Admission of trading of shares in Maha Energy AB on Nasdaq Stockholm

This Prospectus is valid for a period of twelve months after the date of the approval, provided that it is completed by any supplement required pursuant to Article 23 of the Prospectus Regulation. The obligation to publish a supplement to the Prospectus in the event of significant new factors, material mistakes or inaccuracies will not apply when the Prospectus is no longer valid, and Maha will only prepare supplements to the Prospectus when required pursuant to the provisions of the Prospectus Regulation.

Important information to investors

This prospectus (the "**Prospectus**") has been prepared for the purpose of admission to trading of shares in Maha Energy AB, corporate registration number 559018-9543 (a Swedish public limited liability company) on Nasdaq Stockholm (the "**Admission**"). In the Prospectus, "**Maha**", "the **Company**" or "the **Group**" refers to, depending on the context, Maha Energy AB, the group in which Maha Energy AB is the parent company or a subsidiary in the group. The Prospectus has been prepared in accordance with the rules set out in Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the "**Prospectus Regulation**"). The Prospectus has been approved and registered by the Swedish Financial Supervisory Authority in accordance with the Prospectus Regulation. The Swedish Financial Supervisory Authority's approval and registration of the Prospectus does not mean that the Swedish Financial Supervisory Authority guarantees that the facts in the Prospectus are complete or correct. The Prospectus is available in electronic form on the Company's website (www.mahaenergy.ca) and will be available on the Swedish Financial Supervisory Authority's website (www.fi.se).

This Prospectus relates to the Admission of the shares issued within the non-cash issue of 34,829,057 new shares in Maha as consideration for Maha's acquisition of 188,426 shares in DBO 2.0 S.A. ("**DBO**") (thereafter re-named Maha Energy Offshore (Brasil) Ltda.), while the remaining one (1) outstanding share in DBO is acquired by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, against payment of BRL 1.00 (the "**Transaction**") and does not include any offer to subscribe for or otherwise acquire shares or other securities in the Company, neither in Sweden nor in any other jurisdiction. The Prospectus may not be made public, published or distributed in the United States, Canada, Japan, Australia, Hong Kong, Singapore, South Africa or New Zealand or another country where such measure requires registration measures or other measures beyond those required by Swedish law. Recipients of this Prospectus is obliged to inform themselves of and comply with such legal restrictions and in particular not to publish or distribute the Prospectus in violation of applicable laws and rules. Any action in violation of the said restrictions may constitute a violation of applicable securities law.

An investment in the Company's shares is associated with certain risks; see the section "Risk factors". When an investor makes a decision to invest in the Company's shares, he or she must rely on his or her own assessment of the Company and the Group, including benefits and risks, and may only rely on the information in the Prospectus (and any possible supplements to the Prospectus). Neither the publication nor the distribution of the Prospectus means that the information in the Prospectus is accurate at any time after the date of the publication of the Prospectus, or that there have been no changes in the Company's business, performance or financial position since this date. If changes relating to the information presented in the Prospectus occur during the period following the approval of the Prospectus by the Swedish Financial Supervisory Authority, but before the securities have been admitted to trading on Nasdaq Stockholm, such changes will be announced to the extent required under applicable laws.

No person is, or has been, authorized to provide any information, promise or guarantee in connection with the Admission other than those made in the Prospectus, and should such information, promise or guarantee nevertheless be provided, it may not be relied upon as if it had been provided with the Company's approval, and the Company does not take responsibility for any such information, promise or guarantee. Further, no promise or guarantee regarding the accuracy and/or the completeness of the information contained in the Prospectus, either expressed or implied, is provided by any member of the Board of Directors of the Company or any other person, with the exception of what follows from applicable laws. Disputes arising out of or in connection with the Prospectus, the Admission or other related legal matters shall be settled exclusively by Swedish courts and be governed by Swedish law without taking into account its conflict of laws principles. Stockholm District Court shall be first instance.

Presentation of financial information

Certain financial information and other information presented in the Prospectus have been rounded off to make the information easily accessible to the reader. As a consequence thereof, the figures in certain columns do not tally with figures shown in totals. Unless otherwise stated, all financial amounts are expressed in US dollars ("**USD**") and "**TUSD**" refers to thousands of USD and "**MUSD**" refers to millions of USD. "**SEK**" refers to Swedish kronor, and "**TSEK**" refers to thousands of SEK and "**MSEK**" refers to millions of SEK. "**BRL**" refers to Brazilian Reais. See the section "Glossary" for definitions of other terms in the Prospectus. Except when expressly stated, no information in the Prospectus has been reviewed or audited by the Company's auditor.

Forward-looking statements and industry and market information

The Prospectus contains certain forward-looking statements that reflect the Company's present view of future events as well as financial and operational results. Such forward-looking statements are associated with both known and unknown risks and circumstances which are beyond the Company's control. All statements in the Prospectus, other than statements on historical or present facts or circumstances, constitute forward-looking statements. Forward-looking statements are made in several sections of the Prospectus and can be identified through terms and expressions such as "could", "may", "should", "expected", "estimated", "likely", "calculated", "plan", "pursue" or grammatical variations of such terms or other similar terms. The section "Risk factors" includes a description of some, but not all, factors that may cause the Company's future results and development to differ significantly from what is expressed or implied in any forward-looking statement. The forward-looking statements apply only as of the date of the Prospectus. The Company has no intention to publish updated forward-looking statements or other information in the Prospectus based on new information, future events, etc., other than what is required under the Prospectus Regulation.

The Prospectus contains industry and market information attributable to Maha's business and the market on which the Group operates. Unless otherwise stated, such information is based on the Company's analysis of several different sources. The Company has reproduced such third party information accurately and, as far as the Company's Board of Directors is aware and can ascertain from information published by third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Company has not independently verified the accuracy or completeness of any third party information and therefore, its accuracy or completeness cannot be guaranteed by the Company.

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SHARE INFORMATION	
Ticker on Nasdaq Stockholm	MAHA A
ISIN code:	SE0008374383
FINANCIAL CALENDAR	
Second Quarter Report 2023	14 August 2023
Third Quarter Report 2023	14 November 2023
PRELIMINARY TIMETABLE	
Preliminary date for admission to trading on Nasdaq Stockholm	13 September 2023

Summary

INTRODUCTION AND WARNINGS

The securities	The Admission comprises shares in Maha Energy AB with ISIN code SE0008374383 and ticker MAHA A.
Identity and contact details of the issuer	Legal name: Maha Energy AB Reg. no.: 559018-9543 LEI code: 213800USNX47LQFQQN20 Address: Eriksbergsgatan 10, SE-114 30 Stockholm, Sweden Telephone: +46 (0)8 611 05 11 Website: www.mahaenergy.ca
Competent authority which has approved the prospectus	Swedish Financial Supervisory Authority (*Sw.* Finansinspektionen) Address: P.O. Box 7821, 103 97, Stockholm, Sweden Telephone: +46 (0)8 408 980 00 Website: www.fi.se
Date of approval of the prospectus	25 August 2023.
Warnings	This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Investors can lose all or part of the invested capital. Where a claim relating to the information in this Prospectus is brought before a court, the investor who is plaintiff under national legislation might be obliged to bear the costs of translating the Prospectus before the legal proceedings commence. Civil liability may only attach to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus or, where it does not provide, when read together with other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

KEY INFORMATION ON THE ISSUER

Who is the issuer of the securities?	*The issuer's domicile, legal form and legislation* The Company is a Swedish public limited liability company which was incorporated in Sweden in 2015 and has its registered office in Stockholm. Its operations are conducted in accordance with the Swedish Companies Act (*Sw.* aktiebolagslagen (2005:551)) and the Company's LEI code is 213800USNX47LQFQQN20. *The issuer's principal activities* Maha 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 a global basis. Maha operates three oil assets: Block 70 (Oman), LAK Ranch (Wyoming) and the Illinois Basin asset, both in the United States. On 23 March 2023, the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch. As per the date of the Prospectus, closing of the transaction has not yet occurred. Additionally,

Maha has indirect participation in 3R Petroleum Offshore S.A. (“**3R Offshore**”), which operates Peroá and Papa Terra clusters in Brazil. The shares in Maha are listed on Nasdaq Stockholm (MAHA-A). The head office is in Stockholm, Sweden with administrative offices in Calgary, Canada and Rio De Janeiro, Brazil, as well as operations offices in Grayville, Illinois, USA and in Muscat, Oman.

The issuer’s major shareholders

The table below sets forth a summary of the Company’s ownership structure as per 30 June 2023, including known changes thereafter, such as the non-cash issue of 34,829,057 new shares issued as consideration for Maha’s acquisition of 188,426 shares in DBO 2.0 S.A. (“**DBO**”) (thereafter re-named Maha Energy Offshore (Brasil) Ltda.), while the remaining one (1) outstanding share in DBO is acquired by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, against payment of BRL 1.00 (the “**Transaction**”).

Name	**Total number of shares1)**	**Share of capital and votes1)**
Turmalina Fundo de Investimento em Participações Multiestratégia Investimento no Exterior	28,520,330	15.98%
DBO Invest S.A.	21,936,598	12.29%
Other existing shareholders	127,987,825	71.72%
Total:	**178,444,753**	**100.00%**

1) Includes the 34,829,057 new shares which were were subscribed for, fully paid and allocated to the subscribers within the Transaction.

Board of directors of the issuer

The Company’s board of directors comprises the chairman of the board Fabio Vassel and ordinary board members Paulo Thiago Mendonça, Viktor Modigh, Enrique Peña, Richard Norris, Halvard Idland and Kjetil Solbraekke.

Senior executives of the issuer

The Company’s executive management comprises (i) Paulo Thiago Mendonça, board member and managing director, (ii) Guilherme Guidolin de Campos, Chief Financial Officer, (iii) Alan Johnson, Chief Operating Officer, and (iv) Barbara Bittencourt, Chief Legal Officer.

Auditor of the issuer

As of 2016, the Company’s auditor is Deloitte AB (“**Deloitte**”), who was re-elected at the annual general meeting held in 2023 for the period until the end of next annual general meeting. The auditor-in-charge at Deloitte is Andreas Frountzos.

What is the key financial information regarding the issuer?

Consolidated statement of profit and loss in summary

TUSD	*Jan-Dec 2022*[1]	*Jan-Jun 2023*[2]	*Jan-Jun 2022*[2]
Net revenue	9,351	2,072	5,892
Operating profit	(3,200)	(3,035)	(156)
Net profit of the period	22,933	(3,935)	20,249
Earnings per share before and after dilution, USD	0.19	(0.03)	0.17

[1] Based on the Group’s audited financial report per and for the financial year ended 31 December 2022 which is included in the annual report for the year.
[2] Based on the Group’s unaudited interim report for the period 1 January 2023 – 30 June 2023.

Consolidated statement of financial position in summary

TUSD	*31 Dec 2022*[1]	*30 Jun 2023*[2]
Total assets	218,355	234,000
Total equity	140,897	183,597

Consolidated cash flow statement in summary

TUSD	*Jan-Dec 2022*[1]	*Jan-Jun 2023*[2Fel! Bokmärket är inte definierat.]	*Jan-Jun 2022*[2]
Cash flow from operating activities	54,657	(6,607)	30,919
Cash flow from investing activities	(62,683)	(40,611)	(27,693)
Cash flow from financing activities	6,385	(9,071)	(4,421)

What are the key risks that are specific to the issuer?

– The demand for oil, natural gas and other petroleum products are dependent on the global economy. In addition, the economic situation on the global market affects the Company's business, results and financial position. Numerous factors do, and will continue to affect the marketability and price of oil and natural gas acquired or discovered by the Company.

– The Company is exposed to risks in relation to three jurisdictions, as the Company's production of oil and gas is currently concentrated in (i) two offshore clusters in Brazil through the Company's shareholding in 3R Offshore, (ii) two oil producing fields in the United States (however pre-commercial production from the LAK Ranch has temporarily been suspended, although incidental oil may be occasionally produced due to any required production tests performed by Company, and on 23 March 2023 the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch), and (iii) one oil field evaluation in Oman.

– Alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas such as hydropower, wind power, solar energy, geothermal energy and biofuels, and technological advances in fuel economy and energy generation devices could over time reduce the demand for oil and other liquid hydrocarbons.

– The Company is dependent on a few important counterparties. A loss of any of the Company's material counterparties, the counterparties changing their terms or increase their prices, or the counterparties encountering difficulties in complying with their contractual obligations could have a negative impact on the Company.

– The Company is dependent on available and functioning infrastructure relating to the properties on which it operates. Depending on the area in which the Company operates, certain infrastructure and services commonly associated with petroleum operations may not be readily available.

– The Company participates in oil and gas projects located in Brazil and Oman which are considered emerging markets. Oil and gas exploration, development and production activities in emerging markets are subject to political and economic uncertainties.

– Shortage or increased demand for equipment used by the Company, or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities, which could result in lower production and in turn have an adverse effect on the Company's operations.

– There are a number of uncertainties in estimating the quantities of reserves/resources including factors which are beyond of the control of the Company. Estimating reserves and resources is a subjective process and the results of drilling, testing, production, and other new data subsequent to the date of an estimate may result in revisions to original estimates.

– The Company's operations are based on a relatively limited number of concession agreements, licenses, leases and contracts. The rights and obligations under such concessions, licenses, leases and contracts may be subject to interpretation. In case of a dispute, there is a risk that the view of the Company would not prevail or that the Company otherwise could effectively enforce its rights.

– All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of laws and regulations in the different jurisdictions where the Company operates. Failure to comply with any such environmental regulations or any undertakings imposed on the Company might entail civil, administrative and criminal sanctions to the Company and its managers, as the case may be.

– The Company may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, customers, and other parties.

– There is a risk that the Company will not be able to meet its financial obligations as they fall due, or that additional capital could be needed to finance the Company's operations and/or acquisition of additional working interest and/or obtaining licenses, and this could occur during less favourable market conditions.

KEY INFORMATION ON THE SECURITIES

What are the main features of the securities?

Type, class, and ISIN of the securities

This Prospectus relates to admission to trading of shares in Maha Energy AB. The shares have ISIN code SE0008374383 and ticker MAHA A.

Currency, quotient value and number of securities

The Company's shares are denominated in Swedish krona (SEK). As of the date of the Prospectus, the Company's registered share capital amounts to SEK 1,579,772.656 divided into 143,615,696 shares. The quotient value for each share is SEK 0.011. All shares are fully paid up. At the extraordinary general meeting held on 29 March 2023 it was resolved to increase the Company's share capital with no more than SEK 404,529.51 through the issue of no more than 36,775,410 new shares against payment in kind of 188,426 shares in DBO. In total 34,829,057 shares were subscribed for, fully paid and allocated to the subscribers, and 34,829,057 paid-up subscribed shares (BTA) have been issued to be converted into the shares after registration of the new shares with the Swedish Companies Registration Office.

Rights attached to the securities

The Company's shares are issued in accordance with Swedish legislation and the rights deriving from the shares may only be changed through a change to the articles of association in accordance with the Swedish Companies Act.

The Company's shares may be issued in one (1) class. All rights attached to the shares belong to the person who is registered in the share register managed by Euroclear Sweden AB ("**Euroclear**"). Resolutions regarding dividends are made by the general meeting. Right to dividend rests with a person who, on the record date as determined by the general meeting or by the board of directors in accordance with an authorization from the general meeting, is registered as owner of shares in the share register kept by Euroclear. At general meetings, each shareholder is, according to the Swedish Companies Act, entitled to vote for the full number of shares that the shareholder owns or represents without voting restrictions. Each share entitles to one vote.

	Transferability of shares There are no restrictions to the right to freely transfer shares in the Company. *Dividend policy* No dividend has been resolved or paid during the period covered by the historical financial information in the Prospectus. The Company's capacity to pay future dividends and the scope of such dividends depends on the Company's future performance, position, cash flows, working capital needs and other factors. The terms of existing and/or any future credit agreements could also prevent dividends from being paid. The Company has no current intentions of paying any dividend, as it anticipates that all available funds will be invested to finance the growth of its business. The board of directors will propose if and when dividends shall be paid in the future, based on the Company's financial position at the relevant time.
Where will the securities be traded?	As at the date of the Prospectus, the Company's shares are traded on Nasdaq Stockholm. The shares issued within the Transaction will also be traded on Nasdaq Stockholm, provided that customary conditions are met, including that a prospectus is approved and registered by the Swedish Financial Supervisory Authority. The first day of trading is expected to be on or around 13 September 2023.
What are the key risks that are specific to the securities?	– There is a risk that no dividends will be paid in the future. – The difference between the selling price and the purchase price may be significant from time to time, which can make it more difficult for a shareholder to sell shares at a certain time at a price deemed satisfactory. – There is a risk that the Company needs to obtain capital through new issues which may result in a dilution of existing shareholders' shareholding.

