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

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 this Prospectus, "**Maha**" or the "**Company**" refers to, depending on the context, Maha Energy AB, the group in which the Company is the parent company, or a subsidiary in the group. However, "**Maha (Sweden)**" refers only to Maha Energy AB. In this Prospectus, the "**Group**" refers to the group in which Maha Energy AB is the parent company and Maha Energy Inc. (Canada) ("**Maha (Canada)**"), Maha Energy Services LLC (USA), Maha Energy (US) Inc. (USA) ("**Maha (US)**"), Maha Energy 1 (Brazil) AB (Sweden), Maha Energy Brasil Ltda (Brazil), Maha Energy 2 (Brazil) AB (Sweden), Maha Energy Finance (Luxembourg) S.a.r.l (Luxembourg), Maha Energy (Indiana) Inc. (USA), and Maha Energy (Oman) Ltd (Cyprus) are subsidiaries.

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 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, Switzerland, 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 Real. See the section "Glossary" for definitions of other terms in the Prospectus.

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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This Prospectus is valid for up to twelve months from the date of the approval. 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.

PRELIMINARY TIMETABLE	
Last day of trading on Nasdaq First North Growth Market	16 December 2020
Preliminary first day of trading on Nasdaq Stockholm	17 December 2020
SHARE INFORMATION	
Share class subject to the Admission:	A-Shares
Ticker on Nasdaq First North Growth Market	MAHA A
Ticker on Nasdaq Stockholm	MAHA A
ISIN code:	SE0008374383
FINANCIAL CALENDAR	
Interim report, 1 January–31 December 2020:	26 February 2021

Summary

INTRODUCTION AND WARNINGS

The securities	The Admission comprises A-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: Strandvägen 5A, 114 51 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	11 December 2020
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 public, international upstream oil and gas company who focuses on enhanced oil recovery engineering solutions for underperforming oil and gas assets and whose business activities include exploration, development and production of crude oil and natural gas. As the Company focuses on applying modern state-of-the-art tailored solutions to recover hydrocarbons, the Company's primary risk is not uncertainty of reservoir content but rather fluid extraction. The Company's head office is located in Stockholm, Sweden. The

Company maintains a technical office in Calgary, Canada, as well as operations offices in Newcastle, Wyoming, USA, and Rio De Janeiro, Brazil. The Company further plans to establish an operations office in Muscat, Oman.

The issuer's major shareholders

The table below sets forth a summary of the Company's ownership structure as per 30 September 2020, including known changes thereafter.

Name	Total number of shares	Share of capital and votes
KVALITENA AB	21,288,327	20.95%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	5,923,855	5.83%
Jonas Lindvall (Maha's managing director)	4,761,147	4.68%
Other existing shareholders	69,938,293	68.82%
Total:	**101,630,051**	**100.00%**

Board of directors of the issuer

The Company's board of directors comprises the chairman of the board Harald Pousette and ordinary board members Jonas Lindvall, Nicholas Walker, Anders Ehrenblad, Seth Lieberman, and Fredrik Cappelen.

Senior executives of the issuer

The Company's executive management comprises Jonas Lindvall, board member and managing director, Alan Johnson, Vice President Operations, Andres Modarelli, Chief Financial Officer, Jamie McKeown, Vice President of Exploration and Production, and Victoria Berg, Manager Investor Relations and (interim) deputy managing director.

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 2020 for the period until the end of next annual general meeting. The auditor-in-charge at Deloitte is Fredrik Jonsson.

What is the key financial information regarding the issuer?

Consolidated statement of profit and loss in summary

TUSD	*Jan-Dec 2019*[1]	*Jan-Dec 2018*[1]	*Jan-Dec 2017*[1]	*Jan-Sep 2020*[2]	*Jan-Sep 2019*[2]
Net sales	48,140	33,327	12,387	25,967	36,408
Operating profit	29,184	18,989	1,010	11,280	23,020
Net profit of the period	19,654	25,645	-2,795	5,443	16,975
Earnings per share before and after dilution, USD	0.20/0.18	0.26/0.25	-0.03/-0.03	0.05/0.05	0.17/0.16

Consolidated statement of financial position in summary

TUSD	*31 Dec 2019*[1]	*31 Dec 2018*[1]	*31 Dec 2017*[1]	*30 Sep 2020*[2]
Total assets	136,017	119,125	97,494	122,932
Total equity	87,859	69,274	48,201	68,024

[1] Based on the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years.
[2] Based on the Group's unaudited interim report for the period January – September 2020.

Consolidated cash flow statement in summary

TUSD	*Jan-Dec 2019*[1]	*Jan-Dec 2018*[1]	*Jan-Dec 2017*[1]	*Jan-Sep 2020*[2]	*Jan-Sep 2019*[2]
Cash flow from operating activities	28,824	18,343	-1,294	13,533	23,551
Cash flow from investing activities	-27,210	-15,756	-38,938	-16,083	-22,745
Cash flow from financing activities	1,412	1,721	50,891	671	1,131

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

– There is a risk of substantial and/or extended decline in the price of oil and natural gas.

– There is a risk the COVID-19 pandemic and governmental responses will continue to have a negative impact on market conditions, including volatility in the oil market and delays in the Company’s operations.

– The Company is disproportionately exposed to risks in relation to two jurisdictions, as the Company’s production of oil and gas is currently concentrated to oil producing fields in Brazil and the US.

– There is a risk that the Company will not be able to locate new satisfactory assets, and without new assets, the Company’s production will decline over time.

– There is a risk that seasonal factors, unexpected weather patterns and/or other limitations to the production or the exploitation may lead to declines in the Company’s production and exploitation activities.

– There is a risk that the Company loses assets due to defects relating to titles to assets and licenses required to conduct the business.

– There is a risk the Company's interpretation of tax legislation and the profit taken up for taxation in the jurisdictions it operates, including with regards to transfer-pricing issues due to the Company's intra-group agreements and cross-border transactions, may be questioned by tax authorities in different jurisdictions.

– There are risks related to legal disputes and different legal systems as the Company operates in multiple legal jurisdictions.

– There is a risk that the Company’s partners do not fulfil their contractual obligations towards the Company, whereby the Company could be exposed to credit risks.

– 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 licences, 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 A-Shares in Maha Energy AB. The A-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 share capital amounts to SEK 1,117,930.561 divided into 101,630,051 shares, of which 101,146,685 are A-Shares and 483,366 are B-Shares. The quotient value for each share is SEK 0.011. All shares are fully paid up.

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 two (2) classes, A-Shares and B-Shares. A-Shares may be issued to a number corresponding to one hundred (100) percent of the total share capital and B-Shares may be issued to a number corresponding to thirty five (35) percent of the total share capital. All rights attached to the shares belong to the person who is registered in the share register managed by Euroclear. The B-Shares do not entitle to dividend. 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 A-shares in the share register kept by Euroclear Sweden AB. At general meetings, each shareholder is, according to the Swedish Companies Act, entitled to vote for the full number of A-shares and B-Shares that the shareholder owns or represents without voting restrictions. Each A-Share and Convertible B-Share entitles to one vote. The B-Shares are subject to a conversion clause in the Company's articles of association, pursuant to which each Convertible B-Share may be converted to an A-Share. Upon liquidation of the Company, the B-Shares entitle to equal rights of the Company's assets as the A-Shares, up to an amount corresponding to the quotient value of the share. Thereafter, remaining assets shall only be distributed to the A-Shares.

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 A-Shares are traded on Nasdaq First North Growth Market. Nasdaq Stockholm's listing committee has, on 9 December 2020, decided that Maha fulfils the requirements for admission to trading of the Company's shares on the main market Nasdaq Stockholm, provided that customary conditions are met, including that a prospectus is approved and registered by the Swedish Financial Supervisory Authority and that the diversification requirement regarding the shares is fulfilled. The first day of trading is expected to be on or around 17 December 2020.

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.

KEY INFORMATION ON THE ADMISSION TO TRADING ON NASDAQ STOCKHOLM

Under which conditions and

General

This Prospectus relates to admission to trading of the Company's A-Shares on Nasdaq Stockholm and does not include any offer to subscribe for or otherwise acquire shares or other securities in the Company.

timetable can I invest in this security?	Nasdaq Stockholm's listing committee has, on 9 December 2020, decided that Maha fulfils the requirements for admission to trading of the Company's shares on the main market Nasdaq Stockholm, provided that customary conditions are met, including that a prospectus is approved and registered by the Swedish Financial Supervisory Authority and that the diversification requirement regarding the shares is fulfilled. The first day of trading is expected to be on or around 17 December 2020. *Proceeds and costs relating to the Admission* The Company's costs in connection with the Admission are estimated to amount to approximately MSEK 4.75. Such costs are primarily attributable to costs for auditors, legal advisors, and listing costs to Nasdaq Stockholm 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* Maha's A-Shares have been listed on Nasdaq First North Growth Market since 2016, but the board of directors believes that listing on Nasdaq Stockholm will enhance the prospects of broadening the Company's shareholder base and provide Maha further access to the Swedish and international capital markets, which is expected to promote the Company's continued growth and development. *Conflicts of interest* There are no known material conflicts of interest pertaining to the Admission. Setterwalls Advokatbyrå 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 probability of their occurrence and 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, result 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 with a variety of factors. These factors include, but are not limited to: the economic conditions in the United States, Brazil, Canada, the Sultanate of Oman, Europe and other key markets; governmental regulation; political stability in the Middle East, Northern Africa and elsewhere; risks of supply disruption; natural disasters; terrorist attacks; the availability of alternative fuel sources; and the actions of the Organization of Petroleum Exporting Countries ("**OPEC**") and other major oil producing countries affecting the global output of oil and natural gas. In recent years 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. Prices for oil and natural gas are also subject to the availability of foreign markets and the Company's ability to access such markets. Because of lower prices or an increase in production costs, the economics of producing from some wells may change, which could result in reduced production of oil or natural gas and/or a reduction in the economic volumes of the Company's reserves.

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 1 July 2019 and 1 July 2020, the Brent[3] oil price was at its lowest USD 9.12 per barrel and at its highest USD 66.65 per barrel, and the WTI[4] benchmark oil price was at its lowest a negative price of USD 36.98 per barrel and at its highest USD 63.27 per barrel.[5] Decrease in the Brent and/or WTI benchmark oil price may thus have a material adverse effect on the Company, as the Company's sales of oil in Brazil are based on floating prices utilizing the Brent oil benchmark adjusted for contracted discounts or premiums, and the Company's sales of oil in the U.S. are based on floating prices utilizing the monthly average WTI oil benchmark adjusted for contracted discounts or premiums. 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 probability of the risk occurring, in whole or in part, is high, and that the negative impact of the risk, if it were to materialize, would be high.

Risks related to the outbreak of COVID-19

The outbreak of a novel strain of coronavirus disease, COVID-19, has created a global public-health crisis that has resulted in widespread volatility and deteriorations in business, economic, and market conditions. On 11 March 2020, the World Health

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[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.

Organization declared the outbreak of COVID-19 a global pandemic. The COVID-19 pandemic and governmental responses to the pandemic have had, and continue to have, a severe impact on global economic and business conditions, including significant volatility in the oil market. Government and regulatory bodies in affected areas, including areas wherein the Company conducts its operations, have imposed a number of measures designed to contain the outbreak, including widespread business closures, travel restrictions, and quarantines.

As COVID-19 started spreading across the globe, oil demand dropped very quickly resulting in a drop in oil prices not seen since the early 1900s. Between 1 July 2019 and 1 July 2020, the Brent oil price was at its lowest USD 9.12 per barrel and at its highest USD 66.65 per barrel, and the WTI benchmark oil price was at its lowest a negative price of USD 36.98 per barrel and at its highest USD 63.27 per barrel. These fluctuations demonstrate the volatility of the oil markets during the pandemic. The depressed oil and gas market and prices from the current economic conditions from the COVID-19 pandemic have had an adverse impact on the Company's net sales. The future consequences COVID-19 may have on oil prices are still very difficult to predict, and continued and/or long-lasting depressed and/or volatile oil prices may also have a negative effect on the Company's net sales in the future.

The COVID-19 pandemic, and governmental responses, have further caused extensive delays in logistics movements, due to restrictions in movements of materials and personnel, which have hindered the Company from conducting activities such as testing and expansions of existing assets. Due to this, the Company has, inter alia, suspended pre-commercial production at the LAK Ranch and delayed planned expansions the production handling capabilities at the Tartaruga field. The continued spread of COVID-19 and/or long-lasting government restrictions may thus have an adverse impact on the Company's ability to conduct and expand its operations, which in turn may affect the Company's future production levels and net sales.

The Company has also experienced positive COVID-19 tests among both staff and contractor personnel, and further outbreaks within the operating teams of the Company could have a material adverse effect on ongoing development projects and a direct effect on production.

The future consequences of COVID-19, including governmental measures and restrictions, and the longevity of its effects, are still very difficult to predict. The Company's assessment is that the probability of the risk occurring, in whole or in part, is high, and that the negative impact of the risk, if it were to materialize, would be medium.

Concentrated Production in a Small Number of Fields in two Jurisdictions

The Company's current production of oil and gas is currently concentrated in two oil producing fields in Brazil and two oil producing fields in the United States (however pre-commercial production from the LAK Ranch has temporarily been suspended due to depressed oil price). The Company was during October 2020 awarded a new exploration block (Block 70) in the Sultanate of Oman, subject to a Royal Decree which was granted on 28 October 2020. The exploration and production sharing agreement for Block 70 covers an initial exploration period of three years with an optional extension period of another three years. There is yet no production of oil or gas at this block. As a result of these concentrations, the Company is disproportionately 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, or interruption of the processing or transportation of oil. 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 probability of the risk occurring is medium, and that the negative impact of the risk, if it were to materialize, would be high.

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. The long-term commercial success of the Company depends on its ability to find, acquire, develop and commercially produce oil and gas reserves. There is a risk that the Company will not be able to locate satisfactory properties for acquisition or participation, and without the continual addition of new reserves, the Company's production will decline over time. During the past five years, the Company has completed the acquisition of UP Petróleo Brasil Ltda. and Petro Vista Energy Petróleo do Brasil Ltda. (2016), which resulted in a holding of 67.5 per cent of the working interest[6] in the Tartaruga field (Brazil); acquired an additional 7.5 per cent of the Working Interest in the Tartaruga field owned by a subsidiary to TDC Engineering Inc. (2017), resulting in a total of 75 per cent Working Interest of the Tartaruga field; acquired all outstanding shares in Gran Tierra Finance (Luxembourg) S.A.R.L. and Gran Tierra Brazco (Luxembourg) S.A.R.L. (2017), resulting in the ownership (100 per cent Working Interest) in six additional concession agreements in the same area as the producing and acquired Tie field (Brazil); acquired all outstanding shares in Dome AB Inc. (2020), thus acquiring certain oil producing assets in the Illinois Basin, USA; and, subject to a Royal Decree which was granted on 28 October 2020, was awarded an exploration block, Block 70, in the Sultanate of Oman (2020), 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. There is a risk that the Company will not be able to consummate any such transactions or 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 involve a number of special risks. 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 (see under the headings "Risks relating to Oil and Gas Exploration and Development", "Risks in Estimating Reserves and Resources", "Title to Assets, and Licenses Required to Conduct the Business", "Environmental and Climate Change", and "Decommissioning"). 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.

The Company's assessment is that the probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be low.

Seasonality

The level of activity in the Brazil and USA oil and natural gas industry is influenced by seasonal weather patterns. Wet weather and spring thaw may make the ground unstable, and impact civil construction works in oil and gas operations. Consequently, municipalities and state transportation departments enforce road bans that restrict the movement of rigs and other heavy equipment, thereby reducing activity levels.

There is also seasonality in the demand for the goods and services of the Company as the demand for natural gas decreases during hot summer months in some parts of Brazil and in the United States. Seasonal factors, unexpected weather patterns and/or other restrictions in production or exploitation may lead to declines in exploration and production activity, which could have an adverse effect on the Company's results. Reduced possibility for the Company to produce its products and/or reduced customer demand, due to seasonality may lead to a decrease of the Company's net sales and have an adverse effect on the Company's financial position.

[6] "**Working Interest**" means 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.

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

Water Handling

A significant component of the Company's current assets and development program involves matters related to water. Critical elements of the Company's profitability in this regard include: (i) the handling of large volumes of contaminated 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 probability of the risk occurring is medium, and that the negative impact of the risk, if it were to materialize, would be medium.

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. 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 probability of the risk occurring, in whole or in part, is low, and 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, where the agreements with Petrobras and Dax Oil Refino S.A. ("**Dax**") regarding oil offtake at the oil producing Tie and Tartaruga fields and the agreements with GTW Geração e Serviços Ltda. ("**GTW**"), and CDGN Logistica S.A. ("**CDGN**") regarding gas sales, are the most material. These counterparties represent 98 per cent of the Company's total revenue value from customers. Currently there are no viable options to these counterparties in the short-term, and 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. There is also a risk that these counterparties will encounter difficulties in providing services due to a shortage of raw materials, strikes, damage, financial difficulties or other circumstances that affect the counterparty. If the aforementioned risks would actualise, this may adversely affect the Company's possibility to deliver products to end customers, and lead to increased costs as well as delays and/ or non-delivery, which could have an adverse impact on the Company's operations and, indirectly, on the Company's net sales.

The Company's assessment is that the probability of the risk occurring is medium, as one of the customers can increase their offtake volumes in the event other customer cannot receive the oil, and the Company, upon lower gas offtake and sales, has in built redundancies in terms of gas reinjection and/or gas flaring capabilities. The Company assessment is that the negative impact of the risk, if it were to materialize, would be medium to 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. The Company’s business in Brazil is further highly dependent on road transportation and truck drivers with respect to transportation of the production output which may subject the delivery of the production to road conditions and drivers´ strikes. 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 probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be medium to high.

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 probability of the risk occurring is low, and that the negative impact of the risk, if it were to materialize, would be medium.

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, the environment 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 Tie Field 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 labor 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 recently 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 labor 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 probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be high.

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, both in the USA and Brazil. 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 nor in Brazil. 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 probability of the risk occurring is low, and that the negative impact of the risk, if it were to materialize, would be medium.

Risks relating to Oil and Gas Exploration and Development

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 six concession agreements in Brazil in the exploration phase (RECT-T 155, REC-T 129, REC-T 142, REC-T 224, REC-T 117, and REC-T 118), and one in the Sultanate of Oman (Block 70). It is difficult to project the costs of implementing an exploratory drilling program due to the uncertainties associated with drilling in unknown formations. The costs are associated with various drilling conditions, such as over pressured zones and equipment that might get lost in the hole, and changes in drilling plans and locations as a result of prior exploratory wells or new interpretations of seismic data. Future oil exploration may involve unprofitable efforts, not only from dry wells, but 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), as the Company has not yet found a cost effective extraction methodology. There is a risk that the Company will not develop such a cost effective extraction method, and will therefore not be able to conduct any profitable oil producing operations at the LAK Ranch.

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 probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be low, as exploration for oil and gas constitutes a very small part of the Company's business activities.

Shared Ownership and Dependency on Partners

The Company's operations at the Tartaruga field is conducted together with the Brazilian state owned oil company Petrobras Brasileiro S.A (”**Petrobras**”)). Maha's Working Interest in the Tartaruga field is 75 per cent and it is the Operator, and the remaining 25 per cent is held by Petrobras. The partnership is governed by a Joint Operating Agreement that clearly spells out each party's rights and obligations. The Company is therefore dependent on, and may be affected by, the due performance of its partner. If Maha's partner fails 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 its partner. The Company and its partner 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 agreement.

Furthermore, Petrobras is in the process of selling its 25% working interest in the Tartaruga field by means of a public bidding process, as part of the company's larger long-term divestment process. Such process may affect Petrobras' willingness or ability to further invest in the field. The process can also result in the entrance of a new partner with less financial resources and different views on how to conduct the operations or about what its rights and obligations are under the Joint Operating Agreement.

If a dispute were to arise between the partners of the Tartaruga field, or if the partner does not fulfil its commitments under the agreements, this could lead to increased costs and/or decreased earnings, which may have an adverse effect on the Company's financial position and results.

The Company may contemplate divesting part of Block 70 in Oman, and as such a Joint Operating Agreement may be entered into with such new partner. The Company may therefore become dependent on, and affected by, the due performance of any future partner. If such partner fails 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 such partner. The Company and such partner 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 any agreement. Furthermore, the Omani Government retains a right to 'back in' to the Block 70 Agreement whereby the Government would reimburse the Company its pro rata share of past expenditures. Again future performance of the Block is dependent on the financial and cooperativeness of such partner.

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

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 Tethys Oil, Petrosantander, and GeoPark, 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 cars. 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 probability of the risk occurring is low, and that the negative impact of the risk, if it were to materialize, would be low.

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 probability of the risk occurring is currently low, and that the negative impact of the risk, if it were to materialize, would be low.

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 probability of the risk occurring is low, and that the negative impact of the risk, if it were to materialize, would be medium.

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; 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 engaged professional and independent geologists and engineers to evaluate its reservoir and development plans. Reserves estimates for the Company have been provided by Chapman Petroleum Engineering Ltd., Calgary, Alberta, Canada and PeTech Enterprises, Texas, USA (for Illinois Basin assets). There is a risk that the estimated volumes of reserves do not correspond to reality. 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 probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be medium.

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 under agreements with the National Agency of Petroleum, Natural Gas and Biofuels in Brazil, Agência Nacional do Petróleo, Gás Natural e Biocombustíveis (“**ANP**”). These agreements are not automatically extended upon the expiry of the primary term, and the Company generally has no unilateral right to extend the agreements. Current regulation provides that extensions are conditioned upon ANP's approval of the field operator's proposal for new investment commitments aiming to extend the useful life of the field and increase its recovery factor. Should such proposal not be approved, the agreement would not be extended, which may have an adverse effect to the Company’s financial position and result. One of the Company's production licenses, related to the Tartaruga field, expires in August 2025. The Company is looking to apply for renewal of the production license. If a renewed license is not granted, the Company would not be able to continue its operations at Tartaruga field, which would have an adverse effect on the Company’s revenue.

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 term is for an initial 3 years, extendable by another 3 years. Upon a commercial discovery, the EPSA is extendable to 15 years 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. 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 probability of the risk occurring, in whole or in part, is low, and that the negative impact of the risk, if it were to materialize, would be high.

Tax Function

The Company conducts business through subsidiaries in in Sweden, Canada, USA, Brazil, Cyprus, and Luxembourg, and is planning to incorporate a local branch entity in the Sultanate of 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 tax losses carried forward amounting to approximately SEK 89.5 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 Swedish tax legislation or, according to current 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 per cent 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 probability of the risk occurring is medium, and that the negative impact of the risk, if it were to materialize with regards to the Company's intra-group transactions would be low, and would be medium with regards to the remainder of the risk factor.

Different Legal Systems, Structure and Litigation

The Company operates in different legal systems, as the Company has subsidiaries in Sweden, Canada, USA, Brazil, Cyprus, and Luxembourg, and is planning to incorporate a local branch entity of Maha Energy (Oman) Ltd in the Sultanate of 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, labor related claims, property damage, property tax, land rights, the environment and contract disputes. Within Brazil, ANP for instance has the ability to shut down the Company’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. As of 31 December 2019, the Company's recorded estimated contingent liability related to claims and legal proceedings is approximately USD 1,900,000, relating to labour claims and contractor liabilities. 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 probability of the risk occurring, in whole or in part, is medium, and that the negative impact of the risk, if it were to materialize, would be low.

Risk relating to work commitment obligations

A moratorium is currently in place on unconventional hydraulic fracturing in Brazil. Unconventional hydraulic fracturing is not prohibited by national law, but is under high uncertainty in Brazil due to discussions in congress of new bills of law aiming to prohibit unconventional fracturing, alongside some judicial decisions which have suspended temporarily the application of this technique for certain blocks until more deepened studies on the environmental impacts of fracturing are concluded. Due to the moratorium, the Company's operations with regard to three blocks (RECT-T 155, REC-T 129, and REC-T 142) located in the Reconcavo Basin of Brazil is under temporary suspension, and the Company is therefore, until further notice, exempted from the work commitments/obligations connected to the blocks, i.e. the obligation to conduct certain oil and gas work on the blocks. There is a risk that the moratorium will be revoked in the future, and that the suspension state would be revoked as a result. In that case, the Company would be obligated to comply with specified work commitments/obligations, and would be liable to the extent of non-compliance of such work commitment obligations. Three of the blocks operated by the Company (REC-T 224, REC-T 117, and REC-T 118) located in the Reconcavo Basin of Brazil are subject to work commitments for drilling of exploration wells, which are currently extended due to COVID-19 before work must commence. Once the licenses have been granted respectively, the Company will be under obligation to complete the drilling in each block within one year. There is a risk that, once the licenses have been granted, the Company will not be able to comply with the work commitments/obligations, leading to the Company having to pay work commitment related compensation to ANP.

There is a risk that the Company will relinquish any and all of these blocks, and pay the required penalties to the ANP amounting up to approximately USD 6,500,000 (total work commitment amount). As at December 31, 2019 the Company had made provisions in its Financial Statements for over 90 per cent of the above work commitment amount which means that the remaining 10 per cent of said work commitment amount would impact the Company's profit if these blocks are relinquished.

