2022 annual results

14 March 2023

MAUREL & PROM

Participants

Olivier de Langavant
Chief Executive Officer

Patrick Deygas
Chief Financial Officer

Matthieu Lefrancq
Head of Investor Relations

Key messages

✓ **Strong operational performance and increased profitability in a favourable oil price environment**

- M&P’s working interest production in 2022 was stable at 25,584 boepd
- Sales totalled $676 million, an increase of 35%, in line with the increase in the average sale price of oil ($97.8/bbl compared with $72.5/bbl in 2021)
- EBITDA of $443 million and recurring net income of $211 million, up 58% and 55% respectively

✓ **Strong cash flow generation through continued cost discipline**

- Operating and administrative expenses at their lowest since the adaptation plan in 2020; over $100 million in cumulative savings over three years
- Free cash flow of $198 million for the year ($275 million excluding M&A)

✓ **Continued deleveraging and very strong financial position**

- Net debt of $200 million as at 31 December 2022, down $143 million over the year despite external growth ($78 million) and the dividend ($29 million)
- Debt refinanced in 2022, offering visibility and favourable terms until 2028

✓ **Closing of the acquisition of Wentworth Resources expected between Q2 and Q3 2023**

- Approval of Wentworth Resources shareholders obtained on 23 January 2023
- Completion of the acquisition subject to the approval of the Tanzanian authorities

✓ **Immediate redistribution of the value created to shareholders**

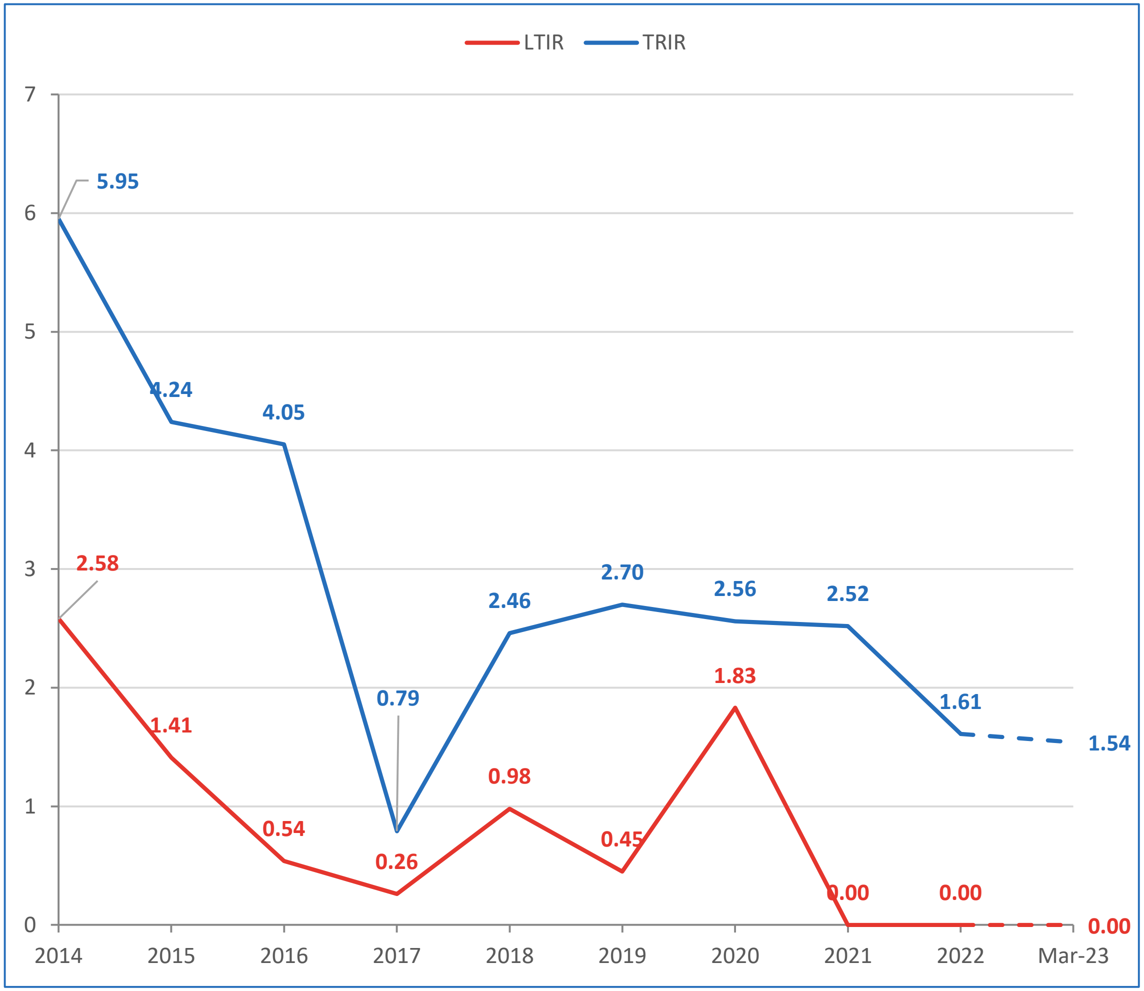
- Dividend of €0.14 per share ($29 million) paid in July 2022 for fiscal year 2021
- Dividend of €0.23 per share ($50 million) submitted to shareholders’ vote for fiscal year 2022

Production:	Opex and G&A:	Operating cash flow:	Free cash flow:	Net debt:
25,584 boepd	**$161 million**	**$366 million**	**$198 million**	**$200 million**
+0% vs. 2021	*-$7 million vs. 2021*	*+$86 million vs. 2021*	*+$75 million vs. 2021*	*-$143 million vs. 2021*

1 Review of operational performance

EHS-S performance

Key performance indicators



Note: Data as of 1 March 2022; lost time injury rate (LTIR) and total recordable injury rate (TRIR) calculated per million hours worked

As of 1 March 2023:

