

**SPECIAL REPORT OF THE BOARD OF DIRECTORS
TO THE COMBINED GENERAL SHAREHOLDERS' MEETING
(ORDINARY AND EXTRAORDINARY)
OF THE COMPANY ETABLISSEMENTS MAUREL & PROM,
OF JUNE 30TH 2020
CONCERNING THE ALLOCATION OF FREE SHARES**

The present report is prepared in accordance with Article L. 225-197-4 of the French Commercial Code to account to the General Shareholders' Meeting, called on June 13th 2019, for the allocation of free shares made during the past financial year ending December 31st, 2018 in (i) Etablissements Maurel & Prom ("**Maurel & Prom**"), (ii) companies which are bound to Maurel & Prom in accordance with Article L. 225-180 of the French Commercial Code and (iii) companies controlled by Maurel & Prom as defined in Article L. 233-16 of the French Commercial Code (together with Maurel & Prom, the "**Maurel & Prom Group**").

a) Allocation of free shares to Maurel & Prom corporate officers

According to the Article L. 225-197-4 of the French Commercial Code, here below are mentioned the number and the value of the shares, which have been freely allocated by Maurel & Prom, in 2019, to its corporate officers:

- No shares were allocated to Michel HOCHARD, nor to Olivier de Langavant Chief Executive Officer during 2019 financial year.

b) Allocation of free shares to Maurel & Prom employees

According to Article L. 225-197-4 of the French Commercial Code, here below are mentioned the number and the value of the shares which have been freely allocated, in 2019, to each of the ten employees of the Maurel & Prom Group, whose number of shares freely allocated are the highest.

The following shares have been freely allocated by Maurel & Prom to its employees:

- 87,000 shares to Philippe CORLAY.
- 66,000 shares to Olivier POIX.
- 66,000 shares to Andang BACTHIAR
- 57,000 shares to Pablo LIEMANN.
- 36,000 shares to Alain TORRE.
- 36,000 shares to Patrick DEYGAS.
- 36,000 shares to André SIMONNOT.
- 32,400 shares to Jérôme MASSON.
- 16,500 shares to Caroline MARIA.
- 16,500 shares to Jérôme DOUANE
- 2,600 shares to Frédéric ASSOULINE.

For the 1st August's plan 2019, the acquisition periods (date when the beneficiary becomes definitively owner of the free shares) is realized by third part each year during three year, part 1 : one is of one (1) year from August 1st 2019, that is to say until August 1st 2020, part 2 : one

(1) year from August 1st 2020, that is to say until August 1st 2021, part 3 : one (1) year from August 1st 2021, that is to say until August 1st 2022.

The retention period (period later than the acquisition period during which the beneficiary has to keep possession the free share) is realized by third part each year during three year, is of one (1) year from the date of acquisition, part 1 : August 1s 2020,, that is to say until August 1st 2021, part 2 : August 1st 2021, that is to say until August 1st 2022, part 3 : August 1st 2022,, that is to say until August 1st 2023.

It is specified that the acquisition of these shares is conditional upon active employment within the group at the vesting date and performance conditions, which will be assessed annually by the Board of Directors of the Company, on the recommendation of the Appointments and Compensation Committee of the Company and evaluated over a reference period.

Overall, Maurel & Prom allocated 1,155,450 (one million one hundred and fifty-five thousand four hundred and fifty) free shares during the year 2019.

- 491,000 (four hundred and ninety-one thousand one hundred) shares of Maurel & Prom have been freely allocated to 27 employees of its subsidiaries.
- 247,350 (two hundred and forty-nine thousand three hundred and fifty) shares of Maurel & Prom have been freely allocated to 16 others employees.

The value (on the date of the allocation) of this free allocation implemented of 385,150 (three hundred and eighty-five thousand one hundred and fifty) shares in one plan (1st August 2019), is of 2.88 euros per share, giving a total for this free shares plan of 1,109,232 euros for 31 December 2019 fiscal year end.

No allocation of free shares was done by other entities of the Maurel & Prom Group during this period.

The Board of Directors – June 1st 2020.