In connection with the acquisition of the Illinois Basin assets in the USA, the Company also acquired contractual commitments to drill one well and to complete a drilled but uncompleted well. These activities are scheduled to be completed in the third and fourth quarter of 2020. Other commitments have been successfully rescheduled to the fiscal year 2021. Furthermore, the Company was during September 2020 awarded a new exploration block (Block 70) in the Sultanate of Oman, subject to a Royal Decree which was granted on 28 October 2020. The block is subject to work commitments which include geological studies, seismic reprocessing and well commitments.

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

Employment Related Issues in the Company

There are certain identified employment related issues in relation to the Company. Such issues include employment related tax exposure, deficiencies in employment contracts, in some cases breaches of working time regulations and unlawful deduction of wages. Furthermore, Brazilian labor legislation is associated with many procedural rules and considered as employee friendly.

Furthermore, according to Brazilian law, employees of a service provider can direct employment claims towards companies which contract the service provider. Such employees may also direct claims towards the owner of the asset the service provider is servicing. The Company currently faces potential liability (as second defendant) in a number of labor claims filed by former employees of service providers, as well as claims from contractors engaged by the Company who now claim rights similar to those of the Company's employees. As of 31 December 2019, the Company's recorded estimated contingent liability for outstanding litigation matters due to labor claims is approximately USD 1,100,000 (included in the USD 1,900,000 amount under risk factor "Different Legal Systems and Litigation"). The Company may have to pay these claims if (i) the claimants succeed in their proceedings and, (ii) such claims are not previously paid by the service providers as primary defendants. It is expected that these claims will be paid by the service providers but if the Company has to pay these claims this would lead to increased costs for the Company.

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

Environmental and Climate Change

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.

The Company's operations are located in regions where there are numerous environmental regulations including restrictions on where and when oil and gas operations may occur, regulations on the release of substances into groundwater, atmosphere and surface land and the location of production facilities. There is currently a federal conservation area, created to protect sea turtle nesting areas, close to the Company's Tartaruga field operations. Because of this reserve, there is a possibility for a drilling ban from September to April, which may limit the Company's exploitation opportunities. The geographical boundaries of such conservation unit as well as the activities to be allowed therein are currently being questioned through a Public Civil Action filed by the Federal District Attorney´s Office. The Company is not a party to the proceedings but its result might affect and restrict the Company´s Tartaruga field operations. In addition, there is a risk that other areas the Company operates in may be subject to similar regulations in the future which would restrict the ability for the Company to conduct its operations.

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 probability of the risk occurring, in whole or in part, is low, and that the negative impact of the risk, if it were to materialize, would be low.

Decommissioning

The Company has assumed certain obligations in respect of the decommissioning of its fields and related infrastructure in all operating areas of the Company. In some cases, these liabilities are derived from legislative and regulatory requirements, and in other cases, these liabilities can also be contractual obligations. In Brazil, such requirements are still under discussion and waiting for approval by the ANP, concerning the decommissioning of wells and production facilities and require the Company to make provision for and/or underwrite the liabilities relating to such decommissioning. 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. The Company's decommissioning provision amounted to TUSD 2,175 as per 31 December 2019, which includes all wells and facilities in Brazil and the USA. In addition, the Company may be required to decommission wells that have not reached the end of their service life as a result of e.g. 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 probability of the risk occurring is low, and 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. The decrease in commodity prices as a result of the COVID-19 pandemic can potentially also increase the credit risk associated with the Group's customers. Currently, the Company has entered into a Joint Operating Agreement regarding the Tartaruga field with Petrobras. Furthermore, oil sales in Brazil are made through Petrobras and a private refinery, Dax Oil. Historically, Petrobras and Dax Oil have fulfilled their payment obligations. Crude oil sales made to Dax Oil are prepaid, but occasional credit is extended to the customer during long weekends or public holidays. The Company receives payment 30 days in arrears from Petrobras. In the USA, the Company markets and sells its oil through Country Mark (Illinois Basin) and Mercurie (LAK Ranch) and receives payment 30 days in arrears. In the USA, historically, the Company has always received full payment. The Company's financial position may be materially adversely affected in the event such partners fail to meet their contractual obligations to the Company.

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 fulfill 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 probability of the risk occurring is medium, and that the negative impact of the risk, if it were to materialize, would be high.

Liquidity and Refinancing 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, and also financed by asset divestment. Additional capital could be needed to finance the Company's future operations and/or for acquisition of additional licences. The main risk is that this need could occur during less favourable market conditions. Management relies on cash forecasting to assess the Company's cash position based on expected future cash flows. As of the date of the Prospectus the Company has outstanding bonds amounting to approximately USD 34 million. The terms of the bonds 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, provide security over its assets or engage in mergers or demergers. According to the bonds' terms, the Company is further required to meet certain maintenance covenants. If the Company would fail to comply with any of the maintenance covenants, all of the outstanding bonds may be declared immediately due and payable together with any other amounts payable. The Company may redeem all of the bonds prior to maturity or repurchase any bonds. The Company has current assets of approximately USD 21 million. The bonds are due 29 May 2021 and there is a risk at the time the Company either has insufficient funds to settle the principal amount of the bonds or insufficient cashflow to successfully refinance/rollover the bonds for an additional term.

Refinancing risk is the risk that financing cannot be obtained or renewed on expiry of its term, or can only be obtained or renewed at significantly increased costs. There is a risk that additional capital cannot be obtained, or can only be obtained at unfavorable terms and conditions. In addition to the Admission, the Company plans to refinance its outstanding senior secured bonds in the form of a new bond financing in the net amount of up to MUSD 80. As at the date of the publishing of the Prospectus, the Company has not received any binding commitments from investors in relation to the refinancing, why there is a risk that the debt financing will not be completed and/or the debt financing will only be completed on unfavourable terms, which would have a negative impact on the Company's financial position, and/or may lead to the loan amount having to be adjusted and supplemented or replaced with other external financing. The debt financing does not form part of the Admission in accordance with this Prospects.

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

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 main functional currencies of the Company's subsidiaries are Brazilian Reals (”**BRL**”) for subsidiaries in Brazil and Luxembourg and Swedish Krona (”**SEK**”) for the parent and subsidiaries in Sweden, making the Company sensitive to fluctuations of these currencies against US Dollar (”**USD**”). All of the Company's oil sales are denominated in BRL based on a USD oil price and all operational, administrative and capital activities related to the Brazil properties are transacted primarily in BRL. In Sweden the Company's expenditures and the bonds payable 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 probability of the risk occurring is medium, and that the negative impact of the risk, if it were to materialize, would be low.

Foreign exchange Controls in Brazil

In the event the operations in Brazil require financing, exchange controls could be in place that restrict such financing. The Brazilian government requires that the Company registers inflows and outflows of funds with the Brazilian Central Bank. In Brazil, all transactions must be effected in the country's local currency. 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 could affect the dividends the

Company receives from its subsidiary in 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 probability of the risk occurring is low, and that the negative impact of the risk, if it were to materialize, would be medium.

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 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. The Company's assessment is that the probability of the risk being realised is high.

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 A-share is, as of the date of the Prospectus, traded on First North Growth Market. During the period 31 August 2019 – 31 August 2020, the Company's share price was at its minimum SEK 5.66 and at its maximum SEK 28.30. 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

In 2017, Maha carried out a directed rights issue as well as a preferential rights issue. 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. The Company's assessment is that the probability of the risk being realised is low.

Information on the shares that are admitted to trading

GENERAL INFORMATION ON THE SHARES

This Prospectus relates to admission to trading of A-Shares in Maha Energy AB on Nasdaq Stockholm. The A-Shares have ISIN code SE0008374383 and ticker MAHA A.

The Company's shares are denominated in Swedish krona (SEK). The Company's shares are issued in accordance with Swedish legislation and the rights deriving from shares may only be changed through a change of the articles of association in accordance with the Swedish Companies Act. The Company's shares may be issued in two (2) classes, A-Shares and B-Shares. As of the date of the Prospectus, the Company´s share capital amounts to SEK 1,117,930.561 divided into 101,630,051 shares, of which 101,146,685 are A-Shares and 483,366 are B-Shares. The quotient value for each share is SEK 0.011. All shares are fully paid up and there are no restrictions of the right to freely transfer shares in the Company.

The Company's shares may be issued in two (2) classes, A-Shares and B-Shares. A-Shares may be issued to a number corresponding to one hundred (100) percent of the total share capital and B-Shares may be issued to a number corresponding to thirty five (35) percent of the total share capital. All rights attached to the shares belong to the person who is registered in the share register managed by Euroclear. The B-Shares do not entitle to dividend. 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 A-shares in the share register kept by Euroclear Sweden AB. At general meetings, each shareholder is, according to the Swedish Companies Act, entitled to vote for the full number of A-shares and B-Shares that the shareholder owns or represents without voting restrictions. Each A-Share and Convertible B-Share entitles to one vote. The B-Shares are subject to a conversion clause in the Company's articles of association, pursuant to which each Convertible B-Share may be converted to an A-Share. Upon liquidation of the Company, the B-Shares entitle to equal rights to the Company's assets as the A-Shares, up to an amount corresponding to the quotient value of the share. Thereafter, remaining assets shall only be distributed to the A-Shares.

The articles of association contain a so-called record day provision, and the Company and its shares are connected to the electronic securities system, VPS, with Euroclear Sweden (Euroclear Sweden AB, P.O. Box SE-101 23 Stockholm, Sweden) as the central securities depository and clearing organisation. Euroclear Sweden administers the Company's share register and no share certificates are issued. The Company's A-Share is subject to trading on Nasdaq First North Growth Market since 2016. The Company has applied for admission to trading of the Company's A-Share on Nasdaq Stockholm. Planned first day of trading on Nasdaq Stockholm is on 17 December 2020 and planned last day of trading on Nasdaq First North Growth Market is on 16 December 2020.

For further information on Maha's shares, see the section "Share capital and ownership structure" below.

Stockholm on 11 December 2020

Maha Energy AB

The Board of Directors

Background and reasons

Maha is a public, international upstream oil and gas company who focuses on enhanced oil recovery engineering solutions for underperforming oil and gas assets and whose business activities include exploration, development and production of crude oil and natural gas. As the Company focuses on applying modern state-of-the-art tailored solutions to recover hydrocarbons, the Company’s primary risk is not uncertainty of reservoir content but rather fluid extraction.

Maha’s A-Shares have been listed on Nasdaq First North Growth Market since 2016, but the board of directors believes that listing on Nasdaq Stockholm will enhance the prospects of broadening the Company's shareholder base and provide Maha further access to the Swedish and international capital markets, which is expected to promote the Company’s continued growth and development. For these reasons, the board of directors has applied for listing on Nasdaq Stockholm. The Company’s application for admission to trading of the Company’s A-Shares on Nasdaq Stockholm has been approved by Nasdaq Stockholm’s listing committee, provided that certain customary conditions are met, including that a prospectus is approved and registered by the Swedish Financial Supervisory Authority and that the diversification requirement regarding the shares is fulfilled.

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 11 December 2020

Maha Energy AB

The Board of Directors

Market and business overview

*Below follows a description of Maha's operations and the market within which Maha operates. 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. The oil and gas reserves estimates contained in the section "Reserves and resources" has been prepared and presented in accordance with the Canadian Securities Administrators (CSA) standard National Instrument 51-101 ("**NI 51-101**"). This Prospectus also contains certain supplemental operational, and property information with respect to the Company, not required to be disclosed under NI-51-101. 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.*

Market overview

The global energy market

Global energy consumption is primarily driven by world population, economic growth and availability of resources. Overall consumption has grown consistently and seen a steady increase throughout modern economic history. Going forward, energy consumption is expected to continue to increase for all forms of energy, primarily as a result of increased consumption in emerging economies as well as a growing global population and an expanding economy.[7]

The Company's long term view of the oil and gas market is very positive, with the expectation that over time the tightening supply and growing demand, especially from developing countries, will contribute to a strong and robust market. The following section describes the Company's market, including in terms of development, size, supply and demand, and prospects for future growth.

The Oil Industry

The modern oil industry started in 1859 when Colonel Edwin Drake drilled the first oil well in Pennsylvania, USA. Today, the oil industry is one of the largest revenue generating industries in the world. It is a huge global industry with annual revenues in the trillions of US dollars.[8]

Generally, oil and gas resources are the property of the government of the country in which they are located (the "**Host Country**"). Exceptions include the United States and parts of Canada, where the resources instead belong to the private mineral right owner. Outside the North America oil companies generally do not own the rights to the oil and gas but instead have permission to explore for, and produce oil from the Host Country in the form of concessions, permits, production sharing contracts and/or licenses (hereafter referred to as a "**License**").

A License is usually divided into two parts – an exploration and a production part. The award of a License can be through auction, where companies bid by promising work commitments in exploration and development they are prepared to undertake in a specific area within a certain time frame. The award of a License can also be achieved through direct negotiations with the Host Country, where it may be required for the License applicant to pay an upfront fee to the Host Country. In some countries there is an open application system, by which oil companies can apply directly for unlicensed areas.

If commercial volumes are discovered, the exploration License converts into a production License, where either a royalty and/or a tax is payable, or, the proceeds of the production is 'shared' with the host government. The royalty, tax and split rates vary from country to country. The duration of a production License varies and can be up to 30 years.

Hydrocarbons

Oil and natural gas consist of molecular compounds of carbon and hydrogen atoms. Hydrocarbons discovered in a well can be divided into five main categories; heavy oil, light oil, condensate, wet gas and dry gas. Crude oil and natural gas found in nature consist of different mixtures of hydrocarbon compounds, which have to be separated in order to be useable. The separation process for crude oil is called refining, which, simplistically, is the successive heating and distillation of crude oil.

[7] International Energy Agency & the Canadian Association of Petroleum Producers (CAPP).
[8] Data from Ibisworld, https://www.ibisworld.com/global/industry-trends/biggest-industries-by-revenue/

At different heat levels the hydrocarbon chain is ‘cracked’ into shorter chains. The refining process continues until all hydrocarbons in the original crude oil mixture have been separated. The lighter refined products, such as gasoline, jet fuel and diesel, are more useable and versatile and hence attract a higher price than the heavier components, like asphalt and paraffin.

Coal, oil and natural gas are all considered to be hydrocarbons. Coal is the solid part of the hydrocarbon family, oil is the liquid part and gas, of course, is the gaseous part. Maha is not involved in the exploration for or production of coal. Oil was formed many millions of years ago by dead, composted vegetation and dead organisms. As time passed, this organic matter was buried under other debris, such as sand, clay and other rocks during millions of years, thus the name “fossil fuels”. With time and other events this organic material eventually became deeply buried within the earth’s crust where it experienced intense heat and pressure which transformed the organic material to hydrocarbons and eventually oil and gas.

Areas that contain hydrocarbons are called “basins” a generic word used to describe a valley, or a low point, that was filled in with debris, and of course, organic material, over time.

Oil

Once technical work has been done to identify a possible oil accumulation, a rented drilling rig will drill and test the oil trap. Where no oil is found the well is ‘dry’. Where oil is found, but the rock is of such poor quality that the oil will not flow to the surface unassisted, the reservoir is “tight”. The most successful wells occurs where oil will flow on its’ own to the surface.

A well drilled with positive indications during drilling is usually further tested, samples are taken and deliverability tests conclude if the well can flow commercially. After successful tests, the field is appraised in order to determine and prove the size of the field, usually by a number of appraisal wells drilled at the extremities of the field so that the engineers can calculate the volume inside the field. If the volumes and deliverability’s are economic, the field is developed by drilling production wells that are produced. Fields often produce less than 30 percent of the original volume of oil in place. This recovery factor is dependent on many things, including the physical characteristics of the rock and oil as well as the global oil prices.

Oil Consumption

Fossil fuel is the world’s primary source of energy. Coal, oil and natural gas, account for close to 81 per cent of the world’s energy source,[9] and in 2019 the yearly average global oil consumption was approximately 100.7 million barrels[10] per day. Oil consumption has grown consistently over the past few decades, and from 1984 to 2019, consumption has increased by 77 per cent on a global basis. Global increase of the oil price on a year-by-year basis has increased by an average of 1.67 per cent since 1984. Oil is used for a wide array of purposes including transportation, petrochemical processes for feedstock, power generation and agriculture. Currently, oil used for transportation in the form of gasoline, diesel and jet fuel is the main source of oil consumption globally, constituting 65 per cent[11] of global consumption in 2019. Transportation is expected to remain a key source of consumption growth going forward with jet fuel and heavy transport accounting for the majority in growth. Gasoline for passenger cars is only expected to grow around 1 per cent over the next 5 years mainly due to vehicle efficiency gains. Jet Fuel accounts for the second largest growth area after Petrochemicals in global oil demand.[12]

Oil Production and Reserves

Oil is found in large quantities on most continents of the world. Oil production is active in all major populated continents and in 2019 the average global production totalled an estimated 100.7 million barrels per day.[13] From 2008 to 2019, production grew at an annual compounded rate of 1.3 per cent per year, and production grew in all major regions of the world however with varying growth between nations. During the period, the United States was the largest growing producer increasing its oil production from 5.0 million barrels per day in 2008 to 12.2 million barrels per day in 2019.[14]

About 100 countries produce crude oil. In 2019, 53 per cent of the world’s total crude oil production came from five countries: USA, 19 per cent; Saudi Arabia, 12 per cent; Russia, 11 per cent; Canada, 6 per cent; China, 5 per cent (numbers include

[9] International Energy Agency, “World Energy Outlook 2019”.
[10] Energy Information Agency, ”Short Term Energy Outlook March 2020”.
[11] Canadian Association of Petroleum Producers (CAPP).
[12] Energy Information Agency, ”Short Term Energy Outlook March 2020”-
[13] Energy Information Agency, ”Short Term Energy Outlook March 2020”.
[14] ”Petroleum and other liquids Data”, Energy Information Agency (March 2020).

domestic production of crude oil, all other petroleum liquids, biofuels, and refinery processing gain).[15] In terms of reserves, nearly half of the total proved reserves in the world today are located in the Middle East, primarily Saudi Arabia, Iran, Iraq, Kuwait and the United Arab Emirates.[16] Venezuela, Saudi Arabia, Canada, Iran and Iraq hold 62 per cent of the world's proven reserves as at the end of 2019.[17]

The Oil Price[18]

Oil is a commodity with a well-developed world market. The prices are determined on the world's leading commodities exchanges particularly NYMEX in New York and the ICE in London which quote main oil price benchmarks: WTI[19] at NYMEX (the USA benchmark) and Brent[20] at ICE (the world benchmark). Oil prices have historically experienced significant fluctuations.

In recent history, and since 1986, the price of oil has been determined by the free market. Since 1986, at the commencement of modern market trading of oil, and until 1998, oil prices remained fairly constant at around USD 18 per barrel, except for a short spike during the first Gulf War of 1991. For 12 months starting in the summer of 1998, oil prices declined by almost 50 per cent due to weak global demand. In 2000, coupled with a reduction in supply due to the 1998 oil shock, Chinese demand for oil took off in line with their economy. During the years 2001 — 2008, oil prices climbed steadily from USD 18 per barrel to over USD 148 per barrel in July of 2008. The housing crisis of 2008 sent the oil price plummeting in fear of global economic slowdown. The 2008 oil crash was probably more an overreaction of the market than actual fundamental supply and demand drivers as in 2010 oil prices started to climb back to 2006/07 levels and from early 2011 through August 2014, the Brent oil price largely traded within a USD 90 to USD 125 per barrel range and posted all time high annual averages of around USD 110 per barrel.

In September 2014, oil price declined drastically. This downturn, as it turns out, was unprecedented in modern history. Never before, since oil trading began in 1986, had oil prices dropped as severe and remained so low for such a long time. The 2014 crash was the result of oversupply, primarily due to the American shale oil entering the markets in 2009/10. US production grew from a mere 5 million barrels a day to nearly 9 million barrels a day in less than 4 years. Although the US consumes some 19 million barrels of oil per day, these 4 million barrels meant a 4 million barrel reduction in imports from Venezuela, Mexico and other countries. These 4 million barrels had to find a new home. And although the supply and demand markets were, and are, tight, the volumes placed on the market by the US shale producers were simply too much for the rest of the world to consume. Oil prices continued to drop until 12 February 2016 when WTI hit USD 26 per barrel — a price not seen since November 1999 (notwithstanding the 2008 drop). Even though the industry was slow to recognize the severity of the downturn, what followed was a mass exodus of personnel and equipment from the oil fields around the world. The Baker Hughes Rig Count[21] bottomed out at less than 500 rigs in North America, a number that had not been seen since 1998. Prices remained depressed for all of 2015, 2016 and most of 2017. During the second half of 2017, the market started to firm up, and oil broke the USD 60 per barrel mark consistently during the last months of 2017 and the beginning of 2018. During 2018, oil prices remained fairly buoyant and stable with a sharp increase towards the end of the third quarter 2018 when oil prices peaked at just over USD 84 per barrel. At the end of 2018, largely driven by USA's allowance for a six month temporary respite of the Iran oil sanctions, oil plummeted to around USD 50 per barrel. Average Brent oil price for 2018 was USD 71.34 per barrel. The beginning of 2019, saw a rebound of the price of oil, and during the first quarter of 2019, oil hovered around the USD 65 per barrel mark, and 2019 was fairly uneventful for the oil price with an average Brent price of USD 64.28 per barrel.

<u>2020 and COVID-19 Update</u>

The year 2020 started out with a healthy oil price hovering around the USD 63 per barrel mark. As COVID-19 started spreading across the globe, and nations started quarantining and isolating their populations, oil demand dropped very quickly resulting in a drop in oil price not ever seen since the early 1900 (the Spindletop field first drilled in 1901 was so prolific that oil prices dropped in the United States from USD 1.19 per barrel to less than USD 0.03 per barrel making drinking water more expensive than oil at one time). In April 2020, the WTI benchmark oil price was sold at a negative of approximately USD 36 per barrel –

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[15] "The 10 largest oil producers and share of total world oil production in 2019", Energy Information Agency (March 2020), https://www.eia.gov/tools/faqs/faq.php?id=709&t=6.

[16] BP, Statistical Review of World Energy 2019 68th edition.

[17] BP, Statistical Review of World Energy 2019 68th edition.

[18] Data from Trading Economics, 1983-2020 Data, https://tradingeconomics.com/commodity/crude-oil

[19] "**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.

[20] 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.

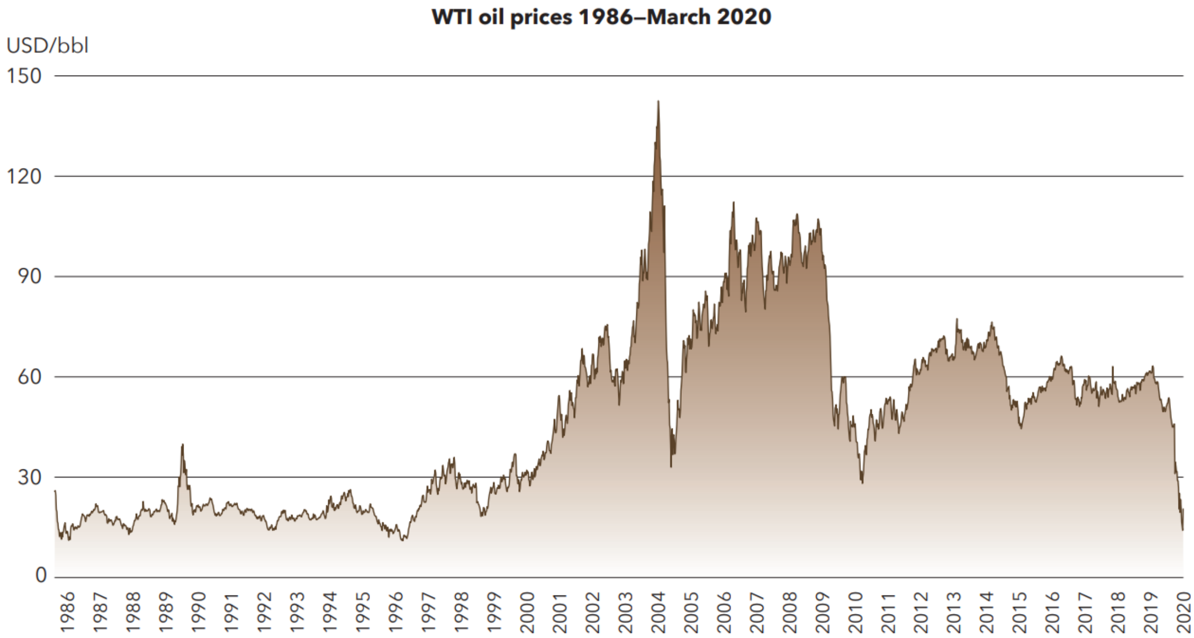
[21] https://rigcount.bakerhughes.com/

the first time in modern history that sellers paid the buyer to sell their oil. Although not based on fundamental supply and demand factors, the negative oil price demonstrates the volatility of the oil markets during the pandemic. During the second quarter of 2020, oil demand plummeted whilst the world locked it-self down. At the same time, Saudi Arabia and Russia had a very brief price war whereby Saudi Arabia decided to flood the market with oil resulting in very depressed oil prices. Subsequent events allowed for OPEC, Russia and some other countries to join together and uniformly apply supply cuts to their quotas. This agreement became known as the OPEC+ agreement. As the pandemic eased its' grip on the Far East and Europe, demand started to recover and together with the supply cuts made by OPEC+, oil prices stabilized around the USD 42 per barrel mark.

