

Tethys Oil AB (publ)

First quarter interim report

1 January – 31 March 2024



First quarter 2024 (Fourth quarter 2023)

- The Field Development Plan for Block 56 is being finalised and is expected to be presented to the Ministry of Energy and Minerals before the end of May.
- Site preparation for the exploration well Kunooz-1 in Fahd, Block 58, completed. The drilling rig is being mobilised and drilling will begin in mid-June.
- Six prospects identified in South Lahan on Block 58, estimated to hold 251.5 mmbo of unrisks recoverable prospective resources. The identified prospects have been audited by Merlin Energy Resources Ltd.
- Tethys Oil has entered the second exploration phase on Block 49, extending the EPSA until December 2026.
- The strategic review initiated by the Tethys Oil's Board of Directors is ongoing with Jefferies Financial Group Inc. as advisors.
- Tethys Oil has signed a Heads of Agreement with Algerian national oil company, Sonatrach, to negotiate a potential production sharing agreement for two areas in Algeria.
- Production from Blocks 3&4 in the quarter amounted to 8,032 barrels of oil per day (8,397), with a Net entitlement of 52% (52%) and an achieved oil price of USD 79.5 per barrel (90.4).
- Revenue and other income was MUS\$ 30.1 (36.4) and EBITDA was MUS\$ 13.0 (21.5).
- Cash flow from operations was MUS\$ 6.2 (21.9) and Free cash flow MUS\$ -10.8 (2.5).
- The loan agreement for a MUS\$ 60 amortising term loan facility is about to be completed and is expected to become available before the end of the second quarter.

MUS\$, unless specifically stated	First quarter 2024	Fourth quarter 2023	First quarter 2023	Full year 2023
Net daily production, before government take, barrels per day	8,032	8,397	9,411	8,818
Production before government take, bbl	730,878	772,515	847,002	3,218,625
Net entitlement barrels, bbl	380,053	401,708	440,441	1,673,685
Net entitlement as share of production, percent	52%	52%	52%	52%
Achieved Oil Price, USD/bbl	79.5	90.4	81.7	82.4
Revenue and other income	30.1	36.4	35.3	138.2
EBITDA	13.0	21.5	18.7	73.5
Operating result	2.1	-31.9	7.7	-11.6
Net result	7.3	-38.7	8.0	-16.5
Earnings per share, after dilution, USD	0.23	-1.20	0.25	-0.51
Cash flow from operations	6.2	21.9	20.4	82.7
Investments in oil and gas properties	17.0	19.2	20.0	81.7
Free cash flow	-10.8	2.5	0.4	0.8
Cash and cash equivalents	14.9	25.8	39.9	25.8

Dear Friends and Investors,

What is going on? Well, a whole lot. Let us start with our operated blocks. We're approaching several important milestones in our portfolio. Block 56 has taken large steps towards commerciality with the successful results from the Menna-1 well drilled earlier this year and the ongoing re-testing of the Sarha-3 well. The Field Development Plan for the block is nearing completion, and we expect to present it to the Omani Ministry of Energy and Minerals later this month. It will propose the development of the Al Jum'd, Menna and Sarha discoveries and outline substantial future appraisal and exploration upside within Block 56. We are hopeful that the plan will be rapidly approved by the MEM, with a Declaration of Commerciality for Block 56 as a result. This will enable production to resume on the block, giving Tethys a second Omani commercial production stream as a complement to the production from Blocks 3&4. It will also enable us to book the reserves and resources attributable to Block 56, increasing our overall reserves. A Declaration of Commerciality for Block 56 will be a major milestone for Tethys, one that could very well be reached within the coming quarters.

Block 58 is in an earlier stage of the exploration cycle, and by mid-June we expect to begin drilling the Kunooz-1 well, targeting more than 120 million barrels of prospective resources. The well carries a chance of success of above 20 percent, which when compared to the resource potential has an excellent risk/reward ratio. In the case of success, Kunooz-1 will be transformative for Tethys, and we believe the well to be one of the highest profile ones to be drilled this year in Oman.

On Block 49 we are also moving forward. We elected to enter the second exploration phase to allow for the proper evaluation of the Thameen-1 well, as well as to increase the understanding of the true potential of the block and the well's surrounding areas.

So, what hides on the other side of the coin? Well, while the operated portfolio is doing very well indeed, Blocks 3&4 have had a couple of challenging past years. On the positive side baseline production appears to stabilise and the operator CCED is increasing the exploration, appraisal and Gas-to-Power activities, strengthening the blocks for the future. However, costs and investments have gone

up in recent years. Our guidance for 2024 included lower production and, unless oil prices rise, less free cash flow, than previous years from Blocks 3&4. So, for the first time in many years, Tethys is in a position to high-grade the now multiple opportunities available to us and put greater emphasis on how we allocate our resources. In February we announced that the Board instigated a strategic review to address this situation and ensure that Tethys is in a strong position to capitalise on these opportunities going forward. The review is still ongoing, but a few important decisions have been made.

The Board has proposed no dividend for the financial year 2023. The dividend policy remains firm, but with strong demand for capital we need to reposition ourselves for future growth.

To enable growth, a loan facility is being finalised with a bank in the United Arab Emirates to allow for further flexibility in pursuing our various projects. To assist the Board in evaluating the best way forward under this strategic review, the Board has mandated a financial advisor, the investment Bank Jefferies, to advise the Board on possible strategic alternatives to optimise Tethys' portfolio and future strategy.

Since 2015, we have distributed SEK 43 per share to our shareholders and we remain committed to offer superior returns to shareholders and stakeholders alike. We have a wide palette of opportunities with Block 56 being the most mature to offer future growth, not without similarities to where Blocks 3&4 was ten years ago.

Our immediate target is to set a growth strategy and resume cash dividends as soon as possible. We pursue the imminent commercialisation of Block 56, the drilling of Kunooz-1 and eagerly await the evaluation of strategic alternatives for our portfolio of assets.

So stay with us, we have had a large period of harvest, we now enter a phase of growth and investments which should lead to harvest again.

Stockholm, May 2024
Magnus Nordin
Managing Director



First Quarter Review

Licences and agreements

Tethys Oil's core area is onshore in the Sultanate of Oman ("Oman"), where the Group holds interest in four exploration and production sharing agreements ("EPSA") per 31 March 2024:

Licences & Agreements	Tethys Oil Interest %	Phase	Expiry date ¹	Partners (operator in bold)
Blocks 3&4, Oman	30	Production phase	July 2040	CCED , Tethys Oil, Mitsui
Block 49, Oman	100	Second exploration phase	December 2026 ²	Tethys Oil
Block 56, Oman	65	Second exploration phase	December 2024	Tethys Oil , Medco, Biyaq, Intaj
Block 58, Oman	100	Initial exploration phase	July 2024	Tethys Oil

Producing assets – Blocks 3&4

Production on Blocks 3&4

Tethys Oil's share of production from Blocks 3&4 during the first quarter 2024, before government take, amounted to 730,878 barrels of oil. This corresponds to 8,032 barrels of oil per day (8,397).

When adjusted for extraordinary events, the first quarter 2024 continued the trend of stabilised production that began in June 2023. The February production was negatively impacted by an eleven-day planned maintenance of the Saiwan production facility, lowering the average production of the month from 8,429 to 7,557 bodp. Beginning in March, severe weather conditions with heavy rain and floods hit Oman, hampering production and export as work and infrastructure was periodically suspended and/or out of service on the Farha South field. The severity of these conditions further increased in April and, as such, are expected to continue to disrupt Tethys Oil's production, primarily on the Shadh B field, throughout the initial parts of the second quarter. The production from the fields is expected to be returned to normal levels in early May.