KEY INFORMATION ON THE ADMISSION TO TRADING ON NASDAQ STOCKHOLM

Under which conditions and timetable can I invest in this security?	*General* On 23 May 2023, Maha announced the closing of the business combination with DBO. The transaction consisted of 34,829,057 newly issued shares in Maha as consideration for Maha's acquisition of 188,426 shares in DBO and BRL 1.00 paid by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, for the acquisition of one (1) share in DBO, through which 100 percent of the shares in DBO were acquired. DBO owns 15 percent of the shares in 3R Offshore, which holds operated working interests in producing oil and gas offshore fields in Brazil. This Prospectus relates to admission to trading of 34,829,057 shares in the Company on Nasdaq Stockholm and does not include any offer to subscribe for or otherwise acquire shares or other securities in the Company. The first day of trading is expected to be on or around 13 September 2023. *Proceeds and costs relating to the Admission* The Company's costs in connection with the Admission are estimated to amount to approximately TUSD 200. Such costs are primarily attributable to costs for legal advisors and the Swedish Financial Supervisory Authority. The Company will not receive any proceeds in connection with the Admission.
Why is this prospectus being produced?	*Reasons for the Admission to trading on Nasdaq Stockholm* The prospectus is being produced because of the admission to trading on Nasdaq Stockholm for shares issued within the Transaction. The shares issued within the Transaction are subject to registration with the Swedish Companies Registration Office. *Conflicts of interest* There are no known material conflicts of interest pertaining to the Admission.

Setterwalls Advokatbyrå AB is legal advisor to the Company in connection with the Admission.

Risk factors

An investment in securities is associated with risk. When assessing the future development of Maha, it is important to consider the risk factors associated with the Company and its share. These include risks related to Maha's business and industry, legal risks, financial risks and risks related to the shares and the Admission. The risk factors that are deemed to be of material importance for the Company's future development are described below. The Company has assessed the risks based on the potential negative impact if a risk were to materialize, and the potential negative impact has been graded under the scale (i) low, (ii) medium and (iii) high. The risk factors are presented in a limited number of categories, in which the most significant risks according to the Company's assessment as described above are stated first. The description below is based on information available on the date of the Prospectus.

BUSINESS AND INDUSTRY RELATED RISKS

Prices, markets and marketing of crude oil and natural gas

The demand for oil, natural gas and other petroleum products are dependent on the global economy. In addition, the economic situation on the global market affects the Company's business, results and financial position. Numerous factors do, and will continue to affect the marketability and price of oil and natural gas acquired or discovered by the Company.

Prices for oil and natural gas are subject to large fluctuations depending on a variety of factors. These factors include, but are not limited to political, social or economic instability and geopolitical developments, for example, the war in Ukraine, recent turbulence within the banking market such as the bankruptcy filing of SVB Financial and the takeover of Credit Suisse, governmental regulation, risks of supply disruption, natural disasters, terrorist attacks, the availability of alternative fuel sources, currency fluctuations, changes in interest rates, downturns in the economy, natural disasters, trade restrictions, increased protectionism or pandemics, such as the COVID-19 pandemic, and uncertainty about future economic prospects. Even after the COVID-19 outbreaks have subsided, the Company may continue to experience materially adverse impacts to the business, mainly due to the global economic impact and the effect on the world demand for, and prices of, oil and gas. Furthermore, continued and/or heightened tensions related to Russia's invasion of Ukraine, and sanctions imposed by third countries, can significantly affect the global economy negatively and there is a risk that the general outlook for oil and gas prices will be volatile and impacted by the duration and severity of the conflict, the extent to which Russian exports are reduced by sanctions, and the timing and ability of producers and governments to replace reduced supply. Furthermore, in recent years the Organization of Petroleum Exporting Countries ("**OPEC**") and associated countries have, from time to time, agreed to voluntary production limitations, and Oman has in the past participated in such agreements. If Oman agrees to voluntary production limitations this may have an adverse effect on the Company's future oil and gas production and sales from Oman.

All the factors listed above could result in a material decrease in the Company's expected net production revenue and a decline in its oil and natural gas acquisition, development and exploration activities. Any substantial and/or extended decline in the price of oil and natural gas would have an adverse effect on the Company's revenues, profitability and cash flows from operations and could also affect the Company's ability to obtain equity or debt financing on acceptable terms. In addition, volatile oil and natural gas prices make it difficult to estimate the value of producing properties for acquisitions and often cause disruption in the market for oil and natural gas producing properties. For instance, between 31 March 2022 and 31 March 2023, the Brent[3] oil price was at its lowest USD 72.97 per barrel and at its highest USD 123.58 per barrel, and the WTI[4] benchmark oil price was at its lowest USD 66.74 per barrel and at its highest USD 122.11 per barrel.[5] Decreases in the Brent and/or WTI benchmark oil price may thus have a material adverse effect on the Company. Price volatility also makes it difficult to budget for and project the return on acquisitions and development and exploitation projects.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

[3] Brent refers to the price of the ICE Brent Crude Oil and Brent Crude Oil futures contract and is used as a pricing benchmark for the oil industry.
[4] "**WTI**", short for West Texas Intermediate, refers to the price of the New York Mercantile Exchange (NYMEX) WTI crude oil and WTI crude oil futures contracts and is used as a pricing benchmark for the oil industry.
[5] According to data from the U.S. Energy Information Administration.

Concentrated production in a small number of fields in three jurisdictions

The Company's production of oil and gas is currently concentrated in (i) two offshore clusters in Brazil through the Company's shareholding in 3R Offshore, (ii) two oil producing fields in the United States (however pre-commercial production from the LAK Ranch has temporarily been suspended, and on 23 March 2023 the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch), although incidental oil may be occasionally produced, due to any required production tests performed by Company, and (iii) one oil field evaluation in Oman.

As a result of these concentrations, the Company is exposed to the effect of regional supply and demand factors, delays or interruptions of production from wells in these areas caused by governmental regulation, availability of equipment, equipment failure, interruptions of facilities, personnel or services market limitations, weather events, interruption of the processing or transportation of oil or other factors affecting the Company's possibility to continue operations within these fields. Additionally, the Company may be exposed to risks, such as changes in field-wide rules and regulations that could cause the Company to permanently or temporarily close the wells within these fields. These risks may, if materialized, adversely affect the Company's ability to conduct its operations in one or several of these fields, which could have a material adverse effect on the Company's results and financial position.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Alternatives to and changing demand for petroleum products

Alternative fuel requirements, increasing consumer demand for alternatives to oil and natural gas such as hydropower, wind power, solar energy, geothermal energy and biofuels, and technological advances in fuel economy and energy generation devices could over time reduce the demand for oil and other liquid hydrocarbons. The Company faces the evolving worldwide energy transition risks as demand for energy and global advancement of alternative sources of energy that are not sourced from fossil fuels could change assumptions used to determine the recoverable amount of the Company's PP&E (Property, Plant, and Equipment) and E&E (exploration and evaluation) assets and could affect the carrying value of those assets. It may also affect future development or viability of exploration prospects, may curtail the expected useful lives of oil and gas assets thereby accelerating depreciation charges and may accelerate decommissioning obligations increasing the present value of the associated provisions. Also, increasing regulatory demands and international treaties governing the commitment to the decrease of carbon dioxide emissions (such as the Paris Agreement of 2016) could reduce the demand for oil and/or gas over time. The Company cannot predict the negative impact of changing demand for oil and natural gas products, and any major changes may have a material adverse effect on the Company's business, results and financial position, e.g. with regard to the Company's cash flows.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Dependency on counterparties

The Company is dependent on a few important counterparties, the most material being Petrobras, which currently acquires 3R Offshore's entitlement of the oil produced at Papa-Terra cluster, as well as processes the totality natural gas produced at Peroa cluster, before it is transferred to the transport pipeline and sold to the market. In addition, in Oman, during the appraisal phase, the Company will be dependent on Occidental Mukhaizna (Oman) to process and ship the produced crude oil. A loss of any of these material counterparties is expected to be particularly costly and time-consuming and would also lead to a certain period of adjustment to such new circumstances. There is further a risk that these counterparties will change their terms or increase their prices which would result in weakened margins for the Company. Also, there is a risk that these counterparties will encounter difficulties in complying with their contractual obligations due to a shortage of raw materials, strikes, damage, financial difficulties or other circumstances that may affect the counterparty.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Risks relating to gathering and processing facilities and general infrastructure

The Company is dependent on available and functioning infrastructure relating to the properties on which it operates, such as roads, power and water supplies, and gathering systems for oil and gas. Depending on the area in which the Company operates, certain infrastructure and services commonly associated with petroleum operations may not be readily available.

With respect to the Company’s operations in Brazil, certain oil and gas services that would commonly be readily available to an operator may need to be brought from a considerable distance within Brazil and potentially another country. Specifically regarding the natural gas produced at Peroa Cluster in Brazil, the Company is further highly dependent on Petrobras’ processing plant and related infrastructure. As to the Papa-Terra Cluster, the production relies on the proper operation and integrity of the systems part of the units located at the field, being the 3R-3 and 3R-2 platforms. If any infrastructure or systems failures occur or do not meet the requirements of the Company, this could result in delayed, postponed or cancelled petroleum operations, lower production and sales and/or higher costs, and result in the Company’s inability to realize the full economic potential of its production or in a reduction of the price offered for the Company’s production.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be high.

Operations in emerging countries

The Company participates in oil and gas projects located in Brazil and Oman which are considered emerging markets. Oil and gas exploration, development and production activities in emerging markets are subject to political and economic uncertainties. Depending on the market uncertainties include, but are not limited to, the risk of war, terrorism, civil unrest, destruction of Company property, kidnapping, expropriation, nationalization, renegotiation or nullification of existing or future concessions and contracts, the imposition of international sanctions, a change in crude oil pricing policies, a change in taxation policies, and the imposition of currency controls.

The Company's operations in Brazil are subject to detailed regulation and complicated rules regarding, inter alia, tax, labor, environmental and other regulatory requirements. In addition, Brazil has in the last decade experienced national turbulence, e.g. with regard to nation-wide bribing investigations of both officials and companies, as well as general political instability which led the country into a financial crisis. During 2018, there was a fraud incident regarding contracting practices with certain of the Company’s service providers, which in part resulted in terminations of mid and senior operations staff in Brazil. The business climate still constitutes a challenge for foreign companies operating in Brazil in the oil and gas businesses as such businesses are particularly exposed to regulations in areas such as labour and environmental. The complexity of Brazilian laws and regulation exposes the Company to risks such as legal uncertainties, increased costs in the compliance work and a lack of foreseeability, which could inhibit the Company's ability to conduct its operations in Brazil. It is possible that the Brazil government or regulatory authorities could choose to change Brazil income tax laws, royalty regimes, environmental laws or other laws applicable to oil and gas companies and that any such changes could materially adversely affect the Company.

The Company was in 2020 awarded an exploration block in the Sultanate of Oman. Oman is located in a region that has experienced political instability. This political instability has included regional wars and conflicts, such as the Gulf War of 1991, the Iraq War of 2003, the 2006 conflict in Lebanon and the 2014 conflict in Gaza, tensions between and among the United States, Israel, Syria and Iran, terrorist acts, maritime piracy and civil revolutions. Since early 2011 there has been political unrest in a range of countries in the Middle East and North Africa ("**MENA**") region and the MENA region is currently subject to a number of armed conflicts, including those in Yemen (with which Oman shares a border). The recent transfer of power in Oman to his Majesty, Sultan Haitham bin Tariq, following the demise of his Majesty the late Sultan Qaboos bin Said who ruled for almost 50 years, was widely considered smooth and peaceful, however, there can be no assurance that stability will continue. The occurrence of events and circumstances such as war or hostilities, including that of extremists or terrorist groups, and the impact that such events and circumstances might have on Oman may inhibit the Company’s ability to conduct its operations in Oman and materially adversely affect the Company’s operations. Like many emerging countries, the Oman legal system is in continuous development, which may create an uncertain environment for investment and business activities. Further, the political and legislative landscape of Oman takes place in a framework of an absolute monarchy. His Majesty the Sultan of Oman is the head of state as well as the head of government. The Company’s operations in Oman are dependent on Royal Decrees, issued by and subject to the will of His Majesty the Sultan. The developing legal landscape, and the form of government with strong dependence on a single individual, may bring legal uncertainties, a lack of foreseeability and uncertainties to the business climate, which could inhibit the Company’s ability to conduct its operations, and could materially adversely affect the Company’s operations in Oman.

Further, there is a risk that future political conditions in Brazil or Oman will result in the state or federal government adopting different policies in respect to foreign development and ownership of oil and gas properties, environmental protection and labour relations. Exploration and production activities may be affected in varying degrees by political instability and government regulations relating to the industry. The above risks could therefore impede the possibility of the Company to conduct its operations to the planned extent.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be high.

Availability of drilling and production equipment and access

Oil and natural gas exploration, development, and exploitation activities are dependent on the availability of drilling equipment, related equipment and personnel, as well as production equipment, such as pumps, separators, generators and compressors and similar equipment (typically leased from third parties) and spare parts to such equipment in the particular areas where such activities will be conducted. Shortage or increased demand for such limited equipment, or access restrictions may affect the availability of such equipment to the Company and may delay exploration and development activities, which could result in lower production and in turn have an adverse effect on the Company’s operations.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be high.

Risks in estimating reserves and resources

There are a number of uncertainties in estimating the quantities of reserves/resources including factors which are beyond the control of the Company. Estimating reserves and resources is a subjective process and the results of drilling, testing, production and other new data subsequent to the date of an estimate may result in revisions to original estimates.

Reservoir parameters may vary within reservoir sections. The degree of uncertainty in reservoir parameters used to estimate the volume of hydrocarbons, such as porosity, net pay and water saturation, may vary. The type of formation within a reservoir section, including rock type and proportion of matrix and or fracture porosity, may vary laterally and vertically and the degree of reliability of these parameters as representative of the whole reservoir may be proportional to the overall number of data points (wells) and the quality of the data collected. Reservoir parameters such as permeability and effectiveness of pressure support may affect the recovery process. Recovery of reserves and resources may also be affected by the availability and quality of water, fuel gas, technical services and support, local operating conditions, security, performance of the operating company and the continued operation of well and plant equipment.

Additional risks associated with estimates of reserves and resources include operational risks during drilling activity, development and production, delays or changes in plans for development projects or capital expenditures, the uncertainty of estimates and projections related to production, costs and expenses, health, safety, security and environmental risks, and availability and efficiency of drilling equipment availability and personnel. These risks may impact the Company’s ability to meet reserve and resource reporting deadlines and affect the accuracy of the reporting.

The Company has historically engaged professional and independent auditors staffed with professional geologists, engineers and other disciplines to evaluate its reservoir and development plans. For the year 2022 Maha had obtained reserves estimates from McDaniel & Associates Consultants regarding Block 70 in Oman and the Company’s assets in the USA. Furthermore, prior to Maha’s business combination with DBO had obtained reserves estimates from DeGolyer & MacNaughton regarding the Papa Terra and Peroá cluster. There is a risk that the estimated range of volumes of reserves do not capture the full range of uncertainty. Estimates of reserves are based on information for each project and the expected oil price that was available at the time when the estimates were produced. There is a risk that these estimates may change over time as new data and information becomes available. Actual production and cash flow could therefore be lower than the estimates, which in turn may affect the Company’s expected earnings.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Cost of new technologies

The oil industry is characterized by technological advancements and introductions of new products and services utilizing new technologies (such as horizontal drilling, 3D and 4D seismic along with deep-sea drilling), and the Company is somewhat dependent on competitive technical solutions in order to maintain its market position. Other oil companies may have greater financial, technical and personnel resources that allow them to enjoy technological advantages and may in the future allow them to implement new technologies before such technologies become available to the Company. There is a risk that the Company will not be able to respond to such competitive pressures and implement such technologies on a timely basis or at a cost acceptable to the Company. One or more of the technologies currently utilized by the Company or implemented in the future may become obsolete and the Company may be unable to utilize the most advanced, cost effective and commercially available technology. In such case, this might result in a diminution or loss of the Company's competitiveness, which could have a material adverse negative impact on the Company's net sales and also its business over time.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Shared ownership and dependency on partners

The Company's assets in Brazil are held through the Company's ownership of 15 percent of the shares in 3R Offshore of which 3R Petroleum Óleo e Gás S.A. owns the remaining shares, and the operations are conducted by 3R Offshore through services agreement required to keep the operations running – specifically O&M Agreements involving the operation of Papa Terra and Peroá clusters. Regarding the Papa Terra Cluster, 3R Offshore has a Joint Operating Agreement in place with Nova Técnica Energia Ltda., which holds 37.5 percent participating interests on said asset. Furthermore, in 2022 the Company divested a 35 percent participating interest in Block 70 in Oman, to Mafraq Energy LLC ("**Mafraq**") and the parties have entered into a Joint Operating Agreement. The Omani Government also retains a right to 'back in' to the Block 70 EPSA at declaration of commerciality whereby the Omani Government would reimburse the Company its pro rata share of past expenditures.

