



HALF-YEAR REPORT 30 JUNE 2023

www.maureletprom.fr

1	GROUP BUSINESS ACTIVITIES IN THE FIRST HALF OF 2023	3
2	SHAREHOLDERS' EQUITY AND CORPORATE LIFE	6
2.1	GENERAL SHAREHOLDERS' MEETING	6
2.2	TOTAL NUMBER OF VOTING RIGHTS AND SHARES COMPRISING THE SHARE CAPITAL	6
2.3	RISKS AND UNCERTAINTIES	6
3	GROUP'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	8
3.1	CONSOLIDATED STATEMENT OF FINANCIAL POSITION	8
3.2	CONSOLIDATED STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME	10
3.3	CHANGES IN SHAREHOLDERS' EQUITY	12
3.4	CONSOLIDATED STATEMENT OF CASH FLOW	13
3.5	NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS	13
4	STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEARLY FINANCIAL INFORMATION	32
5	PERSON RESPONSIBLE FOR THE HALF-YEAR FINANCIAL REPORT	33

1. GROUP BUSINESS ACTIVITIES IN THE FIRST HALF OF 2023

(in US\$ thousands)

Income statement	S1 2023	S1 2022	Change
Sales	299	355	(16)%
Opex & G&A	-88	-84	
Royalties and production taxes	-37	-45	
Change in overlift/underlift position	-9	25	
EBITDA	164	250	(34)%
Depreciation, amortisation and provisions and impairment on assets in production and development	-54	-40	
Expenses and impairment of exploration assets	-12	-1	
Other	-5	-4	
Operating income	93	205	(54)%
Financial income	-7	-17	
Income tax	-51	-68	
Share of income/loss of associates	17	17	
Net income	53	138	(62)%
O/w net income before non-recurring items [1]	70	143	(51)%

Cash flows	S1 2023	S1 2022	Variation
Cash flow before income tax	160	250	
Income tax paid	-33	-54	
Operating cash flow before change in working capital	127	196	(35)%
Change in working capital requirement	-40	3	
Cash flow from operating activities	87	199	(56)%
Development capex	-57	-44	
Exploration capex	-5		
Dividends received	13	6	
Free cash flow	38	161	(77)%
Net cost of debt	-39	-105	
Other	0	-2	
Change in cash position	-1	54	(102)%
Opening cash	138	196	
Closing cash	137	250	

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

At its meeting of 3 August 2023, chaired by John Anis, the Board of Directors of the Maurel & Prom Group (“M&P” or “the Group”) approved the financial statements for the half year ended 30 June 2023.

Olivier de Langavant, Chief Executive Officer at Maurel & Prom, stated: “As expected, the Group’s financial results for the first half of 2023 are naturally less than those for the same period last year, as the price environment has returned to a more normal level after the significant volatility encountered in 2022. However, this does not in any way obscure the excellent operational and financial health of the Group. Production is increasing and costs continue to be under control in spite of the high rate of inflation affecting the sector. M&P is consolidating its position on certain assets, with the extension of the Block 3/05 licence in Angola for example, while moving away from those which do not fit with its capital allocation policy. This explains the exit from the deepwater exploration licences in Namibia in particular. The Group continues to work actively to build its future and its growth through major development projects, while ensuring the redistribution of value created to shareholders, as shown by the dividend of €0.23 per share paid at the beginning of July, up 64% compared to the previous year.”

Financial performance

The Group’s consolidated sales for the first six months amounted to \$299 million, 16% lower than for the first six months of 2022 (\$355 million), in line with the fall in the average sale price of oil (\$74.8/bbl compared to \$105/bbl; i.e. a drop of 17%.

Opex & G&A were \$84 million over the period, a limited increase of 4% compared to their level in the first half of 2022 (\$84 million). Royalties and production taxes were \$37 million.

EBITDA was \$164 million. Depreciation and amortisation charges stood at \$54 million. Expenses on exploration assets of \$12 million correspond to drilling expenses incurred on the COR-15 permit in Colombia (\$5 million) as well as impairment of Namibian assets (\$7 million) following return of the exploration licences to the authorities. Current operating income amounted to \$93 million.

Net of financial expense (structurally negative at \$7million), income tax (\$51 million), and the share of income from equity associates (\$17 million, mainly referring to the 20.46% stake in Seplat Energy), the Group’s net income fell to \$53 million in the first half of 2023. Current net income, excluding exploration expenses in particular, amounted to \$70 million.

Turning to cash flows, operating activities generated \$127 million in the first half.2023, before the change in working capital requirement. The change in working capital requirement had a negative impact of \$40 million over the period, caused in particular by an increase in receivables from SOGARA, the Gabon national refining company, amounting to \$24 million as at 30 June 2023. A memorandum of understanding was signed with the Republic of Gabon in July 2023, providing for recovery of the receivable via a mechanism for charging to the recoverable costs of Ezanga with no financial loss.

After taking into account \$57 million development capex (including \$33 million of drilling development expenditure in Gabon), \$5 million exploration capex (relating to drilling operations in Colombia) and \$13 million received in dividends in relation to the 20.46% holding in Seplat Energy, free cash flow before financing stood at \$38 million.

Net debt service was \$39 million, including \$23 million repayment of principal. The change in cash position was therefore -\$1 million.

Available liquidity as at 30 June 2023 was \$137 million (compared to \$138 million as at 31 December 2022) and covered only the cash position, as the \$67 million RCF tranche was fully drawn. This excludes the sum placed in escrow as part of the offer announced on 5 December 2022 for Wentworth Resources, which amounted to \$81 million as at 30 June 2023.

Gross debt amounted to \$315 million at 31 March 2023, including \$236 million in a bank loan and \$79 million in a shareholder loan. The first quarterly maturities on both instruments since the 2022 refinancing were paid in April 2023, for a total amount of \$23 million (\$19 million for the bank loan and \$4 million for the shareholder loan).

Net debt therefore amounted to \$178 million at 30 June 2023, a decrease of \$21 million compared to 31 December 2022 (\$200 million).