As predicted in 2017,[22] oil consumption surpassed 100 million barrels of oil per day in 2018. Consumption growth has been fairly steady at an average of 1.3—1.5 per cent per year since 1980 and, beyond the effects of COVID-19 (see above), the Company does not believe there to be any indications at the present to suggest a flattening or a decline in growth. Add to that the world's total oil reserves are in decline, the exception being US shale oil. On average global oil production declines at 4 per cent to 5 per cent per annum, meaning that the industry must replace 6 per cent of oil production every year to keep abreast with demand.[23]

Oil price is highly dependent on its current and expected future supply and demand. As such, it is influenced by global macroeconomic conditions and may experience material fluctuations on the basis of economic indicators, material economic events and geopolitical events. Historically, oil prices have also been heavily influenced by organizational and national policies, most significantly the implementation of OPEC and subsequent production policies announced by the organization

The below figure shows the historical development in the price of WTI crude oil from 1986 to March 2020.



TRENDS

Since the millennium, the energy sector has changed. Importers of oil are becoming exporters, while countries long-defined as major energy exporters are also becoming leading operators of global demand demand. The main focus of energy demand is switching decisively to the emerging economies, particularly China, India and the Middle East, which drive global energy consumption higher. The Middle East, as the only large source of low-cost oil, remains at the center of the longerterm oil outlook. The need to compensate for declining output from existing oil fields is anticipated to be the major driver for upstream oil investment to 2035, particular in the Middle East.

As reviewed global energy demand is expected to increase over the next 14 years with non-OECD countries such as China and India accounting for almost 50 percent of the expected increase. While the fuel mix is evolving, fossil fuels will continue to be

[22] International Energy Agency, "World Energy Outlook 2017".
[23] International Energy Agency, "World Energy Outlook 2019".

dominant. Fossil fuels are expected to grow by around 60 percent accounting for almost 86 percent of total energy supplies while renewables are expected to grow rapidly to supply nearly 33 percent of the remaining growth over this period.[24]

[24] BP, "Energy Outlook to 2035".

Business overview

Maha is an independent, international upstream oil and gas company whose business activities include exploration, development and production of crude oil and natural gas. Maha focuses on enhanced oil recovery engineering solutions for underperforming hydrocarbon assets. The Company's philosophy is to acquire underperforming existing hydrocarbon assets and increase value by applying modern hydrocarbon recovery technologies. This philosophy has resulted in the allocation and combination of individual expertise in order to build a solid foundation of production assets and an objective to grow through petroleum engineering and near field exploration technologies. Maha's primary focus is to implement cutting edge Enhanced Oil Recovery ("**EOR**") technologies to existing and maturing fields.

Enhanced oil recovery

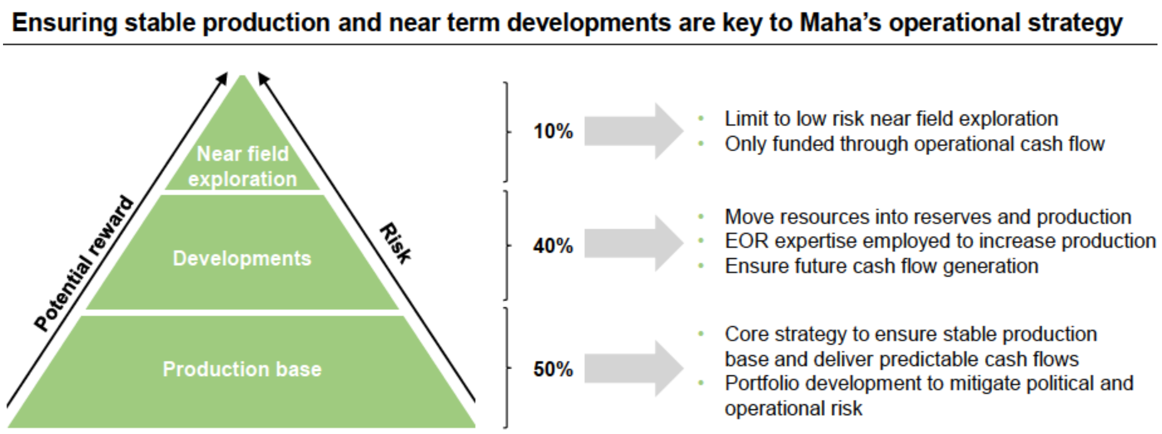
Maha's primary focus is to implement cutting edge EOR technologies to existing and maturing oil fields in order to extract oil from these oil fields efficiently. As the Company focuses on applying modern state-of-the-art tailored extraction solutions in proven hydrocarbon systems to recover the hydrocarbons in place, The Company believes that its primary risk is not uncertainty of reservoir content but fluid extraction. Maha has assembled a team of industry experts with individual expertise to build a solid foundation of production assets and an objective to grow through petroleum engineering and field proximity exploration technologies.

Underperforming oil & gas assets

A very important focus of the Company, and something the Company considers itself to have a proven track record of (see below regarding the Tartaruga oil field), is the ability to evaluate existing oil & gas opportunities and identify how to make them profitable. There may be many reasons why existing oil and gas fields are underperforming. The reasons can be technical, financial or just plain negligence. An example of the type of fields the Company adds its expertise to is the Tartaruga oil field in Brazil. The Tartaruga field was discovered in 1994 by Petrobras. After Maha assumed operatorship in 2017, Maha boosted production in the field to record levels within three years' time. The main reason for the increase in production was the identification and application of special downhole pumps that can handle large volumes of gas. To the Company's knowledge, Maha was a pioneer in Brazil with this specific technology.

MARKET POSITION

The Company is engaged in the exploration, development and production of oil and natural gas. Specifically, Maha specializes in extracting incremental oil and gas from existing and previously discovered and produced oil and gas finds. Focus is placed on modern EOR technologies through the implementation of custom tailored recovery solutions. The core expertise of the Management is in the field of Petroleum Engineering. The Oil and Gas Business is made up into three segments; upstream, mid-stream and downstream. The downstream segment focuses on product manufacturing and distribution, for example, refineries and gasoline retail. The midstream segment deals with the storage and transportation of unrefined crude oil and natural gas. Maha acts in the upstream sector, which consists of the prospecting, exploration, development and production of crude oil and natural gas. The upstream sector can be broken down into three further parts; Exploration, Appraisal & Development, and Production. The Exploration phase is considered the riskiest, but is a necessary part for the business to grow organically — or through the 'drill bit'. Appraisal and Development refers to the harvesting of the discovered oil and gas. Maha's strategy is to maintain a healthy balance of all three sub segments in the upstream oil and gas sector, as shown in the Company's 50:40:10 asset strategy pyramid, see below.



The Upstream Development Cycle is based on using funds generated from Production Operations to explore for more oil and gas. It is the Company's philosophy to limit exploration to approximately 10 per cent of its asset portfolio and use only internally generated funds to fund exploration efforts. It is also the Company's philosophy to limit exploration to 'near field exploration'. That is, exploration of undrilled or untested formations that are adjacent or very near the Company's existing producing areas. That way, the risk of potential structures and formations not containing hydrocarbons is reduced.

Currently, zero per cent of Maha's revenues is attributable to the LAK Ranch (as a result of COVID-19, all pre-commercial production on the LAK Ranch field has temporarily been suspended); 80% per cent is attributable to the Tie field; 16 per cent is attributable to the Tartaruga field; and 4 per cent is attributable to the Illinois Basin area. Maha's recently awarded block 70 in Oman is a non-producing exploration block without any revenues (see further information under "Mahas reserves and resources - Block 70, Mafraq, Oman" below).

VISION AND STRATEGY

Maha's strategy is centered around value, geographic focus and stable production opportunities. All opportunities evaluated by the Maha team revolves around the value per barrel. Many companies chase volumes (barrels), whilst Maha chases good value per barrel. It is better to produce 200 profitable barrels of oil than 2,000 at a loss. In order to diversify political and regulatory risks, the Company's vision is to produce oil from at least three independent political jurisdictions (the Company's so called 'three legged stool' strategy). Naturally, this vision is predicated on having the available internal resources to properly operate in three separate geographical areas.

The Company's production goal is to grow from a small junior independent production company to a healthy mid-size independent oil company with significant production volumes. Current production volumes of the Company is around 4,000 BOEPD.

The Company's strategy is to secure value through the 50:40:10 ratio principle (see above pyramid-figure under section "Market and business overview – Market position"), meaning an asset portfolio of production, appraisal and near field exploration projects, in those proportions. It is the Company's strategy to concentrate on producing assets. Of these assets, the Company strives for at least 50% to be low risk, cash yielding production assets. The cashflow from these assets will provide revenue for the Company's overhead costs. In order to grow and provide shareholder returns, 40% of the assets should be greenfield developments, or assets that require some risk to consummate production. Then, any rank exploratory work will be confined to; (a) to be funded from existing cashflows, and (b) be in the vicinity of Company owned producing fields.

ADDITIONAL MARKETS

In accordance with the Company's 'three legged stool' strategy, Maha is looking to enter into a third jurisdiction to ensure proper jurisdictional diversification. With a solid leg developed in Brazil, and a good start to a second leg in the USA, the Company has now decided to focus on the Sultanate of Oman for its' third leg. To that extent, the Company has participated in an Exploration and Production Bid round, and during October 2020, subject to a Royal Decree which was granted on 28 October 2020, the Company was awarded a new exploration block (Block 70, Mafraq oil field) in the Sultanate of Oman (see further information under "Mahas reserves and resources - Block 70, Mafraq, Oman." Below)

CUSTOMERS

The Company's oil and gas sales revenues are predominantly derived from a few major customers. During the financial years 2017-2019, all Maha's oil and gas revenues, operating expenses and depletion were from the Brazilian operations, but through the acquisition of Dome AB Inc. and the producing asset in the Illinois Basin area the Company has, beginning with the second quarter of 2020, also certain revenues in North America.

The Company's sales of oil in Brazil are based on floating prices utilizing the Brent oil benchmark adjusted for contracted discounts or premiums. All oil from the Company's assets in Brazil are trucked to the customers and the company may receive payment for the crude oil in advance or in arrears, depending on the customer. All oil produced at the Tie Field is transported to two customers, Petrobras and DAX (a small local refinery in Bahia), who are contracted to receive up to 1,850 barrels of oil per day, and up to 3,000 barrels of oil per day respectively. Crude oil from the Tartaruga Field is trucked to an oil terminal in Aracaju, about 65 km south of the Tartaruga Facilities. At the moment, there is no limit to crude volumes sold at this terminal. Processing and shipping charges are applied to the purchase price in the sales contract for Tartaruga.

Crude sales are highly dependent on associated gas sales. To that end, in relation to the Company's assets in Brazil, the Company has secured two gas sales contracts with GTW and CDGN (CDGN only in relation to the Tie field), both local Brazilian gas handling companies. GTW receives untreated natural gas and converts the gas to electricity through a number of gas generators. CDGN compresses and markets the gas to local industries as compressed natural gas (CNG) which can be decompressed and used as fuel. The Company receives payment for the gas in arrears.

The Company's sales of oil in the U.S. are based on floating prices utilizing the monthly average WTI oil benchmark adjusted for contracted discounts or premiums. All oil from the Company's assets in the U.S. are trucked to Petromark Refining in Mt. Vernon, IN. There is no limit on the sales volume to this facility. The Company receives payment for the crude oil monthly in arrears. There is negligible associated gas with the oil and does not allow for sufficient gas volumes to be sold.

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 asset acquisitions, and in attracting skilled personnel. Many of the Company's competitors have significantly greater financial resources and have been active in the market and the competitive situation for a considerably longer period than the Company has. Despite this, the Company has not so far encountered any significant restrictions resulting from this competition.

Competition is likely to come from companies that are already active in the regions where the Company are active, but also from new, often offensive, players. In general, competitors are large international oil and gas companies, independent oil and gas companies, and, increasingly, nationally owned oil companies. Oil companies are also facing increased competition from alternative forms of energy, fuel and technological innovations such as electric cars.

Competitive advantages

Maha believes the Company to have assembled a team of industry experts with individual expertise to build a solid foundation of production assets and an objective to grow through petroleum engineering and near field exploration technologies. The primary focus is to implement cutting edge EOR technologies to existing and maturing oil fields. The Company believes its main competitive advantage to be its diversification of assets as described in the Risk Reward pyramid above. Maha believes that it has managed to assemble a number of low risk, low production cost, conventional oil and gas assets. The low operating cost allows the Company to operate profitable, even at low oil prices. This in turn provides an excellent platform to grow through acquisitions, since Maha continues to have positive cashflows whilst several competitors which operate in higher cost areas may struggle. All oil & gas assets acquired hereto are the result of; (a) identifying underperforming and low producing brownfields where modern technical applications can improve production costs, and (b) the assets being financially distressed at the time of purchase.

However, Maha believes that the far most important competitive advantage of the Company is its' ability to evaluate oil & gas properties and assign realistic risks to those assets. This provides for a realistic purchase pricing strategy. Another very important competitive advantage for the Company has been its' ability to find the necessary capital for these asset opportunities when they arise.

JOINT ARRANGEMENTS

The Company, jointly with the partner Petrobras, owns the Tartaruga block in Brazil. The Company's share is 75% in the joint operations. The Company is entitled to a proportionate share of the oil and gas revenue and bears a proportionate share of the expenses. The joint operation does not have a separate legal entity status and is conducted through licenses which are held jointly.

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[25] and the production sharing regime[26]. 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 per cent 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.

Licenses

The Company holds the following production and exploration licenses.

Country	Concession name	Maha Working Interest (%)	Status	Area in acres	Partner	Concession Expiration Date
USA	LAK Ranch	99%	Pre-Production	6,475 (26.2 km^2)	SEC (1%)	Perpetual. Held by yearly payment.
USA	IL Basin (various)	100%[27]	Producing	4 039 (16.3 km^2)		Multiple leases with various terms and conditions. Mainly held by production.[28]
Brazil	Tartaruga	75%	Producing	13,201 (53.4 km^2)	Petrobras (25%)	5 August 2025 (extension thereafter deemed probable)[29]
Brazil	Tie (REC-T 155)	100%	Producing	1,511 (6.1 km^2)		26 July 2039
Brazil	REC-T 155	100%	Exploration	4,276 (17.3 km^2)		May 24th, 2015[30] (Suspended)
Brazil	REC-T 129	100%	Exploration	7,241 (29.3 km^2)		May 24th, 2015[30] (Suspended)
Brazil	REC-T 142	100%	Exploration	6,856 (27.7 km^2)		May 24th, 2015[30] (Suspended)
Brazil	REC-T 224	100%	Exploration	7,192 (29.1 km^2)		1 year after the decision approving or denying the environmental permit (Suspended)

[25] The concession regime was established by Law 9.478/1997 (the so called "Petroleum Law").
[26] The production sharing regime was established by Law No. 13,365/2016 (the so called "Pre-salt Law").
[27] Average Working Interest of 95% based on a net area of 3,826 acres (15,5 km^2).
[28] IL Basin consists of more than twenty leases with various terms and conditions, of which a majority are held by production. A limited amount of these leases, of which none currently have drilled wells, have fixed expiration dates, predominantly combined with an option for extension. All leases with drilled wells are held by production.
[29] See further information regarding extension below under the section "The Tartaruga field – Organic growth opportunity" below.
[30] This was the original term of the 1st stage of the Appraisal Plan (PAD) of Blocks 155, 142, and 129. If Maha decided to proceed to the 2nd stage of the PAD, it would end on November 24th, 2016, and the 3rd stage on November 24th, 2018.

Brazil	REC-T 117	100%	Exploration	6,795 (27.5 km^2)	27 November, 2021[31]
Brazil	REC-T 118	100%	Exploration	7,734(31.3 km^2)	7 November 2021[31]
Oman	Block 70	100%	Exploration	157,900 (639 km^2)	28 October2023 (thereafter optional exploration extension period of 3 years and in case of commercial discovery, a right to a fifteen year production license, which can be extended for another five years[32])

Brazil suspended concessions are due to the government moratorium on unconventional Fracturing Technology. Suspension will be lifted once the Brazilian government makes a decision on the moratorium.

The Company is not dependent on any industrial licenses nor patents to conduct its' operations. The above production and exploration licenses are current and in force as of the date of this Prospectus. Some licenses in the USA have continuation clauses whereby acreage is held by production. The LAK Ranch license in the USA is held by annual cash payments and the Brazilian licenses are held by tenure.

Environmental Protection

All phases of the Company's operations are subject to environmental regulation in the jurisdictions in which it operates. Environmental legislation is evolving in a manner which requires stricter standards and enforcement, increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for companies and their officers, directors and employees. There are currently no outstanding proceedings relating to environmental issues to which the Company or any of its subsidiaries is a part.

RESERVES AND RESOURCES

Introduction to reserves and resource classifications

Reserves and resources are classified according to Canadian National Instrument-51-101 standards and therefore the classifications defined below may not be in line with other jurisdictions. Maha's crude oil reserves estimates presented are based on the Canadian reserves definitions and guidelines prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society) as presented in the Canadian Oil and Gas Evaluation Handbook (the "**COGE Handbook**"), an Acceptable Internationally Recognised Mineral Standard by European Securities and Markets Authority ("**ESMA**"). A summary of those definitions and guidelines is presented below

Development and Production Status

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories:

- **Developed reserves** are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (for example, when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.
- **Developed producing reserves** are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.
- **Developed non-producing reserves** are those reserves that either have not been on production, or have previously been on production, but are shut-in, and the date of resumption of production is unknown.

[31] Including the 9 months extension as provided for in ANP Resolution No. 815/2020. Formal approval by ANP is subject to new financial guarantees in place covering such period.
[32] In case of a commercial oil or gas discovery, the Exploration and Production Sharing Agreement (EPSA) for Block 70 can be transformed into a fifteen year production license which can be extended for another five years. In case of a commercial discovery the Oman Government Oil Company has a right to acquire up to a 30% interest in Block 70 against refunding the pro rata share of past expenditure.

- **Undeveloped reserves** are those reserves expected to be recovered from known accumulations where a significant expenditure (for example, when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves category (proved, probable, possible) to which they are assigned.

In multi-well pools it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to subdivide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status

Reserves Categories

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on

- analysis of drilling, geological, geophysical and engineering data;
- the use of established technology; and
- specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimates

- **Proved reserves ("P90")** are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves (proved reserves (P90) are also referred to as "**1P**").
- **Probable reserves ("P50")** are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved + probable reserves (proved (P90) plus probable (P50) reserves are also referred to as "**2P**").
- **Possible reserves ("P10")** are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves (proved (P90) plus probable (P50), plus possible (P10) reserves are also referred to as "**3P**").

Other criteria that must also be met for the classification of reserves are provided in the COGE Handbook.

Levels of Certainty for Reported Reserves

The qualitative certainty levels referred to in the definitions above are applicable to individual reserves entities (which refers to the lowest level at which reserves calculations are performed) and to reported reserves (which refers to the highest-level sum of individual entity estimates for which reserves estimates are presented). Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- at least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves;
- at least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable reserves; and
- at least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved plus probable plus possible reserves.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in the COGE Handbook.

Maha's reserves and resources

Maha currently operates oil extraction in four different geographical areas. These areas are, LAK Ranch, Woming, USA; Illinois Basin, Illinois/Indiana, USA; Tartaruga, Sergipe, Brazil; and Tie Field, Bahia, Brazil. All of these asset areas are light oil fields except for the oil field in LAK Ranch which is a heavy oil field.

In addition, Maha was, subject to a Royal Decree which was granted on 28 October 2020, recently awarded an exploration block in Oman, Block 70, which includes the Mafraq heavy oil field in the Ghaba Salt Basin, Oman.

The below details the reserves of Maha.

The LAK Ranch oil field

The LAK Ranch heavy oil field was acquired by Maha (Canada) during 2013, since then Maha has drilled ten horizontal wells on the field. Two vertical wells has also been drilled. Maha owns and operates a 99 per cent Working Interest[33] in the LAK Ranch heavy oil field. This oil field is located on the eastern edge of the multi-billion barrel Powder River Basin in Wyoming, USA. The LAK Ranch property area is 6,475 gross acres (26.2 km^2) and produces 19° API oil from five deviated wells located in the northern section of the license area. Since the purchase of the LAK Ranch field in 2013, Maha has been evaluating different oil production mechanisms and is currently working towards a staged full field development using a hot water injection scheme. The LAK Ranch asset is still considered to be in the pre-production stage and is currently undergoing delineation and pre-development work. The independent consulting firm RPS Knowledge Reservoir has calculated the best case estimate of original oil in place (OOIP) to be 62 million barrels. At the time of publishing this Prospectus, the LAK Ranch oil field has temporarily suspended all pre-commercial production operations due to the depressed oil price and has produced less than 150,000 barrels since discovery. It is the intent of the Company to restart the pre-commercial production operations at the field as soon as oil prices recover.

The reserves estimate for the LAK Ranch Assets were completed by Chapman Petroleum Engineering Ltd, Calgary, Alberta, Canada. Canada ("**Chapman**"). The reserve report is dated 31 December 2019 and uses a price forecast[34] developed by Chapman to calculate the Net Present Values[35]. Net Present Values are discounted at 10 per cent.

Reserve category	**Company gross (MSTB[36])**	**Company Net (MSTB)**	**Net Present Value (MUSD)**
Proven	0.111	0.094	0.880
Probable	8.704	7.377	43.975
Possible	5.424	4.594	12.125

During the current year, up and until 30 September 2020, the Company has delivered 2,473 barrels oil from the LAK Ranch oil field.

Illinois Basin

On 31 March 2020, Maha (US) acquired certain oil producing assets, in total amounting to 3,825.82 net acres (15.5 km^2) of oil and gas leases, in the Illinois Basin, USA, through the purchase of all outstanding shares in Dome AB Inc. The total amount of production of the Illinois Basin assets is currently 155 barrels of oil per day. The assets produce conventional light oil, 35° API, from 3 separate and shallow limestone reservoirs. The Illinois Basin assets are typical of Maha's 'bread and butter'

[33] "**Working Interest**" means 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.
[34] http://chapeng.ab.ca/"forecast.html
[35] "**Net Present Value**" means 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.
[36] "**MSTB**" stands for thousand stock tank barrels.

production which contain low risk, low productivity wells. The asset contains almost 100 identified future drilling locations of shallow but low productivity wells. Ultimate Recovery from each well range between 45,000 – 75,000 barrels of oil, and initial production from each new well range between 50 – 100 BOPD. A uniform drilling program is planned for these assets over the next 5 years to; (a) increase production and (b) to maintain a plateau level of production volume as decline is rapid on the individual wells. Near-term gains will be achieved by completing a drilled but uncompleted well in the near term along with drilling and stimulating a new well. Additionally, 'pay behind pipe' opportunities exist on the field and the Company is devising a plan on how best to proceed the unlocking of these small but quick production gains. According to the PeTech Reserve report dated 1 January, 2020 there are a total of 31 proven but undrilled locations, 19 probable undrilled locations and 48 possible undrilled locations in the area leased by Maha.

The reserves estimate for the Illinois Basin Assets were completed by PeTech Enterprises (State of Texas Registered Professional Engineer (license 50970) Mr. Amiel David) ("**PeTech**"). The reserve report is dated 31 December 2019 and uses a base oil price of US$ 57 per barrel to calculate the Net Present Values, the prevailing oil price set by the reserve auditor. Net Present Values are discounted at 10 per cent.

Reserve category	**Company gross (MSTB)**	**Company Net (MSTB)**	**Net Present Value (MUSD)**
Proven	2.014	1.484	23.035
Probable	0.927	0.678	8.441
Possible	2.272	1.841	23.123

During the current year, up and until 30 September 2020, the Company has delivered 26,030 barrels oil from the Illinois Basin.

Tie field

In 2017, Maha Energy AB acquired six onshore concession agreements located in the Reconcavo Basin of Brazil, including the oil producing Tie field from a Canadian Oil and Gas Company (Gran Tierra). The Tie field and the six concessions are located in the state of Bahia, Brazil. The Tie field currently consists of 3 oil producing wells (GTE-3, GTE-4 and TIE-1), one water injector (ALV-2) and a production facility capable of handling up to 5,000 BOPD. When the Company assumed the Tie field in 2017, the field was only producing 1350 BOPD from a single well and the handling facility was designed to handle 2,000 BOPD. Since the acquisition, the Company has upgraded the production facility from a handling capacity of 2,000 BOPD to 5,000 BOPD. Maha has also recompleted two wells, added subsurface pumps and drilled a new production well to increase production.