During the quarter the production assurance efforts continued with a total of 18 well workovers conducted, primarily focused on the replacement of pumps in older wells.

Development and appraisal activities

Six development wells were drilled in the first quarter, including one oil producer targeting the Barik formation in Farha South and one Shahd well targeting the Khufai formation. In total, the work

programme for 2024 includes the drilling of 18 development wells.

The 2024 work programme has an increased focus on appraisal drilling when compared to 2023 and, for the full year, 19 new appraisal wells will be drilled with the aim of increasing the reserves and resources of the blocks. Six of these appraisal wells were drilled in the first quarter, evenly split between the Farha South field and Shahd fields where they targeted the Barik and Khufai formations respectively. Five of the six wells had flows to surface and were hooked up to the production system. The appraisal activities of the quarter also included further testing of the final appraisal well drilled in 2023, which included a fracking operation of the Lower Al Bashir formation. The fracking operations were performed successfully, and the results are now being evaluated.

2024 exploration drilling

The work programme for Blocks 3&4 in 2024 includes the drilling of three exploration wells. The first exploration well of the year, FNW-1, is to be drilled in northern-western Farha on Block 3, on a parallel fault block to the main trend, with the Barik formation as its primary target. The drilling operations will be completed in May with additional testing ongoing throughout the following months. The remaining two exploration wells of 2024 are planned to be drilled in July and November in the Shahd field area of Block 4, both of which will have the Khufai formation as their respective primary target.

¹ The Model EPSA in Oman consists of two exploration phases (initial phase and second phase) which normally have a duration of three years each. Upon discovery and declaration of commerciality the operator can apply to enter the production phase which typically has a duration of 15-30 years. With each exploration phase the operator commits to a minimum work obligation which usually includes the acquisition of seismic and drilling of wells. In recent years, the Ministry of Energy and Minerals (MEM) has from time to time granted extensions to an ongoing exploration phase to allow the operator to complete its work programme and fulfil its commitments and any subsequent analysis.

² The initial exploration phase of the EPSA for Block 49 expired on 31 December 2023, following discussions with the Ministry of Energy and Minerals Tethys Oil entered the second exploration phase in March 2024.

Seismic acquisition

The 2023/24 seismic acquisition programme covering 6,200 km² in the southern part of Block 4 has continued during the quarter and is expected to conclude in the third quarter 2024. In parallel, interpretation of the seismic acquired so far has begun and is expected to be completed by the end of 2024 in preparations of exploration drilling in 2025.

Gas-to-Power emission reduction project

The first phase of the Gas-to-Power project, commissioned at the end of the 2023, continued in the first quarter of 2024. The work during the quarter focused on setting up overhead power lines on Block 3&4 to transfer power from the power plants to the production infrastructure on the Ulfa, Farha and Shahd fields. The Gas-to-Power plants will reduce

routine flaring of associated gas by utilising it for power generation. By so doing, the Blocks 3&4 operations' dependence on diesel powered generators will be reduced, and ultimately phased out in subsequent phases. The project is expected to have a significant positive effect on Tethys Oil's GHG-emissions by reducing the amount of diesel consumed. In the first quarter, the start-up efforts incurred increased operational costs as diesel driven generators were still active in parallel. Cost savings and emission reduction data related to the reduction of diesel consumption are expected to come into effect and be made visible in the second quarter of 2024 and onwards. The second phase of the project will include additional fields on Blocks 3&4 and is expected to be completed in the latter parts of 2024.

Exploration assets

Block 56

Testing of Menna-1 and Sarha-3 exploration wells

Operational activities on Block 56 in the first quarter of 2024 focused on the testing of Menna-1, drilled in December 2023, and the re-testing of Sarha-3. The testing operations on Menna-1 include three formations, the Al Khlata, Karim, and Birba, which all had well log indications of hydrocarbons when drilled. The testing has so far confirmed that the oil produced on Menna-1 is medium heavy with an API of 19-20, similar to that of the Al Jumd discovery. The produced oil had a somewhat high water-cut in the earlier parts of the test, a cut that slowly declined as the testing operations progressed. Testing and analysis will continue in the second quarter with a focus on establishing the resource volume of the prospect as well as determining the long-term production capabilities.

In parallel to the drilling of Menna-1 Tethys Oil completed a workover of Sarha-3, allowing for the re-testing of the well's remaining formations, Al Khlata and Gharif. During initial testing in 2022, limited flows to surface was recorded from the Karim formation. The aim of the re-testing is primarily to gather additional data of the larger Sarha structure and to confirm the individual well's production capabilities, which will yield important information when formulating the Field Development Plan. The testing so far has confirmed flows to surface from the Gharif formation and analysis of Sarha-3 will continue throughout the second quarter.

Seismic interpretation

Interpretation of the 3D seismic over the Central Area of the block continued during the quarter. The ongoing interpretation is expected to yield an inventory of leads and prospects for further maturation in the second quarter.

Eastern Flank field development

The Eastern Flank trend on Block 56 stretches the border to Block 6 and is an extension of the nearby productive Karim Small Fields. The trend includes, in addition to Al Jumd, Sarha and Menna, several identified high-quality prospects and leads that are to be included in the full prospect and lead inventory currently being finalised. The overarching goal of Tethys Oil's activities on Block 56 is to establish a resource base and a Field Development Plan ("FDP") for the block on which to base the Declaration of Commerciality. The FDP is in the final stages of preparation and plans are to present it to Ministry of Energy and Minerals before the end of May.

Block 58

Kunooz-1 exploration well in Fahd

During the quarter, Tethys Oil has finished the civil and preparatory works for the Kunooz-1 exploration well in Fahd, north-eastern Block 58. The drilling rig, contracted with Gulf Oilfield Services in February, is being mobilised and spud is set for June. The well will have a final depth of approximately 3,800 metres and targets some 120 mmbo of unrisks recoverable prospective resources in the Khufai, Buah and Birba formations. The drilling operations, including initial testing, is expected to be ongoing for up to 60 days.

South Lahan prospect portfolio

The third-party prospective resource audit of the prospects identified during processing and interpretation of the 450 km² 3D seismic over South Lahan acquired in 2022 has been completed. The prospects' structures are intrasalt carbonate stringers within the Ara Group, a play that is proven and producing light oil in the nearby Harweel area on neighbouring Block 6.

Six prospects were identified, holding an estimated 251.5 mmbo of unrisks recoverable prospective resources (Pmean). The estimated combined risks recoverable prospective resources are 23.8 mmbo (Pmean). See the table below for more detailed information.

Continuation of initial exploration phase

To allow for a proper evaluation of the results of Kunooz-1 and to optimise the future work programme, Tethys Oil expects to get a technical extension of the license to allow for this work to be carried out.