Cumulated days without significant environmental incident: 1,213

Cumulated days without LTI: 1,034

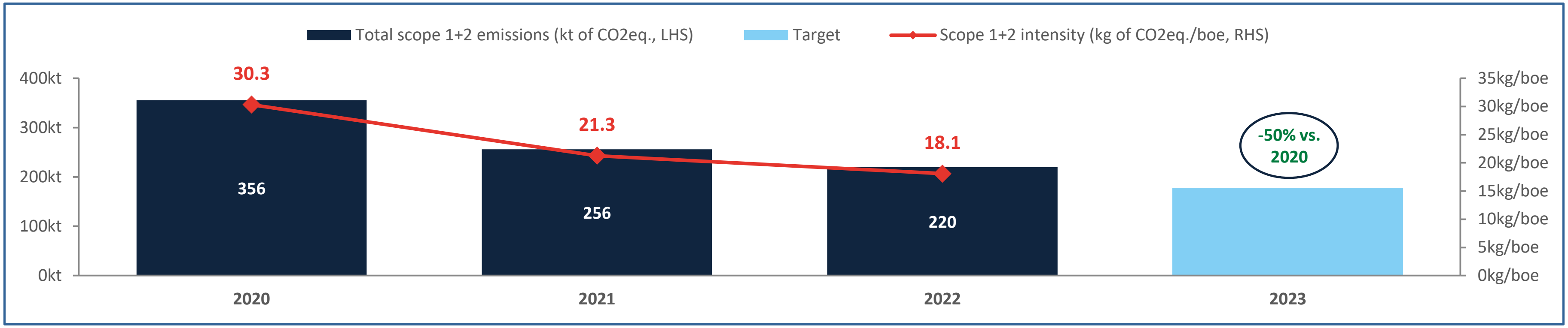
M&P certifications
ISO 45001 (health and safety)
ISO 14001 (environmental management)

Environmental commitment

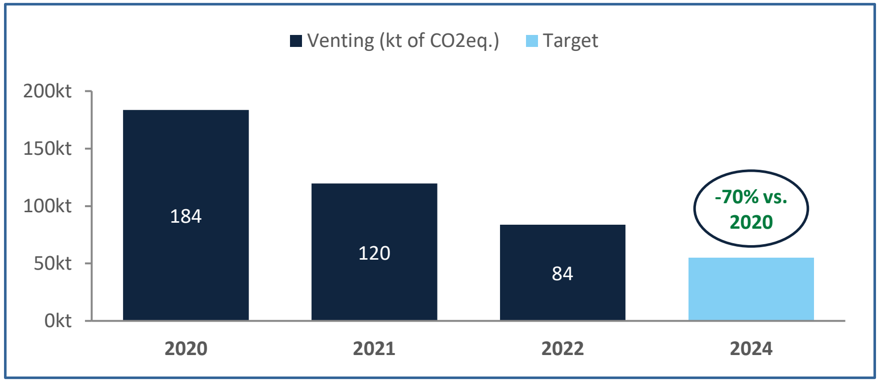
M&P rank in 2022: B
Average sector rank: C

ESG performance on operated assets in production

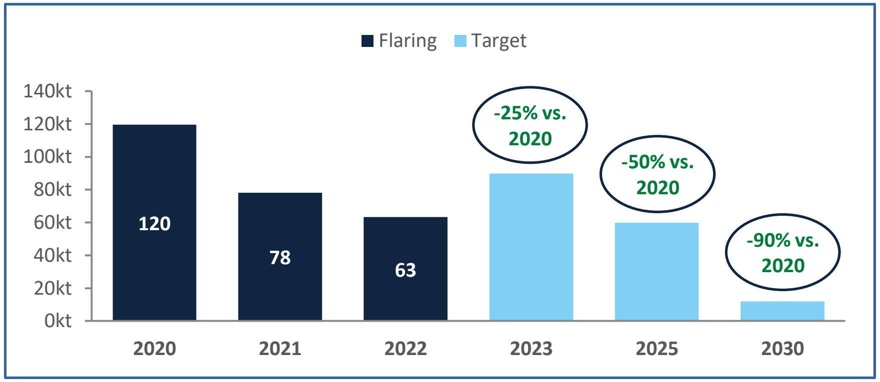
Greenhouse gas emissions and intensity per barrel of operated assets in production



Venting



Flaring



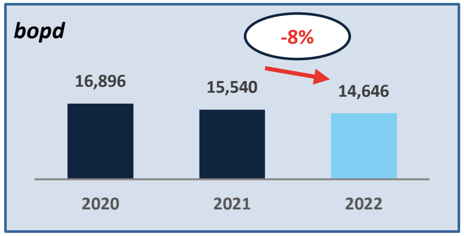
Initiatives implemented as part of the decarbonisation policy put M&P ahead of its objectives

Note: Greenhouse gas emissions for previous years have been adjusted to take into account the new calculation methodology including venting

Review of production activities in 2022

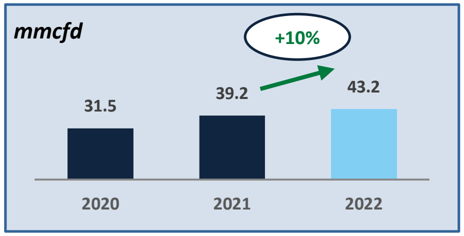
	M&P WI production	Commentary

Ezanga



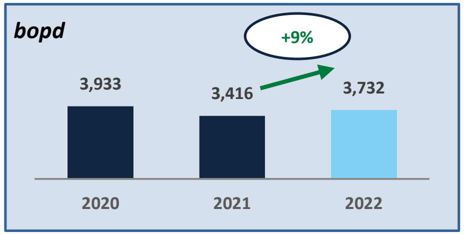
- Average production for the year is therefore 6% lower than in 2021, mainly due to the disruption caused by the incident at the end of April at the Cap Lopez export terminal, the situation having returned to normal in the third quarter
- The well stimulation campaign that began in the fourth quarter of 2022 finished in early 2023. Tangible results are visible, with a significant increase in the field's production potential, which is now above 21,000 bopd

Mnazi Bay



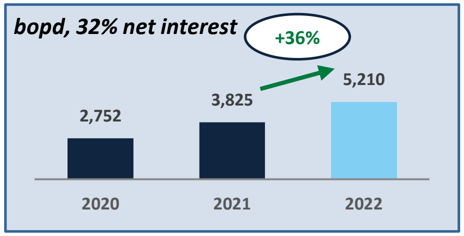
- New annual production record with 90.0mmcfd, 10% more than the previous record from 2021 (81.6mmcfd)
- Improvement of well potential following the wireline intervention campaign completed in early 2023
- Start of engineering studies for compression project

Blocks 3/05 and 3/05A



- Average production up 9% vs. 2021
- Discussions on extending the licence of Block 3/05 beyond its current term in June 2025 are now well underway. It is expected that the licence extension will be accompanied by new tax terms that will enhance the economics of the permit