The Company is therefore dependent on, and affected by, the due performance of its partners. If Maha's partners fail to perform, the Company may, among other things, risk losing rights or revenues or incur additional obligations or costs in order to itself perform in place of any of its partners. The Company and any of its partners may also, from time to time, have different opinions on how to conduct certain operations or on what their respective rights and obligations are under the agreements in place. If a dispute were to arise between Maha and any of its partners, or if a partner does not fulfil its commitments under the applicable agreement, this could lead to increased costs, project delays and/or decreased earnings, which may have an adverse effect on the Company's financial position and results.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Reliance on key employees and consultants

The competition for qualified personnel in the oil and gas industry has generally been intense. The employment agreements with the Company's key employees contain notice periods of 90 days upon termination by the employee, except for the employment agreement with the Company's managing director, which contains a notice period of 180 days upon termination by the managing director, and there is a risk that the Company will not be able to continue to attract and retain all personnel necessary for the development and operation of its business. The Company further complements internal expertise with externally contracted expertise as needed. If the Company fails to recruit new, or retain current, employees and/or consultants possessing the right skills, as well as integrate these successfully within their respective roles in the Company, this may in the long term have an adverse impact on the Company's future operations, the business development, and consequently net sales.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Hydraulic fracturing

While the Company does not currently conduct any so-called unconventional hydraulic fracturing, it does undertake conventional hydraulic fracturing in reservoirs that require stimulation, in the USA. Hydraulic fracturing involves the injection of water, sand and small amounts of additives under pressure into rock formations to stimulate hydrocarbon (oil and natural gas) production. The use of hydraulic fracturing is being used to produce commercial quantities of oil and natural gas from reservoirs that were previously unproductive. Currently, there are no legal impediments to hydraulic fracturing at the Company's fields in the USA. Any new laws, regulations or permitting requirements as well as court decisions regarding hydraulic fracturing could however lead to operational delays, increased operating costs or third party or governmental claims, and could increase the Company's costs of compliance and doing business as well as delay the development of oil and natural gas resources from formations which are not commercial without the use of hydraulic fracturing. Restrictions on hydraulic fracturing could also reduce the amount of oil and natural gas that the Company is ultimately able to produce from its reserves, which could have an adverse effect on the Company's business, results and financial position.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Water handling

One component of the Company’s current assets and development program involves matters related to water. Elements of the Company’s profitability in this regard include: (i) the handling of large volumes of produced water; (ii) the installation, operation and control of water disposal facilities; and (iii) the installation and operation of flow lines. The main risk in supplying adequate water disposal is establishing and maintaining well bores, which are capable of handling the volumes of produced water anticipated. There is also a risk of potential delays in obtaining regulatory approvals to effect such disposal schemes. A lack of disposal facilities would affect the Company's ability and economics to produce the high water cut wells, which make up a significant portion of its existing and future operations in the U.S., which could have an adverse effect on the Company's ability to conduct its operations at the desired pace.

The Company’s assessment is that the negative impact of the risk, if it were to materialize, would be low.

Successful closing of transactions

The Company considers the acquisition of other oil companies, assets or similar, as an integral part of the Company's growth strategy to expand the Company's existing business and create economic value. There is a risk that the Company will not be able to locate or consummate the acquisition of satisfactory properties or participations, and without the continual addition of new reserves, the Company’s production will decline over time. During the past three years, the Company has acquired all outstanding shares in Dome AB Inc., thus acquiring certain oil producing assets in the Illinois Basin, USA (2020), has been awarded an exploration block, Block 70, in the Sultanate of Oman, thus acquiring certain exploration rights in the Ghaba Salt Basin, which can be transformed into production rights in case of a commercial oil or gas discovery (2020), and acquired all shares in DBO, thus acquiring 15 percent of the shares in 3R Offshore with two assets offshore Brazil (2023). There is a risk that any future acquisitions will not be consummated at acceptable prices and terms, which may have an adverse effect on the Company’s earnings and net result.

The Company continually evaluates potential acquisition opportunities in the ordinary course of business, including those that could be material in size and scope. Acquisitions further involve a number of special risks, and the Company may for example discover that the purchase price for an acquisition exceeds its value, that there are hidden obligations in the acquired object or that the costs of the acquisition exceeds previous estimates. Furthermore, acquisitions involve risks connected to general reservoir, drilling, industry, environmental, and decommissioning risks associated with the oil and gas assets of any acquired entity/assets (please refer to risk factors “Exploration, development and production risks”, “Risks in Estimating Reserves and Resources”, “Title to Assets, and Licenses Required to Conduct the Business”, “Environmental and climate related risks”, and ”Decommissioning” for further information). Potential additional risks include excessive use of the managements’ time and resources in connection with acquisitions, which in turn leads to less time and resources for continuing the Group’s existing operations.

The Company may also become responsible for unexpected liabilities that the Company failed or was unable to discover in the course of performing due diligence in connection with any acquisition. Within the oil and gas industry, acquisitions are specifically subject to risks relating to environmental laws under which liability may extend for a long period of time and include environmental damage caused prior to any acquisition. The Company may become liable for contamination on properties acquired, which could result in restrictions or cessation of operations and/or the imposition of fines and other sanctions. Any of these liabilities, individually or in the aggregate, would, if materialised, have a material adverse effect on the Company's businesses, products, prospects, financial condition and results of operations.

From time to time, the Company may also divest parts of the Company’s operations, such as the recent divestment of the Company’s subsidiary Maha Energy Brasil Ltda. through which Maha’s Brazilian assets were previously held (2023) and the sale of a 35 percent participating interest in Oman’s Block 70 (2022). The Company has further announced that it is investigating the potential sale of the Company’s US assets. Several factors affect the success of any divestment, such as the

Company's ability to identify a buyer and negotiate acceptable terms. In addition, it is possible that the Company might be required to provide certain warranties and undertakings in connection with any divestment. The Company may find it difficult to divest operations or assets or might fail to successfully complete such divestments on terms favorable for the Company. There is also a risk that companies and operations are divested below their real value which would imply that the Company's earnings and financial position would be less positively affected than had otherwise been the case, or that the equity market considers the sales price as lower than expected or lower than what is implied in the Company's market value, in which case there could be a negative development in the Company's share price following such divestment.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

Exploration, development and production risks

Exploration for and development of oil and gas involves many risks, such as risks associated with expenditures made on future exploration by the Company which may not always result in discoveries of oil in commercial quantities, or commercial quantities of oil may not at all be discovered by the Company. The Company currently has one concession agreement in the appraisal phase in the Sultanate of Oman (Block 70). It is somewhat difficult to project the costs of implementing an appraisal drilling program due to the uncertainties associated with drilling in formations with limited information. The costs are associated with various drilling conditions, such as over pressured zones and equipment that might get lost on site, and changes in drilling plans and locations as a result of new well information or new interpretations of seismic data. Future oil exploration may involve unprofitable efforts, not only from dry wells, but also from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Completion of a well does not necessarily assure a profit on the investment or recovery of drilling, completion and operating costs. For instance, the LAK Ranch has been in pre-production since its acquisition (and as a result of COVID-19, all pre-commercial production on the LAK Ranch field has temporarily been suspended, and on 23 March 2023 the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale the assets located at the LAK Ranch), as the Company has not found a cost effective extraction methodology.

The carrying value of the Company's oil and gas assets represents the majority of the assets in the balance sheet in the Group. Oil and gas assets are comprised of oil and gas properties and exploration and evaluation assets. Oil and gas properties and exploration and evaluation assets are assessed for impairment indicators at the end of each financial period. There is a risk that the valuation of oil and gas properties and exploration and evaluation assets and any potential impairment charge may be incorrect, which may have a material adverse effect on the Company's financial position. Another potential indicator of impairment is the comparison of the carrying value of the Company's assets to its market capitalization. The Company conducts an assessment, at each reporting date, of the carrying value of the Company's assets in accordance with IFRS. If crude oil, and natural gas prices decline significantly and remain at low levels for an extended period of time, or if the costs of the Company's development of such resources significantly increase, the carrying value of the Company's assets may be subject to impairment and the Company's net earnings could be adversely affected.

In addition, drilling hazards or environmental damage could greatly increase the cost of operations, and various field operating conditions may adversely affect the production from successful wells. These conditions include delays in obtaining governmental approvals or consents, shut-ins of connected wells resulting from extreme weather conditions, insufficient storage or transportation capacity or other geological and mechanical conditions. Production delays and declines from normal field operating conditions can be expected to have a varying effect on revenue and cash flow levels and to varying degrees have an adverse effect on the Company's operations, results and financial position.

The Company's business is subject to typical risks and hazards associated with oil and gas operations including fire, explosion, blowouts, sour gas releases, and oil spills, each of which could result in substantial damage to oil wells, production facilities, other property, the environment or personal injury. These risks could lead to substantial costs for the Company, which may have a material adverse effect on the Company's financial position and results.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

Competition

The petroleum industry is intensely competitive in all aspects including the acquisition of oil and gas interests, the marketing of hydrocarbons, and acquiring or gaining access to necessary drilling equipment or other equipment and services. The Company competes with numerous other companies in the search for oil & gas assets to acquire, and in attracting skilled personnel. The Company's competitors include oil companies such as Shell, Total, Petrobras, 3R Offshore, PetroRecôncavo, GeoPark, Gran Tierra, and Alvopetro, which have greater financial resources, staff and facilities than those of the Company. The Company's ability to successfully compete is dependent on its ability to successfully exploit its present properties, its ability to find and acquire new suitable producing properties or prospects on which to conduct future exploration, and its ability to respond in a cost-effective manner to economic and competitive factors that may affect the distribution and marketing of these hydrocarbons. The Company's ability to successfully bid on and acquire additional property rights, to discover reserves, to participate in drilling opportunities and to identify and enter into commercial arrangements with customers will be dependent on the Company's ability to successfully develop and maintain close business relationships with current and future industry partners and joint operators, and that the Company is successful in finding, selecting and evaluating suitable assets and in completing transactions in a highly competitive environment. Oil companies are also facing increased competition from alternative forms of energy, fuel and technological innovations such as electric vehicles. Increased competition, or that the Company fails to successfully compete with its competitors, could lead to the loss of market shares, which may have a material adverse impact on the Company's net sales.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

LEGAL RISKS

Title to assets, and licenses required to conduct the business

The Company operates in a business that requires leases and/or licenses to conduct business. The Company may conduct title reviews regarding ownership prior to a purchase of or entering a lease agreement regarding oil and natural gas producing properties or before the commencement of drilling wells. However, there is a risk that such reviews fail to identify the correct chain of title, or that there is an unforeseen defect in the chain of title. The actual interest of the Company in properties may, therefore, vary from the Company's records. If a title defect does exist, it is possible that the Company may lose all or a portion of the properties to which the title defect relates, which may have a material adverse effect on the Company's assets, and thus in turn on the Company's profitability. In addition, in the future there may be proposed legislative changes which affect title to the oil and natural gas properties the Company controls that, if made into law, could impair the Company's activities on them and result in a reduction of the revenue received by the Company.

The interests in Brazil are held through the Company's ownership of 15 percent of the shares in 3R Offshore of which 3R Petroleum Óleo e Gás S.A. owns the remaining shares and the operations are conducted by 3R Offshore, through services agreements required to keep the operations running – especially O&M Agreements involving the operation of Papa Terra and Peroá clusters. Specifically in regard to Papa Terra Cluster, 3R Offshore has a Joint Operating Agreement in place with Nova Técnica Energia Ltda., which holds 37.5 percent participating interests in said asset.

The company's interest in Block 70 is held under a Production Sharing jurisdiction. The Company signed an Exploration Production Sharing Agreement ("**EPSA**") on 5 October 2020. The initial exploration term is for 3 years, extendable into exploration phase 2 for another 3 years. Upon a commercial discovery, the EPSA is extendable to a 15 year production phase, plus a 5-year extension. The EPSA is subject to a Royal Decree which was granted by His Majesty the Sultan of Oman on 28 October 2020. The EPSA will expire at the end of the exploration period if no declaration of commerciality has been made or no election to move into the exploration phase 2 within the term defined thereunder. The initial work commitments during the first period include geological studies, seismic, reprocessing and well commitments. In case of a declaration of commerciality, the Oman Government Oil Company has a right to acquire up to a 30 percent interest in Block 70 within three years from such declaration of commerciality against refunding the pro rata share of past expenditure. The EPSA further contains provisions which allow the Oman government to increase its government's stake in case the production of barrels per day and oil price exceeds specific defined amounts. If the Royal Decree is withdrawn or changed, the EPSA may not be enforceable, and the Company may not be able to conduct its planned operations in Oman.

Industry practice in the United States for acquiring undrilled or non-producing oil and natural gas leases or interests, depending on the value of the assets, may not involve retaining lawyers to examine the title to the mineral interest and instead relies upon the judgment of oil and natural gas lease brokers or specialised landmen who perform the fieldwork in examining records in the appropriate governmental office or using available field notes, run sheets or title abstracts before attempting to acquire a lease in a specific mineral interest. Failure with regard to such examinations could lead to disputes over the right to, or the loss of, such assets, and could in turn have a material adverse effect on the Company's operations.

The Company's operations are based on a relatively limited number of concession agreements, licenses, leases and contracts. The rights and obligations under such concessions, licenses, leases and contracts may be subject to interpretation. In case of a dispute, there is a risk that the view of the Company would not prevail or that the Company otherwise could effectively enforce its rights. Furthermore, there is a risk that if the Company fails to meet the specific requirements of a license or lease, such license or lease could be terminated.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Environmental and climate related risks

All phases of the oil and natural gas business present environmental risks and hazards and are subject to environmental regulation pursuant to a variety of laws and regulations in the different jurisdictions where the Company operates. Environmental legislation provides for, among other things, restrictions and prohibitions on spills, releases or emissions of various substances produced in association with oil and natural gas operations. The legislation also requires that wells and facility sites be operated, maintained, abandoned, decommissioned and reclaimed in a certain way to satisfy applicable regulatory authorities. Environmental regulations are expected to become more stringent in the future, and costs are expected to increase. Failure to comply with any such environmental regulations or any undertakings imposed on the Company might entail civil, administrative and criminal sanctions to the Company and its managers, as the case may be.

Changes in environmental legislation can result in a curtailment of production, and require significant expenditures, e.g., regarding production, development and exploration activities. In addition, a breach of applicable environmental regulation or legislation may result in liabilities such as the recovery of the damages, the imposition of fines and penalties, some of which may be material, and/or restrictions or cessation of operations. The legislative framework in the jurisdictions where the Company operates regarding the environment features items such as strict liability and joint, and several liability with regard to joint venture operations. Furthermore, environmental legislation is continuously evolving at regional, national and international levels in a manner which may result in stricter standards, larger fines and greater liability as well as potentially increased capital expenditures and operating costs. The discharge of oil, natural gas or other pollutants into the air, soil or water may give rise to liabilities to governments and third parties and may require the Company to incur costs to remedy such discharge. A decrease in production, an increase in costs, fines and/or liabilities may have a material adverse effect on the Company's business, results and financial position.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Tax function

The Company conducts business through subsidiaries in Sweden, Canada, USA, Brazil, Cyprus, and Luxembourg, and a branch in Oman. The business is conducted in accordance with the Company's understanding and interpretation of applicable tax laws, tax treaties, other tax regulations and requirements from the relevant tax authorities. The Company is thus subject to tax authorities' assessments in a number of jurisdictions. The jurisdictions in which the Company operates have transfer pricing rules that require transactions with related companies to take place on market terms. The Company has not conducted any up to date benchmarking studies to ascertain that the terms of its intragroup transactions, including interest rates on intragroup loans, are at fair market terms. The Company's interpretation of tax legislation and the profit taken up for taxation in such jurisdictions under the Company's intra-group agreements and cross-border transactions may thus be questioned and tax authorities in different jurisdictions. If the tax authorities in the jurisdictions in which the Group operates do not consider that transfer pricing takes place on market terms and successfully object to such pricing, this may lead to an increased tax cost, including tax penalties and interest. There is also a risk that the Company's tax position, both for previous and current years, may change as a result of the decisions made by the relevant tax authorities or as a result of amended laws, agreements and other provisions, which may also have a retroactive effect. Such changes may have a significant impact on the Group's tax burden. All these factors can have a material adverse effect on the Company's financial position and results.