PROSPECT	FORMATION	STOIIP (MMbbls)				RECOVERABLE (MMbbls)				Pg	RISKED Pmean REC (MMbbls)
		P90	P50	P10	Pmean	P90	P50	P10	Pmean		
SL1	Ara A2C	79.9	290.9	677.5	341.9	14.1	54.3	144.7	68.6	0.10	6.8
SL2	Ara A2C	26.7	81.1	183.4	94.8	4.8	15.2	38.4	18.9	0.14	2.6
SL5	Ara A2C	60.3	218.8	506.2	256.1	10.8	41.0	108.0	51.7	0.10	4.9
SL6	Ara A2C	58.0	210.0	491.4	247.3	10.2	39.3	101.8	49.2	0.06	2.8
SL9*	Ara A2C	46.3	159.8	371.3	188.4	8.3	29.4	77.4	37.5	0.11	4.0
SL9*	Ara A5C	5.6	16.2	34.8	18.3	1.0	3.0	7.3	3.7	0.10	0.4
SL10	Ara A2C	29.4	92.6	212.5	109.2	5.3	17.5	45.0	21.9	0.11	2.3
Total		306.2	1,069.4	2,477.1	1,256.0	54.5	199.7	522.6	251.5		23.8

Block 49

Second exploration phase

In March, following discussions the Ministry of Energy and Minerals, Tethys Oil entered the second exploration phase of the EPSA for Block 49, thus extending it by three years until December 2026. Tethys Oil's main commitment of the second exploration phase is to continue the work on Thameen-1 with the aim of declaring it a discovery and then appraise its resource volumes as wells as production and commercial potential. As a part of the commitments, Tethys Oil will also conduct additional exploration and/or appraisal activities on the block. The exact nature and geographical location of these activities are dependent on the results yielded by the operations on Thameen-1.

Thameen-1 re-entry and re-testing

Preparations for the re-entry and re-testing of the Thameen-1 well continued in the first quarter. A hoist is being procured to prepare the well ahead of the planned fracking operations. In parallel, the tendering and procurement process for an integrated service contract to provide all services needed for the re-test, including rig, hydro frac services and well testing is moving forward.

The tendering and procurement process is expected to be completed by September, after which a more detailed timeline and plan on how to best move forward on the block will be presented.

Strategic updates

Strategic review of Omani oil and gas assets

In early February, Tethys Oil's Board of Directors initiated a strategic review of the Group's portfolio of Oil and Gas interests in view of the multiple opportunities available to the Company. The review is performed to identify and implement an optimised capital allocation strategy, prioritised on Tethys Oil's continued growth and profitability as well as the creation of shareholder value and distribution.

Tethys Oil seeks to pursue a growth strategy by prioritising investments across the variety of opportunities the Group now has available. To achieve higher payback potential from select exploration assets and ensure that growth opportunities are properly developed, the review includes the exploration of how to best increase the visibility of the Group assets' fair market value and optimise the balance of the asset mix, including a potential divestment of all or part of the Group's share in Blocks 3&4.

As a partner in the ongoing review, Tethys Oil has mandated the Investment Bank Jefferies International as advisor.

Signing of Heads of Agreement with Sonatrach

On 16 April, Tethys Oil signed a Heads of Agreement with the Algerian national oil and gas company, Sonatrach. The agreement expresses the willingness of both parties to negotiate a potential production sharing agreement for two areas in the north-eastern part of Algeria.

The characteristics of the areas, El Hadjira II and El Haiad II, are in line with Tethys Oil's focus on onshore areas with known discoveries.

Exploration of energy transition opportunities

As a part of Tethys Oil's work to achieve long-term sustainable operations and lower the Company's carbon footprint, the Board of Directors has authorised the Executive Management to explore the opportunities of investing in energy transition businesses.

The opportunities to be explored are those business areas in which Tethys Oil possesses a unique technical, geological and geographical knowledge from which synergy with the Company's current operations can be achieved. The exploration will focus on subsurface opportunities, such as carbon capturing and storage, in the Nordics and Baltics as well as in Oman and the Gulf region.

Group Financial Review and Result ³

Production entitlement and sales

Tethys Oil's oil sales derive from its 30 percent interest in Blocks 3&4, from which the company's share of the oil production, "Net Entitlement", is calculated. The Net Entitlement consists of two components: Cost Oil and Profit Oil. The Cost Oil is the value of recoverable costs incurred in the period and any outstanding balance of unrecovered historical cost from previous periods, the "Cost Pool". The total amount of Cost Oil received in a given period is capped to a fixed share of total production, after conversion to barrels using the Official Selling Price ("OSP"). What remains after the deduction of Cost Oil is Profit Oil, which is split between the government and contractors according to a fixed percentage.

The Net Entitlement share of production was 52 percent in the first quarter 2024, unchanged from the fourth quarter 2023. The Average OSP for the quarter was USD 79.9, compared to USD 89.7 in the fourth quarter 2023.

In the first quarter 2024, Tethys Oil's Net Entitlement was 380,053 barrels of oil, down from 401,708 barrels of oil in the fourth quarter 2023. The decreased Net Entitlement in the first quarter is a consequence of the lower production leading to a decreased cost allowance and profit oil. Tethys Oil's share of the Cost Pool as per 31 March 2024 was MUSD 28.9 compared to MUSD 22.2 on 31 December 2023.

In the first quarter, Tethys Oil sold 364,859 barrels of oil from Blocks 3&4 compared to 383,004 barrels of oil in the fourth quarter 2023.

The Achieved Oil Price in the first quarter was USD 79.5 per barrel compared to USD 90.4 per barrel in the previous quarter.

As oil sales were lower than the Net Entitlement, an underlift movement of 15,194 barrels was recorded in the first quarter, resulting in an increased underlift closing position. At the end of the first quarter Tethys Oil's underlift position was 20,815 barrels of oil compared to an underlift position of 5,620 barrels of oil at the end of the fourth quarter 2023.⁴

Production entitlement and sales	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Blocks 3&4					
Production, before Government take, bbl	730,878	772,515	780,676	818,432	847,002
Average daily production, barrels per day	8,032	8,397	8,486	8,994	9,441
Net Entitlement barrels, bbl	380,053	401,708	405,952	425,585	440,441
Net Entitlement share of production, percent	52%	52%	52%	52%	52%
Oil sales, bbl	364,859	383,004	417,275	463,196	471,550
Underlift (+) / overlift (-), movement, bbl	15,194	18,704	-11,323	-37,611	-31,109
Underlift (+) / overlift (-), closing position, bbl	20,815	5,620	-13,083	-1,760	35,851

³ The Group financial review is performed by analysing the current interim reporting period performance versus the previous interim reporting period. Accordingly, the current interim financial review is focused on developments of the first quarter 2024 compared to the fourth quarter 2023. Management believes that this analysis more precisely demonstrates trends and achievements of the Tethys Oil Group activities. Please note that the financial report statements are presented in accordance with IAS 34, which requires presentation of the current interim period in comparison to the comparable interim period of the immediately preceding financial year. The financial statements and notes of this interim report for the first quarter presents financial results compared to the first quarter of 2023.

⁴ Tethys Oil sells all of its oil from Blocks 3&4 on a monthly basis to a service provider under a long-term contract. Oil sales volumes are nominated by Tethys Oil two to three months in advance and are not based upon the actual production in a month; as a result, the Group's oil sales volumes can be above or below production entitlement volumes. Where the oil sales volume exceeds the volume of entitlement barrels produced, an overlift position occurs and where it is less, an underlift position occurs. Tethys Oil is contractually obliged to maintain a neutral under-/overlift position over time.

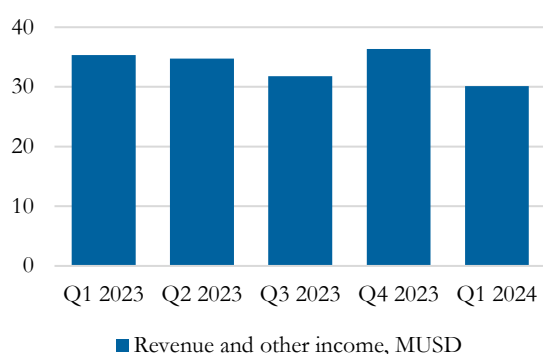
Income Statement

Revenue and other income

Tethys Oil's revenue and other income is comprised of revenue from the oil sold in the period adjusted for the period's movement in under-/overlift position.

