FINANCIAL STATEMENTS

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* *Audited accounts and reports currently being issued*

1 GROUP CONSOLIDATED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2023

1.1 Statement of financial position

Assets

(in US$ thousands)	Notes	31/12/2023	31/12/2022
Intangible assets (net)	3.3	177,516	189,591
Property, plant and equipment (net)	3.3	869,403	818,520
Right-of-use assets	6.5	6,785	7,758
Equity associates	2.4	212,387	286,229
Non-current financial assets (net)	4.2	190,993	6,051
NON-CURRENT ASSETS		**1,457,083**	**1,308,149**
Inventories (net)	3.4	11,145	13,526
Underlift positions receivables	3.5	27,010	60,666
Trade receivables and related accounts (net)	3.6	98,700	40,021
Current tax receivables	6.1	122	61
Other current assets	3.7	56,714	29,564
Other current financial assets	4.2	114,068	87,676
Cash and cash equivalents	4.3	97,313	137,825
Current derivative financial assets	4.4	—	176
CURRENT ASSETS		**405,071**	**369,515**
TOTAL ASSETS		**1,862,154**	**1,677,664**

Liabilities

(in US$ thousands)	Notes	31/12/2023	31/12/2022
Share capital		193,831	193,831
Additional paid-in capital		26,559	29,567
Consolidated reserves(*)		588,386	428,297
Net income, Group share		210,195	204,817
EQUITY, GROUP SHARE		**1,018,971**	**856,512**
Non-controlling interests		35,259	13,954
TOTAL EQUITY		**1,054,231**	**870,465**
Deferred tax liabilities	6.1	224,512	163,805
Non-current provisions	3.1	95,594	83,499
Other non-current borrowings and financial debt	4.4	99,861	137,007
Non-current Shareholder loans	4.4	56,427	71,254
Non-current lease liabilities	4.4	6,527	7,048
NON-CURRENT LIABILITIES		**482,920**	**462,613**
Current provisions	3.1	15,492	18,788
Other current borrowings and financial debt	4.4	46,606	114,947
Current Shareholder loans	4.4	16,173	11,121
Current lease liabilities	4.4	1,197	1,843
Overlift position liability	3.5	16,729	5,030
Trade payables and related accounts	3.8	75,598	68,842
Current tax liabilities	6.1	13,009	12,186
Other current liabilities	3.9	140,200	111,829
CURRENT LIABILITIES		**325,003**	**344,585**
TOTAL LIABILITIES		**1,862,154**	**1,677,664**

(*) *Treasures shares included*

1.2 Consolidated statement of profit & loss and other comprehensive income

Net income for the period

(in US$ thousands)	Notes	31/12/2023	31/12/2022
Sales		682,150	676,480
Change in overlift/underlift position		(45,355)	12,902
Trading of third-party oil		(26,390)	—
Other operating expenses		(251,647)	(246,173)
EBITDA	**3.2**	**358,758**	**443,209**
Depreciation and amortisation & provisions related to production activities net of reversals		(102,565)	(83,730)
Depreciation and amortisation & provisions related to drilling activities net of reversals		(2,969)	(1,637)
Current operating income		**253,225**	**357,841**
Expenses and impairment of exploration assets net of reversals		(14,686)	(1,214)
Other non-current income and expenses		(45,667)	(3,008)
Income from asset disposals		(91)	(1,305)
OPERATING INCOME	**3.2**	**192,780**	**352,314**
• *Cost of gross debt*		*(23,007)*	*(18,970)*
• *Income from cash*		*3,438*	*261*
• *Income and expenses related to interest-rate derivative financial instruments*		*(168)*	*(1,040)*
Cost of net financial debt		(19,737)	(19,749)
Net foreign exchange adjustment		2,724	(2,076)
Other financial income and expenses		(2,781)	(1,539)
FINANCIAL INCOME	**4.1**	**(19,794)**	**(23,364)**
Income tax	6.1	(131,209)	(145,465)
Net income from consolidated companies		**41,777**	**183,485**
Share of income/loss of associates	2.4	200,309	22,404
CONSOLIDATED NET INCOME		**242,087**	**205,889**
o/w: – Net income, Group share		***210,195***	***204,817***
– Non-controlling interests		***31,891***	***1,073***
EARNINGS PER SHARE (US$)			
Basic		1.06	1.03
Diluted		1.05	1.03

Other comprehensive income for the period

(in US$ thousands)	31/12/2023	31/12/2022
Net income for the period	**242,087**	**205,889**
Foreign exchange adjustment for the financial statements of foreign entities	(4,759)	374
Change in fair value of hedging Investments instruments	(176)	973
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**237,152**	**207,237**
• ***Group share***	***206,232***	***207,150***
• ***Non-controlling interests***	***30,920***	***87***

1.3 Changes in shareholders' equity

(in US$ thousands)	Capital	Additional paid-in capital	Other reserves	Currency translation adjustment	Income for the period	Equity, Group share	Non-controlling interests	Total equity
JANUARY 1, 2023	**193,831**	**29,567**	**343,362**	**(11,333)**	**119,733**	**675,159**	**13,867**	**689,026**
Net income			—		204,817	204,817	1,073	205,889
Fair value of hedging instruments			973			973		973
Other comprehensive income			(36)	1,396		1,360	(986)	374
TOTAL COMPREHENSIVE INCOME	**—**	**—**	**937**	**1,396**	**204,817**	**207,150**	**87**	**207,237**
Appropriation of income – dividends			90,558		(119,733)	(29,174)	—	(29,174)
Bonus shares			1,435			1,435		1,435
Changes in treasury shares		—	1,942			1,942		1,942
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**—**	**—**	**93,935**	**—**	**(119,733)**	**(25,798)**	**—**	**(25,798)**
JANUARY 1, 2023	**193,831**	**29,567**	**438,234**	**(9,937)**	**204,817**	**856,511**	**13,954**	**870,465**
Net income			—		210,195	210,195	31,891	242,087
Fair value of hedging instruments			(176)			(176)		(176)
Other comprehensive income			23	(3,811)		(3,788)	(971)	(4,759)
TOTAL COMPREHENSIVE INCOME	**—**	**—**	**(152)**	**(3,811)**	**210,195**	**206,232**	**30,920**	**237,152**
Appropriation of income – dividends			155,495		(204,817)	(49,321)	—	(49,321)
Change in CMBL scope – reclassification of minority reserves			9,614			9,614	(9,614)	—
Bonus shares			520			520		520
Changes in treasury shares		(3,008)	(1,577)			(4,584)		(4,584)
TOTAL TRANSACTIONS WITH SHAREHOLDERS	**—**	**(3,008)**	**164,052**	**—**	**(204,817)**	**(43,772)**	**(9,614)**	(53,386)
DECEMBER 31, 2023	**193,831**	**26,559**	**602,134**	**(13,748)**	**210,195**	**1,018,971**	**35,260**	**1,054,231**

1.4 Consolidated statement of cash flow

(in US$ thousands)	Notes	31/12/2023	31/12/2022
Net income		242,087	205,889
Tax expense for continuing operations		131,209	145,465
Consolidated income before tax		**373,296**	**351,354**
Net increase (reversals) of amortisation, depreciation and provisions	3.3 & 3.4 & 3.6 & 3.10	125,869	82,699
Exploration expenses	3.3	14,686	1,214
Share of income from equity associates	2.4	(200,309)	(22,404)
Other income and expenses calculated on bonus shares		520	1,435
Gains (losses) on asset disposals		91	1,305
Other financial items		19,794	28,323
CASH FLOW BEFORE TAX		**333,946**	**443,926**
Income tax paid		(73,059)	(112,497)
Inventories	*3.4*	*1,842*	*(1,103)*
Trade receivables	*3.6*	*(67,402)*	*(15,974)*
Trade payables	*3.8*	*3,993*	*17,643*
Overlift/underlift position	*3.5*	*45,355*	*(12,902)*
Other receivables	*3.7 & 4.2*	*(2,450)*	*65,353*
Other payables	*3.9*	*28,110*	*(18,551)*
Change in working capital requirements for operations		*9,449*	*34,466*
NET CASH FLOW FROM OPERATING ACTIVITIES		**270,335**	**365,895**
Proceeds from disposals of property, plant and equipment and intangible assets		—	103
Disbursements for acquisitions of property, plant and equipment and intangible assets	3.3	(145,756)	(102,512)
Dividends received from equity associates	2.4	19,866	12,040
Change in deposits	4.2	57,707	(77,575)
Change in scope (Wentworth Ressources Plc acquisition)		(45,319)	—
NET CASH FLOW FROM INVESTMENT ACTIVITIES		**(113,502)**	**(167,944)**
Treasury share acquisitions/sales		(4,584)	(1,905)
Dividends paid out		(49,321)	(29,174)
Loan repayments	4.4	(121,288)	(456,250)
Proceeds from new loans	4.4	(5,120)	250,675
Additional paid-in capital on hedging instruments		—	(330)
Interest paid on financing	4.4	(18,082)	(18,676)
Interest received on investment	4.1	3,236	264
NET CASH FLOW FROM FINANCING ACTIVITIES		**(195,160)**	**(255,396)**
Impact of exchange rate fluctuations		(2,185)	(405)
CHANGE IN CASH POSITION(*)		**(40,512)**	**(57,850)**
CASH(*) AT BEGINNING OF PERIOD		**137,825**	**195,675**
CASH(*) AT END OF PERIOD		**97,313**	**137,825**

(*) *Banks overdrafts are included in cash.*

1.5 Notes to the consolidated financial statements

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NOTE 1 GENERAL INFORMATION

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

The consolidated financial statements as at 31 December 2023 were approved by the Board of Directors on 29 February 2024. They will be submitted for approval at the Annual General Meeting on 28 May 2024.

The financial statements are presented in US dollars ($).

Amounts are rounded to the nearest thousand dollars, unless otherwise indicated.

Note 1.1 Key events

Activity

In Gabon, M&P's oil production (80% share) from the Ezanga permit averaged 15,354 bopd. This is 5% more than in 2022.

A well stimulation campaign was carried out at the end of 2023 with good results.

In Tanzania, M&P's gas production (48.06% share) from the Mnazi Bay permit was 51.6 mmcfd in 2023, up 19% from 2022.

Following the completion of M&P's acquisition of Wentworth Resources Plc in December 2023, TPDC exercised its call option to acquire an additional 20% share in Mnazi Bay in January 2024. M&P's share in the assets is now 60% with TPDC holding the remaining 40%. Details of this transaction are given in Note 6.9.

In Angola, M&P's production of Blocks 3/05 (20% share) and 3/05A (26.7% share) reached 4,103 bopd in 2023, an increase of 10% compared to 2022. Year-end production was significantly higher: Q4 2023 production (4,534 bopd M&P share) was 21% higher than the 2022 average (3,732 bopd).

Following the publication of the presidential decree of approval on May 10, the license for Block 3/05 was extended from 2025 until mid-2040. In addition, discussions between the bloc's partners and the regulator resulted in an amendment to the production sharing contract leading to an improvement in the tax terms applicable from October 2023.

In Venezuela, M&P Iberoamerica's production (40%) in the Urdaneta Oeste field was 5,490 bopd in Q4 2023 (13,724 bopd at 100%).

Following the lifting of US sanctions and the publication on 18 October 2023 of a General Licence (GL44) authorising the resumption of oil operations in Venezuela for a renewable period of six months, a framework agreement was signed with the Venezuelan authorities on 7 November 2023.