Hand in hand with the expansion of production capabilities at the Tie field, the Company has also secured additional oil and gas customers for the oil and gas produced at the field.

The Tie field is a 3-way, fault bounded, sandstone structure and oil and gas is produced from two separate reservoirs, the Agua Grande and Sergi. The reservoirs are about 8 – 12 m thick and are located some 2,200 – 2,500 m below the surface.

In February, 2020, Maha received final environmental approval to commence drilling of two new wells in the Tie field. One of these wells (TIE-2) will be a producing well, and the second well (TIE-3) will be a water injection well. These wells will be drilled in the southern part of the field and are designed to extend the production plateau of the Tie field. The Tie field has productions facilities which consist of 6,500 barrels of oil storage and oil/gas/water separation equipment (jet pumps at GTE-3 and GTE-4) capable of handling the 5,000 BOPD production capacity. Gas is separated and sold to two customers from the Tie field; CDGN Logistica SA ("**CDGN**") and GTW Geracao e Servicos ("**GTW**"), (Gas-To-Wire). All oil produced at the Tie field is trucked to two customers; Petrobras and Dax Oil Refino SA ("**Dax Oil**") are contracted to receive up to 1,850 BOPD and up to 3,000 BOPD respectively. Maha receives payment in arrears from Petrobras and in advance from Dax Oil.

Crude sales are highly dependent on associated gas sales. To that end, the Company has secured two gas sales contracts with CDGN and GTW, both local Brazilian gas handling companies. CDGN compresses and markets the gas to local industries as Compressed Natural Gas (CNG). GTW receives untreated natural gas from the Tie station and converts the gas to electricity through 17 small gas generators. In both cases, the Company receives monetary compensation for the gas. During 2019, the Company produced and sold 552.8 million scf (standard cubic foot) of gas and received USD 613,600 as compensation.

In order to ensure continuous and uninterrupted oil production from the Tie field, the Company decided in 2019 to proceed with a 'spill over' gas reinjection scheme. To that end Enerflex Ltd, a Canadian natural gas solutions company, was contracted to supply two 1,380 hp (5 stage) gas compressors in March of 2020. Once installed, these compressors will take any gas that is not consumed by CDGN and/or GTW and reinject it into the field reservoir. The compressors are sized to allow for 100 per cent reinjection of produced gas. If required, this will serve as redundancy in the event CDGN or GTW are unable to consume produced associated gas.

As part of the transaction with Gran Tierra Inc, the Company acquired six exploration concessions in the same area as the Tie Field. No material work (other than G&G evaluation) was undertaken on the concessions during 2019 and all six concessions remain in various stages of suspension.

The six concession agreements are located in the middle of the prolific Reconcavo Basin, in the coastal state of Bahia, Brazil. The six concessions are in varying stages of exploration and development. A total of 8 wells have been drilled and 212 Km2 of 3D seismic acquired by the previous Operator over the 41,606 total acres.

Country	License Name	Bid Round	Maha WI (%)	Type	Area in acres	Work Program & Status
Brazil	Tie	9	100%	Producing	1,514 (6.1 $km^{2)}$	Completed, expires 2035
Brazil	REC-T 155	9	100%	Exploration	4,276 (17.3 $km^{2)}$	PAD-1 completed, Suspended
Brazil	REC-T 129	9	100%	Exploration	7,241 (29.3 $km^{2)}$	PAD-1 completed, Suspended
Brazil	REC-T 142	9	100%	Exploration	6,856 (27.7 $km^{2)}$	PAD-1 completed, Suspended
Brazil	REC-T 224	9	100%	Exploration	7,192 (29.1 $km^{2)}$	Request for extension, Drill one well
Brazil	REC-T 117	11	100%	Exploration	6,795 (27.5 $km^{2)}$	Request for extension, Drill two wells
Brazil	REC-T 118	11	100%	Exploration	7,734 (31.3 $km^{2)}$	Request for extension, Drill three wells

The Tie field is subject to a 10 per cent royalty payable to the government of Brazil, plus 1 per cent payable to landowners directly affected by the Tie field. The statutory tax rate applicable to corporate income for the Tie field is 34 per cent. However, the Company has secured, until 2024, an extendable tax rate incentive of 18.75 per cent, making the effective net income tax rate 15.25 per cent. Corporate income tax is payable on the annual upstream profits of a company after deducting prior year losses of up to 30 per cent of taxable income.

The reserves estimate for the Tie Field were completed by Chapman Petroleum Engineers Ltd, Calgary, Alberta, Canada. The reserve report is dated 31 December 2019 and uses a price forecast developed by Chapman (http://chapeng.ab.ca/forecast.html) to calculate the Net Present Values. Net Present Values are discounted at 10 per cent.

Reserve category	**Company gross (MSTB)**	**Company Net (MSTB)**	**Net Present Value (MUSD)**
Proven	4.896	4.299	192.734
Probable	12.839	11.273	417.339
Possible	3.477	3.053	86.155

During the current year, up and until 30 September 2020, the Company has delivered 695,444 barrels oil and 434,522 mmscf[37] gas from the Tie field.

The Tartaruga field – Organic growth opportunity

The Company acquired a 75% Working Interest (WI) in the oil producing Tartaruga Oil field in 2017. The remaining 25% is held by Petrobras and Maha is the Operator of the field. Current production, net to Maha, from the field is around 650 barrels of oil per day. As part of the Petrobras' larger long-term divestment process, Petrobras is currently in the process of selling its 25% working interest in the Tartaruga Field by means of public bidding process, in which Maha is considering to submit an offer.

The Tartaruga oil field is located in the northern half of the 13,201 acre (53.4 km^2) SES-107D production license and produces 41° API oil from two deviated wells drilled into the early Cretaceous Penedo Formation. Although the block extends offshore,

[37] "**mmscf**" refers to million standard cubic feet.

the wells and production facilities are located onshore and all wells are drilled at an angle to intersect the 27 zone Penedo sandstone. The two wells delivered over 84,800 barrels of oil net to Maha during 2019.

After Maha assumed operatorship of the field in early 2017, the Company worked over both wells to increase production. First, the 107D well (original discovery well from 1994) was recompleted and placed on a jet pump system. Production increased from a mere +/- 50 BOPD to over 220 BOPD. Secondly, the 7TTG well was recompleted and a new zone perforated and stimulated. The 7TTG well tested around 457 BOPD on pump.

The Company identified horizontal drilling as a potential value enhancement to the field, and as such converted the 107D pumping well to a horizontal producer and in February 2020, the well flowed freely to surface at a rate of 626 BOPD. When the well was tested on a jet pump, the well produced over 930 BOPD which was all that the surface facilities could safely handle at the time.

Finally, a new well was drilled towards the end of 2019 to test deeper targets within the Penedo sandstone. This well (TTG-3) is primarily an appraisal well whereby important reservoir data is gathered to allow for the compilation of a Field Development Plan (FDP). The well reached Total Depth of 3,728 m on 3 October 2019. A lighter and more economical testing unit was brought in after the drilling rig was demobilized at the end of 2019. Testing of the P23, P22 and P19 sandstones were completed by March 2020, but further testing had to be suspended due to COVID-19. The pandemic caused extensive delays in logistics movements making the testing and stimulation operations impossible to continue effectively.

The Company returned to the TTG-3 well at the end of October to finish the testing of this well. At that point one more test is planned before potentially converting this appraisal well to a production well, should results permit.

The facilities at Tartaruga allows for 500—800 BOPD processing and handling and the crude oil storage volume is limited to 1,350 barrels of oil. The field is not attached to any pipelines so the produced oil is trucked to the town of Aracaju, some 65 km away. At the moment, there is no limit on crude volumes sold at this terminal. The realized price is fixed to Brent Oil Price less a slight discount. Processing and shipping charges are applied to the purchase price. Payment is monthly in arrears.

The crude handling facilities at Tartaruga separates the gas from the oil. Maha has a Gas Sales Agreement in place with GTW in which the Company sells its associated produced gas, and GTW converts the gas to electricity in gas generators. The Company receives monetary compensation for the gas which is tied to the price of electricity.

Current plans call for a temporary increase to the handling capacity at the Tartaruga production facilities. The Company embarked, at the end of 2019, on a plan to expand production handling capabilities at the field to 2,500 BOPD and 2.5 mmscf per day. This expansion involves building a new tuck out facility some 5 km from the production site in order to bypass a small village. Additional upgrades include a new separator, heater treater and additional storage facilities. Again, COVID-19 has caused delays in this activity as movements of materials and personnel became very restrictive during the second quarter of 2020. Whilst work is continuing on these upgrades, no new schedule has been released in light of the continuing changing events due to COVID-19.

The Tartaruga field represents the Company's main organic growth area. With a very healthy 32 million barrel 3P reserve base, it has the potential to become a significant volume and revenue contributor. The concession agreement expires in 2025, but the Company considers itself to have a strong basis to support Company's assessment that a 10 – 20 year extension will be granted by the Government upon application. Prior to filing an application, the Company is proving up reserve volumes and productivity of the Penedo sandstone. Current production occurs only from the top (P1) sandstone, and work is underway to establish fluid content and productivity of the deeper 26 sandstone layers that make up the Penedo sandstone. Once the results of TTG-3 are fully analysed, the Company will be in a better position to sketch out the field development program for Tartaruga, which in turn will dovetail into the request for license extension.

The Tartaruga Block is subject to a 9.7 per cent royalty payable to the Government of Brazil plus 1 per cent payable to the landowners directly affected by the Tartaruga field. An overriding royalty of 10 per cent is also payable to Petrobras (Partner). Under the original Participation Agreement with Petrobras, the Company is obliged to carry Petrobras' (25 per cent) capital share of all future wells but is entitled to recover 100 per cent of these costs from future production until the carry share is paid back. The statutory tax rate applicable to corporate income is 34 per cent. However, the Company has secured, until 2029, an extendable tax rate incentive of 18.75 per cent, making the effective net income tax 15.25 per cent. Corporate income tax is payable on the annual upstream profits of a company after deducting prior year losses of up to 30 per cent of taxable income.

The reserves for the Tartaruga Field were completed by Chapman Petroleum Engineers Ltd, Calgary, Alberta, Canada. The reserve report is dated 31 December 2019 and uses a price forecast developed by Chapman (http://chapeng.ab.ca/forecast.html) to calculate the Net Present Values. Net Present Values are discounted at 10 per cent.

Reserve category	**Company gross (MSTB)**	**Company Net (MSTB)**	**Net Present Value**
Proven	4.966	3.773	120.197
Probable	8.234	6.255	138.992
Possible	19.077	14.492	496.663

During the current year, up and until 30 September 2020, the Company has delivered 158,418 barrels oil and 8,862 mmscf gas from the Tartaruga field.

Block 70, Mafraq, Oman.

On 25 September 2020 the Company announced that that it will be 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, from which 13° API oil has been produced from two separate wells using conventional pumps and without the use of steam. The Block is located in the middle of the prolific and oil producing Ghaba Salt Basin in the central part of Oman. Maha will (through a wholly owned subsidiary, Maha Energy (Oman) Ltd (Cyprus)) be the operator of the Block and hold a 100% working interest[38]. The entry into Oman marks a milestone for the Company's diversification strategy. The Block agreement was subsequently be signed on 5 October 2020 and is further subject to a Royal Decree which was granted on 28 October 2020 by His Majesty the Sultan of Oman.

The Mafraq oil field was discovered by Petroleum Development Oman (PDO) in 1988 and was further delineated by four wells and 3D seismic in stages until 2010. Two wells were placed on pump production tests, of which one was placed on a 22-day test and produced a stable and cumulative volume of over 15,700 barrels of oil before operations were suspended. The productive reservoir is shallow, at approximately 430 m. below ground level.

The Block covers an area of 639 km^2 and is covered by both 2D and 3D seismic data that has been acquired by previous operators has been made available to Maha. Eight wells have been drilled within the block boundary, five of which are on the Mafraq oil field.

The Exploration and Production Sharing Agreement ("**EPSA**") for Block 70 covers an initial exploration period of three years with an optional extension period of another three years. In case of a commercial oil or gas discovery, the EPSA can be transformed into a fifteen year production license which can be extended for another five years. In case of a commercial discovery the Oman Government Oil Company has a right to acquire up to a 30% interest in Block 70 against refunding the pro rata share of past expenditure. The initial work commitments during the first period include geological studies, seismic reprocessing and well commitments.

Maha holds a 100 Working Interest in Block 70, and according to the EPSA the profit of any future oil, gas and condensate production shall be shared between Maha and the Government of Oman. However, Maha will, upon production and sale, have a right to be reimbursed for certain investments and production costs, a right to so called "cost recovery", before any allocation of profits between Maha and the government are made.

Cost recovery may not exceed 40 percent of the monthly net production of oil, valued at market price, but remaining costs may be carried forward until fully recovered. Of the remaining profit (i.e. a minimum of 60 percent of the net production of oil), after deducting cost recovery, 70 percent will be allocated to the Government of Oman, and 30 percent will be allocated to Maha. In case production exceeds 10,000 barrels per day, or if the oil price should exceed 120 USD, the Government of Oman's take will increase progressively. For non-associated natural gas and condensate production, up to 50 percent may be deducted as cost recovery, and the remaining share being allocated between the parties, 50/50 for gas profits while 75 percent to the Government of Oman and 25 percent to Maha for profits relating to condensate. Similar to the terms of oil production, the Government of Oman's take for condensate will increase progressively in case of production exceeding 5 000 barrels per day, or if the oil price should exceed 120 USD. Further, the Government of Oman may take all associated natural

[38] In case of a commercial discovery the Oman Government Oil Company has a right to acquire certain working interest.

gas, which is in excess of the quantity required for the petroleum operations, without any consideration, but all costs for taking and utilizing such associated natural gas to be taken by the government. However, the Company may opt to participate in the sale of such associated natural gas, in accordance with production-sharing principles of the EPSA.

Oil and gas companies operating in Oman pay income tax at 55% of their taxable income. This tax is deductible from the government's oil production share under EPSA. For more information on the EPSA, please see "*Legal Considerations and supplementary information – Material Agreements - The Exploration and Production Sharing Agreement (EPSA) for Block 70, Mafraq, Oman*".

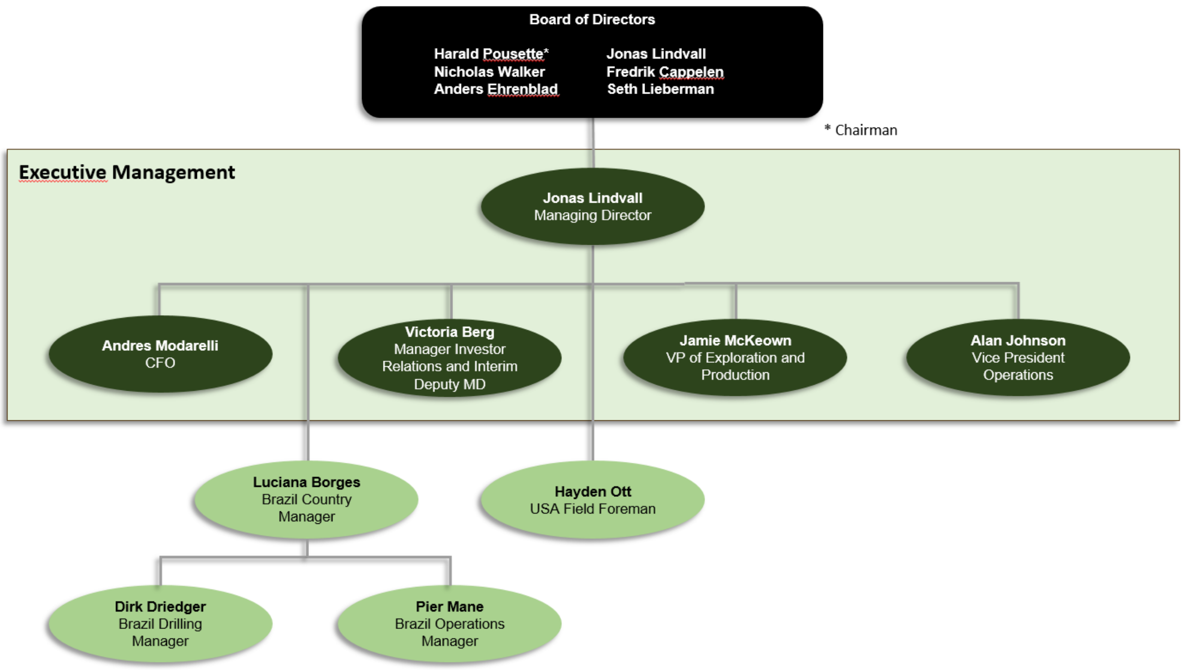
The reserves estimate for Block 70, Mafraq oil field were completed by Chapman Petroleum Engineers Ltd, Calgary, Alberta, Canada. The reserve report is dated 5 October 2020 and uses a price forecast developed by Chapman (http://chapeng.ab.ca/forecast.html) to calculate the Net Present Values. Net Present Values are discounted at 10 per cent.

Reserve category	**Company gross (MSTB)**	**Company Net (MSTB)**	**Net Present Value**
Proven	253	139	3,065
Probable	722	397	4,823
Possible	1,069	588	16,386

ORGANIZATION STRUCTURE

Maha, together with its subsidiaries make all the necessary investments and conduct the business operations required in each geographic area in which the Group operates. The head office is located in Stockholm, Sweden. The Company maintains a technical office in Calgary, Alberta, Canada as well as an operations in Grayville, IL and Newcastle, WY, in the United States of America and in Rio de Janeiro in Brazil. The Company further plans to establish an operations office in Muscat, Oman. The operations conducted in USA are mainly handled by Maha (US) while the operations conducted in Brazil are mainly handled by Maha Energy Brasil Ltda (Brazil). The operations conducted in Oman will be handled through an Omani branch of Maha Energy (Oman) Ltd. Operations stretching over several geographic areas or of greater importance, such as investments into new areas, are generally a matter for the board of Maha (Sweden) or the CEO of Maha (Sweden). The Company's executive management are located at the Company's technical office in Calgary, Alberta, Canada, with the exception of Victoria Berg, Manager Investor Relations and Interim Deputy Managing Director, who is located at the head office in Stockholm, Sweden.

Overview of management structure



HISTORY

2013:

- Maha (Canada) is incorporated in Alberta, Canada in January 2013.
- Maha (US) is incorporated in February 2013 in the state of Wyoming, USA.
- Maha (Canada) commits to a 5 well drilling program to earn a 60 percent interest and operatorship in the LAK Ranch property.

2014:

- Maha (Canada) completes its 5 well work program and met all its obligations as per the agreement regarding the LAK Ranch property.
- Maha (Canada) acquires the remaining part of the LAK Ranch heavy oil field (all but 1% which is held by SEC) for shares and forgiveness of debt.
- Maha (Canada) purchases a non-operated 50 percent Working Interest in heavy oil producing properties from Palliser Oil and Gas ("**Palliser**") in the Manitou area in Western Saskatchewan. The Operator (Palliser Oil) operates 7 producing wells.
- Maha (Canada) enters into a farmout agreement with Palliser in respect of four wells in the Marwayne area of eastern Alberta. As a result, Maha (Canada) earns a 30 percent Working Interest in the properties.
- A "reverse takeover" transaction with Palliser was interrupted due to the declining oil price during late 2014. A prospective bond amounting to MSEK 450 was interrupted and the deal was not closed.
- Failed transaction for Palliser reverse takeover bid due to oil price crash (fall 2014). SEK 450 million bond failed to be initiated.
- Maha (Canada) drills four wells, one in Canada and three in Wyoming.

2015:

- Maha (US) drills two new side-track wells and recompleted two additional wells at LAK Ranch.
- RPS Knowledge Reservoir in Houston completes a reservoir characterization study which concludes the best case 'oil-in-place' volume at LAK Ranch to be 62.0 million barrels of oil.
- Chapman Petroleum Engineering Ltd. prepares a NI 51-101 compliant reserves report (dated 30 November 2015 with effective date of 1 December 2015) which estimates 12.8 million barrels of proved and probable (2P) reserves. The reclassification from contingent resource supports the technical feasibility and the substantial upside of the LAK Ranch asset.

2016:

- A Swedish shelf company is acquired. The company's current company name is Maha Energy AB.
- Maha (Canada) acquires two shelf companies. The companies' current company names are Maha Energy 1 (Brazil) AB and Maha Energy 2 (Brazil) AB.
- Maha resolves upon a corporate restructuring whereby the newly acquired Maha (Sweden) became the parent company of Maha (Canada), for details please see "Share capital and ownership structure – Corporate restructuring/Roll-up of 2016**".**
- The board of directors resolves upon an initial public offering of units in the Company and the Company's A-Shares and warrants of series TO A are listed on First North (today Nasdaq First North Growth Market). First day of trading is on 29 July 2016.
- A private placement of shares is carried out in November of 2016.
- Maha acquires UP Petróleo Brasil Ltda., Petro Vista Energy Petróleo do Brasil Ltda. as well as Working Interest in the Tartaruga Field, resulting in Maha holding 75 per cent of the Working Interest in the Tartaruga field.

2017:

- A private placement of shares is carried out in February 2017.
- Maha acquires all outstanding shares and intercompany debt of Gran Tierra Finance (Luxembourg) S.Á.R.L. and Gran Tierra Brazco (Luxembourg) S.A.R.L. resulting in the ownership (100 per cent Working Interest) in six additional concession agreements (please see "Tie field" above for more information).
- Maha resolves to complete a rights issue with a pre-emptive rights in February 2017.
- Maha (Sweden) issues senior secured bonds in the amount of SEK 300 million as part of a fully subscribed bond financing which is listed on Nasdaq Stockholm. The bonds has a term of four years with a fixed interest rate coupon of 12 per cent per annum. At the same time, Maha issued warrants series TO 2 A, which are listed on First North (today Nasdaq First North Growth Market).
- The Company recompletes one of the wells at the Tartaruga field and more than doubles production.
- The Tie field transaction closes in July 2017.
- The Company designs and places an order for hydraulic jet pumps to provide for artificial lift at the Tie field.
- Water injection at the Tie field commences.

2018:

- The Company initiates a Work Program at its two producing oil and gas fields in Bahia and Sergipe Provinces Brazil.
- Work starts at the Tie field to increase the handling capability of the production facilities from 2,000 BOPD to 5,000 BOPD.

- The previously non-producing GTE-3 well is recompleted and placed on jet pump production, immediately boosting field production by some 900 BOPD.
- In October 2018, Maha announces that the Board of Directors had initiated a process to commence preparations to transfer the listing of its shares from First North (today First North Growth Market) to Nasdaq Stockholm's Main Market.

2019:

- The Company writes off approximately TUSD 240 relating to the Marwayne and Manitou assets (2014) as the new owner of the Palliser assets, Petrocapita was unable to repay its' debt.
- Drilling of the 107D horizontal sidetrack is completed with very good to excellent oil and gas shows.
- The "Attic well" was drilled and placed on production which allowed for an addition in reserves at the Tie field.
- Chapman Petroleum Engineering Ltd., of Calgary, Canada, completes a re-determination of the producible volumes at the Tie field which shows a substantial increase in each category of reserves, a 14 per cent increase in proven reserves, a 62 per cent increase in proven plus probable (2P) reserves and a 67 per cent increase in proven plus probable plus possible (3P) reserves.
- One out of two potential customers receives necessary governmental approvals in order for the customers to increase their acquisition volumes of oil in Brazil. For Maha this means additional delivery of 750 BOPD from the Tie field. The combined offtake agreements now in place is 4,850 BOPD for the Tie field.

2020:

- Chapman completes their annual reserve determination for the Company which showed that the 2P oil reserves were up by approximately 25 per cent compared to year end 2018. The increase is primarily due to an increase in the Tie field reserves.
- Maha (US) acquires certain oil producing assets in the Illinois Basin through the purchase of all outstanding shares in Dome AB Inc., from Dome Energy, Inc. The purchase price of USD 4 million adjusted in respect to any working capital in Dome AB Inc. at closing of the transaction, was almost half the value of 'proved producing' volumes of the asset.
- In March, pre-commercial production activities at the LAK Ranch property are suspended due to falling commodity prices which in turn was the result of the COVID-19 pandemic. Some personnel at the LAK Ranch are redeployed to Illinois.
- The Company performs minor workovers at the Illinois Basin asset to maintain production at around 155 BOPD during the summer of 2020. One person is laid off.
- Testing operations at the TTG-3 well are suspended in February/March due to logistical challenges posed by the COVID-19 situation in Brazil. The Company returns to the TTG-3 well at the end of October to finish the testing of this well. At that point one more test is planned before potentially converting this appraisal well to a production well, should results permit.
- Maha receives final clearance for the drilling of two wells at the Tie field to boost and maintain production (1 producer and 1 water injector) in February 2020.
- The Company is awarded an exploration block, Block 70, in the Sultanate of Oman and signs an Exploration Production Sharing Agreement (EPSA) in October of 2020, subject to a Royal Decree which was granted on 28 October 2020.
- A Cyprus shelf company is acquired. The company's current company name is Maha Energy (Oman) Ltd.
- The Company announces that is has mandated Arctic Securities AS (Global Coordinator and Joint Bookrunner), Pareto Securites AS and SpareBank1 Markets AS (Joint Bookrunners) to arrange a series of fixed income investor meetings and calls, and that an up to USD 80 million senior secured bond issue with a tenor of 3 years may follow, subject to inter alia market conditions.

