661
Trade payables and related accounts	**43,819**	**(38)**	**(4,914)**			**38,867**

3.5.4.11 Provisions

In $ thousands	31 December 2020	Currency translation adjustment	Increase	Reversal	Transfer	30 June 2021

Site remediation	87,199	(132)	1,454		(521)	88,000
Pension commitments	1,150		81		3,208	4,440
Other	27,219	(161)	1,918	(1,923)	986	28,039
Provisions	**115,568**	**(293)**	**3,453**	**(1,923)**	**3,674**	**120,479**
Non-current	87,828	(132)	1,535		2,688	92,440
Current	27,740	(161)	1,918	(1,923)	986	28,039

Site remediation provisions for sites in production are revised regularly based on an appraisal and discounted using US Bloomberg Corporate AA rates to keep pace with the length of the commitment.
Other provisions cover various risks including tax (excluding corporation tax) and employee-related risks in the Group's various host countries.

3.5.5 Financing activities

3.5.5.1 Other financial assets

In $ thousands	31 December 2020	Currency translation adjustment	Change	Transfer	Impairment/Reversals	30 June 2021
Equity associate current accounts	6,899		1,408			8,307
Escrow fund	1,926	(14)	1,791	432		2,178
GOC escrow fund	43,339			384		43,723
Sucre carry receivables Energy Ltd	11,000					11,000
Other partner carry receivables	0		2,186	6,261		8,446
Other financial assets (net)	**63,164**	**(14)**	**5,385**	**7,077**		**73,654**
Non-current	8,825	(14)	3,200	432		10,485
Current	54,339		2,186	6,644		63,169

Discussions are currently under way with GOC and the Gabonese authorities to find a constructive resolution to this affair.
The transfer of the carry receivables corresponds to the reclassification of the balance of the partner's receivable on Mnazi Bay to other assets (see consideration in Note 3.5.4.7).

3.5.5.2 Cash and cash equivalents

In $ thousands	30 June 2021	31 December 2020
Cash and cash equivalents	**167,023**	**168,213**
Bank loans (*)		(4)
Net cash and cash equivalents	**167,023**	**168,209**

(*) Bank loans are reported under debt as shown below.

3.5.5.3 Borrowings

In $ thousands	31 December 2020	Repayment	Transfer	Interest expense	Interest withdrawal	Other movements	30 June 2021
Term loan ($600m)	446,168	(37,500)	(49,934)	1,825		(3,750)	356,809
Shareholder loan	85,500	(3,125)	(3,125)				79,250
Lease financing debt	1,522	(770)	293				1,045

Non-current	**533,190**	**(41,395)**	**(52,766)**	**1,825**		**(3,750)**	**437,104**
Term loan ($600m)	75,066		49,934				125,000
Shareholder loan	12,500		3,125				15,625
Lease financing debt	1,473		(293)	141	(141)		1,180
Current bank loans	4	(4)		229	(229)		0
Accrued interest	*241*			5,054	(4,670)		625
/ Shareholder loan ($100m)	*0*			*881*	*(450)*		*430*
/ Term loan ($600m)	*241*			*4,173*	*(4,219)*		*195*
Current	**89,284**	**(4)**	**52,766**	**5,424**	**(5,040)**		**142,430**
Borrowings	**622,474**	**(41,400)**	**0**	**7,249**	**(5,040)**	**(3,750)**	**579,533**

In first-half 2021 the Group repaid $41 million in borrowings and paid $5 million in interest.

3.5.5.4 Derivative instruments

In $ thousands	**31 December 2020**	**Income**	**OCI**	**30 June 2021**
Current derivative financial assets				
Current derivative financial liabilities	(3,161)		1,454	(1,707)
Derivative financial instruments, net	**(3,161)**		**1,454**	**(1,707)**

At the end of June 2018, the Group took out interest-rate derivatives to limit the cost of debt in the event of a rise in interest rates.
The nominal amount hedged was $200 million for maturities between July 2021 and July 2022 at the three-month Libor.
The hedge was then qualified as a "Cash flow hedge" under IFRS 9. Only the intrinsic value was designated as a hedging instrument. The time value was treated as a hedging cost and recognised as OCI then amortised in the income statement using the straight-line method. The fair value of these derivatives is recognised on the balance sheet under "current derivative financial assets".