Revenue and other income amounted to MUSD 30.1 compared to MUSD 36.4 in the previous quarter, a decrease of 17% percent, primarily as result of a lower Achieved oil price and lower production.

The underlift adjustment of MUSD 1.1 in the first quarter 2024 was lower compared to the underlift adjustment of MUSD 1.6 in the fourth quarter mainly due to the decrease in oil price.



Operating expenses

Operating expenses for producing assets comprise of Production costs, Workovers and well interventions and Operator G&A and overhead expenses, all relating to Tethys Oil's interest in Blocks 3&4 in Oman.

Total operating expenses increased in the first quarter to MUSD 15.0 compared to MUSD 13.2 in the previous quarter.

Operating expenses from producing assets in the first quarter of 2024 amounted to MUSD 14.8 compared to MUSD 13.2 for the previous quarter, an increase of 12 percent.

Production costs include expenses for throughput fees, energy, consumables, equipment rental, field staff and maintenance. The production costs increased to MUSD 10.1 during the first quarter 2024 from MUSD 9.1 in the previous quarter. The increase can be attributed to higher costs during the start-up phase of the Gas-to-Power project.

Workovers and well interventions amounted to MUSD 1.6 in the first quarter 2024 compared to MUSD 1.4 in the previous quarter.

Operator G&A and overhead expenses were MUSD 3.2 in the first quarter 2024 compared to MUSD 2.7 in the previous quarter. The quarter was impacted by annual benefits and bonuses.

The increase in total operating expenses in the first quarter of 2024 was contributed to by MUSD 0.1 of additional costs for the extended well test on Block 56 being recorded. The extended well test was completed during Q3 2023.

Operating expenses per barrel increased to USD 20.3 in the current quarter compared to USD 17.1 in the previous quarter. The increase was a result of higher Operating expenses for producing assets and lower production.

Operating expenses, MUSD	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Production costs	10.1	9.1	8.9	9.5	9.9
Workovers and well interventions	1.6	1.4	1.4	1.9	1.5
Operator G&A and overhead expenses	3.2	2.7	2.8	2.9	3.1
Operating expenses producing assets (Blocks 3&4)	14.8	13.2	13.1	14.2	14.6
Operating expenses extended well test Block 56	0.1	-	0.6	0.7	-
Total operating expenses	15.0	13.2	13.7	14.9	14.6

Operating expenses per barrel Blocks 3&4, USD	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Production costs per barrel	13.8	11.8	11.4	11.6	11.7
Workovers and well interventions per barrel	2.1	1.8	1.9	2.3	1.8
Operator G&A and overhead expenses per barrel	4.3	3.5	3.5	3.5	3.7
Operating expenses producing assets per barrel	20.3	17.1	16.8	17.4	17.2

Other expenses and result

Administrative expenses for the first quarter 2024 were MUSD 2.2 compared to MUSD 1.6 in the previous quarter. The increase is partly attributable to the payment of staff bonuses and set up costs of the term loan facility.

EBITDA decreased to MUSD 13.0 in the first quarter, compared to MUSD 21.5 in the fourth quarter. The decrease in EBITDA follows the lower Revenue and other income in addition to the higher Operating and Administrative expenses.

DD&A for the first quarter was MUSD 10.8 compared to MUSD 10.2 in the fourth quarter 2023.

The operating result in the first quarter increased to MUSD 2.1 compared to MUSD -31.9 in the previous quarter when an impairment of MUSD 36.9 was recorded.

Financial net result amounted to MUSD 5.2 compared to MUSD -6.8 in the previous quarter, consisting of unrealised exchange gains caused by movements in the SEK/USD exchange rate.

Net result for the first quarter 2024 amounted to MUSD 7.3, up from MUSD -38.7 in the previous quarter. The earnings per share after dilution was USD 0.23, compared to USD -1.20 in the previous quarter.

Financial review and result, MUSD	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Revenue	29.0	34.8	32.7	37.8	38.5
Underlift (+) / Overlift (-) adjustment	1.1	1.6	-0.9	-3.1	-3.2
Revenue and other income	30.1	36.4	31.8	34.7	35.3
Operating expenses	-15.0	-13.2	-13.7	-14.9	-14.6
Administrative expenses	-2.2	-1.6	-1.7	-2.8	-2.1
EBITDA	13.0	21.5	16.4	16.9	18.7
DD&A	-10.8	-10.2	-10.1	-10.7	-11.0
Impairment	-	-36.9	-	-	-
Exploration costs	-	-6.3	-	-0.1	-
Share of net result from associates	-	-0.0	0.2	-	-
Operating result	2.1	-31.9	6.5	6.1	7.7
Financial net result	5.2	-6.8	0.2	2.0	0.2
Income tax	-	-	-0.5	-	-
Net result	7.3	-38.7	6.2	8.1	8.0
<i>Earnings per share, after dilution, USD</i>	<i>0.23</i>	<i>-1.20</i>	<i>0.19</i>	<i>0.25</i>	<i>0.25</i>

Financials per barrel, USD/bbl	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Achieved Oil Price	79.5	90.4	76.9	81.6	81.7
Operating expenses	20.3	17.1	16.8	17.4	17.2
EBITDA	17.7	27.8	21.0	20.7	22.1
DD&A	14.8	13.2	12.9	13.1	13.0

Netback

Netback is the gross profit associated with bringing a barrel of oil to market and is calculated as revenues net of production and transportation costs, as well as any royalties and government take.

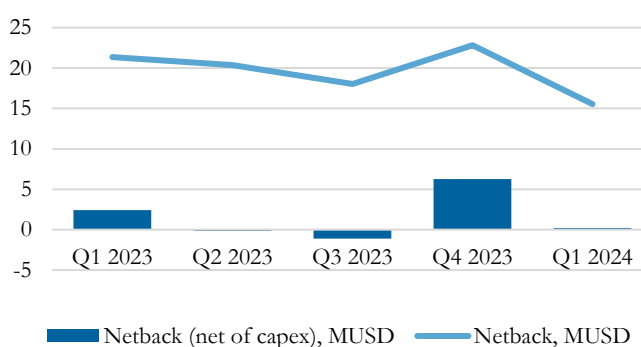
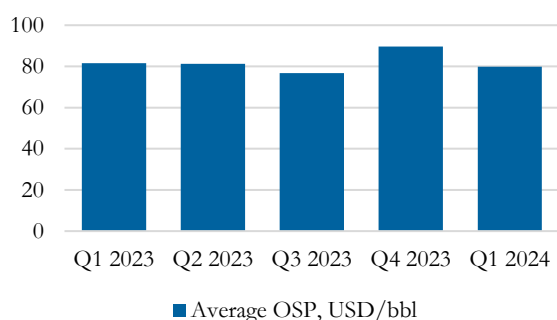
Tethys Oil calculates Netback for its production from Blocks 3&4 and presents it both as a total, as

USD per barrel and in MUSD. To align the calculations with the effects of the cost recovery mechanism of the EPSA, Netback (net of capex) is also presented.

Netback (net of Capex) per barrel decreased as a result of both the oil price decreasing and the operating expenses per barrel increasing.