Production activities

		Q1 2023	Q2 2023	H1 2023	H1 2022	H2 2022	H1 2023 vs.	
							H1 2022	H2 2022
M&P working interest production								
Gabon (oil)	b/j	15,839	15,719	15,779	13,828	15,451	14%	2%
Angola (oil)	b/j	3,424	4,097	3,763	3,902	3,580	(4)%	5%
Tanzania (gas)	Mpc/j	46,7	47,6	47,2	44,4	42,1	6%	12%
Total	bep/j	27,054	27,755	27,406	25,126	26,053	9%	5%
Average sale price								
Oil	\$/b	75,2	74,0	74,8	105,0	90,5	(29)%	(17)%
Gas	\$/MBtu	3.76	3.77	3.77	3.50	3.51	8%	7%

- **Gabon**

M&P's working interest oil production (80%) on the Ezanga permit stood at 15,779 bopd for the first half of 2023, an increase of 2% compared to the second half of 2022.

- **Tanzania**

M&P's working interest gas production (48.06%) on the Mnazi Bay permit was 47.2 mmcf/d for the first half of 2023, up 12% from the second half of 2022.

- **Angola**

M&P working interest production from Blocks 3/05 and 3/05A (20%) in the first half of 2023 was 3,763 bopd, an increase of 5% on the second half of 2022.

Following publication of the decree of approval on 10 May, the Block 3/05 licence has now been extended from 2025 to 2040. Discussions have been successfully completed between the operator of the block and the regulator with a view to finalising the improved tax terms associated with the extension of the licence and implementation of the terms now awaits early validation from the authorities.

Exploration activities

- **Namibia**

M&P launched a farm-out process in November 2022 with a view to finding a partner for exploration licences PEL 44 and PEL 45, operated by M&P with an 85% share. The process ended during the first half of 2023 without resulting in any offers from companies invited to examine technical data on the two assets.

M&P therefore decided not to apply to enter the next exploration phase, which includes drilling obligations, and licences PEL 44 and PEL 45 expired on 15 June 2023. This marks the end of the Group's operations in Namibia.

- **Colombia**

After exploratory drilling operations on the COR-15 permit ended in February 2023, M&P analysed the data collected to determine the prospectivity remaining on the permit. This exercise did not enable identification of any new targets, in an asset for which the Group is now free of any obligation for works.

Drilling activities

- **Gabon**

The C18 Maghèna drilling rig newly acquired in 2022 by the Group and operated by Caroil was commissioned in March 2023 and is currently carrying out the drilling campaign on the Ezanga permit.

Within the framework of its drilling services for third parties, Caroil signed an agreement with Perenco in June 2023 for a five-month drilling campaign planned for Q4 2023, for which the C3 drilling rig is currently being refurbished. The C16 drilling rig continues to be deployed on the drilling campaign for Assala Energy in the south of the country.

Information on the possible offer for Assala Energy Holdings Ltd

Following our announcement on 14 June 2023 regarding a possible offer for Assala Energy Holdings (“Assala”), M&P confirms that it remains in advanced discussions with the shareholders of Assala with respect to the proposed acquisition of all the shares of Assala (the “Proposed Acquisition”). Assala is an onshore oil company in Gabon, active in production (upstream), transport and storage (midstream), with working interest production of approximately 45,000 bopd in 2022.

There can be no assurance that agreement between the parties will be reached on final terms and that the Proposed Acquisition will complete.

M&P will update shareholders as to progress made in relation to the Proposed Acquisition in due course.

Information on the current offer for Wentworth Resources

On 23 February 2023, Wentworth Resources shareholders approved M&P’s offer by voting in favour of the Scheme at the Court Meeting and in favour of its implementation at the General Shareholders’ Meeting.

As part of the approvals process for this transaction as detailed in Part III of the Scheme Document, M&P requires approvals of Tanzania’s Fair Competition Commission (the “FCC”). The FCC issued a decision notice that M&P’s application shall not be determined at this time and will be marked closed by the FCC. M&P is consulting with the relevant Tanzanian government stakeholders in order to find a solution and bring the acquisition to a successful conclusion. M&P is also consulting with relevant Tanzanian government stakeholders about national oil and gas company TPDC’s demand to exercise a right of first refusal to the acquisition.

The completion of the acquisition of Wentworth Resources remains subject to these approvals by the Tanzanian authorities, which is expected in the second half of 2023. M&P will communicate on this subject in due course.

2. SHAREHOLDERS' EQUITY AND CORPORATE LIFE

2.1 General Shareholders’ Meeting

The Combined General Meeting of Maurel & Prom shareholders, held on 23 May 2023 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 2022.

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 2023 was as follows:

Date	Number of shares comprising the capital	Number of voting rights
30 June 2023	201,261,570.00	Theoretical* : 202,338,736 Exercisable : 200,019,546

* : 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 2022 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	Moderate
	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	Moderate
	Risks related to site remediation obligations	Moderate
	Risks related to the effects of climate change policies	High
	Ethical and non-compliance risk	Moderate

3. GROUP'S CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

3.1 Consolidated statement of financial position

Assets

<i>(in US\$ thousands)</i>	Notes (3.5.X)	30/06/2023	31/12/2022
Intangible assets (net)	4.3	175,619	189,591
Property, plant and equipment (net)	4.4	836,332	818,520
Right-of-use assets	6.3	7,329	7,758
Equity associates	3.2	290,923	286,229
Non-current financial assets (net)	5.1	5,957	6,051
NON-CURRENT ASSETS		1,316,160	1,308,149
Inventories (net)	4.5	12,609	13,526
Underlift positions receivables	4.8	46,207	60,666
Trade receivables and related accounts (net)	4.6	63,365	40,021
Current tax receivables	6.1	67	61
Other current assets	4.7	35,090	29,564
Other current financial assets	5.1	95,762	87,676
Cash and cash equivalents	5.2	136,917	137,825
Current derivative financial assets	5.4	—	176
CURRENT ASSETS		390,018	369,515
TOTAL ASSETS		1,706,179	1,677,664