Under Phase 2 amendments to IFRS 7 and IFRS 9 related to interest rate benchmark reform, the effects of the reform can be disregarded as long as the Group deems that a contract's transition to a new benchmark rate is not yet completed.
The Group continues to qualify interest rate derivatives for hedge accounting.

3.5.5.5 Financial risk management

The Group's financial risk management (market risk, country risk, credit risk and liquidity risk) and the objectives and guidelines applied by the Group's Management are identical to those presented for the consolidated financial statements at 31 December 2020.

3.5.5.6 Fair value

Fair value positions according to IFRS 13 hierarchy are established based on the same assumptions as those presented in the consolidated financial statements at 31 December 2020.
The net book value of financial assets and liabilities at the amortised cost is considered to correspond to a reasonable approximation of their fair value given their nature.
The net carrying value of the Group's cash corresponds to its fair value given that it is considered to be liquid.
The fair value of derivative financial instruments is based on the instrument's market value at period-end, as explained in Note 3.5.5.4.3.5.5.4

	30 June 2021	**31 December 2020**

In $ thousands	Categories	Level	Balance sheet total	Fair value	Balance sheet total	Fair value
Non-current financial assets	Amortised cost	Level 2	10,485	10,485	8,825	8,825
Trade receivables and related accounts	Amortised cost	Level 2	38,151	38,151	41,656	41,656
Other current financial assets	Amortised cost	Level 2	63,169	63,169	54,339	54,339
Derivative financial instruments	Fair value	Level 1	-0	-0	0	0
Cash and cash equivalents			167,023	167,023	168,213	168,213
Total assets			**278,828**	**278,828**	**273,033**	**273,033**
Other borrowings and financial debt	Amortised cost	Level 2	579,533	579,533	622,474	622,474
Trade payables	Amortised cost	Level 2	38,867	38,867	43,819	43,819
Derivative financial instruments	Fair value	Level 1	1,707	1,707	3,161	3,161
Other creditors and sundry liabilities	Amortised cost	Level 2	123,439	123,439	127,339	127,339
Total liabilities			**743,546**	**743,546**	**796,792**	**796,792**

3.5.5.7 Financial income

In $ thousands	30 June 2021	30 June 2020
Interest on overdrafts	(245)	
IFRS 16 financial expenses	(134)	(44)
Interest on shareholder loans	(881)	(1,689)
Interest on other borrowings	(5,998)	(7,273)
Gross finance costs	**(7,258)**	**(9,006)**
Income from cash	457	1,152
Net income from derivative instruments	(1,419)	(842)
Net finance costs	**(8,220)**	**(8,695)**
Net foreign exchange adjustment	(3,208)	(2,558)
Other	(1,457)	(1,209)
Other net financial income and expenses	**(4,665)**	**(3,767)**
Financial income	**(12,885)**	**(12,462)**

Gross borrowing costs include interest based on the effective interest rate of the loan (i.e. the actuarial rate which takes into account issuance fees).
Net foreign exchange variances are mainly due to the revaluation at the closing rate of the Group's foreign currency positions that are not in the Group's functional currency (USD).

- The €/US$ exchange rate as at 31/12/2020 was 1.2271 versus 1.1884 at 30/06/2021.
- Positions in transactional currencies that are not in the US$ functional currency used by all consolidated entities are largely Gabonese receivables amounting to €77 million (denominated in XAF).

Other financial income and expenses mainly comprise the accretion of the provision for site remediation.