Netback Blocks 3&4, USD/bbl	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Value of oil produced (Average OSP)	79.9	89.7	76.7	81.3	81.6
Government take	-38.3	-43.0	-36.8	-39.0	-39.2
Entitlement value (after government take)	41.5	46.6	39.9	42.3	42.4
Operating expenses	-20.3	-17.1	-16.8	-17.4	-17.2
Netback	21.3	29.5	23.1	24.9	25.2
Capex	-21.0	-21.5	-24.5	-25.1	-22.4
Netback (net of capex)	0.3	8.1	-1.4	-0.2	2.9

Netback Blocks 3&4, MUSD	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Value of oil produced (Average OSP)	58.4	69.3	59.9	66.5	69.1
Government take	-28.0	-33.3	-28.7	-31.9	-33.2
Entitlement value (after government take)	30.4	36.0	31.1	34.6	35.9
Operating expenses	-14.8	-13.2	-13.1	-14.2	-14.6
Netback	15.5	22.8	18.0	20.4	21.4
Capex	-15.3	-16.6	-19.1	-20.6	-18.9
Netback (net of capex)	0.2	6.2	-1.1	-0.2	2.4



Financial position and cash flow

Assets and equity

As of 31 March 2024, the Group's total assets amounted to MUSD 287.8 compared to MUSD 291.1 at the end of the previous quarter. The majority of the Group's assets are oil and gas properties, making up MUSD 251.0 at the end of the quarter compared to MUSD 244.8 at the end of the previous quarter. As of 31 March 2024, the Shareholders' equity was MUSD 260.3 compared to MUSD 258.2 at the end of the previous quarter.

Liquidity and financing

As of 31 March 2024, cash and cash equivalents amounted to MUSD 14.9 (MUSD 25.8). Tethys Oil has no financial debt.

Tethys Oil has received a credit commitment for a MUSD 60 amortising term loan facility from one of the leading banks of the United Arab Emirates (UAE). The loan agreement is nearing completion and is expected to be finalised during the second quarter. The purpose of loan is to provide additional resources for development investments.

Cash flow and investments

The Cash flow in the first quarter 2024 was MUSD -10.8, a decrease from MUSD -2.0 in the previous quarter. The decrease is mainly a result of lower Cash flow from operations in addition to a negative cash flow from working capital in the period.

Cash flow from operations before change in working capital amounted to MUSD 12.9 compared to MUSD 21.5 in the previous quarter.

The change in working capital amounted to MUSD -6.7 compared to MUSD 0.4 in the previous quarter. The negative contribution from working capital is the result of reduced joint operations payable and an increase in the underlift position.

Cash flow from operations in the first quarter 2024 amounted to MUSD 6.2 compared to MUSD 21.9 in the previous quarter.

In the first quarter 2024, investment activity decreased to MUSD -17.1 compared to MUSD -19.4 in the previous quarter.

Capital investments on Blocks 3&4 amounted to MUSD 15.3 in the first quarter compared to MUSD 16.6 in the previous quarter. Investments included increased drilling expenditures and decreased expenditures for seismic acquisition and projects.

The first quarter capital investments on Block 56 of MUSD 1.1 (2.3) relate to the testing of Menna-1 as well as the re-testing of Sarha-3.

The capital investment on Block 49 and Block 58 of MUSD 0.3 (0.1) and MUSD 0.2 (0.2) respectively are related to the blocks' ongoing activities, including preparations for future drilling.

Tethys Oil's free cash flow for the quarter amounted to MUSD -10.8 compared to MUSD 2.5 in the previous quarter.

There was no cash flow from financing activities in the period.

Balance Sheet, MUSD	31 Mar 24	31 Dec 23	30 Sep 23	30 Jun 23	31 Mar 23
Non-current assets					
Oil and gas properties	251.0	244.8	277.0	266.0	255.3
Other fixed assets	0.3	0.4	0.5	0.5	0.6
Current assets					
Other current assets	21.6	20.1	22.1	20.6	25.3
Cash and cash equivalents	14.9	25.8	27.7	33.9	39.9
Total assets	287.8	291.1	327.2	321.0	321.2
Shareholders' equity	260.3	258.2	288.4	282.2	291.3
Non-current liabilities	13.8	13.6	11.6	11.5	11.4
Current liabilities	13.8	19.2	27.2	27.3	18.6
Total equity & liabilities	287.8	291.1	327.2	321.0	321.2
Cash flow, MUSD	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Cash flow from operations	6.2	21.9	14.8	25.7	20.4
Cash flow from investments	-17.1	-19.4	-20.9	-21.7	-20.0
Free cash flow	-10.8	2.5	-6.1	4.0	0.4
Cash flow from financing activities	-	-4.4	-0.1	-10.0	-2.0
Period cash flow	-10.8	-2.0	-6.2	-6.0	-1.6
Blocks 3&4	15.3	16.6	19.1	20.6	18.9
Block 49	0.3	0.1	0.0	0.1	0.3
Block 56	1.1	2.3	0.2	0.5	0.7
Block 58	0.2	0.2	1.7	0.2	0.1
New ventures	0.0	0.0	-	-	-
Total investments in oil and gas properties	17.0	19.2	21.1	21.4	20.0

Parent Company & Share

The parent company's operating result for the first quarter 2024 amounted to MSEK -10.2 compared to MSEK -17.1 in the previous quarter. Administrative expenses during the period were MSEK 14.6 compared to MSEK 18.4 in the previous quarter. The decrease is partly attributed to the previous quarter containing costs related to the year-end.

The Financial net result for the first quarter 2024 was MSEK 0.6 compared to MSEK 43.0 in the previous quarter. The Financial net result consists of foreign currency gains and losses of MSEK 0.6 (-2.0). The previous quarter also included a dividend received from a Group subsidiary of MSEK 44.

Share data

As of 31 March 2024, the total number of issued shares in Tethys Oil AB was 33,458,828, with a nominal value of SEK 0.18. All shares represent one vote each. The company's shares are listed on Nasdaq Stockholm (TETY).

Share buy-backs

Tethys Oil's Annual General Meeting on 10 May 2023 ("AGM") resolved to grant the Board of Directors the authorisation to repurchase up to 10 percent of the company's shares. During the first

quarter 2024 Tethys Oil did not repurchase any shares. As of 31 March 2024, Tethys Oil held 1,189,901 shares in treasury – the equivalent of 3.6 percent of issued shares. For the complete repurchase authorisation, please refer to Tethys Oil's website.

Warrant based incentive programmes

As of 31 March 2024, Tethys Oil has three active warrant-based incentive programmes which, if exercised, can result in the issue of up to 653,700 new shares, corresponding to a potential 2.0 percent increase of total shares issued. None of the programmes had their exercise period during the quarter and none were in the money. More information regarding these programs is disclosed in Note 8 of the financial report.

Long-Term Incentive Program (LTIP)

As of 31 March 2024, Tethys Oil has two share based Long-Term Incentive Programmes for all employees excluding the Executive management. LTIP 2022 was launched in October 2022 and LTIP 2023 was launched in April 2023. More information regarding these programmes is disclosed in Note 8 of the financial report.