Under the terms of these agreements, Maurel & Prom's dividend claim of $914 million will be settled in kind through the allocation of oil volumes based on the production of PRDL – the semi-public company in which M&P is a shareholder.

The impact of these arrangements on the Group's results is included in the share of results of associates and is further described in Note 2.4.

The resumption of activities in the Urdaneta Oeste field continues, with the new organisation put in place at the end of November and the first well operations and equipment orders in January. The associated increase in production is on schedule.

After an initial offtake in early January to fund the resumption of operations, two shipments to settle M&P's debt were made in January and February 2024. Further offtakes will take place in the coming months.

General License 44 ("GL 44") from the Office of Foreign Assets Control ("OFAC"), which governs the temporary lifting of US sanctions in Venezuela, is currently scheduled to expire on 18 April 2024. In the event that this is not extended, M&P has the option of continuing to operate in the country under the agreements signed with PdVSA in November 2023, while remaining in strict compliance with the restrictions imposed by the US authorities.

The Group's valued production (income from production activities, excluding offtake imbalances and inventory revaluation) was $608 million in 2023, 13% lower than the previous year. The restatement of offtake imbalances, net of inventory revaluation, had a positive impact of $25 million for the year. Including revenue from drilling activities ($23 million) and third-party oil marketing in Angola ($26 million), consolidated revenue for 2023 was $682 million, up 1% from 2022.

The average price of the selling oil for 2023 was $79.3/bbl, a decrease of 19% compared to 2022 ($97.8/bbl) due to the decline in crude oil prices.

Financial position

Available liquidity as at 31 December 2023 was $159 million, including $97 million of cash and $62 million of undrawn-down RCF tranches.

During 2023, M&P repaid a total of $120 million of gross debt, reducing gross debt to $217 million as at 31 December 2023 (compared to $337 million at the end of 2022), including $146 million of bank loans (including $5 million of RCFs drawn down as at 31 December 2023) and $71 million of shareholder loans.

As a result, net debt decreased by $80 million to $120 million in 2022, compared to $200 million as at 31 December 2022.

It should also be noted that in January 2024, M&P received a total of $98 million representing the payment for the December 2023 offtake in Gabon and TPDC's exercise of its call option to acquire the 20% interest in Mnazi Bay.

Information on the Assala acquisition

Following M&P's signing of a share purchase agreement ("SPA") with Carlyle for the acquisition of Assala on 15 August 2023, the state-owned Gabon Oil Company ("GOC") announced in late 2023 its intention to exercise its pre-emption right in respect of the sale.

The pre-emption option is part of the sovereign rights of the Gabonese State and the state-owned GOC. As soon as the SPA was signed in August 2023, M&P made proposals to the Gabonese authorities to increase its stake in Assala and strengthen the existing partnership between M&P and the Gabonese Republic.

M&P noted the signing on 15 February 2024 of a share purchase agreement ("SPA") between Gabon's national oil company Gabon Oil Company ("GOC") and Carlyle for the acquisition by GOC of Assala Energy Holdings Ltd and all its subsidiaries ("Assala"). The agreement was signed within the framework of GOC's sovereign pre-emption right. The SPA signed by M&P with Carlyle on 15 August 2023 is no longer applicable.

M&P confirms and reiterates its intention to remain a trusted partner of the Republic of Gabon, as evidenced by its presence and all its projects in the country for almost 20 years now.

Note 1.2 Basis for preparation

Normative framework

In accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards, the consolidated financial statements of the Maurel & Prom Group for the year ended 31 December 2023 have been prepared in accordance with the IAS/IFRS international accounting standards applicable as at 31 December 2023 and adopted by the European Union and published by the IASB.

The accounting policies used in the preparation of the consolidated financial statements for the year ended 31 December 2023 are consistent with those used in the consolidated financial statements for the year ended 31 December 2022, except for the following IFRS standards, amendments and interpretations adopted by the European Union and the IASB that are mandatory for the Group's accounting periods beginning on or after 1 January 2023 (which have not been early adopted by the Group):

IFRS 17 and amendments to IFRS 17, IAS 1, IAS 8, IAS 12

The adoption of these amendments and other interpretations did not have a material impact on the Group's financial statements as at 31 December 2023.

The Group has not adopted early any of the new standards and amendments listed below that are mandatory for annual periods beginning on or after 1 January 2023:

- IFRS 17 – Insurance Contracts;
- Amendments to IFRS 17 – Initial Application of IFRS 17 and IFRS 9—Comparative Information;
- Amendments to IAS 1 and Practice Statement 2 "Materiality";
- Amendments to IAS 8 – Definition of Accounting Estimates;
- Amendment to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction;
- Amendment to IAS 12 – International Tax Reform—Pillar Two Model Rules.

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

On 23 May 2023, the IASB published amendments to IAS 12 concerning the "Pillar Two" global minimum tax mechanism. On 8 November 2023, the European Commission adopted Commission Regulation (EU) 2023/2468 of 8 November 2023 amending Regulation (EU) 2023/1803 as regards International Accounting Standard 12 making these provisions applicable to the Member States. On the basis of an initial analysis carried out in 2023, the M&P Group considers it unlikely that the application of the new Pillar 2 mechanism will have a material impact on its financial statements in 2024 (when the new legislation comes into force). For the financial year 2023, the M&P Group has applied the temporary exemption from recognition of deferred tax relating to Pillar 2.

Going concern

In preparing the financial statements, the Group has assessed its ability to continue as a going concern, which is not in question as at 31 December 2023, with respect to the following information:

- The cash flow generating capacity of its assets is increasing in an environment where prices remain high;
- Compliance with covenants;
- A cash position of $97 million as at 31 December 2023 (compared to $138 million as at 31 December 2022). In early January, the Group received $98 million in respect of the December 2023 offtake in Gabon and the sale of 20% of the Mnazi Bay permit in Tanzania to TPDC;
- An $80 million reduction in net debt, resulting in a net closing position of $120 million compared to $200 million as at 31 December 2022;
- Finally, M&P has the ability to draw down additional liquidity on demand thanks to the unused $100 million tranche of the shareholder loan.

Use of judgement and estimates

In preparing the consolidated financial statements, the Group has analysed the potential risks related to climate change. Based on the Group's current assessment of the risks and opportunities associated with climate change, this analysis has not resulted in a reassessment of the value of the Group's property, plant and equipment.

The preparation of consolidated financial statements in conformity with IFRS requires the Group to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of

contingent assets and liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Changes in facts and circumstances may cause the Group to revise such estimates.

Actual results could differ materially from those estimates if different circumstances or assumptions were applied.

In addition, when a particular transaction is not addressed by a standard or interpretation, the Group's management uses its judgement to determine and apply the accounting policies that will provide relevant and reliable information. The financial statements give a true and fair view of the financial position, results of operations and cash flows of the Group. They reflect the substance of the transactions, have been prepared prudently and are complete in all material respects.

Management estimates used in the preparation of the financial statements relate principally to:

- Impairment testing of oil assets;
- The actualization as at fair value of receivables;
- The recognition of oil carry transactions;
- Provisions for site remediation;
- The valuation of equity method investments and underlying assets;
- The accounting treatment of derivative financial instruments entered into by the Group;
- Under- and over-offtake positions;
- The recognition of deferred tax assets;
- Estimates of proven and probable hydrocarbon reserves.

NOTE 2 SCOPE OF CONSOLIDATION

Note 2.1 Consolidation methods

Consolidation

Companies controlled by Établissements Maurel & Prom SA are fully consolidated.

The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control is obtained until the date on which control ceases.

Intercompany balances, transactions, income and expenses are eliminated on consolidation.

Equity method

Joint ventures and associates are accounted for using the equity method of accounting.

Joint ventures are arrangements in which the Group has joint control and therefore has rights to the net assets of the arrangement rather than rights to the assets and obligations for the liabilities of the arrangement.

Associates are entities over whose financial and operating policies the Group has significant influence without controlling or jointly controlling them. Significant influence is presumed to exist when the Group owns 20% or more of the voting power of an entity, unless the Group does not participate in the management of the entity. If the percentage is less, the Company is consolidated using the equity method if significant influence can be demonstrated.

Gains on transactions with equity-accounted entities are eliminated against the equity method investments to the extent of the Group's interest in the associate. Losses are eliminated in the same way as gains, but only to the extent that they do not represent an impairment.

If the impairment criteria in IAS 39 "Financial Instruments: Recognition and Measurement" indicate that equity method investments may be impaired, the amount of the impairment loss is determined in accordance with IAS 36 "Impairment of Assets."

Business combinations

Business combinations are accounted for using the acquisition method in accordance with IFRS 3 "Business Combinations." When control is acquired, the assets and liabilities of the acquiree are measured at fair value (with some exceptions) in accordance with IFRS requirements.

The Group measures goodwill as at the date of acquisition as:

- The fair value of the consideration transferred; plus
- The amount recognised for any non-controlling interest in the acquiree; plus
- if the business combination is achieved in stages, the fair value of any previously held interest in the acquiree; less
- The net amount recognised (generally at fair value) for the identifiable assets acquired and liabilities assumed.

If the difference is negative, a bargain purchase gain is recognised immediately in operating profit.

Acquisition-related costs, other than those relating to the issue of debt or equity securities by the Group as a result of a business combination, are expensed as incurred.

The identification of goodwill is completed within one year from the date of acquisition.

Such goodwill is not amortised but is tested for impairment at the end of each reporting period and whenever there is an indication that an asset may be impaired.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

Goodwill relating to associates is included in equity method investments.

Foreign currency translation

The consolidated financial statements are presented in US dollars, which is the Group's presentation currency.

The functional currency of the major operating subsidiaries is the US dollar.

The financial statements of foreign subsidiaries for which the functional currency is not the US dollar are translated using the closing rate method. Assets and liabilities, including goodwill, of foreign subsidiaries are translated at the closing rate. Income and expenses are translated at the average exchange rate for the period. Translation differences are recognised in other comprehensive income, in shareholders' equity under "Translation differences" and in the case of minority interests under "Non-controlling interests." Translation differences relating to a net investment in a foreign operation are recognised directly in other comprehensive income.

Income and expenses denominated in foreign currencies are translated into the functional currency of the respective entity as at the transaction date. Monetary assets and liabilities denominated in foreign currencies are recorded in the balance sheet at their equivalent value in the functional currency of the entity concerned at the closing rate. Differences arising from the translation at the closing rate are recognised in the income statement as other financial income or expenses.

When the settlement of a monetary item that is a receivable or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, the resulting foreign exchange gains and losses are considered to be part of the net investment in the foreign operation and are recognised in other comprehensive income as a translation reserve.

Where there is a functional currency difference, the Group applies hedge accounting to the foreign exchange differences between the functional currency of the foreign operation and the holding company's functional currency.

Exchange differences arising on the translation of financial liabilities designated as hedges of a net investment in a foreign operation are recognised in other comprehensive income for the effective portion of the hedge and accumulated in the translation reserve. Any adjustment relating to the ineffective portion of the hedge is recognised in net income. When the net investment hedged is sold, the amount of the adjustments recognised as the translation reserve related to it is reclassified in the income statement as disposal income.

Note 2.2 Information on the scope of consolidation and non-consolidated equity interests

Pursuant to ANC Recommendation 2017-01 of 2 December 2017, the full list of Group entities is presented in the Annual Report, Chapter 7 for the financial year.

