

## Maha Energy AB Announces Filing of Second Quarter 2023 Report & Live Webcast

Maha Energy AB (publ) (“Maha” or the “Company”) is pleased to announce its second quarter 2023 results. The report is attached to this press release and available on the Company’s website at [www.mahaenergy.ca](http://www.mahaenergy.ca).

### Second Quarter 2023

All amounts are in US dollars unless otherwise noted. The amounts below are related only to continuing operations.

- The Company completed the business combination with DBO 2.0 S.A., holding 15% equity interest in 3R Offshore.
- Income from investment in associate amounted to 0.4 million (Q2 2022: nil), representing Maha’s share of results in 3R Offshore for the month of June.
- Daily oil production for Q2 2023 from continuing operations averaged 211 BOEPD (Q2 2022: 542 BOEPD) and including non-consolidated production from 3R Offshore averaged 1,988 BOEPD.
- Revenue of 1.3 million (Q2 2022: 4.1 million) following lower sales volumes and lower realized oil price.
- Operating netback of 0.5 million (Q2 2022: 2.2 million) following lower sales volumes.
- Finance income amounted to 4.3 million (Q2 2022: TUSD 16), mainly related to investment income generated from short-term Time Deposits and investments.
- Finance costs reduced to 1.9 million (Q2 2022: 2.4 million) as the Company continues to amortize bank debt.
- EBITDA of -1.8 million (Q2 2022: 0.6 million).
- Positive net result of 0.1 million (Q2 2022: -2.3 million).

### Six Months Ended 30 June 2023

All amounts are in US dollars unless otherwise noted. The amounts below are related only to continuing operations.

- Daily oil production for H1 2023 from continuing operations averaged 222 BOEPD (H1 2022: 502 BOEPD).
- Revenue of 2.8 million (H1 2022: 7.8 million) following lower sales volumes and lower realized oil price.
- Operating netback of 1.1 million (H1 2022: 4.1 million) following lower sales volumes and lower realized oil price.
- Finance income for H1 2023 amounted to 4.6 million (H1 2022: TUSD 27).
- EBITDA of -2.0 million (H1 2022: 1.1 million).
- Net result of -2.3 million (H1 2022: -5.0 million).
- Total cash balance on 30 June 2023 (including restricted cash of 41.1 million) of 102.4 million (31 December: 19.5 million excluding cash from assets held for sale).

### Financial Summary

The table below presents the highlights of the continuing operations:

<i>(TUSD, unless otherwise noted)</i>	<b>Q2 2023</b>	<b>Q1 2023</b>	<b>Q4 2022</b>	<b>Q3 2022</b>	<b>Q2 2022</b>	<b>H1 2023</b>	<b>H1 2022</b>
Net Daily Production (BOEPD)	<b>211</b>	233	280	314	542	<b>222</b>	502
Revenue	<b>1,325</b>	1,486	1,991	2,567	4,053	<b>2,811</b>	7,769
Operating netback	<b>470</b>	648	1,002	1,379	2,219	<b>1,118</b>	4,142
EBITDA <sup>1</sup>	<b>(1,788)</b>	(237)	(1,335)	(234)	616	<b>(2,025)</b>	1,149
Net result for the period	<b>90</b>	(2,378)	(3,579)	(3,928)	(2,329)	<b>(2,288)</b>	(5,022)
Earnings per share – Basic & Diluted (USD)	<b>0.00</b>	(0.02)	(0.03)	(0.03)	(0.02)	<b>(0.02)</b>	(0.04)
Cash and cash equivalents (including restricted cash)	<b>102,406</b>	110,395	19,520	9,317	13,066	<b>102,406</b>	13,066

<sup>1</sup> See page 31-32 for the alternative performance measurement.

## Letter to shareholders

Dear Friends and Fellow Shareholders of Maha Energy AB,

The second quarter 2023 could be viewed as the first quarter for the new Maha. The sale of our onshore assets (Tiê and Tartaruga) in Brazil was already closed in the first quarter, but in the second quarter we concluded the business combination with DBO Invest and other shareholders involving our new offshore assets in Brazil (Papa Terra and Peroá), which we from now on will refer to as Maha Offshore (instead of DBO 2.0). Through this transaction we restored our production to almost 2,000 BOEPD and reserves plus contingent resources up to 44.7 mm BOE, to levels as before of the sale of the onshore assets. In addition to that, we have achieved a substantial and robust cash position to pursue attractive new opportunities within the O&G sector worldwide.