Numbers of shares	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Shares in issue, end of the period	33,458,828	33,458,828	33,056,608	33,056,608	33,056,608
Shares issued, during the period	-	402,220	-	-	-
Shares repurchased, during the period	-	-	25,000	58,795	367,755
Treasury shares, end of the period	1,189,901	1,189,901	1,189,901	1,164,901	1,106,106
Shares outstanding, end of the period	32,268,927	32,268,927	31,866,707	31,891,707	31,950,502
Weighted average outstanding before dilution, during the period	32,268,927	32,243,389	31,867,861	31,936,260	32,191,324
Weighted average outstanding after dilution, during the period	32,268,927	32,247,353	31,924,740	31,957,531	32,261,122

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

MUSD	Note	First quarter 2024	First quarter 2023	Full year 2023
Revenue and other income	2, 3	30.1	35.3	138.2
Operating expenses		-15.0	-14.6	-56.4
Gross profit		15.2	20.8	81.7
Depletion, depreciation and amortisation	2	-10.8	-11.0	-42.0
Impairment		-	-	-36.9
Exploration costs		-	-	-6.4
Administrative expenses		-2.2	-2.1	-8.3
Share of net result from associates		-	-	0.2
Operating result		2.1	7.7	-11.6
Financial net result		5.2	0.2	-4.4
Result before tax		7.3	8.0	-16.0
Income tax		-	-	-0.5
Net result		7.3	8.0	-16.5
Other comprehensive income				
Items that may be subsequently reclassified to profit or loss:				
Exchange differences		-5.3	0.3	-5.9
Other comprehensive income		-5.3	0.3	-5.9
Total comprehensive income		2.0	8.3	-10.6
<i>Total comprehensive income attributable to:</i>				
Shareholders in the parent company		2.0	8.3	-10.6
Non-controlling interest		-	-	-
Result per share				
Earnings per share (before dilution), USD		0.23	0.25	-0.51
Earnings per share (after dilution), USD		0.23	0.25	-0.51
Weighted average number of shares (before dilution)		32,268,927	32,191,324	32,060,671
Weighted average number of shares (after dilution)		32,268,927	32,261,122	32,099,193

CONSOLIDATED BALANCE SHEET IN SUMMARY

MUSD	Note	31 Mar 2024	31 Dec 2023
ASSETS			
Non-current assets			
Oil and gas properties	4	251.0	244.8
Other fixed assets		0.3	0.4
		251.3	245.2
Current assets			
Trade and other receivables	5	21.1	19.9
Prepaid expenses		0.5	0.2
Cash and cash equivalents		14.9	25.8
		36.5	45.9
TOTAL ASSETS		287.8	291.1
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		0.8	0.8
Additional paid in capital		78.0	78.0
Reserves		-5.1	0.3
Retained earnings		186.6	179.2
Total shareholders' equity		260.3	258.2
Non-current liabilities			
Non-current provisions		13.8	13.5
Other non-current liabilities		0.1	0.1
		13.8	13.6
Current liabilities			
Accounts payable and other current liabilities	6	13.8	19.2
		13.8	19.2
Total liabilities		27.6	32.9
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		287.8	291.1

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

MUSD	Share capital	Paid in capital	Reserves	Retained earnings	Total equity
Opening balance 1 January 2023	0.8	76.3	-5.6	213.7	285.2
Net result 2023	-	-	-	-16.5	-16.5
Other comprehensive income	-	-	5.9	-	5.9
Total comprehensive income	0.0	0.0	5.9	-16.5	-10.6
Transactions with owners					
Share issue	0.0	1.7	-	-	1.7
Repurchase of shares	-	-	-	-2.3	-2.3
Dividend	-	-	-	-6.3	-6.3
Share redemption	-	-	-	-9.4	-9.4
Incentive programme	-	-	-	0.0	0.0
Total transactions with owners	0.0	1.7	0.0	-18.0	-16.4
Closing balance 31 December 2023	0.8	78.0	0.3	179.2	258.2
Opening balance 1 January 2024	0.8	78.0	0.3	179.2	258.2
Result for the period	-	-	-	7.3	7.3
Other comprehensive income	-	-	-5.3	-	-5.3
Total comprehensive income	0.0	0.0	-5.3	7.3	2.0
Transactions with owners					
Share issue	-	-	-	-	-
Repurchase of shares	-	-	-	-	-
Dividend	-	-	-	-	-
Share redemption	-	-	-	-	-
Incentive programme	-	-	-	0.0	0.0
Total transactions with owners	0.0	0.0	0.0	0.0	0.0
Closing balance 31 March 2024	0.8	78.0	-5.1	186.6	260.3

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

MUSD	Note	First quarter 2024	First quarter 2023	Full year 2023
Cash flow from operations				
Result before tax		7.3	8.0	-16.0
Adjustment for:				
Depletion, depreciation		10.8	11.0	42.0
Impairment		-	0.0	36.9
Exploration costs		-	0.0	6.4
Other non-cash related items		-4.9	0.2	5.2
Interest received		-	-	1.1
Income tax paid		-0.3	-0.1	-0.8
Total cash flow from operations before change in working capital		12.9	18.9	74.9
Change in receivables		-1.5	2.3	7.5
Change in liabilities		-5.2	-0.9	0.3
Cash flow from operations		6.2	20.4	82.7
Investment activity				
Investment in oil and gas properties	4	-17.0	-20.0	-81.7
Investment in other fixed assets		-0.1	-	-0.5
Dividend from associates		-	-	0.2
Cash flow from investment activity		-17.1	-20.0	-82.0
Financing activity				
Share issue		-	-	1.7
Repurchase of shares		-	-2.0	-2.4
Dividend		-	-	-6.1
Share redemption		-	-	-9.0
Incentive programme		-	-	-0.7
Cash flow from financing activity		-	-2.0	-16.5
Period cash flow		-10.8	-1.6	-15.7
Cash and cash equivalents at the beginning of the period		25.8	41.5	41.5
Exchange gains/losses on cash and cash equivalents		-0.1	0.0	0.0
Cash and cash equivalents at the end of the period		14.9	39.9	25.8

PARENT COMPANY INCOME STATEMENT IN SUMMARY

MSEK	Note	First quarter 2024	First quarter 2023	Full year 2023
Other income		4.4	5.4	16.5
Administrative expenses		-14.6	-13.7	-64.4
Dividend income from associates		-	-	2.2
Exploration costs		-	-	-
Operating result		-10.2	-8.3	-45.7
Financial net result		0.6	5.7	638.6
Result before tax		-9.6	-2.6	592.9
Income tax		-	-	-
Net result¹		-9.6	-2.6	592.9

1. *As the parent company does not recognise any Other comprehensive income, no such report is presented.*

PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	Note	31 Mar 2024	31 Dec 2023
ASSETS			
Total non-current assets		940.5	940.3
Total current assets		11.8	25.0
TOTAL ASSETS		952.3	965.2
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted shareholders' equity		77.1	77.1
Unrestricted shareholders' equity		860.2	869.0
Total current liabilities		15.0	19.1
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		952.3	965.2

NOTES

General information

Tethys Oil AB (publ) (the “Company”), corporate identity number 556615-8266, and its subsidiaries (together the “Group” or “Tethys Oil”) are focused on exploration for and production of oil and natural gas. The Group has interests in exploration and production agreements in Oman and an associated equity interest in a producing company in Lithuania. The Company is a limited liability company incorporated and domiciled in Stockholm, Sweden. The Company is listed on Nasdaq Stockholm.

Accounting principles

The interim report for the period ended 31 March 2024 has been prepared in accordance with IAS 34 and the Swedish Annual Accounts Act.

The interim consolidated financial statements have been prepared, consistent with the 2023 consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and by the Swedish Annual Accounts Act.

The Parent Company’s financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the recommendations “RFR 2 on Financial Reporting for Legal Entities” issued by the Swedish Financial Reporting Board.

The interim report does not contain the entirety of the information that appears in the annual report and accordingly, the interim report should be read in conjunction with the 2023 annual report.

The accounting principles applied in the period are consistent with those applied for the financial year 2023 and the comparable interim reporting period, as they are described in the 2023 annual report.

The interim financial information for the period ended 31 March 2024 and 31 March 2023 has not been reviewed by the Company’s auditors.

Exchange rates

The exchange rates presented below have been used for the preparation of the financial statements for the reporting period.