As of the date of this Prospectus, the Company has reported consolidated tax losses carried forward amounting to approximately USD 50.2 million. The Company has not recognized the tax losses carried forward as a deferred tax asset in the balance sheet. The possibility for the Company to utilize such tax losses in the future may be limited or forfeited as a result of changes in tax legislation or, according to current Swedish rules, as a result of changes in ownership that means that one or more shareholders hold shares acquired over certain time which represents more than 50 percent of the votes in the Company. In the event of such a change in ownership, historical tax losses are forfeited to the extent that they exceed 200 percent of the purchase price in order to acquire the controlling influence (where capital contributions and other value transfers may reduce the purchase price in a certain way). If the Company's tax losses are forfeited or is reduced, it may have a significant impact on the Company's tax burden and potentially lead to tax penalties.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Different legal systems, structure and litigation

The Company operates in different legal systems, as the Company has subsidiaries in Sweden, Canada, USA, Brazil, Cyprus, Luxembourg, and a branch in Oman. Rules, regulations and legal principles may differ both relating to matters of substantive law and in respect of such matters as court procedure and enforcement. Almost all material production and exploration rights and related contracts of the Company are subject to the national or local laws and jurisdiction in Brazil, the USA, and the Sultanate of Oman. This means that the Company's ability to exercise or enforce its rights and obligations may differ between different countries and also from what would have been the case if such rights and obligations were subject to Swedish law, which could have an adverse effect on the Company's ability to exercise or enforce its rights and obligations.

From time to time, the Company may take steps to organize its affairs in a manner that minimizes taxes and other expenses payable with respect to the operation of the Company and its subsidiaries. The manner in which the Company structures its affairs could be challenged by a taxation or other authority, which could adversely affect the Company. Furthermore, amendments to current taxation laws and regulations that alter tax rates and/or capital allowances could have an adverse effect on the Company's profitability.

The Company's operations are subject to various complex laws and regulations as well as detailed provisions in concessions, licenses and agreements that often involve several parties. In the normal course of the Company's operations, it may become involved in, named as a party to, or be the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions, related to personal injuries, labour related claims, property damage, property tax, land rights, the environment and contract disputes. Within Brazil, ANP for instance has the ability to shut down 3R Offshore's fields due to non-compliance or non-reporting related to environmental or safety matters. If the Company was to become involved in legal disputes in order to defend or enforce any of its rights or obligations under such concessions, licenses, and agreements or otherwise, such disputes or related litigation may be costly, time consuming and the outcome may be uncertain. Moreover, even if the Company would prevail in such dispute or litigation, it may still prove costly, and could have an adverse effect on the Company's reputation and future operations. The outcome of outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Company and as a result, could have a material adverse effect on the Company's assets, liabilities, business, results and financial position.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

Decommissioning

The Company has assumed (directly or indirectly – in case of 3R Offshore) certain obligations in respect of the decommissioning of its fields and related infrastructure in all operating areas of the Company and/ or the companies it directly or indirectly holds shares, which may include the provision of securities to the local government where the operations are being performed. In some cases, these liabilities are derived from legislative and regulatory requirements, such as in Brazil, and in other cases, these liabilities can also be contractual obligations, as in Oman. The Company's accounts make a provision for such decommissioning costs based on the management's estimate in accordance with applicable accounting standards but there is a risk that the actual costs of decommissioning exceed the amount of the long-term provision set aside to cover such decommissioning costs. In addition, the Company may be required to decommission wells that have not reached the end of their service life as a result of regulatory requirements. These risks may, if materialized, have a material adverse effect on the Company's business and result. In addition, local or national governments and lessors of oil and gas leases may require the Company to provide cash-back guarantees, blocked cash deposits or similar upfront payments and escrow relating to future decommissioning costs which would affect the Company's liquidity.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

FINANCIAL RISKS

Credit risk

The Company may be exposed to third party credit risk through its contractual arrangements with its current or future joint venture partners, customers, and other parties. Currently, in Brazil the Company may face impacts by the agreements entered by 3R Offshore with Petrobras and/or other customers, for the sale and purchase of the totality of the oil and gas produced at Papa Terra and Peroá clusters, as well as by the processing agreement involving Petrobras, regarding the gas produced at Peroá field. The Company's financial position may be adversely affected in the event of any operational issues involving Petrobras' processing plant, as well as in the event Petrobras and/ or other customers fails to meet its contractual obligations under the sale and purchase agreements. Further, as to Papa-Terra Cluster, the production and cash flow may be impacted by operational issues involving the systems of the units located at the field, being the 3R-3 and 3R-2 platforms. The Company may also be indirectly affected by any default of Nova Técnica Energia Ltda. – 3R Offshore's joint venture partner at Papa Terra Cluster – regarding possible default on payment of cash calls.

In the USA, the Company markets and sells its oil through Country Mark (Illinois Basin) and receives payment 30 days in arrears.

In Oman, Maha has entered into a joint operating agreement with Mafraq as its partner in Block 70. The Company's financial position may be materially adversely affected in the event such partners fail to meet their contractual obligations to the Company. Furthermore, the EPSA contains provisions limiting the cost recovery for crude oil monthly net production, which can be carried forward to subsequent months until fully recovered. However, no recoverable costs can be carried forward upon termination or expiry of the EPSA.

A portion of the Company's cash is held by banks in foreign jurisdictions where there could be increased exposure to credit risk. In the event the Company's counterparty does not fulfil its obligations in accordance with agreements, this could adversely affect the Company's business, financial position and results.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company has since inception been equity and debt financed through share and bonds issues, bank debt and also financed by asset divestment. Additional capital could be needed to finance the Company's future operations and/or for acquisition of additional working interest and/or obtaining licenses. There is a risk that a capital need could occur during less favourable market conditions. The terms of the Company's outstanding bank debt further contain provisions which limit the Company's ability to make certain payments and distributions (such as paying dividends), incur additional indebtedness, make certain disposals of, or provide security over, its assets, or engage in mergers or demergers. Further, the Company is required to meet certain financial covenants and also has to make quarterly installments on the bank debt. If the Company would fail to comply with any of its obligations (including to meet the aforementioned financial covenants, pay required installments, or the occurrence of a change of control) under its current financial arrangement, all of the outstanding debt may be declared immediately due and payable together with any other amounts payable under the financing, and there is a risk that the Company cannot find means (by way of new debt or otherwise) to refinance its outstanding debt if it is declared due and payable.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be high.

Foreign exchange controls in Brazil

Brazilian legislation allows the implementation of temporary exchange controls for certain situations, mainly to control material monetary variations. The Brazilian government requires that the Company registers inflows and outflows of funds with the Brazilian Central Bank. In Brazil, all transactions must be settled in the country's local currency. In this sense, future exchange controls in Brazil could prevent the Company from transferring funds abroad, which could impede the Company's ability to conduct its operations in Brazil, and lead to decrease or the loss of earnings from this market. In addition, exchange controls or changes in tax regime could affect any dividends the Company receives from Brazil. The above could have an adverse effect on the profitability of the Company's operations in Brazil.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be medium.

Foreign currency exchange rate risk

The Company is exposed to changes in foreign exchange rates as expenses in foreign subsidiaries, oil and gas expenditures, or financial instruments may fluctuate due to changes in rates. The Company is exposed to foreign currency translation risk, as the main functional currency of the Company's subsidiary in Brazil is Brazilian Reais ("**BRL**") making the Company sensitive to fluctuations of BRL against USD. For Group entities in Oman and Canada the main functional currency is US Dollar ("**USD**"), Part of the Company's oil sales are denominated in BRL based on a USD oil price and part of the Company's oil sale are denominated in OMR based on USD oil price. All operational, administrative and capital activities related to the Brazil properties are transacted primarily in BRL and administrative and capital activities related to Omanis operations are transacted in USD. In Sweden the Company's expenditures are in SEK. Further, with regards to BRL, there is a risk of inflation or hyper-inflation. For instance, Brazil experienced very high inflation and hyperinflation during the 1980s and 1990s.

The Company's assessment is that the negative impact of the risk, if it were to materialize, would be low.

RISKS RELATED TO THE SHARES AND THE ADMISSION

Future dividends

Historically, Maha has not paid any dividends to the shareholders. As the Company currently focuses on further developing and expanding its operations, any surpluses in the business are instead reinvested to finance the Company's long-term strategy. The Company has no current intentions of paying any dividends, as it anticipates that all available funds will be invested to finance the growth of its business. The size of possible future dividends depends on a number of factors, including the Company's future results, financial position, cash flows, working capital needs, compliance with loan terms, legal and financial restrictions and other factors. There is a risk that the Company will not have sufficient distributable funds in the future, and consequently a risk that no dividends will be paid, and the investor's potential return is solely dependent on the future value of the share as long as no dividends are paid.

Market price of the share and liquidity

Since an investment in shares may decline in value, there is a risk that an investor will not recover the capital invested. The development of the share price depends on a number of factors, and may for example be affected by supply and demand, changes in actual or expected results, changes in profit forecasts, regulatory changes and other factors, such as divestments of major shareholdings by shareholders. The price of the Company's share is also affected by macro-economic factors, in particular by the oil market price. The Company's share is traded on Nasdaq Stockholm. During the period 31 March 2022 – 31 March 2023, the Company's share price was at its minimum SEK 7.93 and at its maximum SEK 24.18. Consequently, the price of the Company's share may be volatile, and the difference between the selling price and the purchase price may be significant from time to time, which makes it more difficult for a shareholder to sell shares at a certain time at a price deemed satisfactory.

Dilution

The Company may need to obtain additional financing through new issues, share-related securities or convertible debt securities, which may result in a dilution of existing shareholders' shareholding in the Company. There is a risk that additional financing under acceptable terms will not be available to the Company when required, or at all. If the Company resolves to raise additional capital, for example through an issuance of new shares, there is a risk that the shareholding of the Company's shareholders' may be diluted, which may also affect the price of the shares. If these risks were to realize, it could have a material adverse effect on the investors' invested capital and/or the price of the shares.

Background and rationale

General

Maha 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 a global basis. Maha operates three oil assets: Block 70 (Oman), LAK Ranch (Wyoming) and the Illinois Basin asset, both in the United States. On 23 March 2023, the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch. As per the date of the Prospectus, closing of the transaction has not yet occurred. Additionally, Maha has indirect participation in 3R Offshore, which operates Peroá and Papa Terra clusters in Brazil. The head office is in Stockholm, Sweden with administrative offices in Calgary, Canada and Rio De Janeiro, Brazil, as well as operations offices in Grayville, Illinois, USA and in Muscat, Oman.

Business Combination with DBO

On 23 May 2023 Maha announced the closing of the business combination with DBO. The transaction consisted of 34,829,057 newly issued shares in Maha as consideration for Maha's acquisition of 188,426 shares in DBO and BRL 1.00 paid by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, for the acquisition of one (1) share in DBO, through which 100 percent of the shares in DBO were acquired (the "**Transaction**"). DBO is a private upstream oil and gas company focusing on mature offshore fields in Brazil. DBO was established in 2017 and has brought North Sea investors to invest into Brazilian assets, working with Brazilian partners and applying the most advanced North Sea approaches to identify additional reserves, develop mature oil and gas fields and increase oil and gas recovery. DBO owns 15 percent of the shares in 3R Offshore, which holds operated interests in producing oil and gas offshore fields in Brazil. For further information, see section "Business overview" – "Reserves and resources".

At the Extraordinary General Meeting held on 29 March 2023 it was resolved to increase the Company's share capital by not more than SEK 404,529.51 through a new issue of not more than 36,775,410 shares to the Sellers of DBO. 34,829,057 shares were subscribed for, fully paid and allocated to the subscribers. The new shares in Maha issued as consideration to DBO's shareholders are subject to a one year lock-up from the Transaction's closing (please refer to "Share capital and ownership structure" – "Undertaking not to sell shares (lock-up)" for further information).

The board of directors of Maha Energy AB is responsible for the contents of the Prospectus. To the best of the board of directors' knowledge, the information provided in the Prospectus is consistent with the facts and no information likely to affect its meaning has been omitted.

Stockholm on 25 August 2023
Maha Energy AB
The Board of Directors

Business overview

Below follows a brief description of Maha's operations. The Company has correctly restated third-party information and, as far as the Company's board of directors knows or can ascertain through information made public by a third party, no facts have been omitted which would render the information restated erroneous or misleading. Maha deems these external sources to be reliable, but has not independently verified the sources and therefore, cannot guarantee the correctness or completeness of the information. Predictions and forward-looking statements in this section do thus not constitute any guarantee as to the future occurrences and actual events, and circumstances may come to differ materially from any present expectations. When it comes to the assets located in Oman and USA, reserves and resources are evaluated in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook, the professional practice standard under McDaniel and Associates Permit to Practice with APEGA and under the guidelines of the European Securities and Markets Authority (ESMA). Reports are prepared and supervised by a "Qualified Reserves Evaluator". As to the assets located in Brazil and operated by 3R Offshore, reserves and resources are evaluated by an external consultant, being Degolyer and Macnaughton in 2023, and their Reserves Report are prepared in accordance with practices generally recognized by the petroleum industry and with definitions established by the Petroleum Resources Management System (PRMS). The actual oil and gas resources or reserves and future production may be greater or less than any estimates provided herein. Certain terms used herein are defined in the "Glossary" section below.

BUSINESS OVERVIEW

About Maha

Maha 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 a global basis. Maha operates three oil assets: Block 70 (Oman), the Illinois Basin asset, and LAK Ranch (Wyoming), both located in the United States. On 23 March 2023, the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch. As per the date of the Prospectus, closing of the transaction has not yet occurred. Additionally, following the conclusion of the Transaction, Maha has indirect participation in 3R Offshore, which operates Peroá and Papa Terra clusters in Brazil. Maha's head office is in Stockholm, Sweden with administrative offices in Calgary, Canada and Rio de Janeiro, Brazil, as well as operations offices in Grayville, Illinois, USA and in Muscat, Oman.

Maha's strategy and outlook

With the changes and transactions advanced by Maha during 2022, the Company has evolved to become an innovative and progressive energy platform designed to grow by profitably acquiring and developing producing oil and gas assets. Building on the industry expertise, capital discipline and local partnerships, Maha will target mature assets globally, focusing on fields with existing production but offering sizeable growth potential in production, reserves and cash flow with relatively low-capital expenditures, stable cash flow generation and with attractive entry acquisition prices. The ultimate goal for Maha is to maximize shareholder returns and drive profitability, while operating with high-integrity in an ethical and responsible manner that benefits all stakeholders.

Near term priorities included improving Maha's capital structure, balance sheet and cash position. Following the Company farming out a portion of Block 70 in Oman and divesting its onshore Brazil assets, it is the Company's assessment that Maha is positioned with a solid balance sheet featuring a strong cash position and receivables from these transactions that exceeds the current public market value of the entire company. The Company is also currently evaluating opportunities to optimize the capital expenditures and operating expenses of its existing asset base to capture enhanced returns for deployed capital.

The transaction closed with PetroRecôncavo, combined with the Transaction in which Maha acquires DBO (which holds a 15 percent stake in 3R Offshore) clearly illustrates Maha's new strategic vision. By selling the Brazilian onshore assets to PetroRecôncavo for a purchase price (plus earn outs) of more than four times the amount involved in the DBO Transaction (where Maha, indirectly, acquires assets with similar operational key performance indicators as the divested Brazilian onshore assets), Maha has demonstrated that capital allocation and opportunistic transactions will guide the Company's new long-term strategy, with the ultimate goal of providing its shareholders with above average returns.

The optimization of Maha's asset portfolio is a core foundation of the Company's strategy being advanced both organically and via acquisitions and divestments.

Organic optimization

Maha's asset in Oman is an example of an area offering relevant growth potential given its undeveloped resource. With significant capital invested to date, this asset is being evaluated through extensive seismic data interpretation and testing of the 11 contractual wells drilled, providing Maha another opportunity to spend modest levels of capital with the potential for growth and area expansion. By partnering with Mafraq, a local entity having regional expertise, Maha has gained further indication of the value of this asset, and intends to deploy its capital and resources to expand it based on success of ongoing tests.

When it comes to Papa Terra cluster, approximately 2.6 percent of the oil has been recovered as of December 2022 and gross 2P reserves are estimated to be 178.6 mm boe per year-end 2022.[6] This represents a 11.9 percent recovery factor, which compares with an average of 15.4 percent for the Campos Basin, suggesting further upside potential beyond the 2P reserves. As to Peroá cluster, with limited additional capital expenses, the Peroá platform has capacity for Malombé to be tied back to the platform in the future, driving estimated peak production volumes of approximately 5,045 boepd (gross). The gross contingent resources associated with Malombe development is 2C 14.7 mmboe per year-end 2022.

M&A Optimization

Maha has been investing a lot of effort identifying attractive opportunities and has established a robust pipeline of acquisition & divestiture transactions that are currently closed or nearing completion, being:

- the divestment of the Brazil onshore assets – i.e., t Tartaruga and Tiê fields – to PetroRecôncavo, which was closed on 28 February 2023;
- the closing of the Transaction and thereby acquiring DBO, which holds a 15% equity stake in 3R Offshore and consequent exposure to the Peroá gas cluster and the large oil-in-place Papa Terra cluster – both being operated by 3R Offshore; and
- the agreement regarding the sale of the USA onshore asset of LAK Ranch, entered into by the Company's subsidiary Maha Energy (US), Inc. on 23 March 2023. As per the date of the Prospectus, closing of the transaction has not yet occurred.