Selected historical financial information

The selected historical financial information in the Prospectus shall be read together with the sections "Operational and financial review" and "Capitalisation, indebtedness and other financial information". The selected historical financial information is taken from and shall be read together with the Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019, and the Group's unaudited interim report for the period 1 January – September 2020 (including comparative figures for the period 1 January – September 2019 regarding the statement of operations and cash flow). The Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and have been audited by the Company's independent auditors, Deloitte AB, as stated in their appended auditor's reports, and are incorporated into the Prospectus by reference. The Company's interim report for the period 1 January – September 2020 has been prepared in accordance with IAS 34 Interim financial reporting. Key ratios, including key ratios that are not defined in accordance with IFRS (alternative key ratios) are presented under the heading "Key ratios". Items taken from the Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019, and the Group's unaudited interim report for the period 1 January – September 2020 are stated in US dollars (USD) which is the currency presented in the Group's financial reports. See the heading "Definitions of alternative key ratios" for definitions of and the purpose for using alternative key ratios that are not defined, and the heading "Reconciliation of alternative key ratios" for reconciliation of alternative key ratios. Other than stated above, no information in the Prospectus has been reviewed or audited by the Company's auditors.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS IN SUMMARY

	1 January – 31 December			1 January – 30 September	
TUSD	**2019**[39]	**2018**[39]	**2017**[39]	**2020**[40]	**2019**[40]
Oil and gas sales	55,589	38,132	14,604	30,359	41,917
Royalties	(7,449)	(4,805)	(2,217)	(4,392)	(5,509)
Net revenue	**48,140**	**33,327**	**12,387**	**25,967**	**36,408**
Cost of sales					
Production expense	(6,601)	(6,410)	(3,692)	(6,691)	(4,694)
Depletion, depreciation and amortization	(5,671)	(3,762)	(2,091)	(4,018)	(4,289)
Exploration and business development costs[41]	(802)	-	-	-	-
Financial instruments	-	(74)	(190)	-	-
Gross profit	**35,066**	**23,081**[42]	**6,414**[43]	**15,258**	**27,425**
General and administration	(5,464)	(4,222)	(5,257)	(3,453)	(4,052)
Exploration and business development costs[41]	-	-	-	(186)	-
Stock-based compensation	(207)	(217)	(35)	(253)	(148)
Foreign currency exchange gain/(loss)	159	347	(112)	(86)	82
Other gain/(loss)	(370)	-	-	-	(287)
Operating result	**29,184**	**18,989**	**1,010**	**11,280**	**23,020**
Net finance costs	**(4,476)**	**(3,893)**	**(3,549)**[43]	**(3,643)**	**(3,380)**

[39] Based on the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years, if not otherwise stated. Net result for the period 2017 excludes results from discontinued operations (54).
[40] Based on the Group's unaudited interim report for the period January – September 2020, if not otherwise stated.
[41] In the Group's annual report for the financial year ended 31 December 2019, Exploration and business development costs are presented under Cost of sales and thus affect the Gross profit for said financial year; it is noted that the line item has thereafter been moved from this category and is presented in a different section in the income statement.
[42] Derived from information in the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year.
[43] Derived from information in the Group's audited financial reports per and for the financial year ended 31 December 2017 which are included in the annual report for this year.

Result before tax	**24,708**	**15,096**	**(2,539)**	**7,637**	**19,640**
Income tax[44]	(5,054)	10,549	(256)	(2,194)	(2,665)
Net result for the period	**19,654**	**25,645**	**(2,795)**	**5,443**	**16,975**
Earnings per share before and after dilution, USD	0.20; 0.18	0.26; 0.25	(0.03); (0.03)	0.05;0.05	0.17;0.16
Weighted average number of shares before dilution	99,287,171	97,630,200	86,648,281	101,282,417	99,006,993
Weighted average number of shares after dilution	107,943,095	102,199,428	86,648,281	106,658,182	108,061,849

CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

		31 December	*30 September*	
TUSD	**2019[45]**	**2018[45]**	**2017[45]**	**2020[46]**
ASSETS				
Property, plant and equipment	76,243	58,834	47,278	73,197
Exploration & evaluation assets	21,216	20,685	17,789	21,463
Deferred tax assets	7,955	11,259	0	3,606
Other long-term assets	178	177	176	455
Total non-current assets	**105,592**	**90,955**	**65,243**	**98,721**
Crude oil Inventory	414	57	314	132
Financial instruments	-	-	141	-
Prepaid expenses and deposits	1,255	686	753	1,150
Accounts receivable	4,739	4,368	2,229	3,901
Restricted cash	1,567	2,804	3,037	994
Cash and cash equivalents	22,450	20,255	18,729	18,034
Total current assets	**30,425**	**28,170**	**25,203**	**24,211**
TOTAL ASSETS	**136,017**	**119,125**	**90,446**	**122,932**
EQUITY AND LIABILITIES				
Share capital	122	120	117	122
Contributed surplus	64,840	63,009	61,073	65,928
Other reserves	(10,772)	(7,870)	(1,359)	(37,138)
Retained earnings	33,669	14,015	(11,630)	39,112
Total equity	**87,859**	**69,274**	**48,201**	**68,024**
Bonds Payable	30,621	31,180	32,678	-
Decommissioning provision	2,175	1,720	1,849	2,388
Lease liabilities	380	-	-	3,031
Other long-term liabilities and provisions	7,812	8,093	-	5,582
Total non-current liabilities	**40,988**	**40,993**	**34,527**	**11,001**
Bonds payable	-	-	-	32,730
Accounts payable	4,533	4,029	3,502	5,079
Accrued liabilities and other liabilities	2,406	4,829	4,216	4,986
Current portion of lease liabilities	231	-	-	1,112
Total current liabilities	**7,170**	**8,858**	**7,718**	**43,907**

[44] Derived from information in the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018 and 2017 which are included in the annual reports for these years and the Group's unaudited interim report for the period January – September 2020.
[45] Based on the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years.
[46] Based on the Group's unaudited interim report for the period January – September 2020.

TOTAL EQUITY AND LIABILITIES		**136,017**	**119,125**	**90,446**	**122,932**

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

	1 January – 31 December			1 January – 30 September	
TUSD	**2019[47]**	**2018[47]**	**2017[47]**	**2020[48]**	**2019[48]**
CASH FLOW FROM OPERATIONS					
Net result	19,654	25,645	(2,795)	5,443	16,975
Adjustments for:					
- Depletion, depreciation and amortization	5,671	3,762	2,091	4,018	4,289
- Other non-cash items[49]	9,554	(4,032)	3,218	6,547	5,787
- Stock based compensation	207	217	35	253	148
Interest received	248	659	110	96	162
Interest paid	(3,772)	(4,043)	(2,153)	(1,849)	(1,892)
Taxes paid	(2,022)	(447)	(245)	(2,124)	(1,385)
Cash flow from operations before changes in working capital[49]	**29,540**	**21,761**	**261**	**12,384**	**24,084**
Changes in working capital	**(716)**	**(3,419)**	**(1,556)**	**1,149**	**(533)**
Cash flow from operating activities	**28,824**	**18,343**	**(1,294)**	**13,533**	**23,551**
INVESTING ACTIVITIES					
Capital expenditures - property, plant and equipment	(27,747)	(12,767)	(2,113)	(11,815)	(21,877)
Capital expenditures - exploration and evaluation assets	(587)	(2,774)	(615)	(247)	(760)
Disposal of property, plant and equipment	-	-	229	-	-
Acquisition (net of cash)	-	-	(33,377)	(4,152)	-
Restricted cash	1,124	(215)	(3,037)	131	(108)
Purchase of performance bonds	0	0	(25)	0	0
Cash flow from investing activities	**(27,210)**	**(15,756)**	**(38,938)**	**(16,083)**	**(22,745)**
FINANCING ACTIVITIES					
Issue of shares, net of shares issue costs	-	-	18,266	-	-
Issue of bonds, net of financing costs	-	-	32,625	-	-
Lease payments	(214)	-	-	(165)	(92)
Exercise of stock options and warrants, net of issue costs	1,626	1,721	-	836	1,223
Cash flow from financing activities	**1,412**	**1,721**	**50,891**	**671**	**1,131**
Change in cash and cash equivalents	**3,026**	**4,308[50]**	**10,659[51]**	**(1,879)**	**1,937**
Cash and cash equivalents, beginning of period	20,255	18,729	6,758	22,450	20,255
Foreign exchange on cash and cash equivalents	(831)	(2,782)	1,312	(2,537)	(1,771)
Cash and cash equivalents, end of the period	**22,450**	**20,255**	**18,729**	**18,034**	**20,421**

[47] Based on the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years, if not stated otherwise.

[48] Based on the Group's unaudited interim report for the period January – September 2020, if not stated otherwise.

[49] Derived from information in the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018 and 2017 which are included in the annual reports for these years and the Group's unaudited interim report for the period January – September 2020.

[50] Derived from information in the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year.

[51] Derived from information in the Group's audited financial reports per and for the financial year ended 31 December 2017 which are included in the annual report for this year.

KEY RATIOS

The selected key ratios presented below include alternative key ratios or key ratios that are not defined in accordance with IFRS, and are thus not necessarily comparable to key ratios under similar names used by other companies.
Those financial key ratios that are not defined in accordance with IFRS are, together with key ratios that are defined in accordance with IFRS, used to facilitate the management's and other stakeholders' analysis of the Group.
See the heading "Definitions of alternative key ratios" for definitions and objective of alternative key ratios, and the heading "Reconciliation of alternative key ratios" below for reconciliations and derivation of abovementioned key ratios. All alternative key rations have been taken from the Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019, and the Group's unaudited interim report for the period 1 January – September 2020 (including comparative figures for the period 1 January – September 2019) and the Companies internal accounting and reporting, unless stated otherwise.

	1 January- 31 December			1 January-30 September	
	2019	**2018**	**2017**	**2020**	**2019**
Financial data					
Oil and gas sales (TUSD)	55,589	38,132	14,604	30,359	41,917
Operating netback (TUSD)	41,539	26,917	8,695	19,276	31,714
EBITDA (TUSD)	34,696	22,404	3,213	15,384	27,227
Net result (TUSD)*	19,654	25,645	(2,849)	5,443	16,975
Cash flow from operations (TUSD)*	28,824	18,343	(1,294)	13,533	23,551
Free cash Flow (TUSD)	1,614	2,587	(40,232)	(2,550)	806
Key ratios					
Return on equity %	22	37	(6)	8	20
Equity ratio, %	65	58	49	55	62
Net debt (TUSD)	8,171	10,925	13,949	14,696	8,434
NIBD/EBITDA	0.2	0.5	4.3	0.64	0.24
TIBD/EBITDA	0.8	1.4	10.2	1.43	0.81
Data per share					
Weighted average number of shares (before dilution)	99,287,171	97,630,200	86,648,281	101,282,417	99,006,993
Weighted average number of shares(after dilution)	107,943,095	102,199,428	86,648,281	106,658,182	108,061,849
Earnings per share (before dilution), USD*	0.20	0.26	(0.03)	0.05	0.17
Earnings per share (after dilution), USD*	0.18	0.25	(0.03)	0.05	0.16
Dividends paid per share	-	-	-	-	-

* IFRS–Key ratios.

Definitions of alternative key ratios

Definitions of key ratios that are not defined in IFRS (alternative key ratios) are included in the presentation of definitions below. Alternative key ratios measure historical or future financial performance, financial position or cash flows, but excludes or includes amounts that would not be adjusted correspondingly by the most comparable key ratio that has been defined in accordance with the Group's accounting principles. The Group management uses alternative key ratios to follow the underlying development of the Company's operations and believes that the alternative key ratios, together with key ratios defined in IFRS, help investors to understand the Company's development from period to period and may facilitate comparisons with similar companies, but are not necessarily comparable to key ratios under similar names that are used by other companies. The Company believes that the alternative key ratios provide useful and supplementary information to the investors. As these key figures are not more suitable than key ratios defined in IFRS, they should be used together with these with a supplementary rather than a substitutional purpose. The alternative key ratios are not audited. Investors are urged not *to attach undue reliance to the alternative key ratios, and are also urged to review these together with the Group's audited financial reports for the financial years ended 31 December 2019, 2018 and 2017, as well as the Group's unaudited interim report for the period January–September 2020, which have been incorporated into this Prospectus by reference. See the heading "Reconciliation of alternative key ratios" below for reconciliations of alternative key ratios*.

Key ratios	Definition	Objective
Oil and gas sales	Oil and gas sales consists of oil and gas sales.	Shows the Company's revenues from oil and gas sales.
Operating netback	Operating netback is calculated as oil and gas sales less royalties, and production expenses.	Operating netback is a common measure within the oil and gas industry, with the objective to illustrate the Company's operational efficiency to enable internal comparisons and comparisons with competitors.
EBITDA (Earnings before interest, taxes, depreciation, and amortization)	Operating result before depletion of oil and gas properties, depreciation of tangible assets, and foreign currency exchange adjustments.	EBITDA is used as a measure of the financial performance of the Company.
Net result	Consist of item Net result for the period according to the consolidated statement of operations.	Demonstrates the Company's earnings or loss for the relevant period.
Free cash flow	Cash flow from operating activities less cash flow from investing activities in accordance with the consolidated statement of cash flow.	Free cash flow demonstrates the amounts of cash and cash equivalents remaining in the Company after deductions for investments made.
Return on equity	Net result divided by ending equity balance.	Return on equity demonstrates in the accounts total return of the owner's capital.
Equity ratio	Total equity divided by the balance sheet total assets.	Equity ratio is a measure that provides information in order to enable investors to assess the financial stability of the Company and the Company's ability to cope with in the long term.
Net debt	Interest bearing bonds less cash and cash equivalents.	Net debt demonstrates the Company's total debt arrangements.
NIBD/EBITDA, (net debt to EBITDA ratio)	Net debt divided by trailing 4 quarters EBITDA.	NIBD / EBITDA is relevant for assessing the Company's ability to carry out strategic investments and to live up to its financial commitments.
TIBD/EBITDA (total debt to EBITDA ratio)	Total debt divided by trailing 4 quarters EBITDA.	NIBD / EBITDA is relevant for assessing the Company's ability to carry out strategic investments and to live up to its financial commitments.
Weighted average number of shares for the year (before dilution)	The number of outstanding shares weighted for the period, not taking into account any dilution effect.	The key ratio provides information to investors on average number of outstanding shares in the Company, not taking into account any dilution effect.
Weighted average number of shares for the year (after dilution)	The number of outstanding shares weighted for the period, considering any dilution effect.	The key ratio provides information to investors on average number of outstanding shares in the Company, considering any dilution effect.

Reconciliation of alternative key ratios

The tables below reflect a reconciliation of alternative key ratios based on items, subtotals or total amounts included in the Group's internal accounting and reporting system, unless stated otherwise. The alternative key ratios are not audited.

For definitions of alternative key ratios which has not been calculated in accordance with IFRS, see the section "Definitions of alternative key ratios" above.

			Jan-Dec		Jan-Sep [52]	
Operating Netback (TUSD)		**2019** [53]	**2018**[54]	**2017**[55]	**2020**	**2019**
A	Revenue	55,589	38,132	14,604	30,359	41,917
B	Less:Royalties	(7,449)	(4,805)	(2,217)	(4,392)	(5,509)
C	Less:Operating expenses	(6,601)[56]	(6,410)[57]	(3,692)[58]	(6,691)	(4,694)
A+B+C	**Operating Netback**	**41,539**	**26,917**	**8,695**	**19,276**	**31,714**

			Jan-Dec		Jan-Sep[59]	
EBITDA (TUSD)		**2019**	**2018**[60]	**2017** [61]	**2020**	**2019**
A	Operating results	29,184	18,989	1,010	11,280	23,020
B	Depletion, depreciation and amortization	5,671	3,762	2,091	4,018	4,289
C	Foreign currency exchange loss / (gain)	(159)	(347)	112	86	(82)
A+B+C	**EBITDA**	**34,696**	**22,404**	**3,213**	**15,384**	**27,227**

			Jan-Dec		Jan-Sep[62]	
Free cash flow (TUSD)		**2019**	**2018**	**2017**	**2020**	**2019**
A	Cash flow from operating activities	28,824	18,343	(1,294)	13,533	23,551
B	Less: cash used in investing activities	(27,210)	(15,756)	(38,938)	(16,083)	(22,745)
A+B	**Free cash flow**	**1,614**	**2,587**	**(40,232)**	**(2,550)**	**806**

[52] Based on the Group's unaudited interim report for the period January – September 2020, if not stated otherwise.
[53] Based on the Group's audited financial reports per and for the financial year ended 31 December 2019 which are included in the annual report for this year, if not stated otherwise
[54] Based on the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year, if not stated otherwise.
[55] Based on the Group's audited financial reports per and for the financial year ended 31 December 2017 which are included in the annual report for this year, if not stated otherwise
[56] Derived from information in the Group's audited financial reports per and for the financial year ended 31 December 2019 which are included in the annual report for this year.
[57] erived from information in the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year.
[58] erived from information in the Group's audited financial reports per and for the financial year ended 31 December 2017 which are included in the annual report for this year.
[59] Based on the Group's unaudited interim report for the period January – September 2020, if not stated otherwise.
[60] Based on the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year, if not stated otherwise.
[61] Based on the Group's audited financial reports per and for the financial year ended 31 December 2017 which are included in the annual report for this year, if not stated otherwise.
[62] Based on the Group's unaudited interim report for the period January – September 2020, if not stated otherwise.

		Jan-Dec			Jan-Sep[63]	
Return on equity		**2019[64]**	**2018[65]**	**2017**	**2020**	**2019**
A	Net result for the period, TUSD	19,654	25,645	(2,795)	5,443	16,975
B	Ending equity balance, TUSD	87,859	69,274	48,201	68,024	82,993
A/B	**Ending equity balance, %**	**22 %**	**37 %**	**(6 %)**	**8 %**	**20 %**

		Jan-Dec			Jan-Sep	
Equity ratio		**2019**	**2018**	**2017**	**2020**	**2019**
A	Total equity, TUSD	87,859	69,274	48,201	68,024	82,993
B	Total assets, TUSD	136,017	119,125	97,494	122,932	134,147
A/B	**Equity ratio, %**	**65 %**	**58 %**	**49 %**	**55 %**	**62 %**

		Jan-Dec			Jan-Sep	
Net debt (TUSD)		**2019**	**2018**	**2017**	**2020**	**2019**
A	Interest bearing bonds payable	30,621	31,180	32,678	32,730	28,855
B	Less:Cash and Cash Equivalents	(22,450)	(20,255)	(18,729)	(18,034)	(20,421)
A+B	**Net debt**	**8,171**	**10,925**	**13,949**	**14,696**	**8,434**

		Jan-Dec			Jan-Sep	
NIBD/EBITDA		**2019**	**2018**	**2017**	**2020**	**2019**
A	Net debt, TUSD	8,171	10,925	13,949	14,696	8,434
B	Trailing 4 quarters EBITDA, TUSD	34,696	22,404	3,213	22,936	36,000
A/B	**NIBD/EBITDA**	**0.2**	**0.5**	**4.3**	**0.64**	**0.24**

		Jan-Dec			Jan-Sep	
TIBD/EBITDA		**2019**	**2018**	**2017**	**2020**	**2019**
A	Total debt, TUSD	30,621	31,180	32,678	32,730	28,855
B	Trailing 4 quarters EBITDA, TUSD	34,696	22,404	3,213	22,936	36,000
A/B	**TIBD/EBITDA**	**0.8**	**1.4**	**10.2**	**1.43**	**0.81**

[63] Based on the Group's unaudited interim report for the period January – September 2020, if not stated otherwise.
[64] Based on the Group's audited financial reports per and for the financial year ended 31 December 2019 which are included in the annual report for this year, if not stated otherwise.
[65] Based on the Group's audited financial reports per and for the financial year ended 31 December 2018 which are included in the annual report for this year, if not stated otherwise.

Operational and financial overview

The information presented below is intended to facilitate the understanding and evaluation of trends and changes in the Company's operational performance and financial position, and should be read together with the sections "Selected historical financial information" and "Capitalisation, indebtedness and other financial information". The financial information is taken from, and should be read together with, the Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019, and the Group's unaudited interim report for the period January – September 2020 (including comparative figures for the period January – September 2019 regarding the statement of operations and cash flow). The Group's audited financial reports as per and for the financial years ended 31 December 2017, 2018 and 2019 have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU, and have been audited by the Company's independent auditor, Deloitte AB, as stated in their appended auditor's reports, and are incorporated into the Prospectus by reference, including related notes. The Company's interim report for the period January – September 2020 has been prepared in accordance with IAS 34 Interim Financial Reporting. The reader should observe that historical performance does not necessarily provide an indication of future performance.

Explanation of key items in the income statement

Net revenue

Net revenue consists of oil and gas sales net of royalties.

Cost of sales

Cost of sales consists of production expenses (the cost of activities in the field to operate wells and facilities, lift to surface, gather, process, treat and store production), transportation expense (trucking and pipeline tariffs costs incurred to transport oil production to several offloading stations for sale) and depletion, depreciation and amortization, exploration and business development costs, and costs related to financial instruments (derivatives, commodities and currency hedging contracts).

Gross profit

Gross profit is calculated as net sales minus cost of sales.

General and administration

General and administration consists of costs associated with financing, IT, legal, and other activities related to communication, HR, and investment relations.

Exploration and business development costs

Exploration and business development costs are associated with costs incurred for the maintenance of the exploration blocks as well as business development activities.

Stock-based compensation

The Company has granted warrants to purchase common stock to key staff, subject to vesting requirements. The amount recognized as a stock-based payment expense during a reporting period is adjusted to reflect the number of awards expected to vest. The offset to this recorded cost is to contribute surplus. The fair value of stock options and warrants is measured using the Black-Scholes option pricing model.

Foreign currency exchange gain/(loss)

Transactions in foreign currencies are translated at exchange rates prevailing at the transaction date. Exchange differences are included in financial income/expenses in the Consolidated Statement of Operations.

Other gain/(loss)

Other gains and losses consists of other operating activities which are not related to the principal activities of the Company, such as gains/losses from disposals, interest, dividends. Other losses mainly consist of travel costs, IT-costs, office costs, other administrative costs, research and development costs and fixed costs.

Operating result

Operating result consists of result before financial items and tax.

Net finance costs

Net finance costs consists of the net result from financial items such as interest on bonds payable, accretion of bonds payable, accretion of decommissioning provision, risk management contracts, interest income and other.

Result before tax

Result before tax consists of the result before tax for the period 1 January – 30 September or for the financial year.

Income tax

Income tax expense is comprised of current and deferred income taxes. Income tax expense is recognized in profit and loss. The Company utilizes the liability method of accounting for income taxes. Under the liability method, deferred income tax assets and liabilities are recognized to reflect the expected deferred tax consequences arising from temporary differences between the carrying value and the tax bases of the assets and liabilities.

Net result for the period

Net result for the period consists of the result after tax for the period 1 January – 30 September or for the financial year.

Oil and gas sales

Maha is a public, international upstream oil and gas company whose business activities include exploration, development and production of crude oil and natural gas. Approximately 95% of Maha's production is crude oil with the remaining 5% is natural gas.

Maha has two main oil customers that account for more than 10% of the Company's consolidated oil sales. Two main oil customers are in Brazil and the Company realizes oil price based on Brent less contractual discounts with these customers.

Maha has two main gas customers that account for 100% of the Company's consolidated gas sales. Maha has fixed price contracts with both of the gas customers.

The below table illustrates Maha's revenues split into oil and gas revenues respectively.

	1 January - 31 December			**1 January - 30 September**	
(TUSD)	**2019**	**2018**	**2017**	**2020**	**2019**
Revenue - Oil	54,930	37,785	14,426	30,033	41,440
Revenue - Gas	604	347	178	326	436
Total:	**55,535**	**38,132**	**14,604**	**30,359**	**41,875**

Key factors affecting the results of operations

Maha's results have been, and will likely continue to be, affected by a number of factors, some of which are beyond Maha's control. Presented below is a description of the key factors that Maha considers to have affected the results of operations during the financial years 2017– 2019 and January-September 2020 which can be expected to continue to affect Maha's results in the future:

- Commodity prices
- Oil production volumes
- Currency effects
- Financing costs

Commodity prices

The Company's results of operations are affected by the direct oil and gas commodity price exposure and the fluctuations in the market prices for oil and gas. Prices of oil and gas are impacted by the normal economic drivers of supply and demand as well as the financial investors and market uncertainty which are generally beyond the Company's control. Factors that influence these include operational decisions, natural disasters, pandemics, economic conditions, political instability or conflicts and actions by major oil exporting countries. Changes in crude oil prices may significantly affect the Company's results of operations, cash generated from operating activities, capital spending and the Company's ability to meet its obligations. The majority of the Company's production is sold under short-term (annual) renewable contracts; consequently, the Company is at risk to near term price movements. The Company manages this risk by constantly monitoring commodity prices and factoring them into operational decisions, such as contracting or expanding its capital expenditures program.