Tax

Tethys Oil’s oil and gas operations in Oman are governed by an Exploration and Production Sharing Agreement for each Block (“EPSA”), whereby Tethys Oil receives its share of oil after the government’s take. Under the terms of each EPSA, Tethys Oil is subject to Omani income taxes, which are paid in full, on behalf of Tethys Oil, from the government’s share of the oil. The effect of these taxes is netted against revenue and other income in the income statement.

Note 1) Risks and uncertainties

Tethys Oil is exposed to a variety of risks associated with oil and gas operations. Risk management is an integral part of the Company’s business activities, and the business areas consequently have the main responsibility for managing risks arising from its business activities. A detailed analysis of Tethys Oil’s operational, financial, and external risks and mitigation of those risks through risk management is described in Tethys Oil’s Annual report 2023 on pages 85-87 and page 117.

Currency	31 Mar 2024		31 Mar 2023		31 Dec 2023	
	Average	Period end	Average	Period end	Average	Period end
SEK/USD	10.39	10.66	10.43	10.35	10.61	10.04

Note 2) Segment reporting

The Group's Operating segments are reported based on a split between Producing assets, Non-producing assets, Other and Eliminations. The operating result for each segment is presented below.

Producing assets include the Company's non-operated interest in Blocks 3&4. Non-producing

assets include the operated exploration interests in Block 49, Block 56 and Block 58.

The segment Other includes the head office and other central functions across the Group. The detailed analysis of Oil and gas properties is presented in note 4.

Group income statement January-March 2024					
MUSD	Producing assets	Non-producing assets	Other	Eliminations	Total
Revenue and other income	30.1	0.2	0.4	-0.7	30.1
Operating expenses	-14.8	-0.1	-	-	-15.0
Depreciation, depletion and amortisation	-10.8	-	0.1	-0.1	-10.8
Administrative expenses	-1.1	-0.3	-1.5	0.7	-2.2
Operating result	3.4	-0.2	-1.0	-0.1	2.1
Revenue by country	Producing assets	Non-producing assets	Other	Eliminations	Total
Revenue and other income					
Oman	30.1	0.2	-	-0.2	30.1
Other	-	-	0.4	-0.4	0.0
Oil and gas properties as of 31 March 2024	Producing assets	Non-producing assets	Other	Eliminations	Total
Oil and gas properties	194.6	57.0	0.1	-0.6	251.0

Group income statement January-March 2023					
MUSD	Producing assets	Non-producing assets	Other	Eliminations	Total
Revenue and other income	35.3	-	0.5	-0.5	35.3
Operating expenses	-14.6	-	-	-	-14.6
Depreciation, depletion and amortisation	-10.9	-	-0.1	-	-11.0
Administrative expenses	-1.0	-0.1	-1.4	0.4	-2.1
Operating result	8.9	-0.1	-0.9	-0.1	7.7
Revenue by country	Producing assets	Non-producing assets	Other	Eliminations	Total
Revenue and other income					
Oman	35.3	-	-	-	35.3
Other	-	-	0.5	-0.5	0.0
Oil and gas properties as of 31 March 2023	Producing assets	Non-producing assets	Other	Eliminations	Total
Oil and gas properties	206.6	48.9	0.1	-0.3	255.3

Note 3) Revenue and other income

MUSD	First quarter 2024	First quarter 2023	Full year 2023
Revenue	29.0	38.5	143.8
Underlift (+) /overlift (-), adjustments	1.1	-3.2	-5.6
Revenue and other income	30.1	35.3	138.2

Note 4) Oil and gas properties

MUSD	Phase	Tethys Oil's share	31 Mar 2024	Investments	DD&A	Impairment	Exploration cost	Site restoration and other adjustments	31 Dec 2023
Blocks 3&4	Prod.	30%	194.6	15.3	-10.8	-	-	-	190.0
Block 49	Expl.	100%	1.5	0.3	-	-	-	-	1.2
Block 56	Expl.	65%	44.5	1.1	-	-	-	-	43.4
Block 58	Expl.	100%	10.4	0.2	-	-	-	-	10.2
New ventures			0.1	0.0	-	-	-	-	0.0
Total			251.0	17.0	-10.8	-	-	-	244.8

Note 5) Trade and other receivables

MUSD	31 Mar 2024	31 Dec 2023
Trade receivables oil sales	11.0	9.8
Underlift position	1.6	0.5
Non-trade receivables	5.5	5.0
Joint operation receivables	0.1	0.1
Other current receivables	2.9	4.4
Total	21.1	19.9

Note 6) Accounts payable and other current liabilities

MUSD	31 Mar 2024	31 Dec 2023
Accounts payable	0.2	0.2
Joint operations payable	12.8	17.2
Tax liabilities	0.0	0.3
Other current liabilities	0.7	1.5
Total	13.8	19.2

Note 7) Related party transactions

In the Tethys Oil Group, Tethys Oil AB (publ) with organisational number 556615-8266 is the parent company. Material subsidiaries include Tethys Oil Oman Limited, Tethys Oil Block 3&4 Limited, Tethys Oil Montasar Limited, Tethys Oil Oman Onshore Limited, Tethys Oil Qatbeet Limited, Tethys Oil France AB, Tethys Oil Invest AB and Tethys Oil Exploration AB.

Tethys Oil enters into related-party transactions as part of the normal course of business and on an arm's

length basis. During the period, there were no transactions with related parties external to the Group.

Note 8) Incentive programmes

Tethys Oil has incentive programmes as part of the remuneration package to employees.

Warrants

Warrants have been issued annually since 2015, following a decision by the respective AGM. Since 2021 warrants are only issued to the Executive

Management. No new warrants were issued or exercised during the period.

Warrant incentive programme	Exercise period	Subscription price, SEK	Shares per warrant	1 Jan 2024	Number of warrants			31 Mar 2024
					Issued 2024	Exercised 2024	Expired 2024	
2021 programme	12 Jun - 4 Oct 2024	66.10	1.15	200,000	-	-	-	200,000
2022 programme	18 Aug - 6 Oct 2025	92.80	1.07	160,000	-	-	-	160,000
2023 programme	3 Jun - 28 Sep 2026	59.40	1.01	250,000	-	-	-	250,000
Total				610,000	-	-	-	610,000

Long-Term Incentive Programme (LTIP)

Tethys Oil currently has two identical share based Long-Term Incentive Programmes for all employees excluding the Executive management, which were approved by the board. LTIP 2022-2024 ("LTIP 2022") was launched in October 2022 and LTIP 2023-2025 ("LTIP 2023") was launched in April 2023.

Each Programme comprises three-year Vesting Period. The payment of each instalment is

conditional on continued employment, and continued ownership of the Reward Shares purchased within the programme. For LTIP 2022 a total amount of MSEK 6.0 was granted to the participants of the programme to be earned during the vesting period out of which MSEK 2.3 remain outstanding as at reporting date. The maximum limit for LTIP 2023 is MSEK 5.3 and MSEK 3.4 remain outstanding as at reporting date.

Note 9) Tax

Tethys Oil's oil and gas operations in Oman are governed by an Exploration and Production Sharing Agreement for each Block ("EPSA"), whereby Tethys Oil receives its share of oil after the government's take. Under the terms of each EPSA, Tethys Oil is subject to Omani income taxes, which are paid in full, on behalf of Tethys Oil, from the

government's share of the oil. The effect of these taxes is netted against revenue and other income in the income statement.

Local income generated in Tethys Oil's Gibraltar subsidiaries are subject to Gibraltar taxes, filed on an annual basis.

Note 10) Pledged assets

The parent company has no pledged assets as per 31 March 2024 (2023: MUSD 0.0).