In addition, the Company has executed several non-disclosure agreements that enable Maha to analyse and evaluate additional potential M&A transactions or other asset opportunities in Brazil, other countries in Latin America, the Middle East, and Europe.

Maha's Assets: An ongoing evolution to maximize value

Reserves and resources

When it comes to the assets located in Oman and USA, reserves and resources are evaluated in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook, the professional practice standard under McDaniel and Associates Permit to Practice with APEGA and under the guidelines of the European Securities and Markets Authority (ESMA). Reports are prepared and supervised by a "Qualified Reserves Evaluator". As to the assets located in Brazil and operated by 3R Offshore, reserves and resources are evaluated by an external consultant, being Degolyer and Macnaughton in 2023, and their Reserves Report are prepared in accordance with practices generally recognized by the petroleum industry and with definitions established by the Petroleum Resources Management System (PRMS).

Oman

Block 70 – Exploratory onshore asset in Oman

In October 2020, Maha entered into an exploration and production sharing agreement for Block 70, which includes the shallow undeveloped Mafraq Heavy oil field in the Sultanate of Oman. Block 70 spans 639 km2 and is located in the middle of the prolific oil and gas producing Ghaba Salt Basin in the central part of Oman. The site has been de-risked through extensive 2D and 3D seismic data, along with five wells that were drilled prior to 2020, including one production test well.

Maha entered into a farmout agreement with Mafraq in August 2022, approved by Royal Decree from the Sultanate of Oman, that reduced the Company's working interest to 65 percent from 100 percent. Under the terms of the farmout, Maha will be reimbursed for 35 percent of all past costs, while Mafraq will pay its share of future expenditures on Block 70.

[6] Based on Maha's estimates considering the reserve reports from DeGolyer and MacNaughton.

With a Joint Operating Agreement signed on 28 January 2023, Maha, in partnership with Mafraq continues to execute the Company's phased development approach. This consists of an initial committed work program equivalent to approximately USD ~20 million, comprised of 11 wells plus seismic reprocessing to obtain additional reservoir information that can inform development of a full Field Development Plan. Eleven wells have been drilled to date, including the initial Mafraq-7 well, which was spudded in September 2022, five weeks ahead of schedule. The below reserves information is derived from McDaniel & Associates Certification of Reserves on 31 December 2022:

- 21.0 mmbbls 2C contingent net resource (65 percent working interest).[7]
- 515 mbbls 2P net reserves (65 percent working interest).[8]
- ~348.5 mmbbls OOIP.[9]

USA – Onshore producing assets

Maha has production from the Illinois Basin, Illinois/Indiana and a shut-in asset at LAK Ranch, Wyoming.

Illinois Basin – Light oil field (35 deg. API)

Maha owns a 97 percent working interest in the Illinois Basin, which had 401 BOEPD of production in 2022, and features 2.7 mmboe of net proven + probable (2P) reserves and a 2P net NPV10 of USD 20.7 million at year end 2022.[10] Illinois Basin offers over 40 potential drilling locations, minimal recoveries to date and low operating costs, positioning it as a strategic and attractive asset with long-term development potential.

LAK Ranch – medium oil (19 deg. API)

Maha owns 99 percent of the heavy oil asset LAK Ranch, which is currently shut-in, but estimated to have original oil in place (OOIP) (best case estimate) of 62 million barrels,[11] with less than 150,000 barrels having been produced to date. Incidental oil may be occasionally produced, due to any required production tests performed by Company. On 23 March 2023, the Company's subsidiary Maha Energy (US), Inc. entered into an agreement regarding the sale of the assets located at the LAK Ranch. As per the date of the Prospectus, closing of the transaction has not yet occurred.

Brazil– Gaining offshore exposure while divesting onshore

In February 2023 Maha concluded the sale of its onshore Brazilian assets to PetroRecôncavo S.A. and in May 2023 closing of the Transaction through which Maha acquired DBO was completed. In 2021, DBO entered into an agreement with 3R Petroleum to create 3R Offshore, of which DBO holds 15 percent and 3R Petroleum holds 85 percent. Subsequently, 3R Offshore acquired a 100 percent and 62.5 percent working interest in the Peroá and Papa Terra clusters, respectively, located offshore Brazil. Through the Transaction, Maha gained an estimated 18.8 million boe of 2P reserves, which offers a gross NPV10 of USD 148 million,[12,13] 2.1 million boe of 2C contingent resources, and an upside of gross NPV10 of USD 17.4 million along with approximately 2,000 boe/d net production.[14] The assets in DBO come with infrastructure, including the Papa Terra cluster floating production storage and offloading (FPSO) – 3R-3, and Peroá cluster production platform, yielding lower operating costs. The Transaction reinforces the construction of a diversified portfolio balanced between mature oil and gas onshore and offshore assets.

Peroá, Cangoá and Malombe

Maha owns a 15 percent indirect working interest (through its 15 percent equity interests in 3R Offshore) in Peroá, Cangoá and Malombe. The Peroá gas cluster is located in the Espírito Santo basin, offshore Brazil in shallow waters, and includes the Peroá and Cangoá producing fields along with the Malombe discovery, all of which are being developed via the Peroá

[7] 65 percent Working Interest (McDaniel & Associates Certification of Reserves on 31 December 2022).
[8] 65 percent Working Interest (McDaniel & Associates Certification of Reserves on 31 December 2022).
[9] 100 percent Working Interest (McDaniel & Associates Certification of Reserves on 31 December 2022).
[10] McDaniel & Associates Certification of Reserves on 31 December 2022.
[11] Chapman Petroleum Engineering Ltd. Certification of Reserves on 31 December 2021.
[12] Based on public reserve reports from DeGolyer and MacNaughton. Value estimates are based on oil price of USD 85.6-69.1/bbl i and a gas price of USD 8.6-6.9/mcf.
[13] Institutional Presentation, 3R Petroleum, August 2022.
[14] Source: ANP production report, April 2023.

platform. Approximately 72.5 percent gas has been recovered and remaining gross 2P reserves are estimated at 13.5 mmboe per year-end 2022.[15]

With limited additional capital expenses, the Peroá platform has capacity for Malombe to be tied back to the platform in the future, driving estimated peak production volumes of approximately 5,045 boepd (gross).[16] The gross contingent resources associated with Malombe development is 2C 14.7 mmboe per year-end 2022.[13] The cluster benefits from a 55km gas pipeline connection to the Cacimbas gas processing plant operated by Petrobras, along with an unmanned platform featuring operating costs that average approximately USD 5/boe.[17] The below reserves information is derived from DeGolyer and MacNaughton Certificate of Reserves report.

- 2.0 mmboe net 2P reserves (year-end 2022).
- USD 30.7 million NPV10 of gross 2P (year-end 2022).
- 560 boepd net production – 15.0% W.I. (second quarter 2023).

Papa Terra

Maha indirectly owns (through its 15% equity interests in 3R Offshore) a 9.375 percent indirect working interest in Papa Terra cluster – which is directly owned by 3R Offshore and Nova Técnica Energia (37.5 percent). Papa Terra is a Heavy oil field located in deep waters in the Campos Basin, approximately 100 km offshore the coast of the State of Rio de Janeiro, Brazil and features state-of-the-art assets with six years of operations. Historical investments into infrastructure total approximately USD 3 billion (gross) and all assets are owned by the license holders. Approximately 2.6 percent of the oil has been recovered as of December 2022 and gross 2P reserves are estimated to be 178.6 mm boe per year-end 2022.[18] This represents a 11.9 percent recovery factor, which compares with an average of 15.4 percent for the Campos Basin, suggesting further upside potential beyond the 2P reserves.

Papa Terra was discovered in 2003 and production started in November 2013. The field is developed with an FPSO (3R-3) and a Tension Leg Wellhead Platform (3R-2), both owned pro rata by the joint venture partners (i.e., 3R Offshore and Nova Técnica Energia) of the oil field, with a combined processing capacity of 140,000 barrels of oil per day, an injection capacity of 340,000 barrels of water per day, a storage capacity of 1.4 million barrels and slots to connect up to 21 producing wells and 11 injecting wells. Currently, 4 production wells and 3 injection wells are active and all systems have idle capacity to implement revitalization and redevelopment activities. The below reserves information is derived from DeGolyer and MacNaughton Certificate of Reserves report:

- 16.7 mm boe net 2P reserves (year end 2022)
- USD 116.8 million NPV10 of gross 2P (year end 2022)
- 1,217 boepd net production – 9.375% W.I. (second quarter 2023)

Successful Divestment of Brazil Onshore Assets: Tartaruga and Tiê fields

Maha closed the sale of its Brazilian onshore assets (Tie and Tartaruga fields) to PetroReconcavo on 28 February 2023, for a total consideration of up to USD 186.9 million (purchase price of USD 138 million, USD 36.1 million in earnout milestones, plus working capital and net cash adjustments).

Divesting of the onshore Brazil assets provides Maha with a prudent opportunity to enhance the balance sheet, resulting in a higher cash position on closing than the Company's market capitalization. The transaction granted the necessary liquidity and cash reserves to enable the Company to pursue the optimization of its asset allocation strategy via new investments and the acquisition of new assets at attractive entry multiples, with a focus on creating value for its shareholders.

Tie Field - Light oil field (36-38 degree API)

Maha purchased 100 percent working interest in the field in 2017 and following several years of development and optimization work, took production to an average of 2,620 BOE/D during 2022. Oil from the field was transported by truck

[15] Based on Maha's estimates considering the reserve reports from DeGolyer and MacNaughton.
[16] Based on public reserve reports from DeGolyer and MacNaughton

[18] Based on Maha's estimates considering the reserve reports from DeGolyer and MacNaughton.

to two customers nearby while the associated gas was compressed and sold on the local market. Maha also held interests in six other exploration blocks in the Reconcavo Basin which are in varying stages of exploration.

Tartaruga Field - Light oil field (41 degree API)

Maha held production stable at Tartaruga during 2022 at 192 BOE/D. This field produces from two wells which have collectively produced over 1 million bbls since the initial discovery.

Road map

2022 proved to be a revolutionary year for Maha, complete with a new significant shareholder, a refreshed board and management team, and a very active corporate development period that manifested in the latter half of the year.

Under the stewardship of the Company's refreshed board, and the leadership of its new management team, Maha is focused on expansion via strategic and value-focused M&A at attractive entry multiples, organic growth opportunities and the preservation of the Company's balance sheet strength – all of which are ultimately designed to drive shareholder value creation.

Maha's success in accelerating these goals is clearly demonstrated by the achievements reported in the latter part of 2022 and first few weeks of 2023, which includes (i) the conclusion of the farm out of a 35 percent working interest on the Company's Block 70 asset in Oman to the partner Mafraq; (ii) the business combination with DBO (i.e. the Transaction), (iii) a successful equity raise to enhance the Company's capital structure; (iv) the divestment of the Company's onshore Brazilian assets to PetroRecôncavo affording further financial flexibility; and (v) confirmation that the Company is exploring potential divestment opportunities for its US assets and potential acquisition opportunities globally.

With the expertise, operational excellence, and process optimization that Maha now possesses, the Company anticipates being in a position to return to production growth in the short and medium term as it continues to remain optimistic about the outlook for sustained oil and natural gas demand associated with further growth in the global economy over the coming decade. It is Maha's assessment that this demand is expected to support robust oil prices into 2023 and beyond as the world continues its return to pre-pandemic activity levels.

Maha will continue to execute on the Company's strategy of acquiring mature, oil-weighted assets at attractive valuations where the Company sees opportunities to enhance and expand production, reserves and cash flow potential while allocating capital in a prudent and measured manner. Maha's enhanced financial and operational position underpin Maha's continued evolution to become a leading international exploration and production company, with a top-tier board and management team forging the Company's path, and supported by influential, experienced partners.

ESG HIGHLIGHTS 2022

Ethical, safe, responsible and sustainable operations are essential to the success of Maha's business. The Company upholds these values in its commitment to protecting the environment, fostering positive and lasting relationships with communities, creating shared prosperity and empowering people. Maha is committed to providing shareholders and other stakeholders with pertinent information related to its environmental, social and governance ("**ESG**") approach and performance.

Maha continues to incorporate into its business strategy the internationally recognized Global Reporting Initiative to and Sustainability Accounting Standards Board frameworks, while also respecting the United Nations Sustainable Development Goals.

Environment

Maha is committed to delivering long - term shareholder value while operating in an economically, environmentally, and socially sustainable manner. With a history of successfully incorporating environmental management strategies across all aspects of the Company's business operations, Maha continues to set and meet its environmental goals year-over-year. It is of great importance to the Company that its operations are conducted in a manner that respects and protects the environment, thus ensuring that Maha is consistently in compliance with the applicable environmental laws and regulations.

Social

Maha is committed to conducting the Company's operations safely and respectfully, in a way that protects the health and safety of its workers, shareholders and surrounding communities. Maha actively promotes inclusion, diversity and teamwork across all areas of the Company's business while also contributing to surrounding communities through financial initiatives and by utilizing local contracting wherever possible. Maha believes that the success of its business is driven by the strong efforts and ingenuity of its people, and therefore the Company strives to ensure that respect for employees and the people with whom Maha collaborates is an integral part of the Company's business practice.

REGULATORY

The Company operates in multiple different legal jurisdictions and systems. Rules, regulations and legal principles may differ both relating to matters of substantive law and in respect of such matters as court procedure and enforcement. Almost all material production and exploration rights and related contracts of the Company are subject to the national or local laws and jurisdiction of the respective countries in which the operations are carried out. This means that the Company's ability to exercise or enforce its rights and obligations may differ between different countries and also from what would have been the case if such rights and obligations were subject to Swedish law. Furthermore, the Company's operations are subject to various complex laws and regulations as well as detailed provisions in concessions, licenses and agreements that often involve several parties.

The majority of the Company's oil and gas production is currently located in Brazil. In Brazil, all oil deposits, natural gas, and other fluid hydrocarbons are owned by the state and are deemed to be distinct property from the land itself. There are two main regimes for oil and gas exploration and production under Brazil legislation, the concession regime[19] and the production sharing regime[20]. Both the concession and production sharing regimes are preceded by a public auction/ bid proceeding, which is open to Brazilian and foreign companies. Only companies that comply with certain technical, economic and legal requisites established by the ANP can obtain authorisation for oil & gas exploration and production, and all exploring, developing and producing of hydrocarbons can only be performed by companies organised under Brazilian laws, with management and headquarters in Brazil.

Under the concession regime, the government may authorise companies to explore and produce oil and gas under particular concession agreements. Under such agreements, the exploration and production activities are undertaken at the sole risk of the concessionaires/oil companies, which will have ownership of the oil and gas produced. In areas which are subject to the production sharing regime (pre-salt and strategic areas), Petrobras will always be granted a "right of first refusal" to hold a minimum 30 percent stake and/or to be the operator of the field. Under this regime, oil companies will bear all of the activity's risks – even though the oil & gas produced will be the federal government's property. In the case of a commercial discovery, oil companies will recover the costs and investment made (i.e., the cost oil) and will be entitled to a percentage of the remainder of the production (i.e., the profit oil), in accordance with the provisions of the production sharing agreement executed with the government. Under both regimes, fees such as royalties, special participation, and annual occupation or retention fees are paid to the government, and monthly royalties are paid to landowners in the area.

On 25 September 2020 the Company announced that it was awarded a new exploration block, Block 70, by the Ministry of Energy and Minerals of the Sultanate of Oman. Block 70 is an onshore block that includes the shallow, undeveloped Mafraq heavy oil field. The Block is located in the middle of the prolific shallow play in the oil-producing Ghaba Salt Basin in the central part of Oman. Maha Energy (Oman) Ltd. is designated as the operator of Block 70. The EPSA provides for an initial exploration period of three years (the "**Initial Phase**"), with an optional extension period of another three years (the "**Second Phase**"), which can, subject to the Government of Oman's approval, be extended for such additional time as may be reasonably required to conclude minimum work obligations. In case of a declaration of commerciality, the Oman Government Oil Company has a right to acquire up to a 30 percent interest in Block 70 within three years from such declaration of commerciality against refunding the pro rata share of past expenditure. The profit of any future oil, gas, and condensate production shall be shared between the contractor parties and the Government of Oman. However, the contractor will, upon

[19] The concession regime was established by Law 9.478/1997 (the so called "Petroleum Law").
[20] The production sharing regime was established by Law No. 13,365/2016 (the so called "Pre-salt Law").

production and sale, have a right to be reimbursed for certain investments and production costs, a right so-called "cost recovery" before any allocation of profits between the contractor parties and the Government of Oman are made.