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

Liabilities

<i>(in US\$ thousands)</i>	Notes (3.5.X)	30/06/2023	31/12/2022
Share capital		193,831	193,831
Additional paid-in capital		26,559	29,567
Consolidated reserves (*)		586,078	428,297
Net income, Group share		52,924	204,817
EQUITY, GROUP SHARE		859,392	856,512
Non-controlling interests		13,886	13,954
TOTAL EQUITY		873,277	870,465
Deferred tax liabilities	6.1	180,484	163,805
Non-current provisions	4.11	86,006	83,499
Other non-current borrowings and financial debt	5.3	119,174	137,007
Non-current Shareholder loans	5.3	63,841	71,254
Non-current lease liabilities	5.3	6,149	7,048
NON-CURRENT LIABILITIES		455,653	462,613
Current provisions	4.11	16,254	18,788
Other current borrowings and financial debt	5.3	117,139	114,947
Current Shareholder loans	5.3	16,127	11,121
Current lease liabilities	5.3	2,259	1,843
Overlift position liability	4.8	—	5,030
Trade payables and related accounts	4.10	58,544	68,842
Current tax liabilities	6.1	13,900	12,186
Other current liabilities	4.9	152,839	111,829
Current derivate financial liabilities	5.4	186	—
CURRENT LIABILITIES		377,248	344,585
TOTAL LIABILITIES		1,706,179	1,677,664

(*) Including treasury shares

3.2 Consolidated statement of profit & loss and other comprehensive income

3.2.1 Net income for the period

<i>(in US\$ thousands)</i>	Notes (3.5.X)	30/06/2023	30/06/2022
Sales	4.2	299,091	354,699
Change in overlift/underlift position		(9,429)	24,549
Other operating expenses		(125,176)	(129,099)
EBITDA	4.1	164,485	250,149
Depreciation and amortisation & provisions related to production activities net of reversals		(53,212)	(38,071)
Depreciation and amortisation & provisions related to drilling activities net of reversals		(655)	(1,776)
Current operating income		110,618	210,301
Expenses and impairment of exploration assets net of reversals		(11,910)	(914)
Other non-current income and expenses		(5,234)	(1,088)
Income from asset disposals		(79)	(3,039)
Operating Income	4.1	93,395	205,260
- <i>Cost of gross debt</i>		(11,208)	(9,606)
- <i>Income from cash</i>		1,686	6
- <i>Income and expenses related to interest-rate derivative financial instruments</i>		(164)	(719)
Cost of net financial debt		(9,686)	(10,319)
Net foreign exchange adjustment		4,639	(4,565)
Other financial income and expenses		(1,597)	(1,728)
Financial income	5.7	(6,644)	(16,612)
Income tax	6.1	(51,183)	(67,876)
Net income from consolidated companies		35,569	120,771
Share of income/loss of associates	3.2	17,336	17,311
Consolidated net income		52,905	138,083
<i>o/w:- Net income, Group share</i>		52,924	137,110
- <i>Non-controlling interests</i>		(18)	973

3.2.2 Comprehensive income for the period

<i>(in US\$ thousands)</i>	30/06/2023	30/06/2022
Net income for the period	52,905	138,083
Foreign exchange adjustment for the financial statements of foreign entities	(572)	1,339
Change in fair value of hedging Investments instruments	(362)	797
Total comprehensive income for the period	51,972	140,219
- <i>Group share</i>	52,039	140,586
- <i>Non-controlling interests</i>	(68)	(367)

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.2.3 Earnings per share

	30/06/2023	30/06/2022
Net income attributable to Group equity holders for the period (in US\$ thousands)	52,924	137,110
Share capital	201,261,570	201,261,570
Treasury shares	2,319,190	3,566,618
Average number of shares outstanding	198,942,380	197,694,952
Number of diluted shares	199,018,072	198,191,120
Earnings per share (\$)		
Basic	0.27	0.69
Diluted	0.27	0.69

3.3 Changes in shareholders' equity

<i>In US\$ thousands</i>	Capital	Additional paid-in capital	Other reserves (*)	Currency translation adjustment	Income for the period	Equity, Group share	Non-controlling interests	Total equity
January 1, 2022	193,831	29,567	343,362	-11,333	119,733	675,159	13,867	689,026
Net income					137,110	137,110	973	138,083
Fair value of hedging instruments			797			797		797
Other comprehensive income			-14	2,693		2,679	-1,341	1,339
Total comprehensive income	0	0	783	2,693	137,110	140,586	-367	140,219
Appropriation of income – dividends			90,570		-119,733	-29,163	0	-29,163
Bonus shares			767			767		767
Changes in treasury shares		0	1,311			1,311		1,311
Total transactions with shareholders	0	0	92,647	0	-119,733	-27,085	0	-27,085
June 30, 2022	193,831	29,567	436,792	-8,640	137,110	788,660	13,500	802,160
January 1, 2023	193,831	29,567	438,234	-9,937	204,817	856,511	13,954	870,465
Net income					52,924	52,924	-18	52,905
Fair value of hedging instruments			-362			-362		-362
Other comprehensive income			80	-603		-523	-49	-572
Total comprehensive income	0	0	-282	-603	52,924	52,039	-68	51,972
Appropriation of income – dividends			155,542		-204,817	-49,275	0	-49,275
Bonus shares			326			326		326
Changes in treasury shares		-3,008	2,797			-211		-211
Total transactions with shareholders	0	-3,008	158,665	0	-204,817	-49,159	0	-49,159
June 30, 2023	193,831	26,559	596,617	-10,539	52,924	859,391	13,886	873,277

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.4 Consolidated statement of cash flow