Urdaneta West



- Average gross production of 16,281 bopd in 2022 (vs. 11,954 bopd in 2021) – M&P did not record its 40% consolidated stake (32% net)
- 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)
- M&P has entered into negotiations with the Venezuelan government to obtain a new operating framework similar to that of Chevron (with the consent of the US authorities)

Actuals vs. guidance

Production

	Guidance		Actual performance		
	Gross	M&P WI	Gross	M&P WI	
Gabon	20,000 bopd	18,000 bopd	18,308 bopd	14,646 bopd	-3%
Tanzania	80.0 mmcfd	38.5 mmcfd	90.0 mmcfd	43.2 mmcfd	+12%
Angola *Non operated*	18,000 bopd	4,400 bopd	18,660 bopd	3,732 bopd	-15%
Total		**26 400 boepd**		**25 584 boepd**	-3%

Cash flows

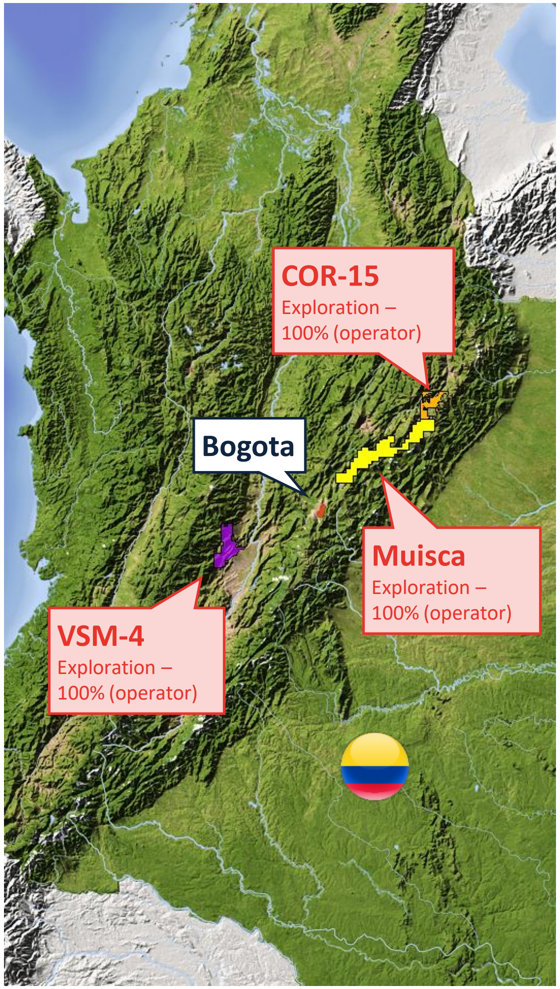
	Guidance	Actuals
Operating cash flow	**$370 million @ $100/bbl**	**$366 million @ $97.8/bbl**
Capex	**Development:** $95 million **Exploration:** $60 million (contingent)	**Development:** $92 million **Exploration:** $11 million **M&A:** $78 million
Financing	**Debt service:** $200 million **Dividendes:** $30 million	**Debt service:** $224 million **Dividendes:** $29 million

The Group's performance in 2022 has been in line with expectations

Exploration campaign in Colombia

- **Two wells drilled on the COR-15 exploration permit between november 2022 and February 2023**
  - ➢ Zorro-1
    - Drilling started in November 2022
    - Oil indications in the Guadalupe formations, the main objective of the drilling, and Lower Socha, from which a 20° API oil sample was taken
    - However, the production test conducted on Lower Socha only produced formation water
    - Well abandonment completed in January 2023
  - ➢ <u>Oveja-1</u>
    - Drilled in sequence with the Zorro-1 well, reached its final depth of 884 metres in nine days
    - The Lower Socha reservoir was found at a depth of 670 meters, with oil shows comparable to those of Zorro-1
    - The various measurements carried out did not indicate the presence of producible hydrocarbons
    - Abandonment completed in early February 2023
- **End of M&P's commitment activity on the COR-15 permit**
  - ➢ Total cost of this two-well exploration programme was $15 million, of which $8 million financed by M&P
  - ➢ Further studies and a full analysis of the results will be carried out before deciding on the future of the licence
- **M&P retains the VSM-4 exploration licence in the upper Magdalena Valley**
  - ➢ A major anticline structure has been identified on this 970 sqkm licence in the vicinity of eight oil and gas fields
  - ➢ Exploration drilling expected in 2024