Capitalisation, indebtedness and other financial information

EQUITY AND LIABILITIES

The tables in this section describe the capital structure of Maha and net indebtedness on a group level as of 30 June 2023. The tables show the interest bearing debt of the Group (non interest bearing debt is not included). See section "Share capital and ownership structure" for additional information regarding, inter alia, the Company's share capital and shares.

Capitalisation

The capitalisation of Maha as of 30 June 2023 is presented in the table below.

TUSD	30 June 2023
Current debt	
Guaranteed	-
Secured[1]	21,827
Unsecured	-
Total current debt[2] (including current portion of non-current debt)	**21,827**
Non-current debt	
Guaranteed	-
Secured[3]	16,141
Unguaranteed/unsecured	-
Total non-current debt[4] (excluding current portion of non-current debt)	**16,141**
Equity	
Share capital	207
Other contributed capital and provisions	135,908
Retained earnings including total results[5]	47,482
Holdings without controlling influence	-
Total equity	**183,597**

1. Regarding the current bank debt, the Company must maintain deposited one hundred percent (100%) of the outstanding principal amount of a term loan, plus one hundred percent (100%) of the interest due for one quarter in the interest period owed on each relevant date, in order to continue to secure the obligations owed under the term loan. The repayment of the term loan is made using the amount deposited in such account, at each due date. Furthermore, the Company has leasing debts involving its US assets, secured through bonds with local banks, in accordance with IFRS 16.
2. Out of current interest-bearing debt -- TUSD 77 -- relates to leasing debt in accordance with IFRS 16.
3. Regarding the non-current bank debt, the Company must maintain deposited one hundred percent (100%) of the outstanding principal amount of a term loan, plus one hundred percent (100%) of the interest due for one quarter in the interest period owed on each relevant date, in order to continue to secure the obligations owed under the term loan. The repayment of the term loan is made using the amount deposited in such account, at each due date. Furthermore, the Company has leasing debts involving its US assets, secured through bonds with local banks, in accordance with IFRS.
4. Out of non-current interest-bearing debt -- TUSD 48 -- relates to leasing debt in accordance with IFRS 16.
5. Retained earnings consist of the result for the period and currency translation difference.

Net indebtedness

The net indebtedness of Maha as of 30 June 2023 is presented in the table below.

TUSD	30 June 2023
(A) Cash and bank balances	61,270
(B) Other cash equivalents[1]	41,136
(C) Other financial assets	59,008
(D) Liquidity (A)+(B)+(C)	**161,414**
(E) Current financial debt (including debt instruments, but excluding current portion of non-current debt)	-10,043
(F) Current portion of non-current debt	-21,750
(G) Current financial indebtedness (E+F)	**-31,793**
(H) Current financial net indebtedness (G-D)	**129,621**
(I) Non-current financial debt (excluding current portion of non-current debt instruments)	-16,093
(J) Debt instruments	-
(K) Non-current accounts payable and other debts	-48
(L) Non-current financial indebtedness (I+J+K)	**-16,141**
(M) Total financial indebtedness (H+L)[2]	113,480

1. Cash equivalents consist of cash collaterals considered as restricted cash.

2. Financial debt comprises leasing debt of which the short- and the long-term leasing debt amount to TUSD 125, and accounts payable and accrued liabilities.

CONTINGENT LIABILITIES AND OTHER INDIRECT INDEBTEDNESS

There is neither any external indirect indebtedness nor any external contingent liabilities as of the date of the Prospectus.

WORKING CAPITAL STATEMENT

It is the Company's assessment that the existing working capital, as of the date of the Prospectus, is sufficient for the Company's needs during the next twelve-month period.

HISTORICAL INVESTMENTS

Since 31 December 2022, Maha has made investments in the total amount of TUSD 5,497 consisting of investments in intangible fixed assets relating to exploration and evaluation assets in Oman.

On 6 July 2023, Maha made an investment of USD 1,000,000 in EIG Bolivia Pipeline AB, through the acquisition of 3,845 shares, equivalent to approximately 7% shareholding interest in said company. EIG Bolivia Pipeline AB holds a 38% equity interest in GasTransboliviano S.A., a company which owns the Bolivian parcel of the pipeline "Brasil-Bolivia".

ONGOING AND DECIDED INVESTMENTS

The Company has no ongoing or decided investments.

SIGNIFICANT EVENTS AFTER 30 JUNE 2023

On 13 July 2023, Maha resolved to transfer all 188,426 shares in DBO held by Maha to its wholly-owned subsidiary Maha Energy (Holding) Brasil Ltda. by means of a capital contribution. DBO owns 15 percent of the shares in 3R Offshore, which holds operated interests in producing oil and gas offshore fields in Brazil.

Other than the above, there have been no significant changes to the Group's financial position, earnings or position in the market after 30 June 2023.

Board of directors, executive management and auditors

BOARD OF DIRECTORS

The board of directors has its registered office in Stockholm, Sweden. According to the Company's articles of association, the board of directors shall consist of not less than three and not more than seven board members without deputy members. The board of directors currently consists of seven board members elected until the end of the annual general meeting to be held in 2024. The table below sets forth the board members, their position, the year they were elected and their independence in relation to the Company, senior executives and major shareholders. Major shareholders are defined in accordance with the Swedish Code of Corporate Governance (*Sw.* Svensk kod för bolagsstyrning) as owners who directly or indirectly control ten percent or more of the shares or votes in the Company.

			Independent in relation to:	
Name	**Position**	**Member since**	**The Company and the management**	**Major shareholders**
Fabio Vassel	Chairman	2022	Yes	No[21]
Paulo Thiago Mendonça	Board member	2022	No[22]	No[21]
Viktor Modigh	Board member	2022	Yes	Yes
Enrique Peña	Board member	2022	Yes	No[21]
Richard Norris	Board member	2022	Yes	Yes
Halvard Idland	Board member	2023	Yes	No[23]
Kjetil Solbraekke	Board member	2023	Yes	No[24]

Below sets forth further information on the board members' age, position, education, other relevant experience, other ongoing assignments, previous assignments completed within the past five years, independence, and ownership of shares and share related instruments in the Company (held in their own name as well as by affiliated natural and legal persons). Assignments in subsidiaries within the Group have been excluded.

Fabio Vassel

Born 1976. Member of the Board of Directors and Chairman of the Board of Directors since 2022. Chairman of the Remuneration committee.

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Education: Master of Business Administration (MBA) from the Wharton School of the University of Pennsylvania and a Bachelor of Arts (BA) from the University of São Paolo (FEA-USP).

Other relevant experience: Fabio Vassel has over 25 years of experience working on Private Equity buy-side and Restructuring Advisory in Latin America, North America and Europe. Fabio was previously Partner and Head of Restructuring & Private Equity at Brasil Plural. Fabio has experience from Jefferies (Zurich and London), Nomura (London) and UBS Investment Bank (New York and London).

Other ongoing assignments: Managing Director of the Starboard Group.

Previous assignments (past five years): Chairman of the board of 3R Petroleum. Board member of Gemini Energy.

Holdings: -

Independent in relation to the Company and the management but not in relation to major shareholders.

Paulo Thiago Mendonça

Born 1988. Member of the Board of Directors since 2022 and Managing Director since 2022. Member of the Reserves and Health, Safety, and Environmental committee.

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Education: Degree in Mechanical Engineering (cum laude) from the Federal University of Rio de Janeiro (UFRJ).

[21] Fabio Vassel and Paulo Thiago Mendonça are Managing Directors and Enrique Peña is Director of the Starboard Group, which manages the fund Turmalina Fundo de Investimento em Participações Multiestratégia Investimento no Exterior, owner of 15.98 percent of the shares in the Company.

[22] Paulo Thiago Mendonça is the Chief Executive Officer of the Company.

[23] Halvard Idland is Co-Founder and Director at DBO Invest S.A., which following the Transaction owns 12.29 percent of the shares in the Company.

[24] Kjetil Solbraekke is Co-Founder and Chief Executive Officer at DBO Invest S.A., which following the Transaction owns 12.29 percent of the shares in the Company.

Other relevant experience: Paulo Thiago Mendonça is currently a Managing Director at Starboard, responsible for private equity investments and advisory in special situations transactions. Paulo has previously been the Head of Investment Banking at Brasil Plural's Investment Banking division, responsible for M&A, equity and capital market transactions and worked at the Asset Management in Brasil Plural. Paulo has extensive experience in the oil and gas industry and has led important transactions in the sector.
Other ongoing assignments: Managing Director of the Starboard Group.
Previous assignments (past five years): Chairman of the board of 3R Petroleum.
Holdings: -

Not independent in relation to the Company and the management nor in relation to major shareholders.

Viktor Modigh

Born 1980. Member of the Board of Directors since 2022. Member of the Audit committee, the Remuneration committee and the Reserves and Health, Safety, and Environmental committee.
--
Education: Master of Law from the University of Gothenburg, Sweden with a specialisation in Petroleum Law and Petroleum Contracts from the University of Oslo, Norway.
Other relevant experience: Viktor Modigh has worked as a lawyer advising primarily oil and gas companies on regulatory and contractual matters, transactions and general corporate law. He has more than 20 years' experience of investments across different sectors and has held management positions with Tethys Oil in Oman and the United Arab Emirates. Viktor is a member of the Association of International Energy Negotiators.
Other ongoing assignments: Chairman of the board of Jumpgate AB, Transition Energy International AB, Klash AB, Minotaurus Energi AS and Urtiven AS. Managing Director of Tiveden AS and Infundo AB.
Previous assignments (past five years): -
Holdings: -

Independent in relation to the Company and the management as well as in relation to major shareholders.

Enrique Peña

Born 1974. Member of the Board of Directors since 2022. Chairman of the Audit committee.
--
Education: Master in Infrastructure Management and Public Services and Master in Civil Engineering from Universidad Politécnica de Madrid, Master in Business Administration (MBA) from The Wharton School of the University of Pennsylvania, and Master in Sustainability and Social Corporate Responsibility from Universidad UNED-UJI.
Other relevant experience: Enrique Peña has over 23 years' experience in business development and strategic management in large corporations such as Shell, Boston Consulting Group, Orange and Renfe. Enrique is currently Executive Director of the IE Negotiation and Mediation Centre and Professor of Strategy in IE University in Madrid, Spain.
Other ongoing assignments: Executive Director of the IE Negotiation and Mediation Center. Director of the Starboard Group.
Previous assignments (past five years): Senior International Manager in Renfe, Board member of the Mecca-Medinah High-Speed Train Saudi-Spanish Consortium.
Holdings: -

Independent in relation to the Company and the management but not in relation to major shareholders.

Richard Norris

Born 1966. Member of the Board of Directors since 2022. Chairman of the Reserves and Health, Safety, and Environmental committee and Member of the Audit committee.
--
Education: PhD in Petroleum Engineering and Master of Science in Petroleum Geology from Imperial College in London, and a Bachelor of Science in Geology.
Other relevant experience: Richard has over 30 years energy related experience in both industry and finance, including roles with large and small oil companies, as well as roles in debt and equity financing. Richard has worked in engineering, management and board roles covering Africa, Europe, Former Soviet Union and South America with BP, Elf Aquitaine/Total, Geopetrol, Candax Energy and Eland Oil and Gas. In finance Richard was instrumental in building the European oil and gas

structured finance group at BNP Paribas. As a Partner at Helios Investment Partners, Richard co-managed Helios's Private Equity energy investments throughout Africa. Richard is a Fellow of the Canadian Global Affairs Institute.
Other ongoing assignments: Managing Director of Pandreco Energy Advisors Inc.
Previous assignments (past five years): -
Holdings: -

Independent in relation to the Company and the management as well as in relation to major shareholders.

Halvard Idland

Born 1975. Member of the Board of Directors since 2023. Member of the Audit committee.
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Education: M.Sc. in Economics and Business Administration from Norwegian School of Economics (NHH).
Other relevant experience: Halvard Idland has more than 20 years of industrial and financial investment experience in the oil and gas industry in Norway and Brazil. Previous experience includes DNB, Pareto and Aker Yards prior to co-founding DBO Energy.
Other ongoing assignments: Co-founder and Director at DBO Invest and Janeiro Energy. Board member at Prosafe SE and 3R Offshore. Chairman of DreamLearnWork.
Previous assignments (past five years): Co-founder and CFO at DBO Energy and DBO 2.0 S.A. (re-named Maha Energy Offshore (Brasil) Ltda.). Audit committee member at 3R Petroleum.
Holdings: 116,337 shares held directly and 7.312.199,33 shares held indirectly through ownership of one third (1/3) of the shares in DBO Invest S.A.[25]

Independent in relation to the Company and the management but not in relation to major shareholders.

Kjetil Solbraekke

Born 1962. Member of the Board of Directors since 2023. Member of the Remuneration committee.
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Education: Cand. Oecon from the University of Oslo, Economist.
Other relevant experience: Kjetil Solbraekke has over 30 years of experience from the Norwegian Oil and gas sector in various positions as Assistant director general in the Ministry of Petroleum in Norway, SVP and CFO in Norsk Hydro, CEO in Panoro Energy and Sintef do Brazil, Founder and CEO in DBO Energy. He has lived in Brazil since 2006.
Other ongoing assignments: Co-Founder and CEO at DBO Invest.
Previous assignments (past five years): CEO in Sintef do Brasil. Co-founder and CEO at DBO Energy and DBO 2.0 S.A. (re-named Maha Energy Offshore (Brasil) Ltda.). Board Member of 3R Petroleum.
Holdings: 216,337 shares held directly and 7.312.199,33 shares held indirectly through ownership of one third (1/3) of the shares in DBO Invest S.A.[26]

Independent in relation to the Company and the management but not in relation to major shareholders.

EXECUTIVE MANAGEMENT

The table below sets forth the members of the executive management, their position, the year they became members of the executive management and the year they were first employed by Maha.

Name	Position	Member of the executive management since
Paulo Thiago Mendonça	Chief Executive Officer	2022
Guilherme Guidolin de Campos	Chief Financial Officer	2023
Alan Johnson	Chief Operating Officer	2019

[25] The shares held by Halvard Idland directly and indirectly through DBO Invest S.A. were subscribed for within the Transaction, have been fully paid and allocated, but have as per the date of the Prospectus not been registered with the Swedish Companies Registrations Office. Paid-up subscribed shares (BTA) have been issued to be converted into the shares after registration of the new shares with the Swedish Companies Registration Office.
[26] 116,337 of the shares held by Kjetil Solbraekke directly and the shares held indirectly through DBO Invest S.A. were subscribed for within the Transaction, have been fully paid and allocated, but have as per the date of the Prospectus not been registered with the Swedish Companies Registrations Office. Paid-up subscribed shares (BTA) have been issued to be converted into the shares after registration of the new shares with the Swedish Companies Registration Office.

Barbara Bittencourt	Chief Legal Officer	2023

Below sets forth information on the senior executives' age, position, education, other relevant experience, other ongoing assignments, previous assignments completed within the past five years, and ownership of shares and share related instruments in the Company (held in their own name as well as by affiliated natural and legal persons). Assignments in subsidiaries within the Group have been excluded.

Paulo Thiago Mendonça

Born 1988. Managing director since 2022.

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For further information, please refer to heading "Board of directors" above.

Guilherme Guidolin de Campos

Born 1981. Chief Financial Officer since 2023.

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Education: BSc in Industrial Engineering from the University of São Paulo.
Other relevant experience: Guilherme Guidolin de Campos has 23 years of experience within Investment Banking, Restructuring, Executive Leadership and Strategy Consulting, where he has assisted top management of large multinational groups in a diverse array of industries such as oil and gas, mining, metals, chemicals, fertilizers, agribusiness, airlines and airports, retail and financial services. Prior to joining Maha, Guilherme has been CFO at Viracopos International Airport, Interim Project Head for BHP Billington Brazil, Planning Director at Camisaria Colombo and Vice President at Brasil Plural Bank, being an Executive Director of Starboard. As a strategy consultant Guilherme was a Senior Manager at Bain & Company where he worked for 12 years. Guilherme is also a Co-Founder and Executive Director of Starboard.
Other ongoing assignments: Executive Director at Starboard.
Previous assignments (past five years): Guilherme has most recently held the position of Finance Director at Maha Energy (Oman) Ltd., co-leading the Omani organization and assisting the company with the execution of Maha's relevant projects in the country. Guilherme has also held top management positions, such as CFO at Viracopos International Airport and Interim Project Head for BHP Billington Brazil.
Holdings: -

Alan Johnson

Born 1971. Chief Operating Officer since 2019.