<i>(in US\$ thousands)</i>	Notes	30/06/2023	30/06/2022
Net income		52,905	138,083
Tax expense for continuing operations		51,183	67,876
Consolidated income before taxes		104,088	205,959
Net increase (reversals) of amortisation, depreciation and provisions	4.3 & 4.4 & 4.6 & 4.11	53,867	39,847
Exploration expenses	4.3	11,910	914
Share of income from equity associates	3.2	(17,336)	(17,311)
Other income and expenses calculated on bonus shares		326	767
Gains (losses) on asset disposals		79	3,039
Other financial items		6,644	16,612
CASH FLOW BEFORE TAX		159,577	249,827
Income tax paid		(32,796)	(53,814)
- Inventories	4.5	945	1,046
- Trade receivables	4.6	(27,570)	(5,461)
- Trade payables	4.10	(10,339)	2,782
- Overlift/underlift position	4.8	9,429	(24,549)
- Other receivables	4.7 & 5.1	(3,708)	9,212
- Other payables	4.9	(8,728)	19,747
Change in working capital requirements for operations		(39,971)	2,778
NET CASH FLOW FROM OPERATING ACTIVITIES		86,810	198,791
Proceeds from disposals of property, plant and equipment and intangible assets		(15)	—
Disbursements for acquisitions of property, plant and equipment and intangible assets	4.3 & 4.4	(61,740)	(43,938)
Acquisitions of property, plant & equipment paid in equity instruments			—
Dividends received from equity associates	3.2	12,642	6,020
Change in deposits			—
Acquisition of equity associates			—
NET CASH FLOW FROM INVESTMENT ACTIVITIES		(49,112)	(37,918)
Treasury share acquisitions/sales		211	(1,438)
Dividends paid out			—
Loan repayments	5.3	(22,990)	(94,417)
Proceeds from new loans	5.3	(9,960)	(4,325)
Additional paid-in capital on hedging instruments			—
Interest paid on financing	5.3	(6,191)	(5,432)
Interest received on investment		285	—
NET CASH FLOW FROM FINANCING ACTIVITIES		(38,646)	(105,942)
Impact of exchange rate fluctuations		40	(451)
CHANGE IN CASH POSITION *		(908)	54,480
CASH * AT BEGINNING OF PERIOD		137,825	195,675
CASH * AT END OF PERIOD		136,917	250,155

* Banks overdrafts are included in cash.

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 2023.

Financial statements are presented in US Dollars (\$).

3.5.2 Accounting rules and method

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 2023 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 2022.

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 2023 as in the 2022 consolidated financial statements except for mandatory changes of IFRS applicable since 1st January 2023, as presented below :

IFRS 17 – Insurance policies

Amendments to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 - Comparative Information

Amendments to IAS 1 and its Practice Statement 2 “Materiality”

Amendments to IAS 8 - To clarify the distinction between changes in estimates and changes in policies

Amendment IAS 12 - Deferred taxes on assets and liabilities arising from a single transaction

Amendment IAS 12 - International Tax Reform - Pilier II

The application of this standard has no impact on Group’s financial statements.

The application of these standards has no impact on Group’s financial statements.

There is an exemption from IAS12 - Pillar Two pending its adoption by the European Union.

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 2022 Universal Registration Document.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

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 2022.

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 2023 is not necessarily representative of the results to be expected for the full fiscal year in 2023.

3.5.3 Basis for consolidation

3.5.3.1 List of consolidated entities

Company	Registered office	Consolidation method (*)	% control	
			30/06/2023	31/12/2022
Etablissements Maurel & Prom S.A.	Paris, France	Parent	Consolidating company	
Maurel & Prom Assistance Technique International S.A.	Geneva, Switzerland	FC	100,00%	100,00%
Caroil 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%
Maurel & Prom Gabon S.A.	Port-Gentil, Gabon	FC	100,00%	100,00%
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	Paris, France		100,00%	100,00%
Maurel & Prom West Africa S.A.	Brussels, Belgium	FC	100,00%	100,00%
Maurel & Prom Italia Srl	Ragusa, Sicily	FC	100,00%	100,00%
Cyprus Mnazi Bay Limited	Nicosia, Cyprus	FC	60,08%	60,08%
Maurel & Prom Colombia BV	Rotterdam,	FC	100,00%	100,00%
Seplat	Lagos, Nigeria	EM	20,46%	20,46%
Deep Well Oil & Gas, Inc	Edmonton, Alberta, Canada	EM	19,57%	19,57%
MP Anjou 3 S.A.S.	Paris, France	FC	100,00%	100,00%
Maurel & Prom Angola S.A.S.	Paris, France	FC	100,00%	100,00%
Maurel & Prom Exploration Production	Paris, France	FC	100,00%	100,00%
Maurel & Prom Venezuela S.L.	Madrid, Spain	FC	80,00%	80,00%
M&P Servicios Integridados UW S.A.	Caracas, Venezuela	FC	80,00%	80,00%
Petroregional Del Lago (PRDL)	Caracas, Venezuela	EM	40,00%	40,00%
Caroil Assistance Technique International S.A.	Geneva, Switzerland	FC	100,00%	100,00%
Maurel & Prom Trading S.A.	Paris, France	FC	100,00%	100,00%
Maurel & Prom Services S.A.S.	Paris, France	FC	100,00%	100,00%
Caroil Drilling Solution S.A.	Port-Gentil, Gabon	FC	100,00%	100,00%
MPC Drilling S.A.S	Paris, France	FC	100,00%	100,00%

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

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.5.3.2 Equity associates

<i>(in US\$ thousands)</i>	Seplat	Deep Well Oil	Petroregional Del Lago	Total
Equity associates as at 31/12/2022	205,560	44	80,625	286,229
Income	16,906	0	0	16,906
Change in OCI	430		0	430
Dividends	(12,642)			(12,642)
EQUITY ASSOCIATES AS AT 30/06/2023	210,254	44	80,625	290,923

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

<i>(in US\$ thousands)</i>	SEPLAT
Location	Nigeria
	Associate
Activity	Production
% Interest	20.46 %
Total non-current assets	2,728,726
Other current assets	426,117
Cash and cash equivalents	405,547
TOTAL ASSETS	3,560,390
Total non-current liabilities	(1,220,223)
Total current liabilities	(557,341)
TOTAL LIABILITIES (EXCL. EQUITY)	(1,777,564)
Reconciliation with balance sheet values	0
TOTAL SHAREHOLDERS' EQUITY OR NET ASSETS	1,782,826
Share held	364,779
IFRS 3 fair value adjustment ^(a)	(162,523)
Value of diluted shares ^(b)	7,999
BALANCE SHEET VALUE AT 30/06/2023	210,255
Sales	547,016
Operating Income	154,342
Financial income	(68,975)
Income from JV and deconsolidation	47
Corporate income tax	(2,788)
NET INCOME FROM EQUITY ASSOCIATES	82,626
Share held	16,906
Restatements for standardisation ^(c)	430
P&L VALUE AT 30/06/2023	17,336

(a) Fair value adjustment for Seplat under IFRS 3 (consolidated at the stock market value) recorded in 2015 in connection with the merger with MPI.