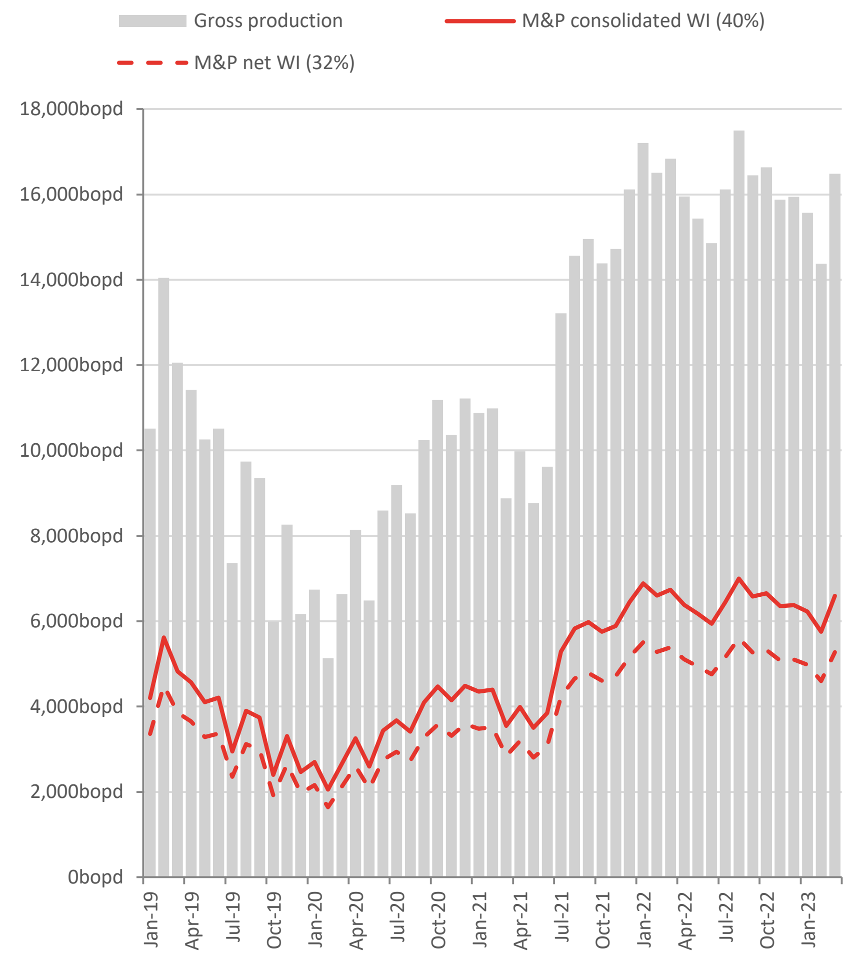
M&P presence in Colombia



Information on the Group’s activities in au Venezuela

- **In Venezuela, due to international sanctions against PDVSA, operations conducted by the Group in relation to its stake in Petroregional del Lago (“PRDL”) are strictly limited**
  - These activities are limited to maintenance related to the safety of staff and assets, and to environmental protection
  - Consequently, no contribution to M&P’s net income has been recognised
  - The asset is still in production and retains a considerable development potential.
- **In early December 2022, Chevron signed an agreement with the Venezuelan authorities allowing for the payment of debts owed by PDVS**
  - This agreement also allows an enhanced control over the operations of their joint venture with PDVSA, particularly in the areas of procurement, cash management and crude sales
  - This agreement has been endorsed by the American authorities and therefore does not contravene the sanctions that remain in place
- **M&P has entered into negotiations with the Venezuelan government to obtain a new operating framework similar to that of Chevron.**
  - Such an agreement would allow the repayment of sums owed by PDVSA to M&P
  - Initially, this would allow in particular the recovery of a first tranche of $108 million in dividends due to M&P (consolidated interest) for 2018 and 2019
  - Discussions regarding dividends for fiscal years 2020 to 2022 are ongoing
  - M&P is in active dialogue with the US authorities in order to obtain assurances similar to those granted to Chevron

PRDL production since 2019



Ongoing acquisition of Wentworth Resources Plc

- On 5 December 2022, M&P and Wentworth Resources ("Wentworth") jointly announced that they had reached agreement on the terms of a recommended acquisition of Wentworth by M&P for a cash consideration of 32,5 pence per share, or approximately $76 million
- Wentworth's only asset (excluding its $30 million cash balance as at 1 November 2022) is its 31.94% direct and indirect interest in the Mnazi Bay gas asset in Tanzania, operated by M&P
  - ➢ If the acquisition is completed, M&P's stake in Mnazi Bay will increase from 48.06% to 80%
- Wentworth Resources published the Scheme Document for the acquisition on 25 January 2023
- On 23 February 2023, the requisite majority of shareholders voted to approve the Scheme at the Court Meeting and to pass the resolution to amend Wentworth's articles of association and to implement the Scheme at the General Meeting
- The completion of the acquisition of Wentworth remains subject to the approval of the Tanzanian authorities, which is currently expected between Q2 and Q3 2023

Gross amount alreay paid in fiscal 2022; cash balance recovered at closing

		Impact on M&P
Acquisition price	**$76 million** ***$46 million after adjustment for $30 million cash balance as of 1 November 2022***	
Réserves 2P au 31 décembre 2022	**137.0 bcf** ***22.8 mmboe***	**+13%**
2022 production	**28.7 mmcfd** ***4,789 boepd***	**+19%**
2022 EBITDA	**$39 million** ***Illustration, prorata current M&P EBITDA on the Mnazi Bay licence***	**+9%**

Increasing M&P's exposure to a high quality gas asset operated for over 10 years

Source: RPS reserves report as of 31 December 2022

2 Review of financial performance

Review of accounts for fiscal year 2022

$mm	2022	2021	*Variation*
P&L			
Sales	**676**	**500**	***+35%***
Opex & G&A	-161	-168	
Royalties and production taxes	-85	-77	
Change in overlift/underlift position	13	25	
Other	–	–	
EBITDA	**443**	**280**	***+58%***
Depreciation, amortisation and provisions and impairment of production assets	-85	-107	
Expenses on exploration assets	-1	-0	
Other	-4	-16	
Operating income	**352**	**158**	***+124%***
Net financial expenses	-23	-16	
Income tax	-145	-44	
Share of income/loss of associates	22	23	
Net income	**206**	**121**	***+71%***
O/w net income before non-recurring items	211	136	*+55%*
Cash flows			
Cash flow before income tax	444	280	
Income tax paid	-112	-82	
Operating cash flow before change in working capital	**331**	**198**	***+67%***
Change in working capital requirement	34	82	
Operating cash flow	**366**	**280**	***+31%***
Development capex	-92	-164	
Exploration capex	-11	–	
M&A	-78	-8	
Dividends received	12	15	
Free cash flow	**198**	**123**	***+61%***
Net debt service	-224	-96	
Dividends paid	-29	–	
Other	-2	1	
Change in cash position	**-58**	**27**	***N/A***
Cash and debt			
Closing cash	138	196	
Closing gross debt	337	539	
Closing net debt	**200**	**343**	***-42%***