Note 2.3 List of consolidated entities

The consolidation scope in the fiscal year 2023 concerned primarily the companies listed below:

Company	Registered office	Consolidation Method(*)	% Control	
			31/12/2023	31/12/2022
Établissements Maurel & Prom S.A.	Paris	Parent	Consolidating	
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 S.A.S.	Paris, France	FC	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	100.00%	60.08%
Maurel & Prom Colombia BV	Rotterdam, Netherlands	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 France S.A.S.	Paris, France	FC	100.00%	100.00%
Maurel & Prom Iberoamerica S.L.	Madrid, Spain	FC	80.00%	80.00%
M&P Servicios Intregrados 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.S	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%
Maurel & Prom Central Africa S.A.	Brussels, Belgium	FC	100.00%	N/A
Wentworth Ressources Plc (**)	London, England	FC	100.00%	N/A

(*) FC: Full consolidation/EM: Equity method.
(**) The acquisition of the company Wentworth Resources Plc having taken place on December 21, 2023, only the balance sheet items as of December 31, 2023 have been integrated into the consolidated accounts of M&P.

Note 2.4 Equity method investments

Companies accounted for by the equity method contributed $200 million to the Group's results.

(in US$ thousands)	Seplat	Deep Well Oil	Petroregional Del Lago	Total
Equity associates as at 31/12/2022	205,560	44	80,625	286,229
Income	25,345	0	232,554	257,899
Change in OCI	1,304			1,304
Dividends	(19,866)		(313,179)	(333,045)
EQUITY ASSOCIATES AS AT 31/12/2023	**212,344**	**44**	**0**	**212,387**

PRDL's result of $232 million consists of a share of the result relating to the 2023 financial year for $125 million and a reversal of impairment for $106 million relating to the financial years 2019 to 2023, results which were not recognized given the situation in Venezuela.

PRDL paid dividends of $324 million related to periode 2018-2022. As the dividend distribution exceeded the carrying value of the investment, the excess was recognised as a gain of $11 million; see (f) below. In accordance with IFRS standards, the excess is recognised off balance sheet as a share of future profits.

The data below is presented as reported in the financial statements of the joint ventures and associates (those wholly owned and those not proportionately consolidated) as at 31 December 2023, after translation into US dollars, fair value adjustments and restatements to harmonise accounting methods, where applicable.

(in US$ thousands)	SEPLAT	PRDL
Location	Nigeria	Venezuela
	Associate	Associate
Activity	Production	Production
% Interest	20.46%	40.00%
Total non-current assets	2,436,701	267,870
Other current assets	481,178	1,832,735
Cash and cash equivalents	477,140	0
TOTAL ASSETS	**3,395,019**	**2,100,605**
Total non-current liabilities	(897,388)	(272,601)
Total current liabilities	(704,594)	(1,726,461)
TOTAL LIABILITIES (EXCL. EQUITY)	**(1,601,982)**	**(1,999,062)**
Reconciliation with balance sheet values	**0**	**0**
TOTAL SHAREHOLDERS' EQUITY OR NET ASSETS	**1,793,037**	**101,543**
Share held	**366,868**	**40,617**
IFRS 3 fair value adjustment[(a)]	(161,649)	
Value of diluted shares[(b)]	7,124	
Difference in acquisition price and net asset value 2018		(51,853)
Dividend surplus[(f)]		11,236
BALANCE SHEET VALUE AT 31/12/2023	**212,343**	**0**
Sales	1,061,271	252,611
Operating Income	281,316	276,560
Impairment		
Financial income	(91,596)	95,459
Income from JV and deconsolidation	1,481	
Corporate income tax	(67,329)	(55,867)
NET INCOME FROM EQUITY ASSOCIATES	**123,872**	**316,152**
Share held	**25,345**	**126,461**
Impairment reverse 2019-2022[(c)]		106,093
Restatements for standardisation[(d)]	1,304	
Pre-acquisition dividend rights		589,364
Dividends receivables actualisation[(e)]		(659,494)
Dividend surplus[(f)]		11,236
P&L VALUE AT 31/12/2023	**26,650**	**173,660**

(a) This relates to the IFRS 3 fair value adjustment (integration at market value) recognised in 2015 for Seplat as part of the merger with MP.

(b) Seplat issued 25 million bonus shares, which resulted in a 0.9% dilution of M&P's shareholding, net of the IFRS 3 fair value adjustment from 2016. This reduced equity by $6.5 million. At the same time, the diluted shares were valued at the market price of $7.4 million. On a net basis, the dilution gain on the equity interest was $1 million and is included in "Other operating income."

(c) The reversal of the impairment is related to the lifting of the US sanctions and the implementation of a contractual framework that provides for a debt collection mechanism.

(d) This is the recognition in the income statement of share-based payments.

(e) This includes the discounting of the dividend receivables in accordance with IFRS 9.for a gross amount of $914 million ($589 million pre-acquisition and $324 million post-acquisition).

(f) Corresponds to the difference between dividends distributed and the value of the participation before distribution.

The comparative information for 2022 is given below:

(in US$ thousands)	SEPLAT
Location	Nigeria
	Associate
Activity	Production
% Interest	20.46%
Total non-current assets	2,654,415
Other current assets	454,562
Cash and cash equivalents	428,280
TOTAL ASSETS	**3,537,257**
Total non-current liabilities	(1,179,436)
Total current liabilities	(597,938)
TOTAL LIABILITIES (EXCL. EQUITY)	**(1,777,374)**
Reconciliation with balance sheet values	**0**
TOTAL SHAREHOLDERS' EQUITY OR NET ASSETS	**1,759,883**
Share held	**360,084**
IFRS 3 fair value adjustment [(a)]	(161,973)
Value of diluted shares [(b)]	7,448
BALANCE SHEET VALUE AT 31/12/2022	**205,560**
Sales	951,795
Operating Income	285,933
Impairment	
Financial income	(78,177)
Income from JV and deconsolidation	(3,380)
Corporate income tax	(99,670)
NET INCOME FROM EQUITY ASSOCIATES	**104,706**
Share held	**21,424**
Restatements for standardisation [(c)]	981
P&L VALUE AT 31/12/2022	**22,404**

(a) This relates to the IFRS 3 fair value adjustment (integration at market value) recognised in 2015 for Seplat as part of the merger with MPI.

(b) Seplat issued 25 million bonus shares, which resulted in a 0.9% dilution of M&P's shareholding, net of the IFRS 3 fair value adjustment from 2016. This reduced equity by $6.5 million. At the same time, the diluted shares were valued at the market price of $9.1 million. On a net basis, the dilution gain on the equity interest was $3 million and is included in "Other operating income."

(c) This is the recognition in the income statement of share-based payments.

NOTE 3 OPERATIONS

Note 3.1 Segment reporting

In accordance with IFRS 8, segment reporting is presented on the same basis as that used for internal reporting to management and reflects the internal segment reporting used to manage and measure the Group's performance.

Maurel & Prom's activities are divided into three sectors: production, exploration and drilling. Geographical reporting is only relevant at asset level and is presented in the notes on fixed assets. Other activities mainly comprise functional and financial activities of holding companies and trading activities. Operating income and assets are allocated to the segments on the basis of the entities' contribution statements, which include consolidation restatements.

(in US$ thousands)	Production	Exploration	Drilling	Other	12/31/2023	Recurring	Exploration and other non-recurring items
Sales	632,732		23,027	26,390	682,150	682,150	
Operating Income and expenses	(261,133)	(6,714)	(12,317)	(43,228)	(323,392)	(323,392)	
EBITDA	**371,599**	**(6,714)**	**10,710**	**(16,838)**	**358,758**	**358,758**	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(96,547)	(3,677)	(2,969)	(2,341)	(105,533)	(105,533)	
CURRENT OPERATING INCOME	**275,052**	**(10,391)**	**7,741**	**(19,178)**	**253,225**	**253,225**	
Expenses and impairment of exploration assets net of reversals	94	(14,780)	(300)	(20,336)	(35,322)	—	(35,322)
Other non-recurring expenses	(117)		(280)	(24,635)	(25,032)		(25,032)
Gain (loss) on asset disposals	(1)	(34)	(44)	(12)	(91)		(91)
OPERATING INCOME	**275,028**	**(25,205)**	**7,118**	**(64,161)**	**192,780**	**253,225**	**(60,445)**
Share of current income of equity associates	200,309				200,309	200,309	
SHARE OF INCOME OF EQUITY ASSOCIATES	**200,309**				**200,309**	**200,309**	
Financial result	(2,280)	(26)	(150)	(17,338)	(19,794)	(19,794)	
Income tax	(126,083)		(484)	(4,643)	(131,209)	(131,209)	
NET INCOME	**346,975**	**(25,231)**	**6,484**	**(86,141)**	**242,087**	**302,531**	**(60,445)**
Intangible investments	10,617	6,512	5	21,285	38,419		
INTANGIBLE ASSETS (NET)	**174,287**	**1,776**	**13**	**1,440**	**177,516**		
Investments in property, plant and equipment	98,094	109	8,468	666	107,337		
PROPERTY, PLANT AND EQUIPMENT (NET)	**842,293**	**97**	**26,279**	**734**	**869,403**		

M&P marketed the equivalent of $26 million of oil on behalf of a partner in its joint venture in Angola.

The comparative information for 2022 is given below:

(in US$ thousands)	Production	Exploration	Drilling	Other	12/31/2023	Recurring	Exploration and other non-recurring items
Sales	664,559	249	11,672		676,480	676,480	
Operating Income and expenses	(214,412)	(5,084)	(13,701)	(74)	(233,271)	(233,271)	
EBITDA	**450,146**	**(4,835)**	**(2,029)**	**(74)**	**443,209**	**443,209**	
Depreciation and amortisation, impairment loss & provisions for assets in production and drilling assets	(81,521)	(1,209)	(1,637)	(1,000)	(85,367)	(85,367)	
CURRENT OPERATING INCOME	**368,626**	**(6,044)**	**(3,667)**	**(1,074)**	**357,841**	**357,841**	
Expenses and impairment of exploration assets net of reversals	20	(1,267)	2,752	298	1,803	—	1,803
Other non-recurring expenses	(2,417)		(2,752)	(857)	(6,026)		(6,026)
Gain (loss) on asset disposals	(764)	(541)			(1,305)		(1,305)
OPERATING INCOME	**365,465**	**(7,852)**	**(3,667)**	**(1,632)**	**352,314**	**357,841**	**(5,527)**
Share of current income of equity associates	22,404				22,404	22,404	
SHARE OF INCOME OF EQUITY ASSOCIATES	**22,404**				**22,404**	**22,404**	
Financial result	(1,641)	9,255	(45)	(30,933)	(23,364)	(23,364)	
Income tax	(143,992)		(272)	(1,201)	(145,465)	(145,465)	
NET INCOME	**242,236**	**1,403**	**(3,984)**	**(33,766)**	**205,889**	**211,416**	**(5,527)**
Intangible investments	(32)	10,469	18	235	10,690		
INTANGIBLE ASSETS (NET)	**177,551**	**10,434**	**27**	**1,579**	**189,591**		
Investments in property, plant and equipment	76,903	42	14,877	76	91,898		
PROPERTY, PLANT AND EQUIPMENT (NET)	**797,583**	**31**	**20,712**	**193**	**818,520**		

Note 3.2 Operating Income

Note 3.2.1 Turnover

Oil revenue, which represents the sale of production from fields operated by the Company, is determined on the basis of oil sold, i.e. oil removed. The Group recognises the difference between offtakes and its theoretical entitlement as part of the cost of sales by establishing an under-offtake or over-offtake position, which is valued at market price as at the balance sheet date and recorded under current assets (under-offtake receivable) or current liabilities (over-offtake liability). The market price is determined on the basis of the PCO Rabi Light index for the Gabon zone and the Palanca Blend index for the Angola zone, which are used as benchmarks for the physical settlement of these offtake positions.