(b) 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. Equity was thus reduced by \$6.5 million. At the same time, the diluted shares were valued at the market price of \$8 million. On a net basis, the dilution gain on the equity share, recorded in "Other income from operations", was \$1.5 million.

(c) For Seplat, this is recognition through profit or loss of 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.

<i>(in US\$ thousands)</i>	Production	Exploration	Drilling	Other	30/06/2023	Recurring	Exploration and other non-recurring items
Sales	287,879		11,212		299,091	299,091	
Operating Income and expenses	(116,946)	(3,910)	(5,589)	(8,161)	(134,605)	(134,605)	
EBITDA	170,933	(3,910)	5,623	(8,161)	164,485	164,485	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(49,008)	(3,614)	(655)	(591)	(53,867)	(53,867)	
CURRENT OPERATING INCOME	121,926	(7,524)	4,968	(8,751)	110,618	110,618	
Expenses and impairment of exploration assets net	—	(11,910)	—	—	(11,910)	—	(11,910)
Other non-recurring expenses	(55)		(273)	(4,906)	(5,234)		(5,234)
Gain (loss) on asset disposals		(15)	(52)	(12)	(79)		(79)
OPERATING INCOME	121,871	(19,449)	4,643	(13,669)	93,395	110,618	(17,223)
share of current income of equity associates	17,336				17,336	17,336	
SHARE OF INCOME OF EQUITY	17,336				17,336	17,336	
Financial result	(1,319)	(20)	(16)	(5,290)	(6,644)	(6,644)	
Income tax	(49,724)		(203)	(1,256)	(51,183)	(51,183)	
NET INCOME	88,165	(19,468)	4,424	(20,215)	52,905	70,128	(17,223)
Intangible investments	306	4,549		627	5,483		
INTANGIBLE ASSETS (NET)	170,676	2,887	24	2,032	175,619		
Investments in property, plant and	52,881	4	3,371	30	56,287		
PROPERTY, PLANT AND EQUIPMENT (NET)	813,273	20	22,815	223	836,332		

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

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

<i>(in US\$ thousands)</i>	Production	Exploration	Drilling	Other	30/06/2022	Current constant scope	Exploration and other non recurring items
Sales	352,949	257	1,492		354,699	354,699	
Operating Income and expenses	(101,002)	(2,096)	(2,819)	1,367	(104,550)	(104,550)	
EBITDA	251,948	(1,839)	(1,326)	1,367	250,149	250,149	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(37,303)	(45)	(1,776)	(723)	(39,847)	(39,847)	
CURRENT OPERATING INCOME	214,644	(1,884)	(3,103)	644	210,301	210,301	
Expenses and impairment of exploration assets		(914)	2,679	(182)	1,583		1,583
Other non-recurring expenses	(181)		(2,752)	(653)	(3,585)		(3,585)
Gain (loss) on asset disposals	(3,039)				(3,039)		(3,039)
OPERATING INCOME	211,424	(2,798)	(3,176)	(191)	205,260	210,301	(5,041)
share of current income of equity	17,311				17,311	17,311	
SHARE OF INCOME OF EQUITY	17,311				17,311	17,311	
Financial result	(251)	1,002	(22)	(17,342)	(16,612)	(16,612)	
Income tax	(67,195)		(79)	(602)	(67,876)	(67,876)	
NET INCOME	161,290	(1,796)	(3,276)	(18,135)	138,083	143,124	(5,041)
Intangible investments	(15)	1,190	18	7	1,200		
INTANGIBLE ASSETS (NET)	184,573	7,765	30	1,525	193,893		
Investments in property, plant and	34,700	23	8,014	9,870	52,607		
PROPERTY, PLANT AND EQUIPMENT (NET)	802,971	28	15,660	9,615	828,274		

3.5.4.2 Operating income

Sales

		S1 2023	S1 2022	S2 2022	Variation S1 2023 vs.	
					S1 2022	S2 2022
M&P working interest						
Gabon (oil) (<i>bopd</i>)	b/j	15,779	13,828	15,451	14 %	2 %
Angola (oil) (<i>bopd</i>)	b/j	3,763	3,902	3,580	(4)%	5 %
Tanzania (gas) (<i>mmcf/d</i>)	Mpc/j	47,2	44,4	42,1	6 %	12 %
TOTAL (BOEPD)	bep/j	27,406	25,126	26,053	9 %	5 %
Average sale price						
Oil (<i>\$/bbl</i>)	\$/b	74,8	105,0	90,5	(29)%	(17)%
Gas (<i>\$/BTU</i>)	\$/ BTU	4	4	4	8 %	7 %
Sales						
Gabon (<i>\$m</i>)	M\$	211	262	265	(20)%	(20)%
Angola (<i>\$m</i>)	M\$	41	57	47	(28)%	(13)%
Tanzania (<i>\$m</i>)	M\$	36	32	36	13 %	— %
VALUED PRODUCTION	M\$	289	352	349	(18)%	(17)%
(<i>\$M</i>)						
Drilling activities (<i>\$m</i>)	M\$	11	1	10	651 %	10 %
Restatement for lifting imbalances (<i>\$m</i>)	M\$	(1)	1	(37)	(151)%	(98)%
CONSOLIDATED SALES		299	355	322	(16)%	(7)%
(<i>\$M</i>)						

(a) M&P Trading buys and trades the Group's production in Angola and Gabon. Third-party production can also be traded by M&P Trading. In such instances, it is presented in the Group's consolidated sales.