Commentaires

P&L

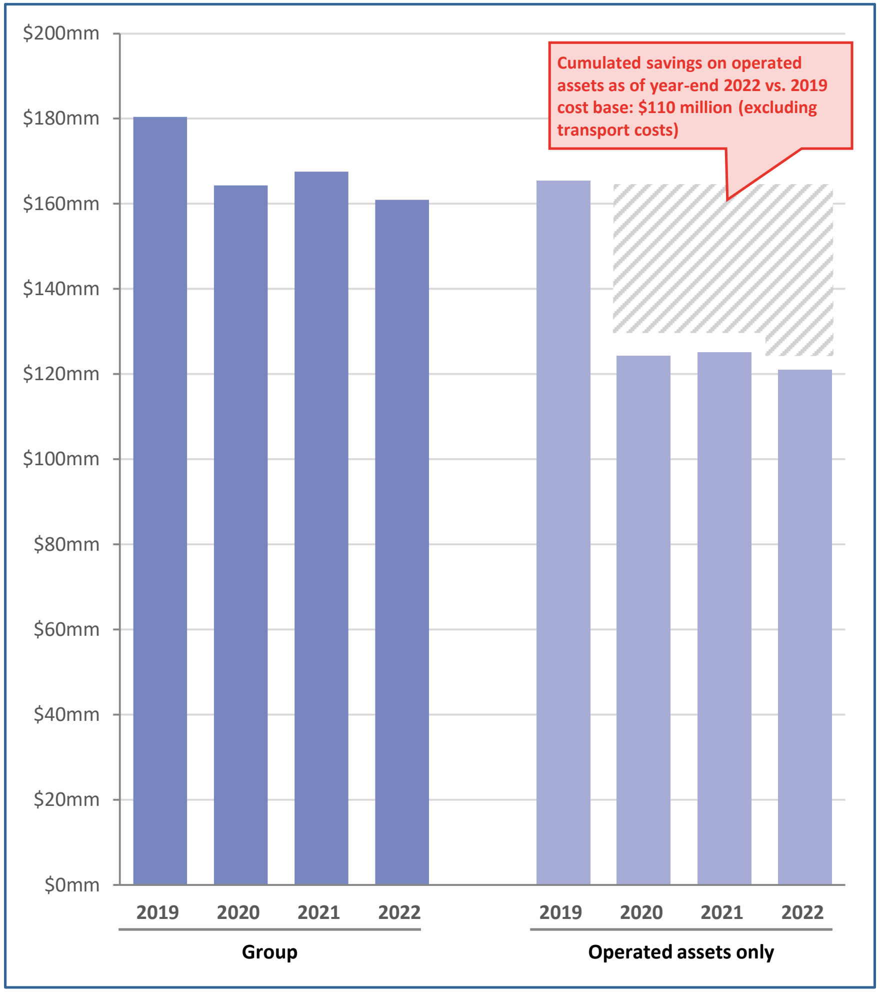
- Average oil sale price during the period of $97.8/bbl, a 35% increase over 2021 ($72.5/bbl)
- Surge in income tax ($145 million in 2022 compared to $44 million in 2021) as result of the progressive depreciation of the VAT receivable of $56 million as they are being recovered as cost oil, as permitted under the agreement signed with the Gabonese Republic in November 2021
- $22 million share of income from equity associates corresponding almost exclusively to the 20.46% stake in Seplat Energy

Cash flows

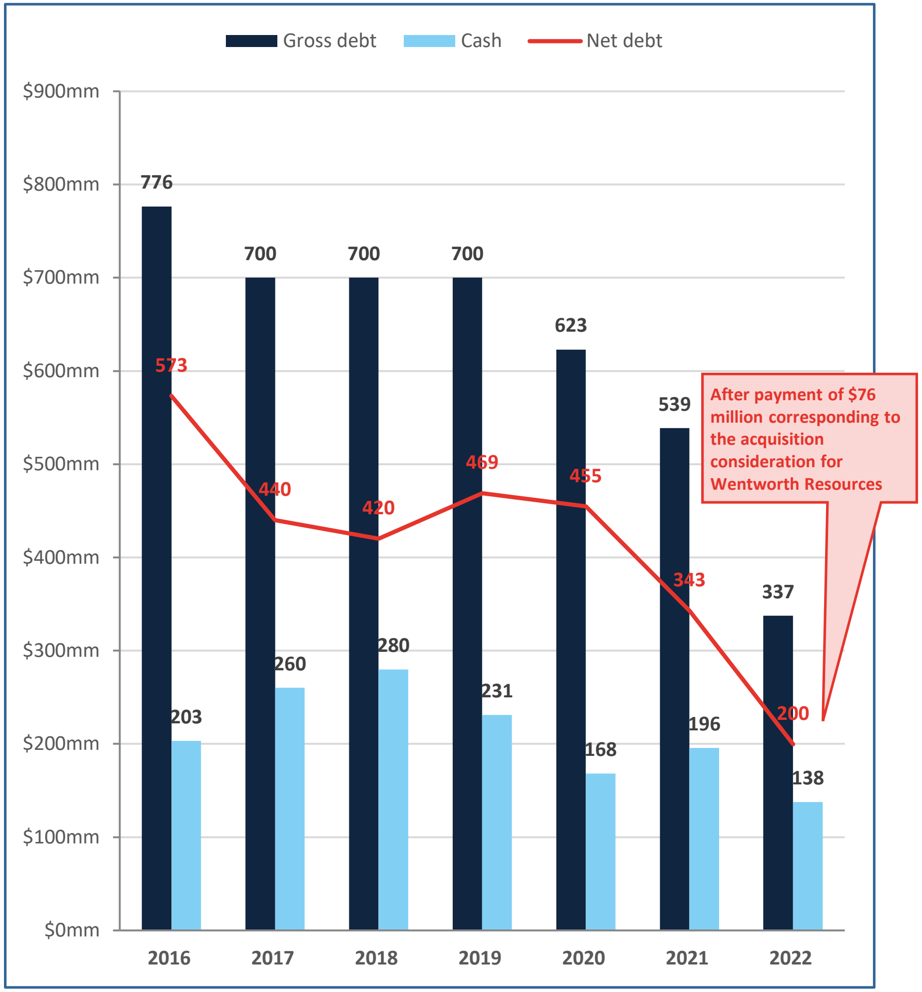
- $180 million of capex, including:
  - $92 million in development capex, including $15 million for the purchase of a new rig in Gabon
  - $11 million in exploration capex for the drilling campaign in Colombia
  - $78 million in M&A, corresponding to the payment of the amount required to complete the acquisition of Wentworth Resources
- $12 million received in dividends (net of taxes) from the 20.46% stake in Seplat Energy