Gas sales are recognised at the point of connection to the customer's facilities.

Revenue from drilling services is recognised on the basis of the stage of completion of the drilling service, measured in terms of drilling depth and mobilisation time spent.

	12 month 2023	12 month 2022	Change 22/23
M&P WORKING INTEREST PRODUCTION			
Gabon (oil) *(bopd)*	15,354	14,646	5%
Angola (oil) *(bopd)*	4,103 [(a)]	3,732	10%
Tanzania (gas) *(mmcfd)*	51.6	43.2	19%
TOTAL (BOEPD)	**28,057**	**25,584**	**10%**
AVERAGE SALE PRICE			
Oil *($/bbl)*	79.3	98	(19%)
Gas *($/BTU)*	376	350	8%
SALES			
Gabon *($M)*	442	527	(16%)
Angola *($M)*	98	104	(6%)
Tanzania *($M)*	68	68	1%
VALUED PRODUCTION *($M)*	**608**	**700**	**(13%)**
Drilling activities *($M)*	23	12	
Trading of third-party oil[(a)] *($M)*	26	—	
Restatement for lifting imbalances *($M)*	25	(35)	
CONSOLIDATED SALES *($M)*	**682**	**676**	**1%**

(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 cases, it is included in the Group's consolidated sales.*

The Group's production (M&P share) was 28,057 boe/d in the financial year 2023, a marked increase of 10% compared with 2022 (25,584 boe/d). The average sale price of oil for the period was $79.3/bbl, a decrease of 19% compared to 2022 ($97.8/bbl) due to the decline in crude oil prices.

The Group's valued production (income from production activities, excluding offtake imbalances and inventory revaluation) was $608 million for 2023, down 13% from the previous year. The restatement of offtake imbalances, net of inventory revaluation, had a positive impact of $25 million for the year. After including revenues from drilling activities ($23 million) and third-party oil marketing ($26 million), consolidated sales for 2023 consequently amounted to $682 million, up 1% on 2022.

M&P marketed the equivalent of $26 million of oil on behalf of a partner in its joint venture in Angola.

Maurel & Prom trades oil volumes produced by M&P Gabon and M&P Angola through its subsidiary M&P Trading. 6.95 million barrels were traded during the year.

Note 3.2.2 Operating income

The Group uses a number of indicators to assess the performance of its operations:

Gross operating surplus (GOS) corresponds to sales less the following items:

- Other operating income
- Purchases of consumables and services
- Taxes (including mining royalties and other taxes related to the activity)
- Personnel expenses.

These last three items are included in other operating expenses.

Current operating income corresponds to GOS less depreciation of tangible and intangible assets, including depletion.

The items between current operating income and operating income correspond to income and expenses that are considered unusual, non-recurring and significant, such as:

- Significant gains and losses on disposals of assets;
- The impairment of operating assets;
- Impairment losses relating to the abandonment of exploration assets;
- Costs incurred during the exploration phase (until a prospect is identified), as the volatility of these costs is unpredictable and depends on the outcome of exploration activities;
- Costs associated with business combinations and restructuring.

Other operating expenses comprise the following:

(in thousands of dollars)	31/12/2023	31/12/2022
Purchases and external services	(105,391)	(99,708)
Taxes, contributions & royalties	(75,722)	(85,251)
Personnel expenses	(70,533)	(61,214)
OTHERS OPERATING EXPENSES	**(251,647)**	**(246,173)**

Current operating profit was $253 million and continued to benefit from the solid performance of the oil price.

Non-current income mainly includes:

- $45 million of costs related to external growth projects, mainly Assala Energy (the amount takes into account the latest post-closing updates linked to the Assala project), Wentworth Ressources Plc and and the costs related to the repurchase from a partner of a portion of its receivables from the company PRDL in Venezuela;
- $15 million of impairment of exploration assets, mainly in Colombia and Namibia.

Note 3.3 Fixed assets

Maurel & Prom carries out part of its exploration and production activities under production sharing agreements (PSAs). This type of agreement, signed with the host country, sets out the rules for cooperation (with potential partners) and production sharing with the government or the state-owned company representing it, and defines the fiscal terms of the activity.

Under these agreements, the Company agrees to finance its share of the exploration and production activities in return for a share of the production, known as the "cost oil." The sale of this share of production normally allows the Company to recoup its investment and operating costs; the remainder of the production ("profit oil") is then shared with the government at variable rates; the Company thus pays its share of taxes on the income from its activities.

Under these PSAs, the Company recognises its share of assets, sales and income in accordance with its percentage interest in the relevant permit.

The following methods are used to account for the costs of oil-related activities:

Oil prospecting and exploration rights

- Mining permits: Expenditure on the acquisition and granting of mining permits is capitalised as an intangible asset and amortised on a straight-line basis over the estimated life of the permit during the exploration phase or over the development phase in line with the amortisation rate for oil production assets. If the permit is revoked or the prospecting fails, the remaining amortisation is recognised as a single amount.
- Acquired mining rights: Acquired mining rights are recorded as intangible assets and, if they have resulted in the discovery of oil reserves, are depreciated using the unit-of-production method on the basis of proven and probable reserves. The amortisation rate is the ratio of the hydrocarbon production of the field during the financial year to the proven and probable hydrocarbon reserves at the beginning of the same financial year, reassessed on the basis of an independent appraisal.

Exploration costs

The Group applies IFRS 6 in accounting for exploration costs.

Hydrocarbon production fees and assets are accounted for using the successful efforts method.

Costs incurred prior to the granting of the exploration permit are expensed as incurred.

Exploration studies and work, including geological and geophysical costs, are expensed until a prospect is identified.

Expenditure incurred in identifying a prospect, such as exploration drilling, is capitalised and amortised as soon as production commences.

Expenditure on drilling that does not result in a commercial discovery is expensed in full when it is decided to permanently abandon the work in the zone or zone associated with the discovery.

The Group refers to ASC 932 "Extractive Activities," which is commonly used in the oil industry to define the accounting of situations or transactions not specifically covered by IAS standards. Under this standard, if it is determined that an exploration well in progress at the balance sheet date will not result in the discovery of proven reserves, and this date is only known between the balance sheet date and the date on which the financial statements are approved, the costs of the well up to the balance sheet date are expensed as exploration expenditure over the period.

When the technical feasibility and commercial viability of the oil production project can be demonstrated (analysis based on the results of appraisal wells or seismic studies, etc.) and an exclusive development and production authorisation (AEDE) has been granted, these costs become development costs, a portion of which is transferred to property, plant and equipment depending on its nature.

Whenever there is an indication of impairment (expiry of the permit, lack of further planned exploration expenditure, etc.), an impairment test is performed to ensure that the carrying amount of the expenditure incurred does not exceed the recoverable amount.

In addition, exploration assets are systematically tested for impairment when the technical feasibility and commercial viability of the oil production project can be demonstrated.

Impairment tests are performed at permit level, as defined by the contractual framework, in accordance with industry practice.

Oil production assets

Oil production assets include assets recognised during the exploration phase and transferred to property, plant and equipment upon discovery, as well as assets related to field development (production wells, surface facilities, oil flow systems, etc.).

Depletion

Property, plant and equipment are depreciated using the unit-of-production method.

For general assets, i.e. those that affect the entire field (pipelines, surface units, etc.), the amortisation rate is the ratio of the hydrocarbon production of the field during the financial year to the reserves proven at the beginning of the same financial year. Where applicable, they are weighted by the ratio (proven)/(proven + probable) reserves of the field in order to take into account their relative role in the production of the total proven and probable reserves of the field in question.

For specific assets, i.e. those dedicated to specific areas of a field, the depletion rate used is the ratio of the field's hydrocarbon production during the fiscal year to the proven developed reserves at the beginning of the same fiscal year. When the permit expires, accelerated depreciation may be applied.

The reserves taken into account are those determined on the basis of analyses carried out by independent bodies.

Site remediation costs

A provision for site remediation costs is recognised when the Group has an obligation to dismantle and remediate a site.

The discounted cost of site remediation is capitalised and added to the value of the underlying asset and depreciated at the same rate.

Financing of oil-related costs for third parties

Third-party oil cost financing is an activity that, as part of an oil joint venture, represents another member of the joint venture in financing its share of the cost of the work.

When the terms of the contract give it characteristics similar to other oil assets, third-party oil cost financing is treated as an oil asset.

Consequently, and in accordance with Paragraph 47(d) of ASC 932, which is commonly applied in the petroleum industry, the accounting rules are those applicable to expenses of the same nature as the Group's own share (fixed assets, depreciation, impairment, operating costs as expenses):

- Accounting for exploration costs financed as intangible assets (The carried partners' share is accounted for as the Maurel & Prom's share.)
- If the prospecting does not result in production: All costs are expensed.
- In the case of production: Costs recorded as intangible assets are transferred to property, plant and equipment (technical facilities).
- The share of hydrocarbons accruing to the carried partners and used to repay those carried costs is treated as a sale to the carrying partner.
- Reserves corresponding to the carried costs are added to the reserves of the partner carrying the costs.
- The depreciation of technical facilities (including the carried partners' share) using the unit-of-production method by including in the numerator the production for the period allocated to the recovery of the carried costs and in the denominator the share of reserves used to recover all the carried costs.

Other intangible assets

Other intangible assets are recognised at cost and carried in the balance sheet at that value, less accumulated amortisation and any impairment losses.

Amortisation is calculated on a straight-line basis and the amortisation period is based on the estimated useful life of the different categories of intangible assets depreciated over a period ranging from one to three years.

Impairment of assets

Whenever events indicate that intangible assets and property, plant and equipment may be impaired, and at least annually in the case of goodwill and unamortised intangible assets, an impairment test is performed to determine whether the carrying amount is less than the recoverable amount, defined as the higher of fair value less costs to sell and value in use. Value in use is determined by discounting the future cash flows expected from the use of the assets and their disposal.

For producing oil assets, cash flows are determined on the basis of identified reserves, the associated production profile and expected selling prices, taking into account the applicable tax under production sharing agreements.

A licence or group of licences in the same geographical area is generally considered to be a cash-generating unit (CGU). A CGU is a group of assets whose continuing use generates cash flows that are largely independent of the cash flows from other groups of assets. In some cases, a permit may include exploration and production assets.

For the Group's other activities, impairment tests are performed on the basis of the Company's business plans, including a terminal value.

The discount rate used takes into account the risk associated with the business and its geographical location.

If the recoverable amount is less than the net carrying amount, an impairment loss is recognised for the difference between the two amounts.

This impairment loss may be reversed up to the net carrying amount that the asset would have had at the same date if it had not been impaired. Impairment losses recognised as goodwill are irreversible.

Note 3.3.1 Intangible assets

Intangible investments during the period consisted mainly of $10 million of exploration expenditure on the Ezanga licence in Gabon, which resulted in the discovery of a new zone, Ezal.

The recoverable amount of all assets in the Group's exploration portfolio were analysed in accordance with IFRS 6 and IAS 36.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	31/12/2023
Assets attached to permits in production	177,551	—	10,617	1		(13,883)	174,287
Assets attached to permits in exploration	10,434	—	6,512	—	(15,006)	(163)	1,776
Drilling	27		5	—	(23)	4	13
Other	1,579		21,285	—	(12)	(21,412)	1,440
INTANGIBLE ASSETS (NET)	**189,591**	**—**	**38,419**	**1**	**(15,042)**	**(35,454)**	**177,516**

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 this well is approximately $7 million.