M&P's working interest production in the first half of 2023 was 27,406 boepd, up 9% and 5% compared to the first and second six months of 2022 respectively (25,126 boepd and 26,053 boepd)

Sales of \$299 million in the first half of 2023, down 16% compared to the first half of 2022 (\$355 million), caused by the marked fall (29%) in the average sale price of oil over the period (\$74.8/bbl against \$105.0/bbl)

The restatement of lifting imbalances net of inventory revaluation had a minimal impact over the period (-\$1 million). After incorporating the \$11 million relating to drilling activities, consolidated sales for the first six months of 2023 are therefore \$299 million.

Operating income

Other operating expenses are :

(<i>in thousands of dollars</i>)	30/06/2023	30/06/2022
Purchases and external services	(53,784)	(53,347)
Taxes, contributions & royalties	(37,402)	(44,716)
Personnel expenses	(33,990)	(31,037)
Others operating expenses	(125,176)	(129,099)

Current operating income amounted to \$111 million.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

Non-current income mainly comprised \$7 million of impairment of exploration assets in Colombia, \$5 million relating to Namibia and \$5 million linked to fees paid by head office.

3.5.4.3 Intangible assets

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	30/06/2023
Assets attached to permits in production	177,551	—	306	1		(7,183)	170,676
Assets attached to permits in exploration	10,434	—	4,549		(11,910)	(185)	2,887
Drilling	27			—		(3)	24
Other	1,579		627		(12)	(162)	2,032
INTANGIBLE ASSETS (NET)	189,591	—	5,483	1	(11,922)	(7,533)	175,619

In Colombia on the COR-15 exploration permit, M&P drilled the Oveja-1 well. The results did not indicate the presence of hydrocarbons. The cost of the well amounted to around \$7 million.

In accordance with the end of the Namibian license on June 15, 2023, it was decided to recognize all the assets, i.e. \$5 million, in income.

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

<i>(in US\$ thousands)</i>	31/12/2021	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	30/06/2022
Assets attached to permits in production	190,985	—	(15)	9	—	(6,406)	184,573
Assets attached to permits in exploration	7,531	—	1,190	—	(914)	(43)	7,765
Drilling	13	—	18	—	—	(1)	30
Other	1,686	—	7	—	—	(167)	1,525
INTANGIBLE ASSETS (NET)	200,215	—	1,200	9	(914)	(6,617)	193,893

3.5.4.4 Property, plant and equipment

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation adjustments	Investment	Transfer	Exit	Amortisation	30/06/2023
Assets attached to permits in production	797,583	4	52,881	(1)		(37,195)	813,273
Assets attached to permits in exploration	31	—	4			(15)	20
Drilling	20,712		3,371		(52)	(1,216)	22,815
Other	193		30			1	223
PROPERTY, PLANT AND EQUIPMENT (NET)	818,520	4	56,287	(1)	(52)	(38,425)	836,332

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

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

<i>(in US\$ thousands)</i>	31/12/2021	Currency translation adjustments	Investment	Transfer	Scrapping & disposal	Amortisation	30/06/2022
Assets attached to permits in production	805,389	(22)	34,700	(9)	(3,040)	(34,046)	802,971
Assets attached to permits in exploration	6	—	23	—	—	(2)	28
Drilling	9,421	—	8,014	—	—	(1,775)	15,660
Other	300	—	9,870	—	—	(556)	9,615
PROPERTY, PLANT AND EQUIPMENT	815,116	(22)	52,607	(9)	(3,040)	(36,379)	828,274

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.5.4.5 Inventories

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Ezanga (Gabon)	3,306		(417)	—		2,889
Chemicals products Ezanga (Gabon)	4,141		(660)	—		3,481
BRM (Tanzania)	1,477	28	—	—		1,505
Colombia	571		—	—		571
Drilling	4,031		132	—		4,163
INVENTORIES (NET)	13,526	28	(945)	—		12,609

Oil inventories on Ezanga correspond to inventory in the pipeline and are valued at production cost.

Drilling inventories correspond to maintenance parts and are valued at supply cost.

3.5.4.6 Trade receivables and related accounts

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Ezanga (Gabon)	13,763	944	9,716	—		24,423
Trading	4,658		10,482	—		15,140
Mnazi Bay (Tanzania)	16,759		2,296	—		19,055
Drilling	3,989		(578)	—	641	4,052
Other	851	4	5,654	—	(5,814)	695
TRADE RECEIVABLES AND RELATED ACCOUNTS	40,021	947	27,570	—	(5,173)	63,365

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. A memorandum of understanding signed with the Gabonese government provides for recovery of the receivable via a mechanism for charging to the recoverable costs of Ezanga.

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.

3.5.4.7 Other assets

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Supplier advances	5,687	18	(3,449)	—		2,256
Partners' carry receivables	815	(1)	10,655	(20)	(1,804)	9,646
Prepaid and deferred expenses	2,122	1	813	(5)		2,931
Tax and social security receivables	20,940	61	1,269		(2,013)	20,257
OTHER ASSETS (NET)	29,564	79	9,288	(24)	(3,817)	35,090
Gross	55,796	79	9,288	(24)		65,139
Impairment	(26,232)	—	—		(3,817)	(30,049)
NON-CURRENT	—		—	—		—
CURRENT	29,564	79	9,288	(24)	(3,817)	35,090

“Tax and social security receivables” primarily comprise VAT receivables from the Gabonese State. Following the agreement signed with the Gabonese government in 2021 allowing for the recovery of this receivable, it will be settled through the production sharing mechanism without any tax loss.

Operating receivables correspond to the Group’s financing of the share of costs accruing to its partners under partnership agreements. These are recovered by reallocating a portion of the hydrocarbon sales accruing to carried partners to the Group. The pace of recovery of these carry receivables is based on the activity’s regular operating cycle and may consequently exceed 12 months.

Depreciation of other assets in Namibia amounted to \$3 million.