Sensitivity to oil price

The company is sensitive to oil price volatility and had oil prices fluctuated by plus or minus 10%, the Company's results from operations would have changed as follows:

(TUSD)	Nine months 2020		Year end 2019		Year End 2018		Year End 2017	
Net result for the period	5,443		19,654		25,645		(2,795)	
Sensitivity	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Effect on net result	2,569	-2,569	+4,758	-4,758	+3,304	-3,304	1,223	-1,223

Gas production represents less than 10% of the Company's total production and, as a result, any fluctuation in natural gas prices would have a nominal effect on results from operations.

Oil and gas production volumes

Oil and natural gas production operations are subject to risks typically associated with such operations, including encountering unexpected formations or pressures, premature decline of reservoirs and the invasion of water into producing formations. Production losses resulting from the occurrence of any of these risks would affect the Company's results from operations.

Sensitivity to produced oil volumes

The company is sensitive to oil volume produced and had oil production volumes fluctuated by plus or minus 10%, the Company's results from operations would have changed as follows:

(TUSD)	Nine months 2020		Year end 2019		Year End 2018		Year End 2017	
Net result for the period	5,443		19,654		25,645		(2,795)	
Sensitivity	+10%	-10%	+10%	-10%	+10%	-10%	+10%	-10%
Effect on net result	+2,371	-2,371	+4,653	-4,653	+3,240	-3,240	1,203	-1,203

Currency effects

Maha is a Swedish company which is operating in several jurisdictions and the Company's results are affected by changes in exchange rates. Currency fluctuations may expose the Company to transaction and translation risks that have an effect on the Company's results.

Financing costs

The Company's results are affected by its financing costs, primarily consisting of interest expense. Interest expense is dependent on interest-bearing liabilities, interest rates and currency fluctuations. At the date of this prospectus, the Company's interest bearing liabilities are denominated in SEK.

COMPARISON BETWEEN THE PERIODS 1 JANUARY – SEPTEMBER 2020 AND 1 JANUARY – SEPTEMBER 2019[66]

Income statement

[66] Based on or derived from the Group's unaudited interim report for the period January – September 2020.

Net revenue

Net revenue decreased by TUSD 10,441, from TUSD 36,408 during the period January to September 2019, to TUSD 25,967 during the same period 2020. The decrease is primarily attributable to depressed oil and gas market and prices resulting from the current economic conditions from the COVID-19 pandemic. Maha increased the sales volume by 19% during the period January to September 2020 as compared to the same period in 2019 from higher oil production during the period.

Cost of sales

Cost of sales increased by TUSD 1,726, from TUSD 8,983 during the period January to September 2019, to TUSD 10,709 during the same period 2020. The increase is primarily attributable to higher transportation costs in line with the 19% increase in sales volumes compared to the comparative period in 2019 and increased production costs due to newly acquired Illinois Basin and increased certain one-time costs in Brazil attributable to the COVID-19 pandemic.

Gross profit

Gross profit decreased by TUSD 12,167, from TUSD 27,425 during the period January to September 2019, to TUSD 15,258 during the same period 2020. The decrease is primarily attributable to decreased net sales due to oil and gas price decreases coupled with increased production and transportation costs.

General and administration

General and administrative expenses decreased by TUSD 599, from TUSD 4,052 during the period January to September 2019, to TUSD 3,453 during the same period 2020. The decrease is primarily attributable to higher Administrative expenses allocated due to higher activity and lower travel costs as compared to the same period in 2019.

Other gain/(loss)

Other loss decreased, by TUSD 287, from TUSD 287 during the period January to September 2019, to TUSD nil during the same period 2020.

Operating result

Maha's operating profit decreased by TUSD 11,740, from TUSD 23,020 during the period January to September 2019, to TUSD 11,280 during the same period 2020. The decrease is primarily attributable to decreased revenue from reduced oil and gas market prices, increased cost of sales due to increased production, and slightly offset by decreases in Administrative expenses due to higher Administrative expenses allocated due to higher activity.

Net finance costs

Net finance costs increased by TUSD 263, from TUSD 3,380 during the period January to September 2019, to TUSD 3,643 during the same period 2020. The increase is primarily attributable to a decrease of TUSD 235 in interest income coupled with a TUSD 2 decrease in interest on the bond payable.

Result before tax

Maha's profit before tax decreased by TUSD 12,003, from TUSD 19,640 during the period January to September 2019, to TUSD 7,637 during the same period 2020. The decrease is primarily attributable to decreased revenue of TUSD 10,441 coupled with increased production costs of TUSD 1,726.

Cash flow

Cash flow

The Company's cash flows from operating activities decreased by TUSD 10,018, from TUSD 23,551 during the period January to September 2019, to TUSD 13,533 during the same period 2020. The decrease is primarily attributable to a TUSD 11,532 decrease in the net result offset by TUSD 1,682 increase in non-cash working capital.

Balance sheet between 30 September 2020 and 31 December 2019

Liquidity and financial position

Equity amounted to TUSD 68,024 on 30 September 2020, corresponding to a decrease by TUSD 19,835 compared to 31 December 2019 (TUSD 87,859). The decrease is primarily attributable to a currency translation offset by interim profits of TUSD 5,443. Maha's cash and cash equivalents amounted to TUSD 18,034 on 30 September 2020, compared to TUSD 22,450 on 31 December 2019. The decrease is primarily attributable to the payment for the acquisition of the Illinois Basin of TUSD 4,000 on 31 March 2020 and the ongoing capital program in Brazil.

COMPARISON BETWEEN THE PERIODS 1 JANUARY – 31 DECEMBER 2019 AND 1 JANUARY – 31 DECEMBER 2018[67]

Income statement

Net revenue

Net revenue increased by TUSD 14,813, from TUSD 33,327 during the period January to December 2018, to TUSD 48,140 during the same period 2019. The increase is primarily attributable to 65% higher sales volumes while oil realized price was lower by 11%. Lower realized prices are in line with the fluctuations in the Brent oil marker during the related periods.

Cost of sales

Cost of sales increased by TUSD 2,100, from TUSD 10,172 during the period January to December 2018, to TUSD 12,272 during the same period 2019. The increase is primarily attributable to higher sales volumes in 2019 leading to higher transportation costs and greater depletion due to increased production as 2019 average daily production volumes increased by 69% as compared to 2018 mainly due to commencement of production from the new Attic well in the Tie field and the workovers of the GTE-3 and 7TTG wells.

Gross profit

Gross profit increased by TUSD 11,985, from TUSD 23,081 during the period January to December 2018, to TUSD 35,066 during the same period 2019. The increase is primarily attributable to the 65% increase in sales volumes tempered by the 11% decrease in oil price.

General and administration

General and administrative expenses increased by TUSD 1,242, from TUSD 4,222 during the period January to December 2018, to TUSD 5,464 during the same period 2019. The increase is primarily attributable to a one-time bonus payment to staff during 2019, severance costs of a former member of senior management, costs relating to certain internal projects and fees incurred for the corporate reorganization of entities within the Group.

Other gain/(loss)

Other losses increased by TUSD 370, from TUSD 0 during the period January to December 2018, to TUSD (370) loss during the same period 2019. Other loss in the year represents net changes in other long-term liabilities and provision and write-off of receivable related to the sale of Canadian assets.

Operating result

Maha's operating profit increased by TUSD 10,195, from TUSD 18,989 during the period January to December 2018, to TUSD 29,184 during the same period 2019. The increase is primarily attributable to the increase in revenues offset by increased administrative costs and the absence of the 2018 other operating gain.

Net finance costs

Net finance costs increased by TUSD 583, from TUSD 3,893 during the period January to December 2018, to TUSD 4,476 during the same period 2019. The decrease is primarily attributable to a decrease in the interest on bonds payable in 2019 compared to 2018, and due to the costs during 2018 being offset by a gain of TUSD 822 which represents the reversal of provisions recorded during the acquisition of the Brazilian business unit of Gran Tierra Energy Inc. in July 2017 as the Company

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[67] Based on or derived from the Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years.

was able to negotiate and terminate a contingency payment in relation to meeting certain operational milestones as per the original agreement with prior block owner.

Result before tax

Maha's profit before tax increased by TUSD 9,612, from TUSD 15,096 during the period January to December 2018, to TUSD 24,708 during the same period 2019. The increase is primarily attributable to a TUSD 12,787 increase in gross profit offset by increases in administrative expense and other operating expense of TUSD 1,242 and TUSD 1,192 respectively.

Cash flow

Cash flow

The Company's cash flows from operating activities increased by TUSD 10,481, from TUSD 18,343 during the period January to December 2018, to TUSD 28,824 during the same period 2019. The increase is primarily attributable to higher Net revenue for 2019 which was offset by higher administration costs and higher cash taxes in Brazil.

Balance sheet

Liquidity and financial position

Equity amounted to TUSD 87,859 on 31 December 2019, corresponding to an increase by TUSD 18,585 compared to the same date in 2018 (TUSD 69,274). The increase is primarily attributable to TUSD 19,654 in result for the period of 2019 offset by TUSD 2,902 currency translation. In addition, TUSD 207 was added by stock based compensation and TUSD 1,626 was from the exercise of the warrants and options. Maha's cash and cash equivalents amounted to TUSD 22,450 on 31 December 2019, compared to TUSD 20,255 on 31 December 2018.

COMPARISON BETWEEN THE PERIODS 1 JANUARY – 31 DECEMBER 2018 AND 1 JANUARY – 31 DECEMBER 2017[68]

Income statement

Net revenue

Net revenue increased by TUSD 20,940, from TUSD 12,387 during the period January to December 2017, to TUSD 33,327 during the same period 2018. The increase is primarily attributable to higher sales volumes combined with higher realized prices. The 2017 sales volume and revenue reflect a half a year of sales from the Tie field as it was acquired on 1 July 2017.

Cost of sales

Cost of sales increased by TUSD 4,389, from TUSD 5,783 during the period January to December 2017, to TUSD 10,172 during the same period 2018. The increase is primarily attributable to a full year of production and operating costs of the Tie field as compared to only half a year in 2017.

Gross profit

Gross profit increased by TUSD 16,467, from TUSD 6,614 during the period January to December 2017, to TUSD 23,081 during the same period 2018. The increase is primarily attributable to the TUSD 20,940 increase in revenue offset by the TUSD 4,389 increase in cost of sales.

General and administration

General and administrative expenses decreased by TUSD 1,035, from TUSD 5,257 during the period January to December 2017, to TUSD 4,222 during the same period 2018. The decrease is primarily attributable to measures implemented towards increasing synergies and efficiencies following the Brazil acquisitions in 2017. In addition, higher G&A amounts have been allocated as part of property, plant and equipment as a result of higher capital activity in 2018. In addition, 2017 expenses were higher mainly due to additional legal and IR costs related to the acquisitions and related fundraising activities.

[68] Based on or derived from Group's audited financial reports per and for the financial years ended 31 December 2019, 2018, and 2017 which are included in the annual reports for these years. Some comparative numbers have been revised to comply with the 1 January 2020 to 30 September 2020 presentation.

Other gain/(loss)

Other gain/(loss) was unchanged between the period January to December 2017 and the same period in 2018, and amounted to 0 TUSD.

Operating profit

Maha's operating profit increased by TUSD 17,979, from TUSD 1,010 during the period January to December 2017, to TUSD 18,989 during the same period 2018. The increase is primarily attributable to increased revenues, gains on other operating income and offset by increased costs of sales.

Net finance costs

Net finance costs increased by TUSD 344, from TUSD 3,549 during the period January to December 2017, to TUSD 3,893 during the same period 2018. The increase is primarily attributable to a full year interest expense of on the Senior Secured Bonds in 2018 as compared to a part year in 2017, which was offset by a gain of TUSD 822 during 2018, which represents the reversal of provisions recorded during the acquisition of the Brazilian business unit of Gran Tierra Energy Inc. in July 2017 as the Company was able to negotiate and terminate a contingency payment in relation to meeting certain operational milestones as per the original agreement with prior block owner

Result before tax

Maha's profit before tax increased by TUSD 17,635, from TUSD (2,539) during the period January to December 2017, to TUSD 15,096 during the same period 2018. The increase is primarily attributable to the increased operating profit from the Tiefield operating for a full year after its acquisition in 2017.

Cash flow

Cash flow

The Company's cash flow from operating activities increased by TUSD 19,637, from TUSD (1,294) during the period January to December 2017, to TUSD 18,343 during the same period 2018. The increase is primarily attributable to higher Net Revenue for 2018 which was offset by higher Operating expenses.

Balance sheet

Liquidity and financial position

Equity amounted to TUSD 69,274 on 31 December 2018, corresponding to an increase by TUSD 21,073 compared to the same date in 2017 (TUSD 48,201). The increase is primarily attributable to the after tax result for the period increase of TUSD 28,440 which was offset by currency translation difference of TUSD 6,511. In addition, TUSD 1,939 was contributed to the equity of the Company due to exercise of stock options and warrants (net of issuance costs). Maha's cash and cash equivalents amounted to TUSD 20,255 on 31 December 2018, compared to TUSD 18,729 on 31 December 2017.

Capitalisation, indebtedness and other financial information

EQUITY AND LIABILITIES

The tables in this section show Maha's capitalisation and net indebtedness at Group level as of 30 September 2020. The tables show the Company's interest-bearing liabilities (non-interest-bearing liabilities are not included). See the section "Share capital and ownership structure" for further information on, inter alia, Maha's share capital and shares. The tables in this section should be read together with sections "Selected historical financial information" and "Operational and financial overview".

Capitalisation

TUSD	*30 September 2020*
Current interest-bearing liabilities	
Against guarantee	0
Against security[69]	32,730
Without guarantee or security	0
Total current interest-bearing liabilities	**32,730**
Non-current interest-bearing liabilities	
Against guarantee	0
Against security	0
Other non-current liabilities	0
Total non-current interest-bearing liabilities[70]	**0**
Equity	
Share capital	122
Contributed surplus	65,928
Reserves	(37,138)
Total equity	**68,024**

Net indebtedness

TUSD	*30 September 2020*
(A) Cash	18,034
(B) Cash equivalents	0
(C) Easily realised securities	0
(D) Liquidity (A)+(B)+(C)	**18,034**
(E) Current receivables	**3,901**
(F) Current issued bonds	32,730
(G) Current part of non-current liabilities	0
(H) Other current liabilities	0
(I) Total current liabilities (F)+(G)+(H)	**32,730**
(J) Net current indebtedness (I)–(E)–(D)	**10,795**
(K) Non-current bank loans	0
(L) Issued bonds	0
(M) Other non-current loans	0
(N) Non-current liabilities (K)+(L)+(M)	**0**
(O) Net indebtedness (J)+(N)	**10,795**

Indirect indebtedness and contingent liabilities

The Company has 7 concession agreements with the National Agency of Petroleum, Natural Gas and Biofuels in Brazil (ANP). Certain of these blocks are subject to work and abandonment commitments of approximately USD 5.4 million in relation to these exploration blocks which are guaranteed with certain credit instruments and guaranteed by term deposits of USD 1.2 million presented as restricted cash in the Statement of Financial Position.

There is a risk that the Company may not be able to fulfil these minimum work commitments, leading the Company to pay work commitment related penalties to the ANP. As at 30 September 2020, the Company has recorded long term provisions for approximately USD 4.6 million in relation to these penalties upon relinquishment of these blocks.

As at 30 September 2020, the Company had also recognised long term provisions related to labour claims and legal proceedings in Brazil for approximately USD 1.5 million.

WORKING CAPITAL STATEMENT

As at the date of this Statement, it is the company's assessment that the existing working capital is not sufficient to fund the company's operations over the next 12 months following the estimated date of the prospectus.

[69] The security refers to pledged shares in subsidiaries for the purpose of securing the Company's obligations and liabilities under the senior secured bonds' terms and conditions, see "Senior Secured Bonds" below.
[70] Non-current interest -bearing liabilities exclude decommissioning provision, lease liabilities and other long-term liabilities and provisions since they are not considered indebtedness due to their nature.

As at 30 September 2020, the Company's cash and cash equivalents amounted to 18 MUSD. The Company estimates that the working capital deficit arises in May 2021 and the deficit for the upcoming twelve-month period is estimated to approximately 27 MUSD.

The company has taken and has planned to take several measures to secure its financial position:

- The Company has initiated the process of re-financing and has mandated Arctic Securities AS (Global Coordinator and Joint Bookrunner), Pareto Securites AS and SpareBank1 Markets AS (Joint Bookrunners) to arrange a series of fixed income investor meetings and calls. An up to USD 80 million senior secured bond issue with a tenor of 3 years may follow, subject to inter alia market conditions. The net proceeds from the potential bond issue would be used to refinance existing bond debt and to finance future capital expenditures and acquisitions and is expected to be sufficient to fund the company's operations over the next 12 months.
- Assuming the Company is unsuccessful to raise the projected $80 MUSD bond, the Company would then, with a high level of confidence, be able to roll over its existing 300 MSEK bond which would be sufficient to remain in a cash positive position. The roll over, which is subject to, inter alia, a proposal to be made to existing bondholders and their approval, would mean that the maturity date is extended until 29 May 2023 or later, which is expected to be sufficient to fund the company's operations over the next 12 months.
- The Company has included, in line with its investment plans, approximately $31.7 MUSD of capital spending in the projected cash flows and working capital. This capital is not committed and the Company could defer the majority of this spending for future months without a significant impact on its revenues and significantly improving the 31 December 2021 working capital and ending cash position.

If the taken and planned measures are rendered unsuccessful, this may result in a shortage of working capital and the Company would under those circumstances struggle to finance its planned operations or pay back the secured Bond becoming due during Q2 (May 29) 2021. The Company may also have difficulties to comply with contractual working commitments and to continue company's operation. The Company may be forced to seek alternative financing in the form of loan financing or additional capital raising, and/or implement cost reductions. It is not certain that the Company will succeed in securing alternative financing or that cost reductions will have the desired effect. The loss of liquidity described above could in the worst case lead to liquidation, loss of pledged property, company restructuring or being declared insolvent.

HISTORICAL INVESTMENTS

The table below summarizes Maha's total investments for the financial years 2017–2019, as well as for the interim period January to September 2020. The investments in property, plant and equipment primarily consist of investments in the development of its oil and gas producing properties. Investments in intangible non-current assets primarily consist of investments in its exploration and evaluation assets. Acquisitions consist of acquisitions of oil and gas assets or businesses such as Dome AB Inc. (2020), and the Tartaruga and Tie fields in Brazil (2017).

TUSD	**2019**	**2018**	**2017**	**Jan-Sep 2020**
Investments in property, plant and equipment	27,747	12,767	2,113	11,815
Investments in intangible non-current assets	587	2,774	615	247
Acquisitions	-	-	33,087	4,152
Total	**28,334**	**15,541**	**65,815**	**16,214**

ONGOING AND DECIDED INVESTMENTS

As of the day for the Prospectus, the Company carries out investments in order to develop its oil and gas properties or make oil and gas acquisitions. Its oil and gas development investments have been deployed between Brazil and the US properties and mainly include activities related to the drilling of wells and construction of facilities to handle oil and gas production. These investments are primarily financed through the Company's existing cash balances, operational cash flows and, if necessary, existing loans. The Company has, as of 30 September 2020 up to and including the date of the Prospectus, carried out investments amounting to TUSD 16,214. The investments during the aforementioned period primarily relate to, in Brazil, the drilling of new wells and commissioning of gas compressors in the Tie field; and expansion of the Tartaruga field facilities to increase handling capacity up to 2,500 BOPD, and in the US, drilling and/or completion of certain wells.

SENIOR SECURED BONDS

On 29 May 2017, the Company issued 3,000 senior secured bonds, with a par value of SEK 100,000 per bond. The bonds bear interest at a rate of 12 percent per annum (SEK 36 million) calculated using a 360 day year, are payable semi-annually and mature on 29 May 2021. In addition, principal payment is also due on the maturity date of the bonds. The Company may redeem all of the bonds prior to maturity or repurchase any bonds. According to the bonds' terms and conditions, the Company is imposed financial undertakings to meet certain maintenance covenants at each quarter end and on a rolling 12 months basis. These maintenance covenants are met if (i) the ratio of Net Interest Bearing Debt to EBITDA is not greater than 3.00 (Leverage test); (ii) the Interest Coverage Ratio exceeds 2.25; and (iii) the Group holds Cash and Cash Equivalents of a minimum amount of MUSD 5. Failure to comply with any of the maintenance covenants at each fiscal quarter, and such failure is not cured in accordance with the bonds' terms and conditions, entitles the security agent Nordic Trustee & Agency AB (publ) to, on behalf of the bondholders, declare all of the outstanding bonds due and payable together with any other amounts payable, immediately or at such later date as the security agent determines.

The terms of the bonds contain customary terms which limit the Company's ability to make certain payments and distributions (such as paying dividends), incur additional indebtedness, make certain disposals of, provide security over its assets or engage in mergers or demergers. For 2019 Maha recognized TUSD 3,808 (for 2018: TUSD 4,138) of interest and TUSD 1,001 (for 2018: TUSD 1,052) of accretion related to the bonds. The above secured bonds are traded on Nasdaq Stockholm.

In connection with the issue of the bonds, the Company entered into pledge agreements with the security agent Nordic Trustee & Agency AB (publ) on behalf of the secured parties (the security agent and the bondholders) under which the shares in Maha Energy 1 (Brazil) AB, Maha Energy 2 (Brazil) AB, Maha Energy Inc., and Maha Energy Finance (Luxembourg) S.A.R.L. are pledged for the purpose of securing the Company's obligations and liabilities under the bonds' terms and conditions.

Refinancing of senior secured bonds

The Company's outstanding senior secured bonds mature on 29 May 2021 and the Company is considering a refinancing with new bonds of up to 80 MUSD with a tenor of 3 years. The Company has mandated Arctic Securities AS, Pareto Securites AS and SpareBank1 Markets AS as financial advisors. The Company has not yet received any binding commitments from investors in relation to the refinancing.

FINANCE POLICY

The board of directors in Maha has adopted a finance policy containing rules and regulations for the handling of financial risk in the Group. Further, the policy also cover roles and responsibilities, as well as identifies risks related to financial transactions and exposure.

The main objective for the treasury operations within the Group shall be to achieve best possible financial net result within established risk mandates specified in the finance policy. Furthermore, the objective is to:

- Secure the funding needs of the Group;
- Establish finance and risk management strategies supporting the business operations;
- Ensure that payment obligations are fulfilled;
- Identify, quantify and manage the financial risks that arise in the Group's operations; and
- Secure financial preparedness for company actions.

SIGNIFICANT EVENTS AFTER 30 SEPTEMBER 2020

On 15 October 2020, In light of the higher than budgeted oil price, and the subsequent stabilization of the oil market, the Company announced that it has decided to partially restore its revised Investment Capital Plan for 2020 amending the work program with additional capital projects. With the completion of the revised work program; the Company expects to end 2020 with a daily production rate in the range of 5,200 – 5,700 BOEPD. The additional capital projects now included in 2020 is estimated at MUSD 8.7 bringing the total 2020 capital spend to MUSD 24.2 for the year. Funding of the Capital Plan is through Company cash on hand and operating cash flow.

On 26 October 2020 the Company announced that it has mandated Arctic Securities AS (Global Coordinator and Joint Bookrunner), Pareto Securites AS and SpareBank1 Markets AS (Joint Bookrunners) to arrange a series of fixed income investor meetings and calls commencing on 26 October, 2020. Further, the Company announced that an up to USD 80 million senior secured bond issue with a tenor of 3 years may follow, subject to inter alia market conditions. The net proceeds from the potential bond issue will be used to refinance existing bond debt and to finance future capital expenditures and acquisitions. To complement the anticipated bond proceeds, the Company also announced its' next five-year operational strategy.

Beyond the above, there have been no significant changes in the Group's financial position, results or position on the market after 30 September 2020.