In line with the termination of the Namibian permit on 15 June 2023, it was decided to recognise all exploration assets, i.e. $5 million, in income.

M&P has signed an agreement to repurchase a partner's debt on the company PRDL in Venezuela.

The changes in intangible assets for the previous year are stated below:

(in US$ thousands)	31/12/2021	Currency translation adjustment	Investments	Transfer	Operating expenses	Amortisation	31/12/2022
Assets attached to permits in production	190,985	—	(32)	9		(13,410)	177,551
Assets attached to permits in exploration	7,531	—	10,469	(6,000)	(1,755)	188	10,434
Drilling	13		18	—		(4)	27
Other	1,686		235	—		(342)	1,579
INTANGIBLE ASSETS (NET)	**200,215**	**—**	**10,690**	**(5,991)**	**(1,755)**	**(13,568)**	**189,591**

Note 3.3.2 Property, plant and equipment

(in US$ thousands)	31/12/2022	Currency translation adjustment	Investments	Transfer	Exit	Amortisation	Change in scope	31/12/2023
Assets attached to permits in production	797,583	7	98,094	6,990	(3,341)	(71,223)	14,182	842,293
Assets attached to permits in exploration	31	—	109	—		754		97
Drilling	20,712		8,468	—	(44)	(2,858)	—	26,279
Other	193		666	—		(124)		734
PROPERTY, PLANT AND EQUIPMENT (NET)	**818,520**	**7**	**107,337**	**6,990**	**(4,181)**	**(73,451)**	**14,182**	**869,403**

Investments in property, plant and equipment during the period relate mainly to development expenditure on the Ezanga permit.

The discounting of the provision in Gabon resulted in an increase of $7 million against its dismantling asset.

The acquisition of the company Wentworth Ressources Plc and its assets is included in "Changes in scope."

In accordance with IAS 36, impairment tests were performed to determine the recoverable amount of the assets. The Group did not record any impairment losses or reversals of impairment losses on its assets.

For the production activities, the value in use has been determined on the basis of future cash flows.

Calculation assumptions are primarily based on:

(i) A Brent price of $70/bbl for oil sales, deflated at the same rate as Opex for Gabon to 2050;

(ii) A production profile based on independent expert reserve reports;

(iii) A country-specific discount rate;

(iv) A carbon cost of $100 per tonne;

(v) The cost assumptions were determined on the basis of management's projections of the Group's assets in line with the Group's commitments in terms of development, control of operating costs and environmental policy, taking into account the effects of climate change.

The sensitivity of the impairment test on the Group's main operated permit (Ezanga) is shown below:

(in millions $)			**Brent/bbl**
Production	**-$10/bbl**	**Base case**	**+$10/bbl**
Production -5%	(73)	(44)	(18)
Forecast Production	(29)	0	28
Production +5%	15	44	73
WACC	**-$10/bbl**	**Base case**	**+$10/bbl**
Discount rate -1 pt	(76)	(47)	(19)
Discount rate 14%	(29)	0	28
Discount rate +1 pt	24	53	81

The changes in intangible assets for the previous year are stated below:

(in US$ thousands)	**31/12/2021**	**Currency translation adjustment**	**Investments**	**Transfer**	**Exit**	**Amortisat-ion**	**Depre-ciation**	**31/12/2022**
Assets attached to permits in production	805,389	(18)	76,903	(14,351)	(765)	(66,189)	(3,386)	797,583
Assets attached to permits in exploration	6	—	42	—		(17)		31
Drilling	9,421		14,877	—		(3,585)		20,712
Other	300		76	—		(184)		193
PROPERTY, PLANT AND EQUIPMENT (NET)	**815,116**	**(17)**	**91,898**	**(14,351)**	**(765)**	**(69,975)**	**(3,386)**	**818,520**

Note 3.4 Inventories

Inventories are valued using the weighted average cost method at acquisition or production cost. Production cost includes consumption and direct and indirect production costs. Hydrocarbon inventories are valued at production cost, which includes site costs, transportation, and depreciation of production assets. A provision is created when the net realisable value is less than the cost of the inventories.

(in US$ thousands)	**31/12/2022**	**Currency translation adjustment**	**Change**	**Transfer**	**Impairment/ Reversals**	**31/12/2023**
Ezanga (Gabon)	3,306		(283)	—		3,023
Chimicals products Ezanga (Gabon)	4,141		(1,584)	—		2,557
BRM (Tanzania)	1,477	53		—	—	1,530
Colombia	571		24	—		594
Drilling	4,031		1	—	(591)	3,441
INVENTORIES (NET)	**13,526**	**53**	**(1,842)**		**(591)**	**11,145**

Ezanga oil inventories correspond to oil quantities in the pipeline and are valued at production cost.

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

Note 3.5 Under-offtake/over-offtake position

The Group recognises the difference between offtakes and its theoretical entitlement as part of the cost of sales by recognising an over-offtake or under-offtake position, valued at the balance sheet date at the market price and recorded under current assets (under-offtake receivable) or current liabilities (over-offtake liability).

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment/ Reversals	31/12/2023
Underlift position receivable	60,666		(33,656)	—		27,010
Overlift position liability	(5,030)		(11,699)	—		(16,729)
NET OVERLIFT/ UNDERLIFT POSITION	**55,636**		**(45,355)**			**10,282**

Receivables for underlift come solely from Angola, and liabilities for overlift come solely from Gabon. In 2022, underlift receivables came solely from Gabon and liabilities for overlift came from Angola.

Note 3.6 Trade receivables

Trade receivables are initially recognised at fair value and subsequently at amortised cost.

At the balance sheet date, trade receivables are impaired to the extent of expected losses over the life of the receivables, in accordance with IFRS 9. The Group's exposure to credit risk is influenced by the individual characteristics of its customers.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment /Reversals	Change in scope	31/12/2023
Ezanga (Gabon)	13,763		(13,763)	—		—	—
Trading	4,658		70,106	—		—	74,765
Mnazi Bay (Tanzania)	16,759		2,024	—		441	19,224
Drilling	3,989		(236)	—	641	—	4,394
Other	851	3	9,271	(93)	(9,715)		317
TRADE RECEIVABLES AND RELATED ACCOUNTS (NET)	**40,021**	**3**	**67,402**	**(93)**	**(9,074)**	**441**	**98,700**

The amounts owed by Sogara to Ezanga have been settled through the Memorandum of Understanding signed with the Gabonese government.

The trade receivables related to the sale of hydrocarbons consist mainly of the receivable for the offtake in Gabon in December 2023, which will be collected in January 2024.

The Mnazi Bay trade receivables for natural gas sales are mainly due from the state company TPDC and Tanesco.

The recoverability of all these receivables is not in question.

Note 3.7 Other assets

Other current assets include assets related to the normal operating cycle, some of which may be realised more than twelve months after the balance sheet date. At the balance sheet date, in accordance with IFRS 9, impairment losses are recognised for the expected losses over the life of the receivables.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment /Reversals	Change in scope	31/12/2023
Supplier advances	5,687	26	(937)	—			4,776
Partners' carry receivables	815	(2)	1,018	(20)	(1,828)	951	934
Differed M&A expenses			5,120	—		—	5,120
Prepaid and deferred expenses	2,122	2	(317)			430	2,237
Tax and social security receivables	20,940	110	101		(1,342)	219	20,029
Call option TPDC	—			—		23,617	23,617
OTHER ASSETS (NET)	**29,564**	**137**	**4,985**	**(20)**	**(3,170)**	**25,217**	**56,713**
Gross	55,796	137	4,985	(1,848)	510	25,217	84,797
Impairment	(26,232)	—		1,828	(3,680)		(28,084)
Non-current	—			—			
Current	29,564	137	4,985	(20)	(3,170)	25,217	56,713

The issuance costs correspond to the costs of setting up a loan complementary to the term loan effective in 2024.

Tax and social security receivables primarily comprise VAT receivables from the Gabonese government. Following the agreement signed with the latter in 2021 setting up a mechanism for the recovery in kind of this debt, it is cleared by charging it against oil costs without any tax loss.

In January 2024, TPDC exercised its call option to acquire an additional 20% interest in the Mnazy Bay permit in Tanzania for an amount of $ 24 million.

Note 3.8 Trade payables

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment /Reversals	Change in scope	31/12/2023
Ezanga (Gabon)	52,887		(1,033)				51,854
Mnazi Bay (Tanzania)	1,210	—	(1,647)			2,679	2,243
Drilling	2,224	8	1,461				3,693
Other	12,521	75	5,212				17,808
TRADE PAYABLES AND RELATED ACCOUNTS	**68,842**	**84**	**3,993**			**2,679**	**75,598**

Note 3.9 Other current liabilities

These other current liabilities are included in financial liabilities recognised initially at fair value and then at amortised cost.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment /Reversals	Change in scope	31/12/2023
Social security liabilities	15,537	42	2,026				17,605
Tax liabilities	39,977	3	(679)				39,301
TPDC advances	27,180						27,180
Angola operator liability	26,737		(1,930)				24,806
Miscellaneous liabilities	2,398	132	30,033	(521)		(735)	31,307
OTHER CURRENT LIABILITIES	**111,829**	**177**	**29,450**	**(521)**		**(735)**	**140,200**

Operator liabilities represent cash calls to be issued by the operator Sonangol in Angola.

The TPDC advance represents a deposit received in 2015 as a sales guarantee. It will be repaid when TPDC provides another type of financial guarantee.

Miscellaneous creditors mainly consist of a debt related to a multi-year contract with a partner as part of the development plan in Venezuela as well as an advance received for the first lifting in Venezuela.

Note 3.10 Provisions

In accordance with IAS 37 “Provisions, Contingent Liabilities and Contingent Assets,” provisions are recognised when the Group has a present obligation to a third party as a result of a past event, the settlement of which is expected to result in an outflow of resources embodying economic benefits.

The remediation obligation is recognised at the present value of the estimated cost of the contractually committed dismantling, the effect of the passage of time being measured by applying a risk-free interest rate to the amount of the provision. The effect of this accretion is included in “Other financial income and expenses.”

Retirement benefits correspond to defined benefit plans. They are provided for as follows:

- The actuarial method used is the projected unit credit method, whereby each period of service gives rise to a unit of benefit entitlement. These calculations include assumptions about mortality, employee turnover and projections of future salaries; and
- Actuarial gains and losses are the difference between the measurement and forecast of liabilities (based on new projections or assumptions) and between the expected and actual return on plan assets. They are recognised in other comprehensive income and are not subsequently recycled to the income statement. Past service cost is recognised in the income statement, whether vested or unvested.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Increase	Reversal	Transfer	Change in scope	31/12/2023
Site remediation	78,775	131	2,368	(162)	6,991	736	88,839
Pension commitments	4,725	—	2,031	—	—	—	6,755
Other	18,788	—	2,683	(5,979)	—	—	15,492
PROVISIONS	**102,288**	**131**	**7,082**	**(6,141)**	**6,991**	**736**	**111,087**
Non-current	83,499	131	4,399	(162)	6,991	736	95,594
Current	18,788	—	2,683	(5,979)	—	—	15,492

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. The discounting of the provision in Gabon resulted in an increase of $7 million against its dismantling asset.

The other provisions cover various risks including tax (excluding corporation tax) and employee-related risks in the Group’s various host countries.

