

M&P secures the re-profiling of its debt repayments

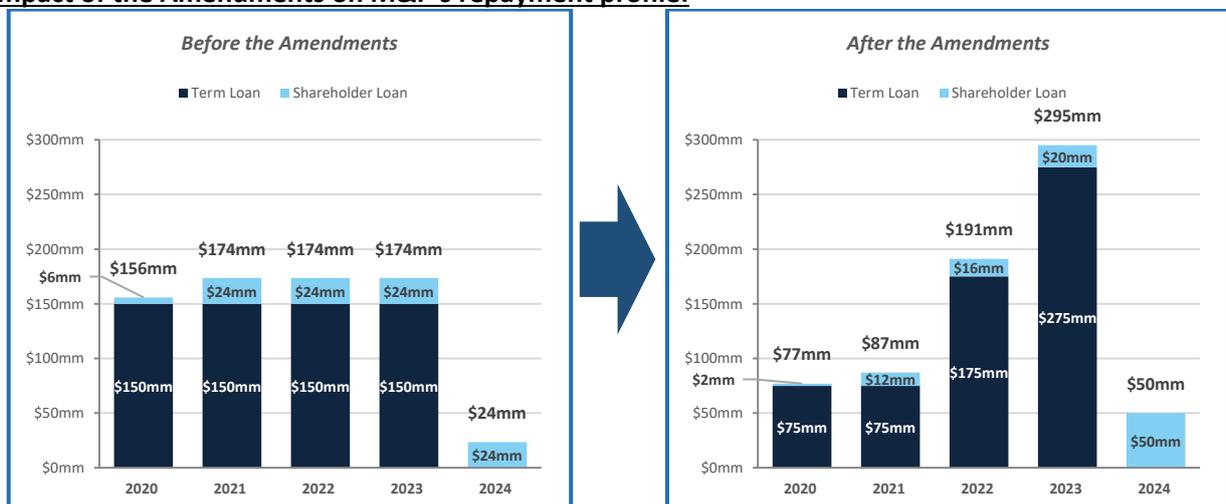
- Improvement of liquidity in a volatile macro environment thanks to lower repayments in 2020 and 2021
- M&P remains committed to debt reduction, with repayments to start immediately (March 2020)

Etablissements Maurel & Prom (Euronext Paris: MAU, ISIN FR0000051070, “M&P”) announces the signature of amendment agreements (together the “Amendments”) to re-profile the repayment of its two debt facilities, the US\$600 million term loan with a syndicate of lenders (the “Term Loan”) and the US\$200 million loan (US\$100 million drawn and US\$100 million undrawn) from M&P’s controlling shareholder PT Pertamina International Eksplorasi Dan Produksi (“PIEP”) (the “Shareholder Loan”).

Under the terms of the Amendments, the scheduled debt repayments for both facilities have been reduced in 2020 and 2021, allowing M&P to maintain ample liquidity and better adapt debt repayments to cash flow generation and investment profile. The amendment to the Shareholder Loan also demonstrates the continued support of PIEP to M&P, as a significant amount of its repayment has now been pushed to 2024, beyond the final maturity date for the Term Loan.

Olivier de Langavant, CEO of M&P, declared: “Securing the Amendments is a healthy measure, which will allow M&P to deliver tangible progress on deleveraging while maintaining a robust cash balance in the current macroeconomic environment. Following the initial two year grace period, M&P is committed to reducing its debt, and the first quarterly instalment of the Term Loan to be repaid in the upcoming days marks a significant milestone. M&P is strongly positioned to face the volatility of current market conditions thanks to its long-life assets and the flexibility offered by the operational control of its key assets”.

Impact of the Amendments on M&P’s repayment profile:



As a condition to the amendment to the Term Loan, it has been agreed with the lenders that dividend distribution will be capped at an annual amount of US\$15 million for 2021 and 2022. As a reminder, as per the terms of the original Term Loan agreement signed in December 2017, M&P's dividend distribution is currently limited to an annual amount of US\$10 million until year-end 2020.

M&P's total outstanding debt currently amounts to US\$700 million (US\$600 million under the Term Loan and US\$100 million under the Shareholder Loan). As of end of February 2020, M&P's cash position stood at \$267 million, resulting in a net debt of US\$433 million. M&P can also immediately unlock additional liquidity thanks to the undrawn US\$100 million tranche of the Shareholder Loan.

Key terms of M&P's debt facilities:

	Term Loan	Shareholder Loan
Agreement date	December 2017	December 2017
Amount	US\$600 million	US\$100 million drawn + US\$100 million undrawn
Interest rate	Libor +1.5%	Libor +1.6%
Repayments	16 quarterly instalments	17 quarterly instalments
First repayment	March 2020	December 2020
Final maturity	December 2023	December 2024

The banks participating in the Term Loan are Bank of Tokyo-Mitsubishi UFJ, Natixis, PT Bank Mandiri, Sumitomo Mitsui Banking, Crédit Agricole, DBS, ING, HSBC and PT Bank Negara Indonesia.

For more information, visit www.maureletprom.fr

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Maurel & Prom is listed for trading on Euronext Paris
CAC All-Share – CAC Oil & Gas – Next 150 - PEA-PME and SRD eligible
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