Note 11) Contingent liabilities

As part of the October 2020 farmin transaction with Medco for Block 56 there is further potential

contingent consideration upon a declaration of commerciality.

Note 12) Subsequent events

Other than as described in the report, no significant events have occurred after the end of the reporting period.

ALTERNATIVE PERFORMANCE MEASURES: RELEVANT RECONCILIATIONS

Alternative performance measures are used to describe the development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by executive management and the Board of Directors to measure Tethys Oil's financial performance.

Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. Besides the definitions presented in the section "Alternative performance measures: Glossary and Definitions, definitions of alternative performance measures" additional information can be found in the 2023 Annual Report.

EBITDA and Net cash, MUSD	First quarter 2024	First quarter 2023	Full year 2023
Operating result	2.1	7.7	-11.6
Add: Depreciation, depletion and amortisation	10.8	11.0	42.0
Add: Impairment	-	-	36.9
Add: Exploration costs	-	-	6.4
Less: Share of net result from associates	-	-	-0.2
EBITDA	13.0	18.7	73.5
Cash and cash equivalents	14.9	39.9	25.8
Less: Interest bearing debt	-0.1	-0.4	-0.1
Net cash	14.9	39.6	25.7

Key data per quarter

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
Net daily production before government take, Blocks 3&4, bbl	8,032	8,397	8,486	8,994	9,411
Net entitlement barrels, bbl	380,053	401,708	405,952	425,585	440,441
Net entitlement share of production, percent	52%	52%	52%	52%	52%
Oil sales, bbl	364,859	383,004	417,275	463,196	471,550
Achieved Oil Price, USD/bbl	79.5	90.4	76.9	81.6	81.7
Average OSP, USD/bbl	79.9	89.7	76.7	81.3	81.6
Operating expenses, USD/bbl	20.3	17.1	16.8	17.4	17.2
Revenue and other income, MUSD	30.1	36.4	31.8	34.7	35.3
EBITDA, MUSD	13.0	21.5	16.4	16.9	18.7
Operating result, MUSD	2.1	-31.9	6.5	6.1	7.7
Earnings per share after dilution, USD	0.23	-1.20	0.19	0.25	0.25
Cash flow from operations, MUSD	6.2	21.9	14.8	25.7	20.4
Investment in oil and gas properties, MUSD	17.0	19.2	21.1	21.4	20.0
Free cash flow, MUSD	-10.8	2.5	-6.1	4.0	0.4
Cash and cash equivalents, MUSD	14.9	25.8	27.7	33.9	39.9
Return on shareholders' equity, rolling 12 months	-6%	-6%	13%	18%	20%
Return on capital employed, rolling 12 months	-6%	-4%	12%	16%	18%
Share price end of period, SEK	35.6	43.5	54.9	48.8	54.7

ALTERNATIVE PERFORMANCE MEASURES: GLOSSARY AND DEFINITIONS

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures. The alternative key financial performance indicators are defined as financial measures of historical or future earnings trends, financial position, financial performance, or cash flows that are not defined or specified in the applicable regulations for financial

reporting, IFRS, and the Annual Accounts Act. These measures should not be regarded as a substitute for measures defined in accordance with IFRS.

If an alternative performance measure cannot be identified directly from the financial statements, a reconciliation is required.

Definitions of key ratios and abbreviations

EBITDA	Earnings before interest, tax, depreciation, and amortisation.
EBITDA-margin	EBITDA as a percentage of revenue and other income.
Equity ratio	Shareholders' equity as a percentage of total assets.
Return on shareholder's equity, rolling 12 months	Return on shareholder's equity is calculated by dividing the net result for the past 12 months by the average of the ingoing and outgoing shareholder's equity for the same period.
Return on capital employed, rolling 12 months	Return on capital employed is calculated dividing the operating result for the past 12 months by the average capital employed (equity plus non-current liabilities) for the same period.
Net entitlement	Volumes and share of oil production from Joint operation, which the company is entitled to sell expressed in barrels. Calculated monthly based on EPSA. Consist of 2 components: Cost oil and Profit Oil.
Net entitlement share	The oil production from Joint operation, which the company is entitled to sell expressed as a percentage of the company's total share of the oil produced. Calculated as Cost oil plus Profit Oil divided by Production.
Cost Oil	The Cost Oil is the value of recoverable costs incurred in the period and any outstanding balance of unrecovered historical cost from previous periods ("the Cost Pool") The total amount of Cost Oil for a given period is capped to a fixed share of total production, after conversion to barrels using the Official Selling Price ("OSP").
Profit Oil	Profit Oil remains after the deduction of Cost Oil. The majority of the Profit Oil is the government's take according to a fixed percentage.
Cost pool	Any outstanding balance of unrecovered historical cost from previous periods.
Production before government take	Net share of total production.
Underlift/ Overlift	Calculation of net from Net Entitlement barrels and lifted barrels. Lifting more barrels results in an overlift and the opposite is an underlift.
Netback	Gross profit per barrel of oil. Average OSP reduced by royalties/government take and operating and transport expenses per barrel.
Achieved Oil Price	Achieved Oil Price is calculated with revenue from oil sales within the period divided by sold barrels of oil.
Average OSP	The Average OSP is calculated as the production weighted average of the monthly Official Selling Price (OSP) for Omani Export Blend in the quarter and does not take into consideration the timing of monthly liftings or any trading and quality adjustments (as is the case with the Achieved oil price).
Oman OSP	Oman's Official Selling Price (OSP) is calculated using the monthly average price of the front month futures contract of Oman blend (with 2 months to delivery) as traded on the Dubai Mercantile Exchange.
Net cash	Cash and equivalents less interest-bearing debt.
Number of employees	Average number of fulltime employees during the period.
Shareholders' equity per share	Shareholders' equity divided by the number of outstanding shares.
Weighted average number of shares (after dilution)	Number of shares at the beginning of the year with newly issued shares time weighted for the period on issue. Dilution effects include potential shares that may be converted to shares under favourable conditions, primarily warrants with subscription prices lower than the share price.
Treasury shares	Own shares held by Tethys Oil following share repurchases.
Earnings per share	Net result for the period divided by the weighted number of shares.
SEK	Swedish krona.
MSEK	Millions of Swedish kronor.
USD	US dollar.
MUSD	Millions of US dollars.
Bbl	One barrel of oil = 159 litres, 0.159 cubic meters.
Bopd	Oil production is often given in numbers of Barrels of Oil per Day.
Mbo	Thousand Barrels.
Mmbo	Million Barrels.
EPSA	Exploration and Production Sharing Agreement.
Prospective resources (2U)	Like reserves and contingent resources, prospective resources volume estimates are defined probabilistically. 1U is the low estimate, 2U is the best estimate and 3U the high.

FINANCIAL CALENDAR:

- The Annual General Meeting 2024 is to be held in Stockholm 15 May 2024
- Report for the second quarter 2024 (January – June 2024) on 6 August 2024
- Report for the third quarter 2024 (January – September) on 5 November 2024

CONFERENCE CALL

Date: 7 May 2024

Time: 10.00 CEST

To participate in the conference call, you may choose one of the following options:

Link to webcast: <https://edge.media-server.com/mmc/p/vxr6d69m>

To participate via phone, please register [here](#) to receive dial-in information.

Stockholm, 7 May 2024

Tethys Oil AB (publ)

Org. No. 556615-8266

Magnus Nordin

Managing Director

This report has not been subject to review by the auditors of the company.

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This information is information that Tethys Oil AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 7:30 CEST on 7 May 2024.