

## Maha Energy AB Announces Filing of Third Quarter 2021 Report & Live Webcast

Maha Energy AB (publ) (“Maha” or the “Company”) is pleased to announce its third quarter results. The report is attached to this press release and available on the Company’s website at [www.mahaenergy.ca](http://www.mahaenergy.ca).

### Third Quarter 2021

- Daily oil & gas production for Q3 2021 averaged 3,610 BOEPD (Q3 2020: 3,580 BOEPD)
- Revenue of USD 19.5 million (Q3 2020: USD 11.2 million)
- Operating netback of USD 13.6 million or USD 41.17 per BOE (Q3 2020: USD 7.0 million or USD 21.12 per BOE)
- EBITDA of USD 12.9 million (Q3 2020: USD 5.5 million)
- Net result of USD 6.1 million (Q3 2020: USD 1.8 million)
- Basic Earnings per share of USD 0.05 (Q3 2020: USD 0.02)
- Diluted Earnings per share of USD 0.05 (Q3 2020: USD 0.02)
- Cash and cash equivalents balance of USD 31.8 million (Q3 2020: 18.0 million)

### Nine months Ended 30 September 2021

- Daily oil & gas production for nine months 2021 averaged 3,485 BOEPD (Nine months 2020: 3,490 BOEPD)
- Revenue of USD 50.5 million (Nine months 2020: USD 30.4 million)
- Operating netback of USD 34.1 million or USD 36.92 per BOE (Nine months 2020: USD 19.3 million or USD 20.67 per BOE)
- EBITDA of USD 32.1 million (Nine months 2020: USD 15.4 million)
- Net result for the period of USD 14.2 million (Nine months 2020: USD 5.4 million)
- Basic Earnings per share of USD 0.13 (Nine months 2020: USD 0.05)
- Diluted Earnings per share of USD 0.13 (Nine months 2020: USD 0.05)
- Cash and cash equivalents balance of USD 31.8 million (2020: USD 6.7 million)

### **Financial Summary**

<i>(TUSD, unless otherwise noted)</i>	<b>Q3 2021</b>	Q2 2021	Q1 2021	Q4 2020	Q3 2020	<b>Nine months 2021</b>	Nine months 2020	FY 2020
Net Daily Production (BOEPD)	<b>3,610</b>	3,104	3,742	2,738	3,580	<b>3,485</b>	3,490	3,301
Revenue	<b>19,496</b>	15,178	15,814	8,659	11,226	<b>50,488</b>	30,359	39,018
Operating netback	<b>13,568</b>	9,548	11,031	4,247	7,041	<b>34,147</b>	19,276	23,523
EBITDA	<b>12,909</b>	8,988	10,213	2,720	5,514	<b>32,110</b>	15,384	18,104
Net result for the period <sup>1</sup>	<b>6,083</b>	2,603	5,538	(15,702)	1,845	<b>14,224</b>	5,443	(10,259)
Earnings per share – Basic (USD)	<b>0.05</b>	0.02	0.05	(0.15)	0.02	<b>0.13</b>	0.05	(0.10)
Earnings per share – Diluted (USD)	<b>0.05</b>	0.02	0.05	(0.15)	0.02	<b>0.13</b>	0.05	(0.10)
Cash and cash equivalents	<b>31,778</b>	34,139	5,698	6,681	18,034	<b>31,778</b>	18,034	6,681

<sup>1</sup> Net result of Q4 2020 and full year 2020 includes an impairment charge of USD 21.0 million.

## Letter to shareholders

Dear Friends and Fellow Shareholders of Maha Energy AB,

By now, I was really hoping that we could have announced some promising results from our first horizontal well on the Tie field, but alas, that is unfortunately not the case. The Tie-4 well continues to test us and we are currently re-drilling the 8-1/2" production hole, for the third time. As an old 'Driller' I can tell you how gut wrenching it is when you stick the drillstring in the hole. Fishing and sidetracking operations are time consuming and expensive. To add insult to injury the delay in completion are deferring profitable barrels that would have added to our healthy bottom line this quarter, especially at the current price of oil.