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Education: 1st Class B. Eng (Hons) from Heriot Watt University in Scotland.
Other relevant experience: Alan Johnson is a senior oil and gas executive with more than 29 years of experience working internationally in Europe, Africa, North and South America and Australasia. His experience includes both technical, managerial and executive roles in drilling, production, reservoir, reserves, corporate planning and asset management. Alan started his E&P career with Shell International in the Netherlands. He has also held various significant positions within Shell Canada, APF Energy, Rockyview Energy, Delphi Energy, BG Australia and Caracal Energy. His last role was Vice President, Asset Management at Gran Tierra Energy where he managed assets in Colombia, Brazil and Peru. Alan is a Chartered Engineer in the UK.
Other ongoing assignments: -
Previous assignments (past five years): Vice President, Asset Management, Gran Tierra Energy Inc.
Holdings: 608,450 warrants from incentive programs.

Barbara Bittencourt

Born 1985. Chief Legal Officer since 2023.

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Education: Bachelor of Laws from Universidade Milton Campos Law School in Brazil, LL.M in Oil and Gas from the University of Aberdeen in Scotland, Specialization in Maritime Regulation and Ocean Management from Harvard University in the USA.
Other relevant experience: Barbara Bittencourt has over 15 years of experience within energy and natural resources, focusing her career on transactions and regulatory issues in the oil and gas industry. Before joining Maha, Barbara was a partner of the Brazilian law firm Demarest Advogados at their Energy and Natural Resources practise. Previously, Barbara was a Senior Associate of DLA Piper/Campos Mello Advogados.
Other ongoing assignments: -
Previous assignments (past five years): Partner of Demarest Advogados, Senior Associate at Campos Mello Advogados/ DLA Piper.
Holdings: -

AUDITORS

According to Maha's articles of association, the Company shall have not less than one and not more than two auditors with maximum two deputy auditors. At the annual general meeting held on 24 May 2023, Deloitte AB ("**Deloitte**") was re-elected as the Company's auditor for the period until the end of next annual general meeting. Deloitte has been the Company's auditor since 2016. Andreas Frountzos is the auditor-in-charge at Deloitte, and is an authorized public auditor and member of FAR (an interbranch organisation for accountants, auditors and advisors in Sweden). Deloitte's address is Rehnsgatan 11, SE-113 79, Stockholm, Sweden. Other than expressly stated, no information in the Prospectus has been reviewed or audited by the Company's auditors.

OTHER INFORMATION ON THE BOARD OF DIRECTORS AND THE EXECUTIVE MANAGEMENT

There are no family relationships between any board members or senior executives of the Company. No board member or senior executive has been convicted in any fraud-related case in the past five years. No board member or senior executive has been involved in any bankruptcy, receivership or liquidation (other than voluntary liquidation) in the past five years, in the capacity of member of any administrative, management or supervisory body or other senior position. No accusation and/or sanction have been issued by statutory or regulatory authorities (including designated professional bodies) against any board member or senior executive in the past five years. No board member or senior executive has in the past five years been disqualified by a court from taking part of any administrative, management or supervisory body or from having a leading or a senior function at a company. The shares issued to Halvard Idland and Kjetil Solbraekke within the Transaction are subject to a one-year lock-up undertaking from closing of the Transaction (please refer to "Share capital and ownership structure" – "Undertaking not to sell shares (lock-up)" for further information). Other than the aforementioned, the board of directors or the senior executives are subject to no restrictions (such as lock-up agreements) regarding the possibility to dispose shares in Maha.

As stated above, certain board members and senior executives have private interests in the Company through holdings of securities. Board members and senior executives of the Company are board members and representatives of other companies and have ownership interests in other companies, and in the event that any such company enters into business relations with the Company, board members or senior executives in the Company may have a conflict of interest, which is managed by excluding the relevant person from handling the matter on behalf of the Company. Other than aforementioned, no board member or senior executive have any private interests that may conflict with the Company's interests.

All board members and members of the executive management are available via the Company's office on Eriksbergsgatan 10, SE-114 30 Stockholm, Sweden.

Share capital and ownership structure

GENERAL INFORMATION

Maha Energy AB was founded in 2015 under Swedish law. The Company's shares are denominated in SEK and have been issued in accordance with the Swedish Companies Act. All shares are fully paid up. The Company's articles of association prescribe that the share capital shall be no less than SEK 517,000 and no more than SEK 2,068,000, and that the number of shares shall amount to no less than 143,615,696 and no more than 188,000,000. As of 1 January 2022, the Company's registered share capital amounted to SEK 1,316,872.656 divided into 119,715,696 shares, each with a quota value of SEK 0.011. As of 31 December 2022 and as of the date of the Prospectus, the Company's registered share capital amounted to SEK 1,579,772.656 divided into 143,615,696 shares, each with a quota value of SEK 0.011. At the extraordinary general meeting held on 29 March 2023 it was resolved to increase the Company's share capital with no more than SEK 404,529.51 through the issue of no more than 36,775,410 new shares against payment in kind of 188,426 shares in DBO. In total 34,829,057 shares were subscribed for, fully paid and allocated to the subscribers, and 34,829,057 paid-up subscribed shares (BTA) have been issued to be converted into the shares after registration of the new shares with the Swedish Companies Registration Office. The new shares will be registered with the Swedish Companies Registrations Office after the publication of the Prospectus, following which the Company's share capital will amount to SEK 1,962,892.283 divided into 178,444,753 shares.

Maha has four (4) ongoing share related incentive programs, which are described under the heading "Share related incentive programs".

CENTRAL SECURITIES DEPOSIT

The Company's articles of association contain a so-called record day provision and the Company's shares are connected to the electronic securities system with Euroclear Sweden AB ("**Euroclear**"), Box 191, SE-101 23 Stockholm, Sweden, as account operating institution. The shares are registered by person. No share certificates have been issued for the shares. The ISIN code for the shares in Maha is SE0008374383.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

Shareholders are entitled to vote for their full number of shares and each share entitles to one vote at the general meeting. All shares in the Company give equal rights to dividends, share in the Company´s profits and the Company´s assets and any surplus in the event of liquidation. The shares carry the right to dividend from the first dividend record date falling immediately after the shares have been registered with the Swedish Companies Registration Office and entered in the share register kept by Euroclear. The Company's shares have been issued in accordance with Swedish law and the rights associated with the Company's shares may only be amended in accordance with the procedures set out in the Swedish Companies Act (2005:551). If the Company decides to issue new shares, warrants or convertible debentures, the shareholders will, as a general rule, have preferential subscription rights in proportion to the number of shares they already own, unless the general meeting or the board of directors with support from an authorisation from the general meeting resolves to deviate from the shareholders' preferential rights. The articles of association do not contain any provisions on redemption obligation or regarding conversion linked to the shares. The Company has one class of shares and all shares have the same priority in case of insolvency.

Any dividends are resolved upon by the general meeting. Shareholders registered in Euroclear's central securities register on the record date shall be entitled to dividends. The record date for dividends and the date of payment of the dividends is determined by the general meeting, or by the board of directors if authorized by the general meeting. Normally, dividend is paid in cash but may also be paid in other ways.

Should a shareholder not be possible to reach for the payment of dividend, the shareholder's claim against the Company regarding the dividend amount remains, and is only limited in time pursuant to provisions on statutory limitation of, as a general rule, ten years. Upon the expiry of the period of limitations, the dividend amount is allocated to the Company. The Company applies no restrictions or special procedures regarding dividend rights of shareholders domiciled outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders in Sweden.

OWNERSHIP STRUCTURE

The table below shows shareholders with holdings of at least the equivalent of five (5) percent of the total number of shares and votes in the Company as of 30 June 2023 based on information from Euroclear and subsequent known changes. There are no differences in the voting rights between the Company's larger shareholders. Instead, each share entitles to one vote at the shareholders' meeting.

As of the date of publication of the Prospectus, as far as the Company is aware, there is no direct or indirect ownership that leads to control of the Company. The board of directors is furthermore not aware of any shareholders' agreement or other arrangement which may result in a change of control over the Company at a later stage, or which constitutes that such change of control can be prohibited. The Company has not taken any specific measures in order to guarantee that the larger shareholders' control is not misused. However, the rules for protection of minority shareholders in the Swedish Companies Act constitute a protection against a majority shareholder's eventual misuse of its control over a company.

Name	Total number of shares[1)]	Share of capital and votes[1)]
Turmalina Fundo de Investimento em Participações Multiestratégia Investimento no Exterior	28,520,330	15.98%
DBO Invest S.A.	21,936,598	12.29%
Other existing shareholders	127,987,825	71.72%
Total:	**178,444,753**	**100.00%**

[1)] Includes the 34,829,057 new shares which were were subscribed for, fully paid and allocated to the subscribers within the Transaction.

DIVIDEND POLICY

No dividend has been resolved or paid during the period covered by the historical financial information in the Prospectus. The Company's capacity to pay future dividends and the scope of such dividends depends on the Company's future performance, position, cash flows, working capital needs and other factors. The terms of any future credit agreements could also prevent dividends from being paid. The Company has no current intentions of paying any dividends, as it anticipates that all available funds will be invested to finance the growth of its business. The board of directors will propose if and when dividends shall be paid in the future, based on the Company's financial position at the relevant time.

OUTSTANDING WARRANTS

The Company has a total of 3,084,586 warrants outstanding and held by participants in long term incentive program for employees and senior management, see further information under "Share related incentive program" below. If all outstanding warrants held by participants are exercised it would correspond to a dilution of approximately 1.70 percent of the share capital and total number of shares and votes in the Company per the date of this Prospectus (based on the share capital and the total number of shares and votes in the Company as per the date of the Prospectus, including 34,829,057 shares issued by the extraordinary general meeting held on 29 March 2023 not registered with the Swedish Companies Registration Office as of the date of the Prospectus, please refer to heading "General information" for further information).

Share related incentive programs

The Company has implemented share related incentive programs in place as part of the remuneration package for management and employees through the issuance of warrants, in order to strengthen the retention of employees with the Group and to motivate the employees to create shareholder value. The board of directors assess that these objectives are in line with all shareholders' interests. The programmes encompass employees employed by the Company and subsidiaries of the Company. Board members not employed by the Group are not allowed to participate.

Outstanding incentive programmes

There are 3,084,586 warrants outstanding and held by participants under four (4) long term incentive program for employees and senior management of the Group, of which the first program comprises 370,000 warrants, the second program comprises 1,018,286 warrants, the third program comprises 524,143 warrants, and the fourth program comprises 1,172,157 warrants. Issued but not allocated warrants are held by the Company. Each warrant shall entitle the warrant holder to subscribe for one (1) new share in the Company at the subscription prices per share detailed below.

Incentive programme	Exercise period	Exercise price, SEK	Number of warrants outstanding per the day of this Prospectus
2020 incentive programme (LTIP 4)	1 June 2023 – 29 February 2024	10.90	370,000
2021 incentive programme (LTIP 5)	1 June 2024 – 28 February 2025	12.40	1,018,286
2021 incentive programme (LTIP 6)	1 June 2023 – 29 February 2024	12.40	524,143
2022 incentive programme (LTIP 7)	1 June 2025 – 1 June 2030	20.65	1,172,157
Total			**3,084,586**

UNDERTAKING NOT TO SELL SHARES (LOCK-UP)

The new shares in Maha issued as consideration to DBO's shareholders within the framework of the Transaction are subject to a one year lock-up from Transaction's closing, pursuant to lock-up undertakings toward the Company, subject to the following exceptions:

- the shares issued within the Transaction may be transferred by a shareholder to any company which is wholly-owned by such shareholder being subject to the lock-up, provided that the new shareholder has signed and delivered a substantially similar lock-up undertaking before the transfer is effectuated;
- the lock-up shall cease to be valid in case of any M&A activity resulting in a dilution for the existing shareholders in Maha exceeding 20 percent; and
- the lock-up does not prevent the shareholders from obtaining loans guaranteed by the shares issued within the Transaction as long as (i) the guarantee does not cover more than 50 percent of a shareholders' holding of such shares (ii) such loan is not obtained within four months from the closing of the Transaction, and (iii) the proceeds of the loan are not used to trade short in Maha's shares.

TRADING IN THE SHARES

The Company's shares are admitted to trading on Nasdaq Stockholm under the ticker "MAHA A". The ISIN code of the Company's shares is SE0008374383. The shares issued within the Transaction will be subject to application for admission to trading on Nasdaq Stockholm after publication of the Prospectus. The first day of trading of the shares within the Transaction is expected to be on or around 13 September 2023.

INFORMATION ON PUBLIC TAKEOVER BIDS AND REDEMPTION OF MINORITY SHARES

General

The Company's shares are subject to the takeover rules for certain trading platforms issued by the Swedish Corporate Governance Board. According to these rules, the obligation to make an offer to acquire the remaining shares in the Company is triggered for shareholders who, alone or together with a closely related party, through acquisition of shares reach a holding that represents three-tenths or more of the total voting rights in the Company. Other shareholders are entitled to reject such an offer in connection thereto. According to the Swedish Companies Act, a shareholder who holds more than nine-tenth of the shares in a Swedish limited liability company is entitled to redeem the remaining shares in the company, and holders of the remaining shares are, correspondingly, entitled to have their shares redeemed. The Company's shares are not subject to any mandatory bids, any redemption rights, or redemption obligation. The Company's shares are not, and have never been, subject to any public takeover bid.

A shareholder who alone, or through a subsidiary, holds more than 90 percent of the shares in a Swedish limited liability company (the "**Majority shareholder**") is entitled to redeem the remaining shares in the company. Owners of the remaining shares (the "**Minority shareholders**") are, correspondingly, entitled to have their shares redeemed by the Majority shareholder. The procedure for redemption of the Minority shareholders' shares is further governed by the Swedish Companies Act. The shares in Maha are not subject to any public takeover bid, any redemption rights, or redemption obligation. The Company's shares have never been subject to any public takeover bid.

The Act (2006:451) on public takeover bids on the stock market ("**LUA**") is applicable to public takeover bids for Maha's shares. According to LUA, anyone making a public takeover bid must undertake to comply with the takeover rules for Nasdaq Stockholm (the "**Takeover Rules**"). Through the undertaking, anyone making a public takeover bid undertakes to comply with both the Takeover Rules and the Swedish Securities Council's (*Sw.* Aktiemarknadsnämnden) decisions and statements on the interpretation and application of the Takeover Rules and on good practice in the stock market. The shares in Maha are not, and never have been, subject to any public takeover bid.

Legal considerations and supplementary information

INCORPORATION, LEGAL STRUCTURE AND BUSINESS ACTIVITIES

The Company is a Swedish public limited liability company founded on 16 June 2015 and registered with the Swedish Companies Registration Office on 1 July 2015. The current name of the Company is Maha Energy AB and its trading name is Maha. The Company's corporate registration number is 559018-9543 and the Company's LEI code is 213800USNX47LQFQQN20. The board of directors has its registered office in Stockholm and the Company's operations are conducted in accordance with the Swedish Companies Act. Maha Energy AB is the parent company in the Group which, as of the date of the Prospectus, comprises ten (10) wholly owned subsidiaries. In addition, Maha, through its ownership in DBO, holds 15 percent of the shares in 3R Offshore.

The objects of the Company's business are to, directly or indirectly through subsidiaries or through smaller partnerships or other forms of cooperation, conduct production of and/or exploration for oil, gas and minerals, acquire, own, manage and divest shares and other interests as well as other movable and immovable property and conduct other activities compatible therewith. The address to the Company's website is www.mahaenergy.ca. The information on the Company's website is not part of this Prospectus (other than information which has been incorporated into the Prospectus by reference). There are hyperlinks in the Prospectus. The information on these websites is not part of this Prospectus and has not been reviewed or approved by the Swedish Financial Supervisory Authority.

MATERIAL AGREEMENTS

Presented below is a summary of material agreements entered into by the Group during the past two years, as well as other agreements entered into by the Group containing rights or obligations of material importance for the Group (apart from agreements entered into as part of the ordinary course of business). The summary does not cover agreements entered into in the course of day-to day operations.

Business Combination with DBO

On 23 May 2023, Maha announced the closing of the business combination with DBO. The transaction consisted of 34,829,057 newly issued shares in Maha as consideration for Maha's acquisition of 188,426 shares in DBO and BRL 1.00 paid by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, for the acquisition of one (1) share in DBO, through which 100 percent of the shares in DBO were acquired. DBO is a private upstream oil and gas company focusing on mature offshore fields in Brazil. DBO was established in 2017 and has brought North Sea investors to invest into Brazilian assets, working with Brazilian partners and applying the most advanced North Sea approaches to identify additional reserves, develop mature oil and gas fields and increase oil and gas recovery. DBO owns 15 percent of the shares in 3R Offshore, which holds operated interests in producing oil and gas offshore fields in Brazil. For further information, see section "Business overview" – "Reserves and resources". At the Extraordinary General Meeting held on 29 March 2023 it was resolved to increase the Company's share capital by not more than SEK 404,529.51 through a new issue of not more than 36,775,410 shares to the Sellers of DBO. In total 34,829,057 shares were subscribed for, fully paid and allocated to the subscribers. The new shares in Maha issued as consideration to DBO's shareholders are subject to a one year lock-up from Transaction's closing (please refer to "Share capital and ownership structure" – "Undertaking not to sell shares (lock-up)" for further information).