3.5.4.8 Overlift/underlift position

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	30/06/2023
Underlift position receivable	60,666		(14,459)	—		46,207
Overlift position liability	(5,030)		5,030	—		—
NET OVERLIFT/ UNDERLIFT POSITION	55,636		(9,429)			46,207

The Group recognises time variances between liftings and the theoretical entitlement in the cost of sales by posting over-or underlift positions, valued at the year-end market price, to current assets (underlift position receivable) or current liabilities (overlift position liability).

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.5.4.9 Other current liabilities

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Social security liabilities	15,537	20	(2,459)			13,098
Tax liabilities	39,977	1	5,261			45,239
Partners' carry payables	—		421			421
TPDC advances	27,180		—			27,180
Angola operator liability	26,737		(9,785)			16,951
Miscellaneous liabilities	2,398	1,704	(2,925)	(502)		675
Dividends to be paid			49,275			49,275
OTHER CURRENT LIABILITIES	111,829	1,725	39,787	(502)		152,839

Operator liabilities correspond to cash calls to be issued by the operator in Angola, Sonangol, and WCR financing advances in Gabon.

The TPDC advance corresponds to a deposit received in 2015 as a sales guarantee. It will be reimbursed once TPDC sets up another type of financial guarantee.

Dividends of €0.23 per share, voted at the Mixed General Meeting of May 23, 2023 were paid post-closing on 5 July.

3.5.4.10 Trade payables

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Ezanga (Gabon)	52,887		(6,221)			46,665
Mnazi Bay (Tanzania)	1,210	—	221			1,432
Drilling	2,224	2	160			2,386
Other	12,521	39	(4,499)			8,061
TRADE PAYABLES AND RELATED	68,842	41	(10,339)			58,544

3.5.4.11 Provisions

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Increase	Reversal	Transfer	30/06/2023
Site remediation	78,775	68	1,414	—	—	80,257
Pension commitments	4,725	—	1,024	—	—	5,749
Other	18,788	—	—	(2,534)	—	16,254
PROVISIONS	102,288	68	2,438	(2,534)	—	102,260
NON-CURRENT	83,499	68	2,438	—	—	86,006
CURRENT	18,788	—	—	(2,534)	—	16,254

Site remediation provisions for production sites are established based on an appraisal report and updated using US Bloomberg Corporate AA rates to remain aligned with the term of the commitment.

Publication of the decree on the pension reform has no impact on M&P's accounts on the pension commitment as of June 30, 2023.

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

<i>(in US\$ thousands)</i>	31/12/2022	Currency translation	Change	Transfer	Impairment/ Reversals	30/06/2023
Equity associates current accounts	228	—	383	(475)	46	182
RES escrow funds	5,992	11	(84)	20	—	5,939
Wentworth escrow fund	76,005	4,010	859	—	—	80,874
Sucre Energy Ltd carry receivables	11,000	—	—	—	—	11,000
Miscellaneous receivables	502	—	3,222	—	—	3,724
OTHER FINANCIAL ASSETS (NET)	93,727	4,021	4,380	(455)	46	101,719
NON-CURRENT	6,051	11	(84)	(21)	—	5,957
CURRENT	87,676	4,010	4,465	(434)	46	95,762

The Wentworth escrow account is part of the agreement with Wentworth Resources plc on the terms of a recommended acquisition of all of its issued and to be issued share capital by Établissements Maurel & Prom S.A.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.5.5.2 Cash and cash equivalents

<i>(in US\$ thousands)</i>	30/06/2023	31/12/2022
CASH AND CASH EQUIVALENTS	136,917	137,825
Bank loans (a)	—	—
NET CASH AND CASH EQUIVALENTS	136,917	137,825

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

3.5.5.3 Borrowings

<i>(in US\$ thousands)</i>	31/12/2022	Proceeds from new loans	Repayment	Transfer	Interest expense	Interest withdrawal	30/06/2023
Term loan & RCF	137,007	—	—	(18,800)	968	—	119,174
Shareholder loan	71,254	—	(3,707)	(3,707)	—	—	63,841
Lease financing debt	7,048	—	(483)	(417)	—	—	6,149
NON-CURRENT	215,309	—	(4,190)	(22,923)	968	—	189,164
Term loan & RCF	114,000	—	(18,800)	18,800	—	—	114,000
Shareholder loans	11,121	—	—	3,707	—	—	14,828
Lease financing debt	1,843	—	—	417	482	(482)	2,259
Current bank loans	—	—	—	—	(19)	19	—
Accrued interest	947	—	(947)	—	9,662	(5,224)	4,438
- Shareholder loan (\$100m)	—	—	—	—	2,477	(1,178)	1,300
- Term loan & RCF	947	—	(947)	—	7,185	(4,046)	3,139
CURRENT	127,911	—	(19,747)	22,923	10,124	(5,686)	135,525
BORROWINGS	343,220	—	(23,937)	—	11,092	(5,686)	324,689

Borrowings are initially recognised at their fair value and then at amortised cost. Issuance costs are recognised as a deduction against the initial fair value of the loan. Financial expenses are then calculated on the basis of the loan's effective interest rate (i.e. the actuarial rate taking issuance costs into account).

\$255 million Term loan

The terms of this loan are as follows:

Initial amount	188 M\$	67 M\$
Maturity	July 2027	July 2027
First repayment	April 2023	
Repayment	18 quarterly instalments	Maturity
Interest rate	SOFR + Spread +2,00 %	SOFR + Spread +2,25 % (0,675% on portion unused)

Shareholders loan :

In December 2017, as part of its refinancing, the Group set up a shareholder loan with PIEP for an amount of \$200 million, initially drawn down in the amount of \$100 million, of which \$18 million has already been repaid.

Following the amendment signed on 12 May 2022, the Group benefited from new terms and the rescheduling of its shareholder loan.

The terms of this facility are as follows:

Initial amount \$182 million of which drawn :	82 M\$
Additional amount	\$100 million that can be withdrawn at will
Maturity	July 2028
First repayment	April 2023
Repayment	22 quarterly instalments
Interest rate	SOFR + Spread +2,10 %

Under the terms of the bank and shareholder loan agreements dated 12/05/2022 the Group benefits from a debt rescheduling:

- the \$255 million term loan with a syndicate of lenders (the “term loan”)
- and the \$182 million loan (\$82 million of it drawn and \$100 million undrawn) from M&P’s controlling shareholder PT Pertamina International Eksplorasi Dan Produksi (“PIEP”) (the “shareholder loan”)

In accordance with IFRS 9, as the amendments to the agreements did not result in significant changes to the terms of the loan, the Group recognised the costs relating to the implementation of these amendments in the overall cost by adjusting the effective interest rate.