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 47,000,000 and no more than 188,000,000. As of 1 January 2019, the Company's registered share capital amounted to SEK 1,091,511.993 divided into 99,228,363 shares, of which 90,259,168 were A-Shares, 8,109,882 were B-Shares and 859,313 were C1-Shares, each with a quota value of SEK 0.011, and as of 31 December 2019, the Company's registered share capital amounted to SEK 1,113,487.991 divided into 101,226,181 shares, of which 92,456,550 were A-Shares, 7,960,318 were B-Shares and 809,313 were C1-Shares, each with a quota value of SEK 0.011. As of the date of the Prospectus, the Company's registered share capital amounts to SEK 1,117,930.561 divided into 101,630,051 shares, of which 101,146,685 are A-Shares and 483,366 are B-Shares. The quota value of each share is SEK 0.011. 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 A-Shares in Maha is SE0008374383.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

To participate in general meetings, shareholders must notify the Company no later than the date specified in the notice to attend the general meeting. Each A-Share and Convertible B-Share entitle the holder to one (1) vote at the general meeting. At the general meeting, each person entitled to vote may vote for the full number of shares owned and represented by him or her. In the event of a new issue of shares, irrespective of share class, where payment is not made in kind, owners of A-Shares and B-Shares shall have preferential rights to subscribe for new shares of the same class pro rata to the number of shares previously owned by them (primary preferential right). Shares which have not been subscribed for pursuant to the primary preferential rights shall be offered to all shareholders for subscription (secondary preferential right). If the shares offered are not sufficient for the subscription pursuant to the secondary preferential rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously owned and, to the extent such allocation cannot be effected, by drawing of lots. In the event of an issue of warrants or convertibles, where payment is not made in kind, owners of A-Shares and B-Shares shall have preferential rights in accordance with the above. The above shall not restrict the possibility to deviate from the shareholders' preferential rights in accordance with the Swedish Companies Act. In the event of an increase of the share capital through a bonus issue whereby new shares are issued, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. Old shares of a certain share class shall, in connection therewith, entitle rights to new shares of the same share class pro rata to its share of the capital. This shall not restrict the possibility to, following a required change to the articles of association, issue new shares of a new class through a bonus issue. The B-Shares are subject to a conversion clause in the Company's articles of association, pursuant to which each Convertible B-Share may be converted to an A-Share. Upon liquidation of the Company, the B-Shares entitle to equal rights to the Company's assets as the A-Shares, up to an amount corresponding to the quota value of the share. Thereafter, remaining assets shall only be distributed to the A-Shares. The rights derived from shares issued by the Company may only be changed in accordance with the procedure that follows from the Swedish Companies Act. All A-shares entitle to equal rights to the Company's profits. The B-Shares do not entitle to dividend. Resolutions regarding dividends are made by the general meeting and dividends are paid out by Euroclear Sweden AB. According to the Swedish Companies Act, dividends may only be distributed by such an amount that there, following the dividend, will be sufficient coverage for the Company's restricted shareholders' equity, and only if the dividend appears to be defensible taking into consideration (i) the demands with respect to the size of shareholders' equity which are imposed by the nature, scope and risks associated with the operations and (ii) the Company's and the Group's consolidation needs, liquidity and position in general. As a general rule, the shareholders may not resolve on dividends exceeding what the board of directors have proposed or approved.

Right to dividend rests with a person who, on the record date as determined by the general meeting, is registered as holder of shares in the share register managed by Euroclear Sweden AB. If a shareholder cannot be reached through Euroclear, the shareholder's claim against the Company regarding the dividend amount remains, and is only limited in time pursuant to provisions of statutory limitation of ten years. Upon limitation, the dividend amount is allocated to the Company. Neither the Swedish Companies Act nor the Company's articles of association contain any restrictions regarding the right to dividend for shareholders domiciled outside of Sweden. With the exception of any restrictions imposed by banks or clearing systems in concerned jurisdictions, payments to such shareholders are made in the same manner as to shareholders domiciled in Sweden. Shareholders with limited tax liability in Sweden are, however, normally subject to withholding tax (*Sw.* kupongskatt).

CORPORATE RESTRUCTURING/ROLL-UP OF 2016

In 2016, it was resolved upon a corporate restructuring (the "**Roll-Up**") whereby the newly acquired shelf company Maha (Sweden) became the parent company of Maha (Canada) by issuing A-Shares and B-Shares of Maha (Sweden). The A-Shares were issued against payment in kind in the form of an equal amount of common shares in Maha (Canada) while the B-Shares were issued in the form of an exchange by owners of common shares in Maha (Canada) of the common shares against so called exchangeable shares in Maha (Canada) (the "**Exchangeable Maha (Canada) Shares**"), as a result of which the entire value of Maha (Canada) is attributable to the remaining common shares (i.e. the common shares held by Maha (Sweden)). Each Exchangeable Maha (Canada) Share is exchangeable for a Maha (Sweden) A-Share and, prior to such exchange, has economic rights that are substantially equivalent to the Maha (Sweden) A-Shares, including with respect to the payment of dividends equal to those paid to the holders of Maha (Sweden) A-Shares and the rights on the liquidation or dissolution of Maha (Canada). The Exchangeable Maha (Canada) Shares does not have any right to the assets and liabilities of Maha (Canada) and in the financial statements of Maha (Sweden), Maha (Canada) is shown as a wholly-owned subsidiary of Maha (Sweden) with a note containing information regarding the Exchangeable Maha (Canada) Shares.

The above option to acquire the Exchangeable Maha (Canada) Share assists Canadian residents to defer capital gains tax otherwise incurred on the Roll-Up. From the beginning, Maha (Canada) shareholders, opted to convert to 13,609,394 Exchangeable Maha (Canada) Shares. For each Exchangeable Maha (Canada) Share issued one Convertible B-Share of Maha (Sweden) was issued. The B-Shares are not entitled to dividends of Maha (Sweden). Pursuant to relevant Support Agreements a mechanism is in place to allow holders of Exchangeable Maha (Canada) Shares to vote a corresponding number of B-Shares of Maha (Sweden), to receive similar dividends issued to holders of Maha (Sweden) A-Shares and to convert such Exchangeable Maha (Canada) Share for a Maha A-Share. As of the date of this Prospectus, holders of Exchangeable Maha (Canada) Shares have elected to convert in total 13,126,028 Exchangeable Maha (Canada) Shares for an equal amount of A-Shares in Maha (Sweden) as a result of which there are 483,366 Exchangeable Maha (Canada) Shares and an equal amount of B-Shares of Maha (Sweden).

The combined number, ownership and rights associated with Maha (Sweden) A-Shares and B-Shares is substantially equal to the number of Maha (Canada) common shares prior to the Roll-Up.

SHARE CAPITAL DEVELOPMENT

As of 1 January 2017, the Company's registered share capital amounted to SEK 804,710.731 divided into 73,155,521 shares, each with a quota value of SEK 0.011. The share capital has since developed as set out in the table below.

					Total shares distributed per share class					
Year	Transaction	Increase/Decrease of the share capital (SEK)	Increase/Decrease of the number of shares	Total share capital (SEK)	A-Shares	B-Shares	C1-Shares	C2-Shares	Total number of shares	Quota value per share (SEK)
2017	Reduction through redemption of shares[71]	-20,289.797	-1,844,527	784,420.934	56,522,199	12,140,795	-	2,648,000	71,310,994	0.011
2017	Conversion of Shares	-	- 1,369,122 B-Shares + 1,369,122 A-Shares	784,420.934	57,891,321	10,771,673	-	2,648,000	71,310,994	0.011
2017	Conversion of Shares	-	- 650,000 C2-Shares + 650,000 A-Shares	784,420.934	58,541,321	10,771,673	-	1,998,000	71,310,994	0.011
2017	Exercise of warrants [72]	+44	+4,000 A-Shares	784,464.934	58,545,321	10,771,673	-	1,998,000	71,314,994	0.011
2017	New issue[73]	+103,380.189	+9,398,199 A-Shares	887,845.123	67,943,520	10,771,673	-	1,998,000	80,713,193	0.011
2017	New issue[73]	+38,732.397	+3,521,127 A-Shares	926,577.52	71,464,647	10,771,673	-	1,998,000	84,234,320	0.011
2017	New issue[73]	+35,814.471	+3,255,861 A-Shares	962,391.991	74,720,508	10,771,673	-	1,998,000	87,490,181	0.011
2017	New issue[73]	+88,363.385	+8,033,035 A-Shares	1,050,755.376	82,753,543	10,771,673	-	1,998,000	95,523,216	0.011

[71] In December 2016 Maha redeemed shares of class C (C1). The class C shares were issued to be exchanged for A-Shares in the event that certain Maha (Canada) stock options and warrants were exercised, however, some Maha Canada stock options lapsed why the remaining and obsolete class C shares were redeemed and cancelled.

[72] The subscription price was SEK 6.40 per share and concerned the exercise of warrants series TO 1 A.

[73] The subscription price was SEK 7.10 per share and concerned a rights issue.

2017	Conversion of Shares	-	- 1,588,052 B-Shares + 1,588,052 A-Shares	1,050,755.376	84,341,595	9,183,621	-	1,998,000	95,523,216	0.011
2017	New issue[73]	+17,934.73	+1,630,430 A-Shares	1,068,690.106	85,972,025	9,183,621	-	1,998,000	97,153,646	0.011
2018	Exercise of warrants[72]	+22,821.887	+2,074,717 A-Shares	1,091,511.993	88,046,742	9,183,621	-	1,998,000	99,228,363	0.011
2018	Conversion of Shares	-	- 974,176 B-Shares - 640,211 C2-Shares + 1,614,387 A-Shares	1,091,511.993	89,661,129	8,209,445	-	1,357,789	99,228,363	0.011
2018	Conversion of Shares	-	- 99,563 B-Shares - 200,000 C2-Shares + 299,563 A-Shares	1,091,511.993	89,960,692	8,109,882	-	1,157,789	99,228,363	0.011
2018	Conversion of Shares	-	- 55,752 C2-Shares + 55,752 A-Shares	1,091,511.993	90,016,444	8,109,882	-	1,102,037	99,228,363	0.011
2018	Conversion of Shares	-	- 242,724 C2-Shares + 242,724 A-Shares	1,091,511.993	90,259,168	8,109,882	-	859,313	99,228,363	0.011
2019	Exercise of warrants[74]	+35.145	+3,195 A-Shares	1,091,547.138	90,262,363	8,109,882	-	859,313	99,231,558	0.011
2019	Exercise of warrants[74]	+11,009.427	+1,000,857 A-Shares	1,102,556.565	91,263,220	8,109,882	-	859,313	100,232,415	0.011
2019	Conversion of Shares	-	- 149,564 B-Shares + 149,564 A-Shares	1,102,556.565	91,412,784	7,960,318	-	859,313	100,232,415	0.011
2019	Exercise of warrants[74]	+2.024	+184 A-Shares	1,102,558.589	91,412,968	7,960,318	-	859,313	100,232,599	0.011
2019	Exercise of warrants[74]	+5,176.6	+470,600 A-Shares	1,107,735.189	91,883,568	7,960,318	-	859,313	100,703,199	0.011
2019	Conversion of Shares	-	- 50,000 C2-Shares + 50,000 A-Shares	1,107,735.189	91,933,568	7,960,318	-	809,313	100,703,199	0.011
2019	Exercise of warrants[74]	+1,352.802	+122,982 A-Shares	1,109,087.991	92,056,550	7,960,318	-	809,313	100,826,181	0.011
2019	Exercise of warrants[74]	+4,400	+400,000 A-Shares	1,113,487.991	92,456,550	7,960,318	-	809,313	101,226,181	0.011
2020	Exercise of warrants[74]	+9,102.5	+827,500 A-Shares	1,122,590.491	93,284,050	7,960,318	-	809,313	102,053,681	0.011
2020	Conversion of Shares	-	- 1,381,671 B-Shares + 1,381,671 A-Shares	1,122,590.491	94,665,721	6,578,647	-	809,313	102,053,681	0.011
2020	Conversion of Shares	-	- 4,713,610 B-Shares + 4,713,610 A-Aktier	1,122,590.491	99,379,331	1,865,037	-	809,313	102,053,681	0.011
2020	Exercise of warrants[74]	+70.906	+6,446 A-Shares	1,122,661.397	99,385,777	1,865,037	-	809,313	102,060,127	0.011
2020	Conversion of Shares	-	- 1,381,671 B-Shares + 1,381,671 A-Shares	1,122,661.397	100,767,448	483,366	-	809,313	102,060,127	0.011
2020	Exercise of warrants[75]	+2,750	+250,000 A-Shares	1,125,411.397	101,017,448	483,366	-	809,313	102,310,127	0.011
2020	Exercise of warrants[74]	+62.524	+5,684 A-Shares	1,125,473.921	101,023,132	483,366	-	809,313	102,315,811	0.011
2020	Reduction through redemption of shares[76]	-8,902.443	-809,313 C2- Shares	1,116,571.478	101,023,132	483,366	-	-	101,506,498	0.011
2020	Exercise of warrants[75]	+146.63	+13,330 A-Shares	1,116,718.108	101,036,462	483,366	-	-	101,519,828	0.011
2020	Exercise of warrants[74]	+1,212.453	+ 110,223 A-Shares	1,117,930.561	101,146,685	483,366	-	-	101,630,051	0.011

OWNERSHIP STRUCTURE

Below is a summary of the Company's ownership structure as of 30 September 2020, including known changes thereafter. As far as the Company is aware, there is no direct or indirect ownership of the Company that may lead to changed control of the Company.

Name	Total number of shares	Share of capital and votes
KVALITENA AB	21,288,327	20.95%
FÖRSÄKRINGSAKTIEBOLAGET, AVANZA PENSION	5,923,855	5.83%
Jonas Lindvall (Maha's managing director)	4,761,147	4.68%
Other existing shareholders	69,938,293	68.82%
Total:	**101,630,051**	**100.00%**

APPLICATION FOR LISTING ON NASDAQ STOCKHOLM

Nasdaq Stockholm's listing committee has, on 9 December 2020, decided that Maha fulfils the requirements for admission to trading of the Company's shares on the main market Nasdaq Stockholm, provided that customary conditions are met, including that a prospectus is approved and registered by the Swedish Financial Supervisory Authority and that the diversification requirement regarding the shares is fulfilled. The first day of trading is expected to be on or around 17 December 2020.

[74] The subscription price was SEK 7.45 per share and concerned the exercise of warrants series TO 2 A.
[75] The subscription price was SEK 7.00 per share and concerned the exercise of warrants from the incentive programme 2017.
[76] In June 2020 the annual general meeting in Maha redeemed and removed two obsolete share classes (C1 and C2). The class C shares were issued to be exchanged for A-Shares in the event that certain Maha (Canada) stock options and warrants were exercised, however, all Maha Canada stock options had lapsed why the remaining and obsolete class C shares were redeemed and cancelled and the share classes were removed.

SHAREHOLDERS’ AGREEMENTS

The board of directors is not aware of any shareholders’ agreements or other agreements between the Company’s shareholders which aim to exercise joint influence over the Company. Furthermore, the board of directors is not aware of any agreements or similar which may result in a change of the control over 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 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 12,604,683 warrants outstanding of which 2,196,670 are attributable to long term incentive program for employees and senior management, see further information under “Share related incentive program” below. The remaining 10,408,013 warrants are warrants of series TO2, issued in 2017 as part of the Bonds financing (see further information regarding the bond under “Capitalisation, indebtedness and other financial information - Senior secured bonds”). Each warrant series TO2 shall entitle the warrant holder to subscribe for one (1) new A-Share in the Company no later than 29 May 2021, at a subscription prices of SEK 7.45 per share. The warrants of series TO2 are traded on Nasdaq First North Growth Market and are not included in the Admission. However, from the time of the listing of the Company’s A-shares on Nasdaq Stockholm, any A-Shares subscribed for by an exercise of warrants will be admitted to trading on Nasdaq Stockholm. If all outstanding warrants are exercised it would correspond to a dilution of approximately 11.03 percent of the total number of shares and votes in the Company per the date of this Prospectus.

Share related incentive programs

The Company has 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 encompasses 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 2,196,670 warrants outstanding under four (4) long term incentive program for employees and senior management of the Group, of which the first program comprises of 486,670 warrants, the second program comprises of 750,000 warrants, the third program comprises of 500,000 warrants and the fourth program comprises of 460,000 warrants. Issued but not allocated warrants are held by the Company. Each warrant shall entitle the warrant holder to subscribe for one (1) new A-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
2017 incentive programme	1 June 2020 – 31 December 2020	7.00	486,670
2018 incentive programme	1 May 2021 – 30 November 2021	9.20	750,000
2019 incentive programme	1 June 2022 – 28 February 2023	28.10	500,000
2020 incentive programme	1 June 2023 – 29 February 2024	10.90	460,000
Total			**2,196,670**

THE BOARD OF DIRECTORS’ AUTHORISATION

At the general meeting held on 27 May 2020, it was resolved to authorize the board of directors to, for the period until the next annual general meeting and at one or more occasions, with or without deviation from the shareholders’ preferential rights, resolve upon issuance of new shares, warrants and/or convertibles. Payment may be made in cash or in kind, through set-off or otherwise be conditional. The Company's share capital may by support of the authorization be increased by an amount corresponding to 20 percent of the share capital and number of shares in the Company, from and including the date the board of directors make use of the authorization. Deviation from the shareholders' preferential rights shall be allowed in situations where a directed issue is deemed more appropriate for the Company due to timing, commercial or similar reasons, and in order to enable acquisitions.

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 Target 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 following the admission to trading of the shares on Nasdaq Stockholm. 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.

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 six board members elected until the end of the annual general meeting to be held in 2021. 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**
Harald Pousette	Chairman	2017	Yes	No[77]
Nicholas Walker	Board member	2019	Yes	Yes
Jonas Lindvall	Board member	2016[78]	No[79]	Yes
Anders Ehrenblad	Board member	2016[78]	No[80]	Yes
Seth Lieberman	Board member	2020	Yes	No[77]
Fredrik Cappelen	Board member	2020	Yes	Yes

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.

Harald Pousette

Born 1965. Member of the Board of Directors since 2017 and Chairman of the Board of Directors since 2020. Member of the Audit Committee.

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Education: Mr. Pousette holds a Bachelor of Arts (Economics) from Uppsala University, Sweden.

Other relevant experience: Mr. Pousette is currently the Chief Executive Officer of Kvalitena Industrier AB. During his career Mr. Pousette has worked in the finance and real estate industries including recently as CFO of Kvalitena AB.

Other ongoing assignments: Managing director of Kvalitena Industrier Aktiebolag and The Collins Group Inc. Canada Nordisk Filial. Chairman of the board of Slottsfabriken Egendomsförvaltning AB, Bil Dahl Aktiebolag, JITECH AB, Aktiebolaget Södervik Bruk Holding, Aktiebolaget Södervik Bruk, Bromma Skog & Trädgård i Stockholm AB, Vin & Spritlagret i Nyköping AB, Swerot Nordic AB, Norrfordon Holding Aktiebolag, Etebra Holding AB, PARTIU AB, FOSAB Försäljning i Stockholm AB, Bostadsrättsföreningen Kartongfabriken, and Green Deer Holding AB. Board member of Stig Svensson Motorverkstad Aktiebolag, Etebra Maskin & Vagn AB, Carbon Capture Company AB, Bil- och Traktorservice i Stigtomta Aktiebolag, Svenska Schakt AB, Agro-Maskiner Gotland Aktiebolag, TTF Invest AB, Aqua-W Fishing & Hunting AB, Huntyard Invest AB, SP Skölden 1 AB, Scutus Solution AB, Ambia Trading Group AB (publ), Fastighets AB Idbäcken, Scutus AB, Scutus Protection AB, Foodster AB, Stigtomta Kvarn Nyköping AB, Blå Dykaren Bostadsutveckling AB, Partim Holding AB, Bostadsrättsföreningen Kaninen i Åre, Svenska Bergschakt AB, Fendea AB, Svenska Hyresmaskin AB, Bostadsrättsföreningen Dykaren 34, Barkis 128 ekonomisk förening, and Barken Bostadsutveckling AB. Deputy board member of Biskopsudden fastighetsförvaltning AB, Högmossen Fastigheter AB, Bardes Transport Aktiebolag, Kartongdykaren AB, Apikal Holding AB, and Apikal Förvaltning AB. Partner at Sydafrikanska Kompaniet Handelsbolag.

Previous assignments (past five years): Chairman of the board of Marinplus AB, Rotage Agri Aktiebolag, Huntyard & Aqua-W AB, BOX Bygg AB, Box Bygg Fastighetsutveckling AB, and Box Holding AB. Board member of Palne Mogensen Aktiebolag, SWOG. AB, Fendea Finans AB, Scandi Standard AB (publ), XOB Fastighetsutveckling AB, Fritid i Nyköping AB, and SBB

[77] Harald Pousette and Seth Lieberman are active within the Kvalitena group, of which the parent company, Kvalitena AB, owns 20.95% of the Company.

[78] Jonas Lindvall and Anders Ehrenblad were also board members of Maha (Canada) between 2013 and the corporate restructuring in 2016 whereby the newly acquired shelf company Maha (Sweden) became the parent company of Maha (Canada).

[79] Jonas Lindvall is also Managing Director of the Company.

[80] Anders Ehrenblad was until 2019 the deputy Managing Director of Maha for Swedish law purposes, but performed no formal or informal management role and received no compensation tied to this position. Currently, Anders holds position in multiple subsidiary entities of Maha and receives limited yearly compensation from Maha tied to these positions.

Grönskogen AB. Deputy board member of Berras Testebo River AB, Micampus Rentals AB, Stendörren Option AB, Fendea Ekonomi AB, Fendea FK AB, and Allmännahem Sverige AB.
Holdings: 819,142 A-Shares and 445,000 warrants from incentive program.

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

Nicholas Walker

Born 1962. Member of the Board of Directors since 2019. Member of the Reserves and Health, Safety, and Environmental committee and the Remuneration committee.
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Education: Mr. Walker holds a BSc in Mining Engineering from the Imperial College London, an MSc in Computer Science from the University College London and an MBA from the City University Business School in London.
Other relevant experience: Mr Walker has over 30 years of international experience in the upstream oil and gas industry in senior positions across Europe, Africa, Asia and America including Bow Valley Energy Inc., Talisman Energy Inc. and Africa Oil Corp. Mr. Walker is currently the COO of Lundin Energy AB and was recently appointed CEO of Lundin Energy AB effective 1 January 2021.
Other ongoing assignments: Deputy managing director of Lundin Energy AB. Chairman of the board of Metsälamminkangas Wind Oy, and board member of Lundin Energy Norway AS and Leikanger Kraft AS.
Previous assignments (past five years): -
Holdings: 464,211 A-Shares.

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

Jonas Lindvall

Born 1967. Member of the Board of Directors since 2016 and Managing Director since 2016.[81] Member of the Reserves and Health, Safety, and Environmental committee.
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Education: Mr. Lindvall holds a B. Sc. in Petroleum Engineering and a Master Degree in Energy Business, both from the University of Tulsa, USA.
Other relevant experience: Mr. Lindvall is a seasoned senior executive with 28 years of international experience in the upstream oil and gas industry across Europe, North America, Africa and Asia. Mr. Lindvall started his career with Lundin Oil during the company's early days of E&P growth. After 6 years at Shell and Talisman Energy, Mr. Lindvall joined, and helped in securing the success, of Tethys Oil AB.
Other ongoing assignments: -
Previous assignments (past five years): -
Holdings: 4,761,147 A-Shares and 195,000 warrants from incentive program.

Not independent in relation to the Company and the management but independent in relation to major shareholders.

Anders Ehrenblad

Born 1965. Member of the Board of Directors since 2016.[82] Member of the Remuneration Committee and the Audit Committee.
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Education: Mr. Ehrenblad holds a M.Sc. in Business Administration from Uppsala University, Sweden.
Other relevant experience: Mr. Ehrenblad works as a consultant within investment, financial and management matters. He has broad experience from a number of various private companies, including as Investment Manager and partner of Graviton AB, Board Member of RF Coverage AB and deputy board member of AB PiaCare and Maven Wireless.
Other ongoing assignments: Board member of RF Coverage AB and Amha Swedish Exchange Co AB, and deputy board member of Graviton AB, AB PiaCare, and Maven Wireless Sweden AB.
Previous assignments (past five years): Deputy board member of Xpert Eleven AB.

[81] Jonas Lindvall was a board member Maha (Canada) between 2013 and the corporate restructuring in 2016 whereby the newly acquired shelf company Maha (Sweden) became the parent company of Maha (Canada). Since 2014 Jonas Lindvall has also been the Managing Director of Maha (Canada).
[82] Anders Ehrenblad was a board members of Maha (Canada) between 2013 and the corporate restructuring in 2016 whereby the newly acquired shelf company Maha (Sweden) became the parent company of Maha (Canada).

Holdings: 664,607 A-Shares.

Not independent in relation to the Company and the management but independent in relation to major shareholders.

Seth Lieberman

Born 1961. Member of the Board of Directors since 2020. Member of the Remuneration Committee and the Audit Committee.

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Education: Mr. Lieberman holds a Bachelor of Arts in Economics from Tuft University, USA.

Other relevant experience: Mr. Lieberman is a seasoned veteran within the international real estate sector, particularly in USA and Europe. He also has broad experience within business solutions, financing and private equity participation. He has held senior roles at Advanced Capital's Real Estate Fund, UBS Investment Bank, Hypo Real Estate, Lehman Brothers International, Credit Suisse and GE Capital. Mr. Lieberman is a member of the EQT Real Estate Funds I & II investment committee. Mr. Lieberman is the Chairman of Kvalitena AB (publ) and a number of its subsidiaries, including Huski Chocolate and Svenskt Industriflyg.

Other ongoing assignments: Chairman of the board of Kvalitena AB (publ), Svenskt Industriflyg AB, Svenskt Industriflyg C300 AB, Svenskt Industriflyg A109S AB, IFLY FBO AB, IFLY 7x III AB, Choki AB, Scutus AB, Scutus Solution AB, and Scutus Protection AB, and board member of Stendörren Fastigheter AB, IFLy Hangar 7 AB, IFLy Hangar 4 AB, and IFLy Terminal 1 AB.