Divestment of the Company's Brazilian assets

On 28 February 2023, Maha announced closing of the divestment of 100 percent of the shares in Maha Energy Brasil Ltda. To PetroRecôncavo S.A. Pursuant to the quota purchase agreement entered into between the parties on 27 December 2022, the consideration for the shares in Maha Energy Brasil Ltda. Amounts to a maximum USD 186.9 million, being comprised of a purchase price of USD 150.9 million and possible earnouts amounting to USD 36.1 million. The assets included in the disposal of Maha Energy Brasil Ltda. Were, inter alia, Maha's participating interests in the Tartaruga field and Tie field.

After proper adjustments made at the closing date and considering possible earn-outs contractually agreed, the total acquisition consideration can reach USD 186.9 million, being comprised of the following:

i. the adjusted purchase price, equivalent to USD 138.0 million, with additional adjustment of net working capital of USD 9.3 million and net cash of USD 3.7 million, in a total amount of adjusted purchase price of USD 150,9 million to be paid in two installments: (a) USD 95.9 million, at the present date – i.e., 28 February 2023 (the closing date), and (b) USD 55.0 million, 6 (six) months after the closing date – i.e., 28 August 2023;

ii. additional earn-outs of up to USD 36.1 million, which could be paid based on certain contractual conditions being met, whereof up to USD 24.1 million refers to the average annual Brent oil price for the next three years. It will start to be payable from USD 80 per barrel with a maximum to be reached if the price is above USD 90 per barrel. The remaining payment will be subject to synergies with PetoRecôncavo's potential new assets. Part of proceeds from the transaction will be used as collateral for Maha's outstanding debt to BTG Pactual (related to the Credit Agreement dated 30 March 2021).

Assignment of 35 percent working interest in Block 70 to Mafraq

On 8 August 2022, the Company entered into a farmout agreement with Mafraq, whereby the Company would transfer a 35 percent working interest in the Block 70 in Oman in exchange for Mafraq reimbursing Maha for their prorated share of all past costs. Mafraq was also required to pay their share of all future expenditures on Block 70. In January 2023, the Company entered into the joint operating agreement ("**JOA**") with Mafraq for Block 70 in Oman. The signature of the JOA, alongside the Governmental approval ratified by Royal Decree 74/2022 and other relevant procedures, marks the satisfaction of all conditions precedent required for the conclusion of the assignment of Maha's 35 percent work interest to Mafraq, as provided in the relevant Farmout Agreement signed by the Parties in August 2022.

NOTICE TO ATTEND AN EXTRAORDINARY GENERAL MEETING ON 18 SEPTEMBER 2023

On 12 August 2023, the Company press released a notice to attend an extraordinary general meeting to be held on 18 September 2023.

The board of directors has proposed that the extraordinary general meeting resolves to change the Company's articles of association with respect to the limits of the share capital and number of shares, whereby the Company's share capital shall amount to not less than SEK 1,925,000 and not more than SEK 7,700,000 and the number of shares shall be no less than 175,000,000 and no more than 700,000,000. The board of directors has further proposed that the general meeting resolves on an incentive programme for the executive management and other employees and consultants of the Company and its subsidiaries through the issuance of no more than 5,712,210 warrants each entitling to subscription of one new share in the Company during the period as from registration of the warrants with the Swedish Companies Registration Office (noting that the period from allocation of warrants until a warrant may be exercised may generally not be less than three years and the warrants shall vest in tranches of one third (1/3) of the allocated warrants per year during a total vesting period of three years) until and including 1 January 2030 for a subscription price per share corresponding to 100% of the volume weighted average last closing price for the Company's share on Nasdaq Stockholm during the period from and including 11 May 2023 until and including 18 September 2023.

The nomination committee has presented the following proposals in relation to changes to the board composition and decision on board fees: (i) that Kjetil Solbraekke, upon his own request, is discharged from the board of directors, (ii) that Svein Harald Øygard is elected as new ordinary board member, (iii) that Fabio Vassel, upon his own request, is discharged from his assignment as chairman of the board of directors while remaining as ordinary board member, (iv) that Paulo Thiago Mendonça is elected as chairman of the board of directors, and (v) that Paulo Thiago Mendonça, Fabio Vassel and Svein Harald Øygard are to be entitled to remuneration (board fees) as resolved by the annual general meeting held on 24 May 2023 (reduced proportionally taking into account that they will not serve as chairman and board members, respectively, during the entire time period between the annual general meeting held on 24 May 2023 and the next annual general meeting). The nomination committee (excluding Fabio Vassel) has further proposed the general meeting resolves on an incentive programme for the members of the board of directors of the Company through the issuance of no more than 3,808,140 warrants each entitling to subscription of one new share in the Company during the period as from registration of the warrants with the Swedish Companies Registration Office (noting that the period from allocation of warrants until a warrant may be exercised may generally not be less than three years and the warrants shall vest in tranches of one third (1/3) of the allocated warrants per year during a total vesting period of three years) until and including 1 January 2030 for a subscription price per share corresponding to 100% of the volume weighted average last closing price for the Company's share on Nasdaq Stockholm during the period from and including 11 May 2023 until and including 18 September 2023.

AUTHORITY PROCEEDINGS, LEGAL PROCEEDINGS AND ARBITRATION

The Company has not been involved in any proceedings with authorities, any legal or arbitration proceeding (including any such proceedings which are pending or threatened of which the Company is aware) during the previous twelve months that may have, or have had, a significant effect on the Company's or Group's financial position or profitability.

RELATED PARTY TRANSACTIONS

The Company has not been a party in any related party transaction during the period 1 January 2023 up to the date of the Prospectus.

Intragroup loans and shareholders' contributions

The Company has provided subsidiaries with intragroup loans. As of the date of the Prospectus, the intercompany loans amounted to TSEK 676,262.

ADVISORS

There are no known material conflicts of interest pertaining to the Admission. Setterwalls Advokatbyrå AB is legal advisor to the Company in connection with the Admission.

CERTAIN TAX CONSIDERATIONS IN SWEDEN

The tax legislation in (i) the investor's country and (ii) the country where the issuer has its registered office may affect the income of securities of the Prospectus. The taxation of each individual shareholder depends inter alia on whether the shareholder is subject to unlimited or limited taxation in Sweden, owns the shares as a natural or legal person, or if the shares are being held in an investment savings account or not. Furthermore, special tax rules apply to certain types of taxpayers, for example investment companies and insurance companies. Each holder of shares should therefore consult a tax advisor for information on the special implications that may arise in the individual situation, including the applicability and effect of foreign rules and tax treaties.

THE PROSPECTUS

The Prospectus has been approved by the SFSA as the competent authority according to the Prospectus Regulation. The SFSA approves the Prospectus only as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. This approval should not be regarded as an endorsement of the Company as referred to in the Prospectus or any form of indication for the quality of the securities as referred to in the Prospectus. The Prospectus has been prepared as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. Investors should make their own assessment when deciding whether it is appropriate to invest in these securities. The Prospectus is available on the Company's website www.mahaenergy.ca.

TRANSACTION COSTS

The Company's costs attributable to the Admission are estimated to amount to TUSD 200. Such costs are primarily attributable to costs for auditors, legal advisors, and listing costs to Nasdaq Stockholm and the Swedish Financial Supervisory Authority.

REGULATORY DISCLOSURES

The following is a summary of the information disclosed by the Company during the last twelve-month period in accordance with Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on Market Abuse (Market Abuse Regulation) and disclosures regarding changes of such information, which, in the Company's opinion, is still relevant as of the date of the Prospectus.

Financial reports

- Interim report for the period 1 January – 30 June 2023, which was published on 11 August 2023.

Acquisitions and divestments

- On 28 December 2022, the Company announced the divestment of the Company's subsidiary Maha Energy Brasil Ltda. to PetroRecôncavo for a total acquisition consideration of up to USD 174.1 million, with a purchase price of USD 138 million and USD 36.1 million to be paid upon successful achievement of earnout milestones. On 28 February 2023, the Company announced the closing of the divestment. After proper adjustments made at the closing date and considering possible earn-outs contractually agreed, the total acquisition consideration can reach

USD 186.9 million, being comprised of a purchase price of USD 150.9 million and possible earnouts amounting to USD 36.1 million.

- On 5 December 2022, the Company announced that a binding term sheet regarding a business combination for the acquisition of 100 percent of the shares in DBO for a consideration of up to 36,775,410 newly issued shares in Maha had been signed. On 23 May 2023, the Company announced that the business combination with DBO had been completed. Following contractual adjustments, Maha acquired 188,426 shares in DBO for a consideration amounting to 34,829,057 new shares in Maha and BRL 1.00 was paid by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, for the acquisition of one (1) share in DBO.
- On 2 December 2022, the Company announced that the potential divestment of the Company's Brazilian and US assets were being investigated. The divestment of the Brazilian assets held by the Company at that time was thereafter announced on 28 December 2022.

Capitalization

- On 14 December 2022, the Company announced that it had carried out a directed share issue, with support from the authorization granted by the annual general meeting held on 31 May 2022, comprising 23,900,000 shares at a subscription price of SEK 8.50 per share, thus raising proceeds of approximately SEK 203 million before transaction related costs. A number of Nordic and international institutional investors and the Company's main shareholder, Turmalina Fundo de Investimento em Participações Multiestratégia Investimento no Exterior, participated in the share issue.

Other regulatory disclosures

- On 11 August 2023, the Company announced that the nomination committee had informed Maha's board of directors that it intended to propose that an extraordinary general meeting resolves to appoint Paulo Thiago Mendonça as the new chairman of the board of directors. The board of directors therefore resolved to appoint Kjetil Solbraekke as the new CEO, effective as from the extraordinary general meeting electing Paulo Thiago Mendonça as the chairman of Maha's board of directors.
- On 4 November 2022, following Jonas Lindvall's decision to step down as CEO (as communicated on 27 June 2022), the Company announced the appointment of Paulo Thiago Mendonça as new CEO and Bernardo Guterres as new CFO of the Company, replacing Jonas Lindvall and Andres Modarelli, respectively, as per the date of the announcement. On 10 March 2023, the Company announced that Guilherme Guidolin de Campos would replace Bernardo Guterres as CFO of the Company.
- On 2 November 2022, the Company announced a revision of the 2022 annual production guidance to 3,000-3,400 BOEPD from the previously communicated 3,500-4,000 BOEPD, which had in turn previously been revised from 4,000-5,000 BOEPD, as announced on 6 September 2022.

DOCUMENTS INCORPORATED BY REFERENCE

The pages listed below in the following documents are incorporated into the Prospectus by reference. The parts of the documents that are not incorporated in the Prospectus by reference are either not relevant to investors or the corresponding information is reproduced elsewhere in the Prospectus. The documents incorporated by reference are available on the Company's website, https://mahaenergy.ca/en/investors/financial-reports.html.

- Maha's unaudited interim report for the period January–June 2023, to which reference is made to the condensed consolidated statement of operations on page 13, condensed consolidated statement of financial position on page 15, condensed consolidated statement of cash flows on page 16, condensed consolidated statement of changes in equity on page 17 and notes on pages 10-30.
- Maha's audited annual report for the financial year 2022, to which reference is made to the consolidated statement of operations on page 55, consolidated statement of financial position on page 56, consolidated cash flow statement on page 57, consolidated statement of changes in equity on page 58, notes on pages 63-89 and auditor's report on pages 96-99.

DOCUMENTS AVAILABLE FOR INSPECTION

The Company's articles of association and registration certificate are available on the Company's website, www.mahaenergy.ca during the Prospectus's validity period.

Glossary

“2P”	Refers to proven reserves (P90) plus probable reserves (P50).
“3R Offshore”	Refers to 3R Petroleum Offshores S.A., company which DBO 2.0 (re-named Maha Energy Offshore (Brasil) Ltda.) has 15% shareholding interest.
“Admission”	Refers to the admission of trading of shares in Maha Energy AB on Nasdaq Stockholm.
“ANP”	Refers to the National Agency of Petroleum, Natural Gas and Biofuels in Brazil, Agência Nacional do Petróleo, Gás Natural e Biocombustíveis.
“API”	Refers to the weight measurement of oil with the name American Petroleum Institute gravity.
“Block 70”	Refers to Block 70, located in Oman, operated by Maha Oman which holds 65% working interests.
“BOE”	Refers to barrels of oil equivalent, common unit of measurement for volume of oil and gas.
“BOPD”	Refers to barrels of oil per day, a common unit of measurement for volume of oil.
“BOEPD”	Refers to barrels of oil equivalent per day, a common unit of measurement for volume of oil and gas.
“BRL”	Refers to Brazilian real.
“COGE-Handbook”	Refers to the Canadian Oil and Gas Evaluation Handbook prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society).
“DBO”	Refers to DBO 2.0 S.A. (re-named Maha Energy Offshore (Brasil) Ltda.).
“Deloitte”	Refers to the Company’s auditor Deloitte AB.
“EPSA”	Refers to the Exploration and Production Sharing Agreement for Block 70, Mafraq oil field, Oman.
“ESG”	Refers to environmental, social and governance.
“ESMA”	Refers to the European Securities and Markets Authority.
“Euroclear”	Refers to Euroclear Sweden AB.
“Group”	Refers to the Company and its subsidiaries.
“Heavy oil field”	Refers to an oil field that contains oil of less than 20° API gravity or more than 200 centipoise viscosity at reservoir conditions.
“Illinois Basin”	Refers to the Company’s Light oil field in Illinois/Indiana, USA.
“Initial Phase”	Refers to the initial phase for the EPSA for Block 70.
“JOA”	Refers to the joint operating agreement with Mafraq for Block 70 in Oman
“LAK Ranch”	Refers to the Company’s Heavy oil field in Wyoming, USA.
“Light oil field”	Refers to an oil field that contains low density oil which flows freely at room temperature.
“LUA”	Refers to the Swedish act (2006:451) on public takeover bids on the stock market.
“Mafraq”	Refers to Mafraq Energy LLC.
“Maha” or the “Company”	Refers to, depending on the context, Maha Energy AB registration number 559018-9543, a Swedish public limited company, the group which the Company is parent company or a subsidiary in the Group.
“Majority shareholder”	Refers to a shareholder who themselves or through subsidiaries hold more than 90 percent of the shares in a Swedish limited liability company.
“MENA”	Refers to the Middle East and North Africa.
“Minority shareholder”	Refers to the shareholders who are not a Majority owner in a Swedish limited liability company.
“Net Present Value”	Refers to the estimated net value today of future cash flows (i.e. the difference between the present value of cash inflows and the present value of cash outflows over a period of time), calculated according to the Canadian reserves definitions and guidelines prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society) as presented in the COGE Handbook. The Net Present Values are discounted at 10 percent.
“NPV” or “NPV10”	Refers to Net Present Value.
“OPEC”	Refers to the Organization of the Petroleum Exporting Countries.
“Papa Terra cluster”	Refers to Papa Terra cluster, which comprises oil field located offshore Brazil, operated by 3R Offshore.
“Peroa cluster”	Refers to Peroá cluster comprised by Peroá and Cangoá fields, Malombe discovery, located offshore Brazil and operated by 3R Offshore.
“Petrobras”	Refers to the Brazilian mixed-capital oil company Petróleo Brasileiro S.A. – Petrobras.

“PetroRecôncavo”	Refers to PetroRecôncavo S.A., which on 28 February 2023 acquired Maha’s Brazilian subsidiary which had working interest on Tie field and Tartaruga field.
“Prospectus”	Refers to this prospectus.
“Prospectus Regulation”	Refers to Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017.
“Second Phase”	Refers to the second phase for the EPSA for Block 70.
“SEK”, “TSEK” and “MSEK”	Refers to Swedish krona, thousands of Swedish krona and millions of Swedish krona, respectively.
“Swedish Companies Act”	Refers to the Swedish Companies Act (2005:551).
“Tartaruga field”	Refers to the Company’s Light oil field in Sergipe, Brazil.
“Takeover Rules”	Refers to the takeover rules for Nasdaq Stockholm.
“Tie Field”	Refers to the Company’s Light oil field in Bahia, Brazil.
“Transaction”	Refers to the non-cash issue of 34,829,057 new shares in Maha as consideration for Maha’s acquisition of 188,426 shares in DBO, while the remaining one (1) outstanding share in DBO is acquired by Maha Energy (Holding) Brasil Ltda., a wholly owned subsidiary of the Company, against payment of BRL 1.00.
“USD”, “TUSD” and “MUSD”	Refers to U.S. dollar, thousands U.S. dollar and millions U.S. dollar, respectively.
“Working Interest”	Refers to a percentage ownership of the drilling and extraction operation, providing the owner(s) with a right to participate in such activities and a right to the resources produced from that activity.

Addresses

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