NOTE 4 FINANCING

Note 4.1 Financial income

(in US$ thousands)	31/12/2023	31/12/2022
Interest on overdrafts	(693)	(1,029)
IFRS 16 financial expense	(424)	(415)
Interest on shareholder loans	(5,203)	(2,424)
Interest on other borrowings	(16,687)	(15,102)
GROSS FINANCE COSTS	**(23,007)**	**(18,970)**
Income from cash	3,438	261
Net income from derivative instruments	(168)	(1,040)
NET FINANCE COSTS	**(19,737)**	**(19,749)**
Net foreign exchange adjustment	2,724	(2,076)
Other	(2,781)	(1,539)
OTHER NET FINANCIAL INCOME AND EXPENSES	**(57)**	**(3,615)**
FINANCIAL INCOME	**(19,794)**	**(23,364)**

Gross borrowing costs are calculated on the basis of the effective interest rate of the borrowing (i.e. the actuarial interest rate adjusted for issue costs).

Net foreign exchange differences are mainly due to the revaluation at the closing rate of the Group's foreign currency items that are not denominated in the Group's functional currency (USD):

- EUR/USD was 1.067 as at 31 December 2002 compared to 1.105 at the balance sheet date.
- Positions in transaction currencies other than USD, which is the functional currency of all consolidated entities, are mainly Gabonese receivables (denominated in XAF).

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

Note 4.2 Other financial assets

Other financial assets are initially recognised at fair value and subsequently at amortised cost.

At year end, impairment losses on trade receivables are the expected losses over the life of the receivables in accordance with IFRS 9.

(in US$ thousands)	31/12/2022	Currency translation adjustment	Change	Transfer	Impairment /Reversals	Change in scope	31/12/2023
Equity associates current accounts	228		1,044	(434)	(623)		215
RES escrow funds	5,992	19	(470)	20	88		5,649
Escrow funds						11,400	11,400
Wenworth escrow fund	76,005	1,702	(77,707)	—			
Deposit Assala			20,000	—			20,000
Sucre Energy Ltd carry receivables	11,000	—	—				11,000
Miscellaneous receivables	502		2,010				2,512
PRDL dividends	—	(2,143)	915,922		(659,494)		254,285
OTHER FINANCIAL ASSETS (NET)	**93,727**	**(422)**	**860,799**	**(414)**	**(660,030)**	**11,400**	**305,060**
NON-CURRENT	**6,051**	**19**	**844,309**	**20**	**(659,406)**		**190,993**
CURRENT	**87,676**	**(441)**	**16,490**	**(434)**	**(623)**	**11,400**	**114,068**

The Wentworth escrow account was used to fund the acquisition of the company Wentworth Resources plc. Details of this acquisition are given in Note 6.9 to this section.

As part of the agreements with TPDC, which were finalised on 21 December 2023, a deposit of $11 million was made into an escrow account in order to cover the payment of a potential debt of the company Wentworth Resources Plc.

As part of the acquisition of Assala, a deposit of $20 million was made in favour of Carlyle, which will be returned upon the signing of an SPA between GOC and Carlyle.

The receivable from PRDL represents the present value of the dividends acquired for the financial years 2018 to 2022, as well as the inherent receivable from Shell transferred at the time of the acquisition and recognised following the agreement signed in November 2023. The receivable was discounted and recorded at its fair value at closing.

Note 4.3 Cash and cash equivalents

Bank deposits represent current accounts and short-term investments of excess cash.

(in US$ thousands)	31/12/2023	31/12/2022
CASH AND CASH EQUIVALENTS	**97,313**	**137,825**
Bank loans[(a)]		
NET CASH AND CASH EQUIVALENTS	**97,313**	**137,825**

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

Note 4.4 Borrowings and financial debt

(in US$ thousands)	31/12/2022	Repayment	Transfer	Interest expense	Interest withdrawal	31/12/2023
Term loan & RCF	137,007	—	(38,920)	1,774	—	99,861
Shareholder loan	71,254	—	(14,828)		—	56,427
Lease financing debt	7,048	(1,168)	646		—	6,527
NON-CURRENT	**215,309**	**(1,168)**	**(53,101)**	**1,774**	**—**	**162,814**
Term loan & RCF	114,000	(109,000)	38,920		—	43,920
Shareholder loans	11,121	(11,121)	14,828		—	14,828
Lease financing debt	1,843	—	(646)	695	(695)	1,197
Current bank loans	—	—	—	356	(356)	—
Accrued interest	947	(947)	—	20,116	(16,084)	4,032
• *Shareholder loan ($100M)*	*—*	*—*	*—*	*5,203*	*(3,857)*	*1,345*
• *Term loan & RCF*	*947*	*(947)*	*—*	*14,913*	*(12,227)*	*2,686*
CURRENT	**127,911**	**(121,068)**	**53,101**	**21,166**	**(17,135)**	**63,976**
BORROWINGS	**343,220**	**(122,235)**	**—**	**22,940**	**(17,135)**	**226,790**

Note 4.4.1 Borrowings

Borrowings are initially recognised at fair value and subsequently at amortised cost. Issue costs are deducted from the initial fair value of the loan. Borrowing costs are then calculated using the effective interest rate on the borrowings (i.e. the actuarial interest rate adjusted for the issue costs).

$255 million term loan facility

On 5 July 2022, M&P drew down the entire $255 million bank loan (including a $67 million RCF tranche).

The terms of the new loan are as follows:

Initial amount	$188 million	$67 million
Maturity	7/1/2027	7/1/2027
First amortisation	4/1/2023	
Reimbursement	18 quarterly instalments	At maturity
Borrowing rate	SOFR + Spread + 2.00%	SOFR + 2.25 (0.675% on the non-drawn portion)

Shareholder loan

In December 2017, as part of its refinancing, the Group took out a $200 million shareholder loan with PIEP, initially drawn down in the amount of $100 million, of which $18 million was repaid before an amendment was signed.

Following the amendment signed on 12 May 2022, the Group benefited from new terms and the rescheduling of its shareholder loan, and has repaid $11 million since the signing of the amendment.

The terms of this facility are as follows:

Initial amount $182 million of which drawn down:	$82 million
Additional tranche	$100 million available for drawdown at discretion
Maturity	7/1/2028
First amortisation	4/1/2023
Reimbursement	22 quarterly instalments
Borrowing rate	SOFR + 2.10 %

Under the terms of an amendment to the bank and shareholder loan agreements dated 12/05/2022, the Group benefits from rescheduling of its debt:

- The $255 million term loan with a syndicate of lenders (the "Term Loan")
- And the $182 million loan ($82 million drawn down and $100 million no drawn down) from M&P's majority shareholder, PT Pertamina International Eksplorasi Dan Produksi ("PIEP") (the "Shareholder Loan").

As the amendments to the covenants did not result in significant changes to the terms of the loan, the Group recognised the cost of implementing these amendments in the total cost by adjusting the effective interest rate in accordance with IFRS 9.

At the end of June 2022 the Group entered into interest rate derivatives to limit the cost of debt in the event of an increase in interest rates.

The notional amount hedged was USD 50 million, maturing in July 2023, on the SOFR cap.

No new hedges were entered into at year end.

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

(in US$ thousands)	31/12/2022	Income	OCI	31/12/2023
Current derivative financial assets	176	–	(176)	–
Current derivative financial liabilities	–	–	–	–
DERIVATIVE FINANCIAL INSTRUMENTS, NET	**176**	**–**	**(176)**	**–**

NOTE 5 FINANCIAL RISKS AND FAIR VALUE

Note 5.1 Risks from fluctuations in oil prices

Historically, oil and gas prices have been highly volatile and can be affected by a wide variety of factors, including demand for hydrocarbons, which is directly related to the general economy, production capacity and levels, government energy policies and speculative practices. The economics of the oil and gas industry, and in particular its profitability, are highly sensitive to fluctuations in the price of hydrocarbons in US dollar terms.

The Group's cash flows and future results are therefore highly sensitive to changes in the US dollar price of hydrocarbons.

The average price of the selling oil for 2023 was $79.3/bbl, a decrease of 19% compared to 2022 ($97.8/bbl) due to the decline in crude oil prices.

A 10% decrease in the average oil price in 2023 would have had a negative impact of $53 million on sales and GOS.

Note 5.2 Foreign exchange risk

Due to the international nature of its operations, the Group is theoretically exposed to various types of foreign exchange risk:

- Changes in exchange rates affecting transactions recognised as operating income (sales flows, cost of sales, etc.); and
- The revaluation at the closing rate of foreign currency receivables and payables gives rise to a financial exchange risk.
- There is also a foreign exchange risk associated with the translation into US dollars of the financial statements of Group entities whose functional currency is the euro. The resulting foreign exchange gains/losses are recognised in other comprehensive income.

In practice, this exposure is currently low as the Group's sales, most operating expenses, most investments and borrowings are denominated in US dollars.

The Group's presentation and operating currencies are both US dollars.

The impact of a 10% increase or decrease in the EUR/USD exchange rate on the Group's profit and equity as at 31 December 2023 is shown below:

	Impact on pre-tax income		Impact on exchange gain/loss (equity)	
(in US$ thousands)	10% rise in €/US$ exchange rate	10% decline in €/US$ exchange rate	10% rise in €/US$ exchange rate	10% decline in €/US$ exchange rate
EUR equivalent	(6,371)	6,371	3,334	(3,334)
Other currencies				
TOTAL	**(6,371)**	**6,371**	**3,334**	**(3,334)**

The average annual EUR/USD exchange rate rose sharply to $1.08 for €1 in 2023 compared to $1.05 for €1 in 2022. The EUR/USD exchange rate as at 31 December 2023 was 1.11 compared to 1.07 as at 31 December 2022.

The Group holds cash mainly in US dollars in order to finance its planned capital expenditure in that currency. There were no outstanding foreign exchange transactions as at 31 December 2023.

The Group's consolidated net foreign exchange position as at 31 December 2023 (i.e. positions in currencies used for transactions other than functional currencies) was $(63) million and can be analysed as follows:

(in US$ thousands)	Assets and liabilities	Commitments in foreign currency	Net position before hedging	Hedging instruments	Net position after hedging
Trade receivables and payables	—		—		—
Other creditors and sundry liabilities	(63,360)		(63,360)		(63,360)
EQUIVALENT EUR EXPOSURE	**(63,360)**	**—**	**(63,360)**	**—**	**(63,360)**

Note 5.3 Liquidity risk

Due to the nature of its industrial and commercial activities, the Group is exposed to the risk of a liquidity shortage or of its funding strategy proving inadequate. These risks are exacerbated by the level of oil prices, which could affect the Group's ability to obtain refinancing if they remain low for a prolonged period. A report on the sources of financing available as at 31 December 2023 is given in Note 4.4 "Loans and financial liabilities."

The Group's liquidity is detailed in the consolidated cash flow statements, which are prepared weekly and reported to the Executive Committee.

Monthly, quarterly and year-end cash flow forecasts are prepared at the same time.

Earnings are compared to forecasts using those statements, which, in addition to liquidity, make it possible to assess the foreign exchange position.

As at 31 December 2023, the Group had cash and cash equivalents amounting to $97 million. To the Company's knowledge, there are no major limitations or restrictions on the raising of cash from the Group's subsidiaries, except for the countries referred to in Note 5.6 "Country risk."