Cost control & deleveraging

Opex and G&A 2019-2022



Change in debt position 2017-2022

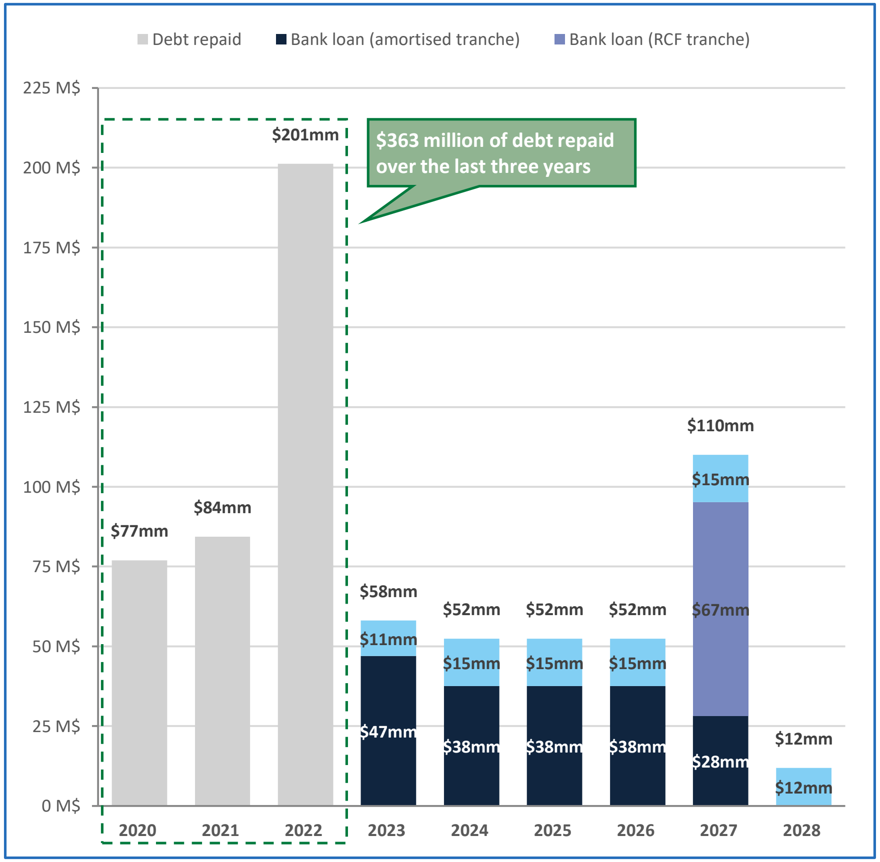


Capital structure and debt repayment profile

Capital structure as of 31 December 2022

	Cost	Maturity	Amout
Bank loan – Amortised tranche	SOFR + spread (0.11%) + 2.00%	July 2027	$188mm
Bank loan – RCF tranche	SOFR + spread (0.11%) + 2.25%	July 2027	$67mm
Shareholder loan	SOFR + spread (0.11%) + 2.10%	July 2028	$82mm
Total debt			**$337mm**
Cash			$138mm
Net debt			**$200mm**

Debt repayment profile



Debt refinanced in 2022, offering visibility and favourable terms until 2028

3 Perspectives

Objectives for 2023

Strive for EHS-S excellence

- ✓ LTIR/TRIR targets: maintain LTIR at zero and TRIR < 1.50
- ✓ Continue to work on greenhouse gas emission reduction targets

Maintain operational and financial focus

- ✓ Maintain Ezanga's production thanks to drilling and well stimulation interventions
- ✓ Launch of compression project on the Mnazi Bay field to support production plateau

Pursue growth

- ✓ Closing of the Wentworth Resources acquisition is expected between Q2 and Q3 2023
- ✓ Thorough monitoring of external growth opportunities available in the Group's regions of expertise

Return value to shareholders

- ✓ Dividend of €0.23 per share ($50m) submitted to shareholders' vote for fiscal year 2022

Operational and financial guidance for 2023

Production guidance

		Gross	M&P WI
Gabon		19,500 bopd	15,600 bopd
Tanzanie		90.0 mmcfd	43.2 mmcfd
Angola		17,000 bop	3,400 bopd
Total			**26,200 boepd**

Cash flow guidance

Operating cash flow

- **Sensitivity at various Brent prices:**
  - @ $70/bbl: $260 million
  - @ $80/bbl: $310 million
  - @ $90/bbl: $360 million

Development capex

- **$100 million split as follows:**
  - $85 million in Gabon
  - $5 million in Tanzania
  - $10 million in Angola (non-operated)

Exploration capex

- **$45 million (including 35 M$ contingent):**
  - End of the drilling campaign on the COR-15 permit in Colombia (completed in February 2023)
  - Potential acquisition of 3D seismic data for the Ezanga permit

Financing

- **$78 million in debt service**
  - $58 million in debt repayments
  - $20 million in net cost of debt
- **$50 million in dividends**

M&P remains focused on its unchanged long-term objectives

- *First priority: relentlessly focus on EHS-S excellence*
- *Maximise value from existing assets*
- *Capital discipline: strengthen balance sheet and maintain liquidity*
- *Grow the business through exploration and M&A*
- *Create value and return it to shareholders*

Operational flexibility

✓Operator of its main assets (Ezanga, Mnazi Bay, exploration)

✓Operations rationalised as part of the adaptation plan

Asset resilience

✓Free cash flow breakeven: $30/bbl ($45/bbl including debt repayment)

✓Net income breakeven: $45/bbl

Financial strength

✓$138 million cash balance as of December 2022 (+$100mm undrawn shareholder loan)

✓Debt refinanced for the six years to come

✓Pertamina group support

4 Annexe

Business model and management team

M&P's business model:

Acquire or explore, develop, operate, extract value

1 M&A or exploration
- Portfolio replenishment
- Strong exploration credentials
- Final investment decision

2 Development
- Recognized experience in rapid start of production
- Design and planning
- In-house drilling (Caroil)
- Focus on delivery on time and on budget

3 Production
- Operatorship preferred
- Focus on production growth and cost control
- Committed to highest EHS-S standards
- Maximising value via own trading platform

4 Portfolio management
- Production optimization and further reserves development
- Partial or complete monetisation: farm-out, straight sale, IPO

Board of Directors


John Anis
Chairman PERTAMINA


Nathalie Delapalme
Independent Director


Ria Noveria
Director PERTAMINA


Carole Delorme d'Armaillé
Independent Director


Daniel Purba
Director PERTAMINA


Caroline Catoire
Independent Director


Harry Zen
Director PERTAMINA


Marc Blaizot
Independent Director

Management Committee


Olivier de Langavant *Chief Executive Officer*
- Reservoir engineer by background; joined M&P in October 2019
- Over 35 years at Total within the E&P division, and held key managing positions, including head of Myanmar, head of Angola, Senior VP for Finance, Economics & Information Systems, Senior VP for Strategy, Business Development and R&D, and finally Senior VP for Asia-Pacific
- Member of Total's Group Management Committee (2012 to 2016)