Having said that, we are delivering a record quarter in terms of revenue and EBITDA. The net result for the period is not far behind and would have also broken our previous record had we not incurred extra costs when completing the successful acid stimulation of Tie 3 (increased rate from ~100 to 240 bopd) and some slickline work on GTE-4 during the quarter. Our netbacks are very healthy at USD 41.17/BOE and our net result is USD 6.083 million for the quarter.

Our production for the quarter was impacted by the problems on Tie-4, but the other wells are actually performing better than predicted - so I am bullish on our future production provided we can get our horizontal wells drilled on time. To that extent, we have taken a number of concrete steps to address the continuing drilling problems that are plaguing us and we are stubbornly working through all the issues.

In Oman we are gathering momentum. The Covid induced supply chain problems we are experiencing are challenging our crew in Oman, but I am pleased to say that we have located and ordered all critical long lead items for the wells in Oman and we are currently sourcing a drilling rig. I am hopeful to start drilling in Oman during the first half of next year.

In the USA, production at our Illinois Basin (IB) property is ramping up. We have had some excellent drilling results this year and all wells are now completed, stimulated and hooked up to pumps. Five of the new wells are already producing good quantities of oil, one more is just breaking to oil from water and five are still being dewatered from stimulation fluids. We expect that IB will be in full oil production by the end of the year. Last week's oil production from IB is averaging 287 BOPD.

I know that the recent downward revision in our estimated annual average production rate was very disappointing. We share that disappointment and I know I speak for all Maha employees when I say that no one is working harder than our drilling team to get the wells drilled and placed on production as soon as possible. This is the oil business and we are working hard and as fast as we can to create redundancy in our production portfolio so that we are less dependent on our Tie field. That is why it was important to diversify into IB and Oman during 2020. I am confident that as we end 2021 and look into 2022 we can look forward to more wells and more oil!

I am grateful of the support we are getting from our shareholders and we value your continued support. No doubt, we will achieve our goals - the oil is there and it has been there for millions of years, it just has to wait a few more months until it sees daylight

As always, a big thank you to all Maha employees that I know work so hard for all of us. And to all fellow shareholders  
- thank you for your continued support.

*Jonas Lindvall*  
*Managing Director*

### **Q3 Webcast today at 16:00 CET**

There will be a live webcast today, 22 November at 16:00 CET (Sweden time) to present the quarterly results and provide an operational update. A link to the webcast is available on the Company's website: [www.mahaenergy.ca](http://www.mahaenergy.ca). Questions posted on the day of the presentation should be made directly in the YouTube Comments/Questions field. The webcast will be broadcast live on Nyhetsbyrån Direkts Youtube Channel and is hosted by Laikas' Mr. Kaarlo Airaxin, and will feature Maha's CEO Jonas Lindvall and CFO Andres Modarelli.

*This information is such information as Maha Energy 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 below, at 07:30 CET on 22 November, 2021.*

#### **For more information, please contact:**

Jonas Lindvall (CEO)  
Tel: +46 8 611 05 11  
[jonas@mahaenergy.ca](mailto:jonas@mahaenergy.ca)

Andres Modarelli (CFO)  
Tel: +46 8 611 05 11  
[andres@mahaenergy.ca](mailto:andres@mahaenergy.ca)

Victoria Berg (Investor Relations)  
Tel: +46 8 611 05 11  
[victoria@mahaenergy.ca](mailto:victoria@mahaenergy.ca)

#### **About Maha**

*Maha Energy AB (publ) is a listed, international upstream oil and gas company whose business activities include exploration, development and production of crude oil and natural gas. The strategy is to target and develop underperforming hydrocarbon assets on global basis. Maha operates four oil fields: Tartaruga and Tie in Brazil, Powder River (LAK Ranch) and Illinois Basin in the United States. The shares are listed on Nasdaq Stockholm ([MAHA-A](#)). The head office is in Stockholm, Sweden with a technical office in Calgary, Canada, as well as operations offices in Grayville, Illinois, USA and Rio De Janeiro, Brazil. For more information, please visit our website [www.mahaenergy.ca](http://www.mahaenergy.ca)*