The table below shows the breakdown of financial liabilities by contractual maturity:

(in US$ thousands)	2024	2025	2026	2027	2028	> 5 years	Total contractual flow	Total balance sheet value
Shareholder loan	14,828	14,828	14,828	14,828	11,944		71,254	71,254
Interests	4,725	3,586	2,462	1,337	251		12,361	1,345
Term Loan (188M$)	37,600	37,600	37,600	25,980			138,780	138,780
Revolving Credit Facility (67M$)	5,000						5,000	5,000
Accrued interests	12,933	8,761	4,669	698			27,060	2,686
Current bank loans								
Lease financing debt	1,080	1,115	883	954	1,030	2,661	7,723	7,723
TOTAL	**76,165**	**65,890**	**60,440**	**43,797**	**13,226**	**2,661**	**262,179**	**226,790**

In 2023 the Company was in compliance with all ratios set out in the Term Loan. The Group has conducted an in-depth review of its liquidity risk and future maturity dates and therefore believes that it is able to meet its contractual maturities.

For information, as at 31 December 2022, the non-discounted contractual flows (principal and interest) on the outstanding financial liabilities, by maturity date, were as follows:

(in US$ thousands)	2023	2024	2025	2026	2027	> 5 years	Total contractual flow	Total balance sheet value
Shareholder loan	11,121	14,828	14,828	14,828	14,828	11,944	82,375	82,375
Interests	5,234	4,240	3,218	2,209	1,200	226	16,327	—
Term Loan (188M$)	47,000	37,600	37,600	37,600	28,200		188,000	184,007
Revolving Credit Facility (67M$)	67,000						67,000	67,000
Accrued interests	13,513	9,703	6,760	3,823	1,042		34,841	947
Current bank loans								
Lease financing debt	1,843	1,947	894	945	998	2,264	8,891	8,891
TOTAL	**145,710**	**68,318**	**63,300**	**59,404**	**46,267**	**14,434**	**397,433**	**343,220**

Note 5.4 Interest rate risk

Like any company that uses external lines of credit and invests its available cash, the Group is exposed to an interest rate risk.

The Group's consolidated gross debt as at 31 December 2023 amounted to $227 million. It mainly consisted of two variable-rate loans.

In order to limit interest rate risk, the Group took out financial instruments during 2022 which matured in July 2023 in accordance with Note 4.4.1.

As at 31 December 2023, the interest rate risk can be assessed as follows:

(in US$ thousands)	31/12/2023	31/12/2022
Term Loan included RCF (255 M$)	146,467	251,954
Shareholder loan	72,600	82,375
Lease financing debt	7,723	8,891
Current bank loans and other	—	—
FLOATING RATE	**226,790**	**343,220**
BORROWINGS	**226,790**	**343,220**

A 100 basis point increase in interest rates would result in an additional interest expense of $1 million per annum in the income statement.

A significant proportion of cash is held in variable rate demand deposits.

The amendments to IFRS 7 Phase 2 and IFRS 9 relating to the reform of interest rate benchmarks allow the effects of the interest rate reform to be disregarded as the Group has switched to the new benchmark rate, the SOFR, following its refinancing.

As at 31 December 2023, the Group's gross debt was $227 million, which is linked to the SOFR rate.

Note 5.5 Counterparty risk

The Group is exposed to credit risk through the loans and receivables it grants to third parties as part of its operating activities, the short-term deposits it makes with banks and, where applicable, the derivative asset instruments it holds.

	31/12/2023		31/12/2022	
(in US$ thousands)	Balance sheet total	Maximum exposure	Balance sheet total	Maximum exposure
Non-current financial assets	190,993	190,993	6,051	6,051
Other non-current assets	—	—	—	—
Trade receivables and related accounts	98,700	98,700	40,021	40,021
Current financial assets	114,068	114,068	87,676	87,676
Other current assets	56,713	56,713	29,564	29,564
Cash and cash equivalents	97,313	97,313	137,825	137,825
TOTAL	**557,786**	**557,786**	**301,137**	**301,137**

The maximum exposure is the balance sheet exposure net of provisions. The Group believes that it has no significant counterparty risk as its production is mainly sold to leading trading companies. Guarantees exist for outstanding gas sales in Tanzania. No other financial or non-financial current assets are exposed to a significant credit risk.

With the exception of the receivable on PRDL in Venezuela for an amount of $914 million, which was actualized to its fair value resulting in a net value of $254 million at closing.

Note 5.6 Country risks

A significant portion of the Group's production and reserves are located in non-OECD countries, some of which may be subject to political, social and economic instability. In recent years, some of these countries have experienced one or more of the following situations: economic and political instability, conflicts, social unrest, terrorist group actions, and the imposition of international economic sanctions. The occurrence and extent of incidents related to economic, social and political instability are unpredictable, but it is possible that such incidents could have a material adverse effect on the Group's production, reserves and activities in the future.

In addition, the Group's exploration and production activities are conducted in countries where the governmental and regulatory framework may change unexpectedly and where the application of tax rules and contractual rights is unpredictable. Moreover, the Group's exploration and production activities in these countries are often conducted in cooperation with national entities in which the government exercises significant control. Interventions by governments in these countries, which may increase in the future, may affect a variety of areas, such as

- The granting or refusal to grant exploration and production mining rights
- The imposition of specific drilling requirements
- Control of prices and/or production and export quotas
- Increased taxes and royalties, including those related to retroactive claims, regulatory change and tax adjustments
- The renegotiation of contracts
- Late payments
- Exchange restrictions or currency devaluation.

If a host government were to intervene in any of these areas, the Group could be exposed to significant costs or a decline in its production or in the value of its assets, which could have a material adverse effect on the Group's financial position,

At the balance sheet date, there were no material restrictions that would limit the Group's ability to access or use its assets and settle its liabilities in respect of its operations in geographical areas that are subject to political or regulatory instability or in respect of the financing arrangements of Group entities/projects (subsidiaries, joint ventures or associates). Country risk has been considered in the impairment tests of fixed assets by applying a risk factor per country to the discount rate.

With regard to our activities in Venezuela, the Group remains attentive to the evolution of the measures and regulations in force.

In Gabon, the change of presidency which took place in 2023 had no impact on the activity of its subsidiary.

Note 5.7 Fair value

In accordance with IFRS 7, a breakdown of financial instruments is provided below.

The fair values of the items according to the IFRS 13 hierarchy are determined using the same assumptions as for the consolidated financial statements as at 31 December 2009.

(in US$ thousands)	Categories	Level	31/12/2023 Balance sheet total	31/12/2023 Fair value	31/12/2022 Balance sheet total	31/12/2022 Fair value
Non-current financial assets	Amortised cost	Level 2	190,993	190,993	6,051	6,051
Trade receivables and related accounts	Amortised cost	Level 2	98,700	98,700	40,021	40,021
Other current assets	Amortised cost	Level 2	56,713	56,713	29,564	29,564
Other current financial assets	Amortised cost	Level 2	114,068	114,068	87,676	87,676
Derivative financial instruments	Fair value	Level 1	—	—	176	176
Cash and cash equivalents			97,313	97,313	137,825	137,825
TOTAL ASSETS			**557,786**	**557,786**	**271,749**	**271,749**
Borrowings and financial debt	Amortised cost	Level 2	226,790	226,790	343,220	343,220
Trade payables	Amortised cost	Level 2	75,598	75,598	68,842	68,842
Derivative financial instruments	Fair value	Level 1	—	—	—	—
Other creditors and sundry liabilities	Amortised cost	Level 2	140,200	140,200	111,829	111,829
TOTAL LIABILITIES			**442,587**	**442,587**	**523,890**	**523,890**

The net carrying amount of financial assets and liabilities at the amortised cost is considered to be a reasonable approximation of their fair value given their nature.

The net carrying amount of the Group's cash and cash equivalents approximates its fair value as they are considered to be liquid.

The fair value of derivative financial instruments is based on the market value of the instrument at the balance sheet date.

NOTE 6 OTHER INFORMATION

Note 6.1 Income tax

Tax expenses in the income statement comprise current tax expenses (income) and deferred tax expenses (income).

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred taxes are not discounted. Deferred tax assets and liabilities are measured using tax rates enacted or substantially enacted at the balance sheet date.

Deferred tax assets, particularly those arising from tax loss carryforwards or temporary differences, are recognised only when it is probable that they will be recovered. The following factors are considered in assessing the Group's ability to realise these assets:

- The existence of sufficient taxable temporary differences with the same tax authority for the same taxable entity, which will give rise to taxable amounts against which unused tax losses and unused tax credits can be offset before they expire; and
- Forecasts of future taxable income that will allow the utilisation of past tax losses.

Current income tax expenses mainly relate to the recognition of notional income tax and the settlement of tax claims under the Production Sharing Mechanism on the Ezanga permit, as well as income tax expense in Tanzania.

Deferred tax income arises mainly from the amortisation of the temporary difference between the tax base and the carrying amount of the assets in the consolidated financial statements for the Ezanga and Mnazi Bay permits and on Angolan permits .

Note 6.1.1 Reconciliation between the balance sheet total, tax liability and tax paid

(in US$ thousands)	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	(58,998)	(72,211)	(131,209)
Settlement of tax debts		19,713	19,713
Payments		53,346	53,346
Change in scope Wentworth	(1,709)	(1,600)	(3,309)
Currency translation adjustments	—	(11)	(11)
Assets at 31/12/2023	**—**	**122**	**122**
Liabilities at 31/12/2023	**(224,512)**	**(13,009)**	**(237,521)**
NET VALUE AT 31/12/2023	**(224,512)**	**(12,888)**	**(237,399)**

Note 6.1.2 Detail of tax expense for the year

(in US$ thousands)	31/12/2023	31/12/2022
Tax expense payable for the fiscal year	52,498	61,668
Tax risks	19,713	56,177
Deferred tax income or expense	58,998	27,620
TOTAL TAX EXPENSE	**131,209**	**145,465**

Note 6.1.3 Breakdown of deferred taxes

(in US$ thousands)	31/12/2023	31/12/2022
Valuation difference of property, plant and equipment	—	—
DEFERRED TAX ASSETS	**—**	**—**
Valuation difference of property, plant and equipment	(224,512)	(163,805)
DEFERRED TAX LIABILITIES	**(224,512)**	**(163,805)**
NET DEFERRED TAX	**(224,512)**	**(163,805)**

Note 6.1.4 Reconciliation between the tax expense and income before tax

(in US$ thousands)	31/12/2023	31/12/2022
Income before tax from continuing operatons	364,494	351,354
• *Net income from equity associates*	*191,507*	*22,404*
INCOME BEFORE TAX EXCLUDING EQUITY ASSOCIATES	**172,986**	**328,950**
Distortion taxable base	(132,077)	(261,179)
TAXABLE INCOME	**40,909**	**67,771**
(A) THEORETICAL TAX INCOME	**(10,227)**	**(16,943)**
(B) TAX RECOGNISED IN INCOME	**(131,209)**	**(145,465)**
DIFFERENCE (B-A)	**(120,982)**	**(128,522)**
• *Baseline difference*	*(64,715)*	*(62,443)*
• *Settlementoftaxdebts*	*(19,713)*	*(56,177)*
• *Period shift*	—	—
• *Non-activated deficits and other*	*(36,553)*	*(9,901)*

Note 6.2 Earnings per share

Two earnings per share are presented: basic net earnings and diluted earnings. In accordance with IAS 33, diluted earnings per share is equal to the profit or loss attributable to ordinary equity holders of the parent divided by the weighted average number of ordinary shares outstanding during the period, after adjusting the numerator and denominator for the effects of all dilutive potential ordinary shares. Potential ordinary shares are treated as dilutive if, and only if, their conversion into ordinary shares has the effect of reducing earnings per share from continuing ordinary activities. Treasury shares are not included in the calculation.