At the end of June 2022, 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 covered is \$50 million, maturing at the beginning of July 2023, on the SOFR cap. There is no more coverage as of this date.

The Group continues to qualify interest rate derivatives for hedge accounting.

3.5.5.4 Derivative instruments

<i>(in US\$ thousands)</i>	31/12/2022	Income	OCI	30/06/2023
Current derivative financial assets	176	—	(176)	—
Current derivative financial liabilities	—	—	(186)	(186)
DERIVATIVE FINANCIAL INSTRUMENTS, NET	176	—	(362)	(186)

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 2022.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

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 2022.

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.

<i>(in US\$ thousands)</i>			30/06/2023		31/12/2022	
	Categories	Level	Balance sheet total	Fair value	Balance sheet total	Fair value
Non-current financial assets	Amortised cost	Level 2	5,957	5,957	6,051	6,051
Trade receivables and related accounts	Amortised cost	Level 2	63,365	63,365	40,021	40,021
Other current financial assets	Amortised cost	Level 2	95,762	95,762	87,676	87,676
Derivative financial instruments	Fair value	Level 1	—	—	176	176
Cash and cash equivalents			136,917	136,917	137,825	137,825
TOTAL ASSETS			302,001	302,001	271,749	271,749
Borrowings and financial debt	Amortised cost	Level 2	324,689	324,689	343,220	343,220
Trade payables	Amortised cost	Level 2	58,544	58,544	68,842	68,842
Derivative financial instruments	Fair value	Level 1	186	186	—	—
Other creditors and sundry liabilities	Amortised cost	Level 2	152,839	152,839	111,829	111,829
TOTAL LIABILITIES			536,258	536,258	523,890	523,890

3.5.5.7 Financial income

<i>(in US\$ thousands)</i>	30/06/2023	30/06/2022
Interest on overdrafts	(283)	(425)
IFRS 16 financial expense	(296)	(133)
Interest on shareholder loans	(2,477)	(920)
Interest on other borrowings	(8,152)	(8,123)
GROSS FINANCE COSTS	(11,208)	(9,600)
Income from cash	1,686	6
Net income from derivative instruments	(164)	(719)
NET FINANCE COSTS	(9,686)	(10,313)
Net foreign exchange adjustment	4,639	(4,565)
Other	(1,597)	(1,734)
OTHER NET FINANCIAL INCOME AND EXPENSES	3,042	(6,299)
FINANCIAL INCOME	(6,644)	(16,612)

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 31/12/2022 was 1.0666 versus 1.0866 at 30/06/2023.
- Positions in transactional currencies that are not in the US\$ functional currency used by all consolidated entities are largely Gabonese receivables.

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

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 mainly corresponds to the recognition of notional corporate income tax and the discharge of tax receivables through the production sharing mechanism on the Ezanga permit, and to the income tax expense in Tanzania.

<i>(in US\$ thousands)</i>	Deferred tax	Current tax	Total
ASSETS AT 31/12/2022	—	61	61
LIABILITIES AT 31/12/2022	(163,805)	(12,186)	(175,991)
NET VALUE AT 31/12/2022	(163,805)	(12,125)	(175,930)
Tax expense	(16,679)	(34,503)	(51,183)
Settlement of tax debts		2,648	2,648
Payments		30,148	30,148
Currency translation adjustments	—	—	—
ASSETS AT 30/06/2023	—	67	67
LIABILITIES AT 30/06/2023	(180,484)	(13,900)	(194,384)
NET VALUE AT 30/06/2023	(180,484)	(13,832)	(194,316)

3.5.6.2 Contingent assets and liabilities & Off-balance sheet commitments

The following financial ratios were complied with as at 30 June 2023 :

- 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 2022 and no changes occurred as of 30 June 2023.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

3.5.6.3 IFRS 16

The Group decided to apply IFRS 16 as from 1 January 2019, using the simplified retrospective method, and to apply the permitted exemptions as described in the consolidated financial statements as at 31 December 2022. No contracts were subject to IFRS 16 in the first half year.

(in US\$ thousands)

FIXED ASSET NCA AT 01/01/2023	7,758
DEBT AT 01/01/2023	7,930
IMPACT ON SHAREHOLDERS' EQUITY AT 01/01/2023	(181)
Amortisation	(429)
Capital repayment	(322)
Interest expense	(296)
Cancellation of lease expense	617
FIXED ASSET NCA AT 30/06/2023	7,329
DEBT AT 30/06/2023	7,609
IMPACT ON SHAREHOLDERS' EQUITY AT 30/06/2023	(289)

3.5.6.4 Events occurring 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



46 rue du Général Foy
75008 Paris
France

Etablissements Maurel & Prom S.A.

Registered office : 51, Rue d'Anjou – 75008 Paris

Statutory Auditors' Review Report on the 2023 Half-yearly Financial Information

For the period from January 1st to June 30th 2023

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 1st to June 30th 2023,
- the verification of the information presented in the half-yearly management report.

These condensed half-yearly consolidated financial statements are the responsibility of the Board of Directors on August 4th 2023. 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.

CONDENSED FINANCIAL STATEMENT

Group consolidated financial statements as of 30 June 2023

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.

Les commissaires aux comptes

Paris-La Défense, on the 3rd August 2023

Paris, on the 3rd August 2023

KPMG Audit S.A.
Département de KPMG S.A.

GEA AUDIT

François Quédinac

François Dineur

Associé

Associé

DISCLAIMER

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

Maurel & Prom is listed for trading on Euronext Paris
Isin FR0000051070 / Bloomberg MAU.FP / Reuters MAUP.PA

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 31 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 2023

Olivier de Langavant

Chief Executive Officer