Patrick Deygas
Chief Finance Officer


Jean-Philippe Hagry
Chief Operating Officer

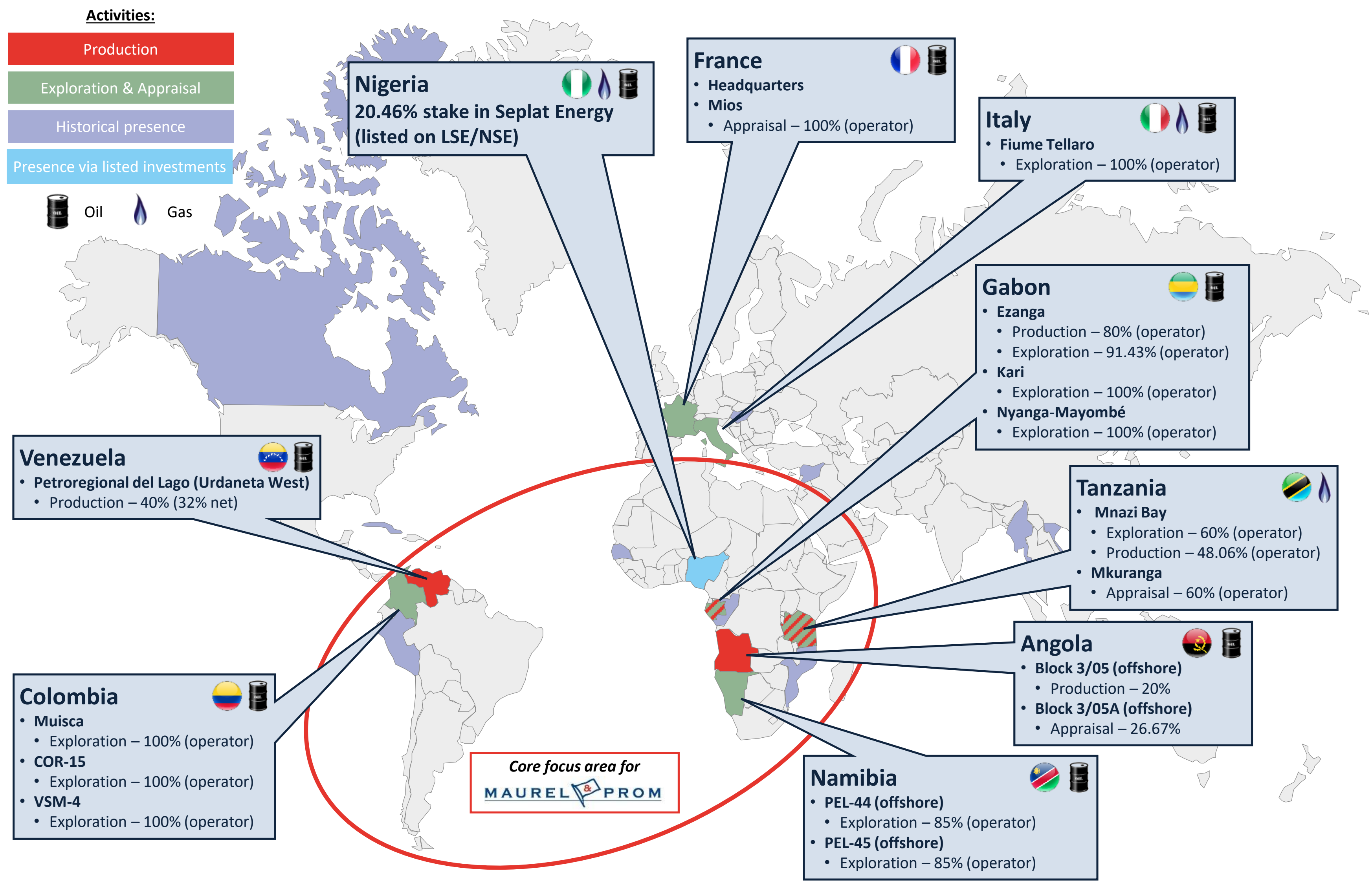

Pablo Liemann
Business Development Manager


Noor Syarifuddin
Exploration Manager


Alain Torre
Company Secretary

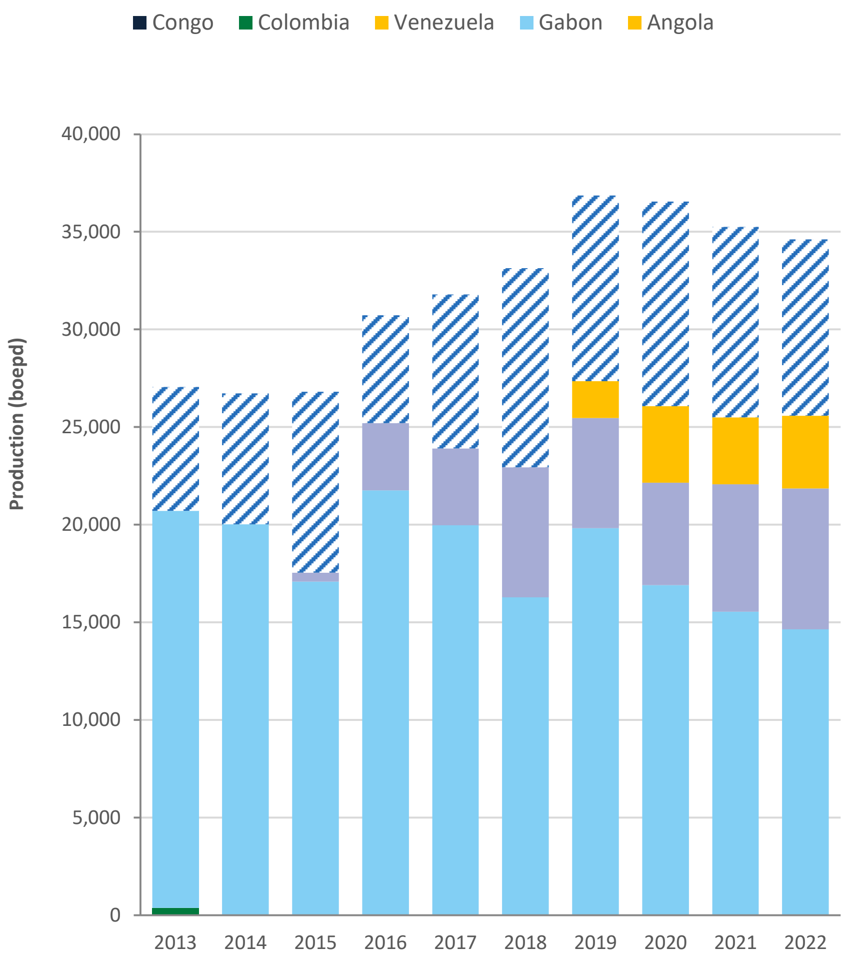

Nadine Andriatoraka
Human Resources Manager

Global footprint with a particular focus on Africa and Latin America



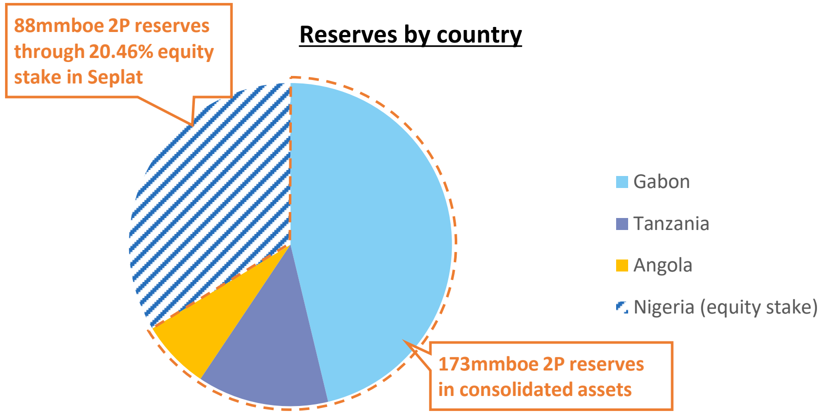
Production and reserves

Production – Last 10 years

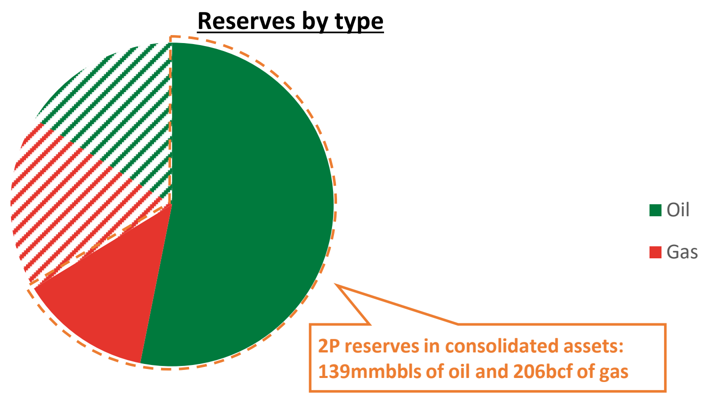


Note: Gas to oil conversion ratio of 6bcf/mmboe

Working interest reserves as of 31 December 2022



Total consolidated WI 2P reserves: 173 mmboe
(139 mmbbls of oil and 206 bcf of gas)



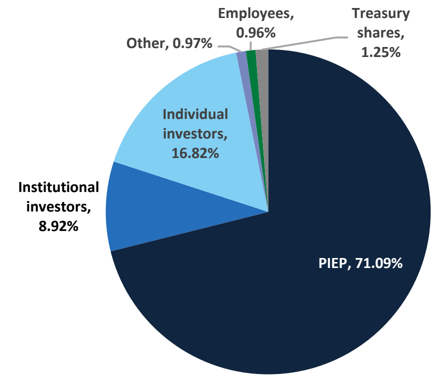
Source: DeGolyer and MacNaughton (Gabon, Angola) and RPS (Tanzania) reserves reports as of 31 December 2022; Seplat reserves as of 31 December 2021 as per 2021 annual results published on 28 February 2022

Key financial information

P&L and cash flows

$mm	2018	2019	2020	2021	2022
P&L					
Sales	**440**	**504**	**330**	**500**	**676**
Opex & G&A	-140	-180	-164	-168	-161
Royalties and production taxes	-45	-80	-50	-77	-85
Change in overlift/underlift position	-13	34	-27	25	13
Other	3	9	6	–	–
EBITDA	**245**	**286**	**95**	**280**	**443**
Depreciation, amortisation and provisions and impairment of production assets	-115	-163	-592	-107	-85
Expenses on exploration assets	-1	-48	-31	-0	-1
Other	-3	-4	-6	-16	-4
Operating income	**126**	**70**	**-534**	**158**	352