(in US$ thousands)	31/12/2023	31/12/2022
NET INCOME (GROUP SHARE) FOR THE PERIOD *(IN US$ THOUSANDS)*	**210,195**	**204,817**
Share capital	201,262	201,262
Treasury shares	2,652	2,507
AVERAGE NUMBER OF SHARES OUTSTANDING	**198,610**	**197,983**
NUMBER OF DILUTED SHARES	**199,627**	**198,779**
EARNINGS PER SHARE *(US$)*		
Basic	1.06	1.03
Diluted	1.05	1.03

Note 6.3 Shareholders' equity

Treasury shares are deducted from equity at cost.

Subsequent changes in fair value are not taken into account. Similarly, gains on the sale of treasury shares are not recognised in the income statement.

Bonus shares granted by Maurel & Prom to its employees are recognised as a personnel expense from the date of grant and amortised over the vesting period; the amortisation method depends on the vesting conditions of each plan. The fair value of the bonus shares is determined based on the share price at the grant date (less discounted future dividends).

As at 31 December 2023, there were 201,261,570 shares in the Company, including 2,651,842 treasury shares (i.e. 0.85% of the share capital with a gross value of €13 million at the end of 2023). The share capital amounted to €154,971,408.90

	Number of shares	Treasury shares	Liquidity agreement	Treasury stock
At 31/12/2021	**201,261,570**	**3,645,108**	**213,310**	**3,431,798**
• Share distribution		(1,003,581)		(1,003,581)
• Liquidity agreement movements		(134,121)	(134,121)	
AT 31/12/2022	**201,261,570**	**2,507,406**	**79,189**	**2,428,217**
• Share buybacks		1,000,000		1,000,000
• Share distribution		(847,890)		(847,890)
• Liquidity agreement movements		(7,674)	(7,674)	
AT 31/12/2023	**201,261,570**	**2,651,842**	**71,515**	**2,580,327**

The bonus share allocations are as follows: :

Date of allocation decision	Planned vesting date [(a)]	Number of shares
08/03/2021	08/03/2024	426,533
08/04/2022	08/04/2024	664,200
08/03/2023	08/03/2025	982,200
08/03/2021	08/03/2024	227,388
08/03/2022	31/03/2025	91,575
08/03/2023	31/03/2026	186,660
TOTAL		**2,578,556**

(a) The minimum lock-in period for the shares held by beneficiaries is set at one year from the vesting date. All of these plans are subject to performance conditions.

Note 6.4 Related parties

(in US$ thousands)	Income	Expenses	Amount due from related parties (net)	Amount payable to related parties
1) EQUITY ASSOCIATES				
PRDL	—	—	(254,285)	
2) OTHER RELATED PARTIES				
PIEP		(5,203)		72,600

Note 6.5 Off-balance sheet commitments – Contingent assets and liabilities

Note 6.5.1 Work commitments

Oil-related work commitments are valued based on the budgets approved with partners. They are revised on numerous occasions during the fiscal year depending on aspects such as the results of oil work carried out.

The contractual commitments made to governments in the context of the permits are limited to two mandatory wells, mainly in Gabon. No information has been provided relating to equity associates.

Note 6.5.2 Lease commitments: impact of 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 2021. On this basis, only the 2022 renewal of the lease agreement for the Paris head office building has been identified as falling within the scope of IFRS 16. No other contracts were subject to IFRS 16 in 2023.

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	(973)
Capital repayment	(829)
Interest expense	(424)
Cancellation of lease expense	1,237
FIXED ASSET NCA AT 31/12/2023	**6,785**
DEBT AT 31/12/2023	**7,101**
IMPACT ON SHAREHOLDERS' EQUITY AT 31/12/2023	**(160)**

Impact of P&L presentation 31/12/2023	IAS 17 Previous standard	IFRS 16
Rents	(1,237)	
EBIT	**(1,237)**	**–**
Depreciation and amortisation		(973)
EBITDA	**(1,237)**	**(973)**
Net finance costs		(424)
NET INCOME BEFORE TAX	**(1,237)**	**(1,397)**

Note 6.5.3 $255 million Term Loan

Maurel & Prom West Africa S.A, the sole and full owner of Maurel & Prom Gabon, contracted a Term Loan of $255 million on 12 May 2022. This loan is guaranteed by the parent company, Etablissements Maurel & Prom. The borrower also benefits from the financial support of the Group's main shareholder, PT Pertamina Internasional Eksplorasi dan Produksi (PIEP), in case it defaults on its payment obligations under this loan.

None of the Group's assets have been pledged as collateral. However, restrictions have been placed on the use of certain bank accounts of Maurel & Prom Gabon and Maurel & Prom West Africa in the event of a default on this loan (except in certain cases).

In addition, under the terms of this loan, the Group has undertaken to maintain certain financial ratios as at 30 June and 31 December of each year:

- The Group's consolidated net debt/EBITDAX (earnings before interest, tax, depreciation and amortisation and excluding the impact of foreign exchange gains and losses and exploration costs) ratio must not exceed 4.00:1.00, calculated over a period of 12 months prior to the reference date.
- The Group's Debt Service Coverage Ratio (DSCR), calculated over the six months prior to the Reporting Date, does not exceed 3.50:1.00; and
- The Group's tangible net worth, adjusted for the Group's oil and gas intangible assets, to be greater than $500 million at each reporting date.

These metrics were achieved in the 2023 financial year.

The Group is also required to maintain a minimum consolidated cash balance and RCF available undrawn of $75 million (including a minimum amount of $25 million from consolidated cash), in its bank accounts, failing which it would be required to draw down the unused portion of the PIEP Shareholder Loan described above.

Following the refinancing carried out in 2022, Maurel & Prom is no longer limited in the amount of dividends it can distribute.

Note 6.5.4 Agreements with PIEP

In connection with the December 2017 Term Loan, the Group entered into a subordination agreement whereby certain liabilities to PIEP are subordinated to the repayment of the Bank Term Loan.

In connection with the December 2017 Term Loan, the Group entered into a sponsor support agreement with PIEP and the credit agent, whereby PIEP agreed to provide the Group with the necessary funds in the event of a default under the new loan.

Note 6.5.5 Contractual commitments in Gabon

Under the terms of the Gabon asset purchase agreement and subsequent amendments entered into in February 2005 with the Gabonese government, Rockover and Masasa Trust, Maurel & Prom is obligated to pay:

- 1.4% of production valued at the official selling price, paid monthly
- A royalty of $0.65 per barrel produced from the date that total production from all licensed areas exceeds 80 mmbbls (in September 2019); and
- 5% on production from the Banio field alone, valued at the official selling price, once cumulative production from this field exceeds 3.865 million barrels
- 2% of total available production, valued at the official selling price, up to 30 mmbbls and 1.5% above this limit, based on production from operating permits with the Nyanga-Mayombé exploration permit. This commitment is recorded as a production-related expense, taking into account that production from the Banio field (the only Nyanga-Mayombé exploration permit to date) is currently suspended.

Note 6.6 Group employees

As at 31 December 2023, the Group had 760 employees.

Note 6.7 Directors' remuneration

Key management personnel include the Executive Committee, the Chief Executive Officer and the members of the Board of Directors.

Their remuneration is included in the expenses for the period, irrespective of the amounts paid.

(in US$ thousands)	31/12/2023	31/12/2022
Short-term benefits	2,471	1,953
Share-based payment	812	474
TOTAL	**3,284**	**2,427**

Note 6.8 Auditors' fees

The fees received by the statutory auditors (including members of their networks) are broken down as follows:

	2023				2022			
	KPMG		ASKIL		KPMG		ASKIL	
(in US$ thousands)	Amount	%	Amount	%	Amount	%	Amount	%
AUDIT								
Statutory audit, certification, review of individual and consolidated financial statements:								
• Issuer	678	46%	406	80%	627	60%	379	69%
• Fully consolidated subsidiaries	687	46%	59	12%	207	20%	63	11%
Other work and services directly related to the audit assignment:								
• Issuer	123	8%	43	9%	212	20%	106	19%
• Fully consolidated subsidiaries	—	—%	—	—%	—	—%	—	—%
OTHER SERVICES PROVIDED BY THE NETWORKS TO FULLY CONSOLIDATED SUBSIDIARIES								
TOTAL	**1,488**	**100 %**	**508**	**100 %**	**1,046**	**100 %**	**548**	**100 %**

Note 6.9 Acquisition of Wentworth

Following the completion of the company Wentworth Ressources Plc acquisition, M&P's interest in the Mnazi Bay assets increased from 48.06% to 80%, with TPDC holding the remaining 20%. In accordance with the agreement signed with M&P in December 21th, 2023, TPDC partner exercised its Call option in January 2024 to increase its interest from 20% to 40%. The proportionate interest in the Mnazi Bay licence is 60% for M&P and 40% for TPDC.

The signing of this Call option made it possible to complete the acquisition of the company Wentworth Resources Plc.

The business combination has been accounted for using the purchase method in accordance with IFRS 3.

For the purpose of these financial statements, the purchase price allocation has been performed in accordance with IFRS 3. The following information includes part of the fair value measurement of the assets and liabilities of Wentworth Resources Ltd. These valuations have been made on a preliminary basis and have not resulted in the recognition of goodwill. The values assigned will be adjusted, if necessary, following further analysis within the 12-month period required by the standards.

Valuation of Goodwill

(in US$ thousands)

Acquisition price of 100% of Wentworth Resources Plc shares - before Call option	**70**
Restructuring costs	3
Sale price of 20% of Mnazi Bay assets under the Call option	(24)
ACQUISITION PRICE OF 100% OF WENTWORTH RESOURCES PLC SHARES - AFTER CALL OPTION	**49**
Wentworth Ressources Plc Equity	**84**
Tax liabilities additional (Capital Gain and Tax)	(2)
Fair value provision site remediation	1
Fair value of gas assets	(1)
Fair value of deferred taxes	(15)
WENTWORTH RESSOURCES PLC EQUITY FAIR VALUE	**69**
Sale of 20% of Mnazi Bay assets as part of the Call option	(18)
NET ASSETS ACQUIRED	**49**
GOODWILL	**–**

CFS – Notes information

On December 21, the Group acquired Wenworth Resources Plc. for $45 million net in cash.

The details of the book value of the assets acquired and liabilities assumed are as follows:

(in US$ thousands)

Cash	24
Deposit	11
Receivables	5
Call option	24
Tangible assets	14
Deffered tax	(2)
Supplier	(3)
Site remediation	(1)
Restructuring costs	(3)
Tax liabilities	(2)
ACQUISITION COSTS	**70**
Less cash acquired	(24)
CASH FLOW FROM ACQUISITION	**45**

Note 6.10 Post-balance sheet events

M&P noted the signing on 15 February 2024 of a share purchase agreement (“SPA”) between Gabon’s national oil company Gabon Oil Company (“GOC”) and Carlyle for the acquisition by GOC of Assala Energy Holdings Ltd and all its subsidiaries (“Assala”). The agreement was signed within the framework of GOC’s sovereign pre-emption right. The SPA signed by M&P with Carlyle on 15 August 2023 is no longer applicable.

M&P confirms and reiterates its intention to remain a trusted partner of the Republic of Gabon, as evidenced by its presence and all its projects in the country for almost 20 years now.

Following the completion of the acquisition of Wentworth Resources Plc in December 2023, TPDC exercised its call option in January 2024 allowing it to acquire an additional 20% share in Mnazi Bay. M&P’s share of the asset is 60%, with the remaining 40% owned by TPDC.