The business combination with DBO Invest and other shareholders involving Maha Offshore was completed just before the AGM in May. Through the transaction, we increased our reserves with 18.8 MMBoe (indirect equity interest of 15% on 3R Offshore) and we are pleased to report that our new assets have gotten off with an excellent initial performance. The production increased by 24% from the first to the second quarter and amounted to 1,988 BOEPD (including 211 BOEPD from our US assets). But there is still room for further increases, specially if we consider that we had a temporary interruption (maintenance) at the Papa Terra cluster in May 2023 and ongoing investments. For the first time we are reporting our share in income from investment in associate from Maha Offshore (non-cash), which amounted to TUSD 454 since the date of closing May 23<sup>rd</sup>.

In Oman, we continued the work with the initial short-term production test launched in mid March 2023. All eight production wells drilled in the 2022/2023 drilling program were tested for short term and five produced oil to surface at an initial estimated average rate of 300 barrels of oil per day per well, while three had to be suspended after producing water and gas but before producing any oil. Even though more than 4,000 barrels of heavy, high viscosity oil (between 11-13 degrees API) were produced, filling all tank capacity available at Block 70, oil offloading has not yet initiated. Maha is now scaling up chemical treatment of the produced oil to reduce viscosity and enhance flowability to achieve the required specification to offload the produced oil to the third-party facility for further processing and transportation through the Omani national pipeline system.

Also, during the second quarter of 2023, the Minimum Work Obligations of the EPSA have been fully concluded as planned and, as Maha approaches the end of the Initial Phase in late October 2023, Maha has requested the extension of this Phase of the EPSA to the Ministry of Energy and Minerals of the Sultanate of Oman ("MEM"). During the extended Initial Phase, Maha intends to implement activities necessary to support any potential decision regarding Block 70's declaration of commerciality.

Our total cash balance amounts to USD 102.4 million (including restricted cash of USD 41.1 million). On top of that, we expect the second installment of USD 55.0 million from the onshore Brazil sale later in the end of August. We have actively managed these funds. For the second quarter 2023, we report a Financial Income of USD 4.3 million. We are very excited with this moment and confident to continue investing these resources into new transactions and continue our growth momentum based on a robust M&A strategy. We stick to our growth path and are eager to conclude more transactions at attractive multiples. We appreciate you taking this journey with us.

Yours sincerely,  
Paulo T. Arantes de Mendonça (CEO)

### **Q2 Webcast today at 18:00 CEST**

The Company invites all interested parties to a live webcasted presentation today at 18.00 CEST. Paulo Thiago Mendonça, CEO, and Guilherme Guidolin de Campos, CFO, will present the report and recent developments.

The webcast will be held in English and will be broadcasted live. An on-demand version will also be available on Maha's website and YouTube channel. Questions to the presenters can be emailed in advance to the Company at [info@mahaenergy.ca](mailto:info@mahaenergy.ca) or be made directly on the day of the presentation in the YouTube Comments/Questions field.

Link to webcast: <https://youtube.com/live/G4SJcdUBm8w>

Press release, Stockholm 11 August 2023

*This information is such information as Maha Energy AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 15:20 CEST on 11 August 2023.*

**For more information, please contact:**

Paulo Thiago Mendonça (CEO), Tel: +46 8 611 05 11, Email: [info@mahaenergy.ca](mailto:info@mahaenergy.ca)

Guilherme Guidolin de Campos (CFO), Tel: +46 8 611 05 11, Email: [info@mahaenergy.ca](mailto:info@mahaenergy.ca)

Jakob Sintring (Head of Investor Relations), Tel: +46 8 611 05 11, Email: [info@mahaenergy.ca](mailto:info@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 the Mafraq field in Block 70 in the Sultanate of Oman and assets 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, Rio De Janeiro, Brazil and Muscat, Oman. For more information, please visit our website [www.mahaenergy.ca](http://www.mahaenergy.ca).*