Net financial expenses	-27	-31	-11	-16	-23
Income tax	-68	-62	-29	-44	-145
Share of income/loss of associates	31	59	-18	23	22
Net income	**62**	**35**	**-592**	**121**	206
O/w net income before non-recurring items	*66*	*19*	*-54*	*136*	*211*
Cash flows					
Cash flow before income tax	236	298	91	280	444
Income tax paid	-41	-35	-35	-82	-112
Operating cash flow before change in working capital	**195**	**263**	**56**	**198**	**331**
Change in working capital requirement	-3	-102	53	82	34
Operating cash flow	**192**	**162**	**109**	**280**	**366**
Development capex	-104	-104	-46	-164	-92
Exploration capex	-7	-43	-47	–	-11
M&A	-51	-35	–	-8	-78
Dividends received	**30**	**-21**	**16**	**108**	**186**
Free cash flow	-22	-24	-95	-96	-224
Net debt service	12	12	12	15	12
Dividends paid	–	-9	–	–	-29
Other	0	-7	5	1	-2
Change in cash position	**20**	**-49**	**-63**	**27**	**-58**
Cash and debt					
Closing cash	280	231	168	196	138
Closing gross debt	700	700	623	539	337
Closing net debt	**420**	**469**	**455**	**343**	**200**

Shareholding as of 31 December 2022



Simplified balance sheet

$mm	Dec. 18	Dec. 19	Dec. 20	Dec. 21	Dec. 22
Sources					
Equity	1 110	1 142	553	689	870
Financial debt	698	702	622	537	343
Provisions	38	86	88	95	83
Working capital	24	-70	37	34	-15
Total	**1 871**	**1 859**	**1 300**	**1 355**	**1 282**
Uses					
Intangible assets & PP&E	1,261	1,271	765	879	844
Equity associates	254	295	268	276	286
Other non-current assets	76	62	99	4	14
Cash	280	231	168	196	138
Total	**1 871**	**1 859**	**1 300**	**1 355**	**1 282**