3.5.6 Other information

3.5.6.1 Income taxes & deferred taxes

In $ thousands	Deferred tax	Current tax	Total
Assets at 31/12/2020	**6,065**	**614**	**6,679**
Liabilities at 31/12/2020	**(195,076)**	**(9,580)**	**(204,656)**
Net value at 31/12/2020	**(189,011)**	**(8,967)**	**(197,977)**
Tax expense	(13,297)	(22,478)	(35,774)
Payments		16,254	16,254
Currency translation adjustment		(710)	(710)

Assets at 30/06/2021	**1,474**	**430**	**1,904**
Liabilities at 30/06/2021	**(203,781)**	**(16,331)**	**(220,112)**
Net value at 30/06/2021	**(202,307)**	**(15,901)**	**(218,208)**

The deferred tax expense was primarily the result of the depreciation of the timing difference between recoverable costs from a tax perspective and the recognition of fixed assets in the consolidated financial statements for the Ezanga and Mnazi Bay permits.
The corporate income tax expense payable is largely income tax recognised for the state's share of profit oil on the Ezanga permits in Gabon and corporate income tax on the Mnazi Bay permit.

3.5.6.2 Contingent assets and liabilities & Off-balance sheet commitments

The following financial ratios were complied with as at 30 June 2021:

- ratio for the Group's consolidated net debt (excluding shareholder loan) to EBITDAX (earnings before interest, taxes, depreciation, amortisation and impairment net of the impact of foreign exchange gains and losses and exploration costs) not to exceed 4.00:1.00, calculated over a 12-month period prior to the reference date;
- the Group's debt service cover ratio (DSCR) calculated over the six months preceding the reference date, to be higher than 3.50:1.00; and
- Group Tangible Net Worth (including intangible oil & gas assets) to exceed $500 million at each reference date.

Other off-balance-sheet commitments were consistent with those presented in the consolidated financial statements at 31 December 2020.

3.5.6.3 Events after the reporting period

To the best of Maurel & Prom's knowledge, there are no post-balance sheet events likely to adversely affect the Company's financial position, assets and liabilities, results or activities.

4 STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION

KPMG Audit
Tour EQHO
2 Avenue Gambetta
CS 60055
92066 Paris la Défense Cedex
France

INTERNATIONAL AUDIT COMPANY
46, rue du Général Foy
75008 Paris
France

This is a free translation into English of the statutory auditors' review report on the half-yearly financial information issued in French and is provided solely for the convenience of English-speaking users. This report includes information relating to the specific verification of information given in the Group's half-yearly management report. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

Etablissements Maurel & Prom S.A.

Registered office: 51, rue d'Anjou
75008 Paris

Statutory Auditors' Review Report on the Half-yearly Financial Information

For the period from January 1 to June 30, 2021

To the Shareholders,

In compliance with the assignment entrusted to us by your General assembly and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the review of the accompanying condensed half-yearly consolidated financial statements of Etablissements Maurel & Prom S.A., for the period from January 1 to June 30 2021,
- the verification of the information presented in the half-yearly management report.

Due to the global crisis related to the Covid-19 pandemic, the condensed half-yearly consolidated financial statements have been prepared and reviewed under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organization and the performance of our review procedures.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of directors on August 3th 2021. Our role is to express a conclusion on these financial statements based on our review.

I. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-yearly consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - standard of the IFRSs as adopted by the European Union applicable to interim financial information.

II. Specific verification

We have also verified the information presented in the half-yearly management report on the condensed half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-yearly consolidated financial statements.

Paris La Défense, on the 3rd August 2021

KPMG

François Quédiniac
Partner

Paris, on the 3rd August 2021

International Audit Company

Fabienne Hontarrede
Partner

5 PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT

I hereby certify that, to the best of my knowledge, the condensed consolidated financial statements for the half-year ended have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of operations of the Company and its consolidated entities, and that the half-year management report on pages 3 to 28 provides a true and fair view of significant events for the first six months of the fiscal year, their impact on the financial statements, the main transactions between related parties, as well as a description of the main risks and uncertainties for the remaining six months of the fiscal year.

Paris, 3 August 2021

Olivier de Langavant

Chief Executive Officer