Previous assignments (past five years): Board member of Samhällsbyggnadsbolaget i Norden AB.

Holdings: 133,333 A-Shares and 89,000 warrants.

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

Fredrik Cappelen

Born 1962. Member of the Board of Directors since 2020. Member of the Reserves and Health, Safety, and Environmental Committee and the Audit Committee.

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Education: Mr. Cappelen holds a Bachelor of Arts in Business from Regents University in the United Kingdom.

Other relevant experience: Mr. Cappelen has a long history in the Norwegian oil and gas financing scene. He is currently the managing director and majority shareholder of M25 Industrier AS and Stella AS. Prior work experience includes Head of Sales of Equity Capital Markets at Arctic AS, before which he held several senior management positions at SEB, including Head of Sales and Corporate Finance. Fredrik Cappelen is a board member of Sikri AS, Proxll AS and Proterm AS.

Other ongoing assignments: Managing director of M25 Industrier AS and Stella AS. Chairman of the board of Proterm AS and board member of Proxll AS and Sikri AS.

Previous assignments (past five years): -

Holdings: -

Independent in relation to the Company and the management as well as 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	Employed in Maha since[83]
Jonas Lindvall	Managing Director	2013	2014
Alan Johnson	Vice President — Operations	2019	2019
Andres Modarelli	Chief Financial Officer	2017	2017
Jamie McKeown	VP of Exploration and Production	2014	2014
Victoria Berg	Manager Investor Relations and Interim Deputy Managing Director	2019	2019

[83] The executive management in Maha are all formally employed by Maha (Canada), except Victoria Berg who is employed by (Maha Sweden).

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.

Jonas Lindvall

Born 1967. Managing director since 2013.

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

Alan Johnson

Born 1971. Vice President — Operations since 2019.

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Education: Mr. Johnson holds 1st Class B. Eng (Hons) from Heriot Watt University in Scotland.
Other relevant experience: Mr. Johnson is a senior oil and gas executive with more than 25 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 and a Professional Engineer in Alberta, Canada.
Other ongoing assignments: -
Previous assignments (past five years): -
Holdings: 300,000 warrants from incentive programs.

Andres Modarelli

Born 1979. Chief Financial Officer since 2017.

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Education: Mr. Modarelli holds Bachelor of Commerce and Bachelor of Business Administration degrees from the Pontifical Catholic University of Argentina. He also holds Chartered Professional Accountant (CPA) designations in Canada and Argentina
Other relevant experience: Mr. Modarelli is a senior finance and accounting professional of 20 years' experience. His experience includes various senior finance roles within publicly listed junior to mid-sized E&Ps operating in North America and internationally. Andres started his career with Deloitte in Argentina.
Other ongoing assignments: -
Previous assignments (past five years): -
Holdings: 250,000 A-Shares and 180,000 warrants from incentive program.

Jamie McKeown

Born 1964. VP of Exploration and Production since 2014.

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Education: Mr. McKeown holds a Bachelor of Science in Geology from the Victoria University of Wellington, New Zealand.
Other relevant experience: Mr. McKeown has been working continuously in the oil and gas industry since 1986, primarily involved with the technical elements of exploration and development. Mr. McKeown has spent many years with Lundin in Africa, the Middle East and Asia. Later assignments include work with Tethys Oil in Oman and Apache Energy in Australia.
Other ongoing assignments: -
Previous assignments (past five years): -
Holdings: 599,479 A-Shares and 130,000 warrants from incentive program.

Victoria Berg

Born 1988. Manager Investor Relations and Interim Deputy Managing Director since 2019.

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Education: Ms. Berg holds a Project Management Diploma from the Frans Schartau Business Institute in Stockholm and has studied Communications at Stockholm University.

Other relevant experience: Ms. Berg has had various roles in which she has coordinated and managed events and public/investor relations over the past ten years. Ms. Berg was instrumental in the management of, and the coordination within, public and investor relations at Laika Consulting AB for multiple listed companies, including Maha.

Other ongoing assignments: -

Previous assignments (past five years): -

Holdings: 220 A-Shares and 20,000 warrants from incentive program

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 27 May 2020, 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. Fredrik Jonsson is the auditor-in-charge at Deloitte, and is an authorized public accountant 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. During the period from 22 November 2016 until 6 November 2018, Harald Pousette was a board member of Fritid i Nyköping AB, which was declared bankrupt on 20 August 2019. Harald Pousette has since 17 June 2019 been deputy board member of Bardes Transport Aktiebolag, which is subject to company reconstruction since 24 February 2020. Other than described above, 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 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 Strandvägen 5A, SE-114 51 Stockholm, Sweden.

Corporate governance

LEGISLATION AND ARTICLES OF ASSOCIATION

The Company is a Swedish public limited liability company, and is governed by Swedish legislation, primarily the Swedish Companies Act (*Sw.* aktiebolagslagen (2005:551)) and the Swedish Annual Accounts Act (*Sw.* årsredovisningslagen (1995:1554)). Prior to the listing on Nasdaq Stockholm, the Company has complied with Nasdaq First North Growth Market's regulatory framework. In addition to legislation and Nasdaq First North Growth Market's regulatory framework, the Company's corporate governance is based on the Company's articles of association and internal guidelines for corporate governance. The articles of association state, inter alia, the board of directors' registered office, the business activities, the limits of the share capital and number of shares, and the prerequisites for participating at general meetings. For the complete articles of association, see the section "Articles of Association" below. Once the Company has been listed on Nasdaq Stockholm, the Company will comply with Nasdaq Stockholm's regulatory framework instead of Nasdaq First North Growth Market's regulatory framework. The Company will also apply the Swedish Code of Corporate Governance (the "**Code**") once the shares are listed on Nasdaq Stockholm, see below under the section "Swedish Code of Corporate Governance".

THE SWEDISH CODE OF CORPORATE GOVERNANCE

The Code sets a higher norm for good corporate governance than the minimum requirements set out in the Swedish Companies Act and shall be applied by all Swedish companies whose shares are admitted to trading on a regulated market in Sweden. As companies whose shares are listed on First North Growth Market are not required to to apply the Code, it has not been mandatory for the Company prior to the listing on Nasdaq Stockholm. The Company has not voluntarily undertaken to apply the Code prior to the listing on Nasdaq Stockholm, but has applied the Code in areas where the board of directors has considered it relevant for the Company and its shareholders. The Company will fully apply the Code from the time of the listing of the shares on Nasdaq Stockholm. The Code acts as a complement to the Swedish Companies Act by specifying higher requirements in some areas, while simultaneously allowing the Company to deviate from these, provided that it would be considered to lead to better corporate governance in the individual case (according to the so-called "comply or explain" principle). For instance, Anders Ehrenblad is the chairman of the Remuneration committee, although he is not deemed independent in relation to the Company and the management (as he until 2019 was the deputy Managing Director of Maha for Swedish law purposes and holds positions subsidiary entities for which he receives limited yearly compensation from Maha) as prescribed by the Code. Such deviations, as well as the reasons therefore and the alternative solutions, shall be described annually in a corporate governance report. Aside from the above, the Company does not expect to report any deviations from the Code in the corporate governance report.

GENERAL MEETINGS

The shareholders' influence in the Company is exercised at general meetings which, according to the Swedish Companies Act, is the Company's highest decision-making body. As the Company's highest decision-making body, the general meeting can decide on any matter in the Company which does not expressly fall within the exclusive competence of another corporate body. Thus, the general meeting has a sovereign role over the board of directors and the managing director of the Company.

At the annual general meeting, which according to the Swedish Companies Act shall be held within six months from the end of each financial year, resolutions must be passed on adoption of the income statement and balance sheet, allocation of the Company's profit or loss, discharge from liability for the members of the board of directors and the managing director, election of members of the board of directors and auditors, and on remuneration to the members of the board of directors and the auditor. At general meetings, the shareholders also resolve on other key matters in the Company, such as changes to the articles of association, any new issuance of shares, *etc*. Where the board of directors believes that reason exist to hold a general meeting prior to the next annual general meeting, or if an auditor of the Company or owners of at least one-tenth of all shares in the Company demands so in writing, the board of directors shall convene an extraordinary general meeting.

Notice to attend a general meeting shall, according to the Company's articles of association, be made by announcement in the Swedish Official Gazette (*Sw.* Post- och Inrikes Tidningar) and by keeping the notice available on the Company's website (www.mahaenergy.ca). It shall be simultaneously announced in Svenska Dagbladet that a notice has been made. Notice to attend the annual general meeting shall, according to the Swedish Companies Act, be issued no earlier than six weeks and not later than four weeks prior to the general meeting. Notice to attend an extraordinary general meeting at which an issue regarding changes to the articles of association is to be addressed shall be issued not earlier than six weeks and not later than four weeks prior to the meeting. Other notices to attend an extraordinary general meeting shall be issued not earlier than six weeks and not later than three weeks prior to the general meeting.

Shareholders who wish to attend and vote at general meetings, either in person or by proxy, must be included in the share register, maintained by Euroclear Sweden, concerning the conditions six banking days prior to the general meeting (*i.e.* on the record date) and notify the Company of their participation not later than the date specified in the notice of the meeting. Shareholders may be accompanied by one or two assistants at general meetings, provided that the shareholder notify the Company of the number of assistants in accordance with the procedure for shareholders' notifications to general meetings. Each shareholder of the Company who submits a matter well in advance has the right to have the matter addressed at the general meeting.

To be able to determine who is entitled to participate and vote at general meetings, Euroclear shall, upon request from the Company, provide to the Company a list of all holders of shares as per the record date in connection with each general meeting. Shareholders who have their shares nominee-registered must instruct the nominee to temporarily register the shares in the shareholder's name in order to be entitled to participate and vote for their shares at general meetings (voting rights registration). Such registration must be completed not later than four banking days prior to the general meeting and then ceases to apply. Shareholders who have their shares directly registered on an account in the Euroclear system will automatically be included in the list of shareholders.

Notices, minutes and bulletins from general meetings will be kept available on the Company's website.

NOMINATION COMMITTEE

Provisions on the establishment of a nomination committee are set out in the Code. The nomination committee is a body of the general meeting with the sole task of preparing the general meeting's decisions regarding electoral and remuneration issues and, where applicable, procedural issues of the next nomination committee. At the annual general meeting held in 2017, it was resolved to establish a nomination committee and adopt principles for the nomination committee pursuant to which the nomination committee, prior to the general meeting held in 2020, would consist of four members representing, and appointed by, the three largest shareholders by votes (only including A-shares and B-Shares that are indirectly held by holders of convertible shares in the subsidiary Maha Energy Inc.) at the end of the third quarter in 2019, and the chairman of the board of directors.

The chairman of the board of directors shall annually contact the shareholders who are entitled to appoint a member. Should any of the entitled shareholders waive their right to appoint a member to the nomination committee, the right is transferred to the fourth largest shareholder by votes, and so on. However, no more than five additional shareholders need be contacted, unless the chairman of the board of directors finds that there are special reasons for doing so. When a shareholder is contacted with a request to appoint a member of the nomination committee, the chairman of the board of directors shall set out the requisite rules of procedure, such as the last date of response, *etc.*

The names of the members of the nomination committee and the names of the shareholders appointing members shall be made public no later than six months prior to the annual general meeting. The nomination committee appoints a chairman among its members. The chairman of the board of directors shall not be the chairman of the nomination committee. Should a member resign before the work of the nomination committee is concluded, and if deemed appropriate by the nomination committee, a replacement member shall be appointed by the shareholder that appointed the member who resigned, or, if that shareholder no longer represents one of the three largest shareholders by votes, by the shareholder representing such group. If a shareholder who has appointed a certain member has substantially decreased its shareholding in the Company, and the nomination committee does not deem it inappropriate in view of a potential need of continuity prior to an impending general meeting, the member shall resign from the nomination committee and the nomination committee shall offer the largest shareholder who has not yet appointed a member of the nomination committee to appoint a new member.

The nomination committee shall further be composed and perform such tasks that from time to time are stated in the Code. The members of the nomination committee shall not receive remuneration from the Company. Any costs incurred in connection with the work of the nomination committee shall be paid by the Company, provided that they have been approved by the chairman of the board of directors. Prior to the annual general meeting held in 2020, the nomination committee consisted of Harald Pousette, representing Kvalitena AB, Lars Carnestedt, representing Nerthus Investments Ltd., Patrik Lindvall, representing Jonas Lindvall, and Anders Ehrenblad, the chairman of the board of directors (until the annual general meeting 2020). Prior to the annual general meeting to be held in 2021, the nomination committee consists of Jonas Vestin representing Kvalitens AB, Henrik Morén, representing Jonas Lindvall, Ron Panchuk, representing himself and Harald Pousette, the chairman of the board of directors.

BOARD OF DIRECTORS

Subsequent to the general meeting, the board of directors is the Company's highest decision-making body. The board of directors is also the Company's highest executive body and the Company's representative. Further, the board of directors is, according to the Swedish Companies Act, responsible for the organisation of the Company and management of the Company's affairs, and must regularly assess the Company's and the Group's financial position and ensure that the Company's organisation is arranged so that the Company's accounts, asset management, and finances in general are satisfactorily monitored. The chairman of the board of directors has a special responsibility to preside over the work of the board of directors and to ensure that the board of directors fulfils its statutory duties.

According to the Company's articles of association, the board of directors shall consist of at least three (3) and not more than seven (7) ordinary members, without any deputy members. Members of the board of directors are elected annually at the annual general meeting for the period until the next annual general meeting. There is no limit for how long a member may sit on the board of directors. The board of directors currently consists of six ordinary members. For more information regarding the board members, see section "Board of directors, executive management and auditor".

The responsibilities of the board of directors include *e.g.* to set the Company's overall goals and strategies, oversee major investments, ensure that there is a satisfactory process for monitoring the Company's compliance with laws and other regulations relevant to the Company's operations, as well as the application of internal guidelines. The responsibilities of the board of directors also include ensuring that the Company's disclosure to the market and investors is transparent, correct, relevant and reliable and to appoint, evaluate and, if necessary, dismiss the Company's CEO.

The board of directors adheres to written rules of procedure. The board of directors monitors the CEO's work by continuous monitoring of the business. The board of directors also ensures that there is an appropriate management of the Company's organisation, and satisfactory internal control. The board of directors sets goals and strategies, and takes decisions on major investments, acquisitions and divestments of businesses or assets. The board of directors also appoints the CEO and determines salary and other remuneration to the CEO. The chairman of the board of directors has the responsibility to preside over the work of the board of directors and ensuring that the work of the board of directors is well organized and conducted efficiently. This means, inter alia, that the chairman shall continuously monitor the Company's activities in dialogue with the CEO, and ensure that all board members receive information that ensure high quality in discussions and decision-making.

As part of making the board of directors' work in certain areas more efficient and deep-going, the board of directors has established three (3) board committees: an Audit committee; a Remuneration committee; and a Reserves and Health, Safety, and Environmental committee. The members of the committee are appointed within the board of directors for the time until the next annual general meeting. The committees' assignments and discretions are governed by annually adopted instructions for each committee. More information on the committees' current composition and tasks is presented below.

Audit committee

The board of directors has established an audit committee. The committee consists of Harald Pousette as chairman, Seth Lieberman, Anders Ehrenblad, and Fredrik Cappelen. The audit committee's work is conducted in accordance with instructions adopted by the board of directors. The committee has met regularly, and its work has been focused on monitoring the Company's financial reporting and evaluating the efficiency of this procedure and internal control of the Company, with the main purpose of supporting the board of directors in its decision-making on these matters. The chairman of the audit committee also have regular contacts with: (a) the Group's auditor as part of the annual auditing procedure and evaluates the audit fee and the auditor's independence and objectivity; and (b) the Company's CFO. The audit committee submits recommendations to the board of directors on matters that fall within the committee's assignment, and in particular on matters relating to interim reports and the annual report.

Remuneration committee

The board of directors has established a Remuneration committee. The committee consists of Anders Ehrenblad as chairman, Nick Walker and Seth Lieberman. The committee's work is conducted in accordance with instructions adopted by the board of directors. The committee's work has primarily been focused on establishing principles and guidelines for remuneration to the management, monitoring and evaluating the variable remuneration, and preparing and proposing incentive programs to the annual general meeting or the board of directors. The committee provides the board of directors with recommendations.

Reserves and Health, Safety, and Environmental committee

The board of directors has established a Reserves- and health-, safety-, and environmental committee. The committee consists of Nick Walker as chairman, Fredrik Capellen and Jonas Lindvall. The committee's work is conducted in accordance with instructions adopted by the board of directors. The work has primarily been focused on evaluation and recommendation of independent qualified auditors with respect to the Company's reserves, monitoring of the examination procedure regarding the Company's reserves, review of the operations and health and safety systems. The committee provides the board of directors with recommendations, usually in connection with board meetings, and primarily in relation to the Company's reporting of reserves.

CEO

The Company's CEO is, according to the Swedish Companies Act, responsible for the day-to-day management of the Company under the board of directors' guidelines and instructions. Matters that, due to their scope and the nature of the Company's business, are of an unusual nature or of major importance are not considered as "day-to-day management" and shall thus, as a general rule, be prepared and presented to the board of directors for decision. The CEO shall also take any measures necessary to ensure that the Company's accounts are maintained in accordance with law and that the asset management is conducted satisfactorily. The CEO is subordinated to the board of directors, and the board of directors itself may also decide on matters that are a part the day-to-day management. The work and role of the CEO, as well as the division of work between the board of directors and the CEO, are stated in a written instruction adopted by the board of directors (a so-called "CEO-instruction") and the board of directors regularly evaluates the CEO's work.

The Company's CEO is Jonas Lindvall, who is also a member of the board of directors of the Company. The CEO is formally an employee of the Canadian subsidiary Maha Energy Inc., in which he is also CEO. However, the employment agreement states that the CEO's responsibilities cover the Group as a whole, and it is specifically stated that his duties include being CEO of the parent company Maha. The employment agreement also states that the CEO responds directly to the board of directors of Maha and that the board of directors of Maha has the mandate to preside over the work of the CEO of Maha. More information on the CEO and other senior executives is presented under section "Board of directors, executive management and auditors" above.

INTERNAL CONTROL AND RISK MANAGEMENT

The board's responsibility for internal control is regulated in the Swedish Companies Act, the Swedish Annual Accounts Act - which requires that information on the most important elements of the Company's system for internal control and risk management in connection with financial reporting each year be included in the corporate governance report – and the Code. The board's work with internal control is based on control environment, risk assessment, control activities, information and communication, and monitoring. Internal control is a process affected by the board, the executive management, and other employees, and which is designed to provide reasonable assurance that the Company's goals are met with respect to effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations.

The overall purpose of the internal control is to, to a reasonable degree, ensure that the Company's operating strategies and targets are monitored and that the shareholders' and other stakeholders' investments are protected. Furthermore, the internal control shall ensure that the external financial reporting, with reasonable certainty, is reliable and prepared in accordance with generally accepted accounting principles (Sw. *god redovisningssed*), that applicable laws and regulations are followed, and that the requirements imposed on listed companies are complied with.

The control environment forms the basis for the internal control, which also includes risk assessment, control activities, information and communication as well as monitoring. Said components are further described below.

Control environment

The board of directors has the overall responsibility for the internal control in relation to financial reporting. In order to create and maintain a functioning control environment, the board of directors has adopted a number of policies and control documents governing financial reporting. These documents primarily consist of the rules of procedure for the board of directors, instructions for the managing director, rules of procedure for committees established by the board of directors and instructions for financial reporting. These documents also include policies such as instructions for authorization of expenditures, and a financial manual which contains principles, guidelines and process descriptions for accounting and financial reporting and provides the framework of the internal controls of the Company. Furthermore, the board of directors has established an Audit Committee whose main task is to monitor the Company's financial reporting, to monitor the effectiveness of the Company's internal control, internal audit and risk management as well as to review and monitor the auditor's impartiality and independence.

The internal audit program is in place to provide independent assessment of Maha's internal controls in support of board oversight. Currently the internal audit is performed by an independent internal audit consultant with monitoring by the CFO. The CFO is responsible for making sure that the internal audit work is performed in alignment with the Company's needs and external requirements, however the CFO has no influence on the performance or reporting of internal audit results. For this purpose, the internal auditor reports directly to the Audit Committee and is able to communicate with the Audit Committee at any time.

The internal audit program, which focuses on the assessment of internal controls over financial reporting, has been developed pursuant to the Swedish Companies Act and the Code which states that the board of directors is responsible for internal controls over financial reporting. This includes conducting an annual evaluation of the design and operating effectiveness of the Company's internal controls over financial reporting based on the Committee of Sponsoring Organization of the Treadway Commission Framework. The internal audit objective, scope, and criteria are re-evaluated and updated annually based on the needs of the organization and a risk assessment which determines the materiality and qualifying risk factors of each financial statement line item. Financial processes and controls are identified that support the accuracy of those areas identified as in scope. A test plan is prepared annually covering all areas in scope and the criteria identified. Tests consider both design and operational effectiveness and are conducted in collaboration with the Company's management and the business, which may include process owners, control owners, employees, consultants, or business partners as deemed applicable. Results of testing conducted are documented and independently communicated at minimum on an annual basis to the Audit Committee. All exceptions require management responses and actionable timelines associated with any identified remediation.

The responsibility for the ongoing work of maintaining the control environment rests primarily with the Company's managing director, who regularly reports to the board of directors in accordance with established instructions.

The Company's finance department plays an important role in ensuring reliable financial information. It is responsible for complete, correct and timely financial reporting. The finance department reports to the CFO who in turn reports to the managing director.

In addition to internal monitoring and reporting, the Company's external auditors report to the managing director and the CFO, and the board of directors throughout the year. The auditor's reporting provides the board of directors with a good understanding and a reliable basis regarding the financial reporting in the annual report.

Risk assessment and control activities

Risk assessment includes identifying and evaluating the risk of material errors in the accounting and reporting at Group and subsidiary level, as well as assessing other business risks of the Company and mitigating activities in place. Risk assessment is performed at least annually and presented to the board of directors, in accordance with the Company's risk management policy and other established guidelines. Within the board of directors, the Audit Committee is primarily responsible to continuously assess the Company's risk situation, after which the board of directors performs an annual review of the risk situation.

Control activities aim to identify and limit risks. The board of directors is responsible for the internal control and monitoring of the management. This is carried out through both internal and external control activities as well as through examination and monitoring of the Company's policies and steering documents. The guidelines for internal control are monitored throughout the year in all operating companies and testing of controls activities performed by an independent party. The board of directors annually approves the internal controls of the Company.

Uniform accounting and reporting instructions apply to all units within the Company. Key components of the internal control are the annual business planning process and budget and forecast processes. Budget and latest forecast are followed up in the Company's quarterly reporting to the board of directors or the Audit Committee.

Information and communication

The Company has information and communication channels to promote the correctness of the financial reporting and to facilitate reporting and feedback from the operations to the board of directors and management, for example by making corporate governance documents such as internal policies, guidelines and instructions regarding the financial reporting available and known to the employees concerned. Financial reporting is prepared utilizing accounting systems with predefined report templates.

The Company's financial reporting complies with Swedish laws and regulations and the local rules in each country where operations are conducted. The Company's information to shareholders and other stakeholders is provided through the annual report, interim reports and press releases, please also refer to the heading "*Stock market information and insider rules*" below. The board has also adopted an information and communication policy that governs the Company's provision of information externally.

Monitoring

The compliance and effectiveness of the internal controls are constantly monitored. The managing director and the CFO ensure that the board of directors and the Audit Committee continuously receive reports on the development of the Company's activities, including the development of the Company's results and financial position, internal and external auditing, as well as information on important events, such as acquisitions. The managing director also reports on operational and financial matters at every board meeting.

The board of directors and the Audit Committee examines the annual report and quarterly reports and conduct financial evaluations in accordance with an established plan. The Audit Committee monitors the financial reporting and other related matters and at least annually, discusses these matters with the external auditors.

REMUNERATION TO BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITORS AND EMPLOYMENT TERMS FOR SENIOR EXECUTIVES

Remuneration to members of the board of directors

At the annual general meeting held on 27 May 2020, it was resolved that fees of SEK 415,000 shall be paid to the chairman of the board of directors and SEK 300,000 to each of the other board members. The CEO shall not receive remuneration in his capacity as a board member. Board members shall also have the right to invoice the Company insofar they perform services outside the board assignment. An additional fee of SEK 96,000 is paid to members of the board of directors who are not employees of the Group and reside in the USA. For work in the Audit committee, the Remuneration committee, and the Reserves and Health, Safety, and Environmental committee, respectively, a fee of SEK 60,000 shall be paid to the chairman and SEK 40,000 to each of the other members. The CEO shall not receive remuneration in his capacity as a member of a committee.

Remuneration to senior executives

At the annual general meeting held on 27 May 2020, it was resolved to adopt guidelines for remuneration and other terms and conditions of employment for senior executives. The basic principles of the guidelines is to enable recruitment and retaining of senior executives in Maha through remunerations and other employment terms. Remuneration to senior executives may consist of fixed salary, variable remuneration, pension, other benefits and share-related incentive programs. Variable remuneration shall be based on predetermined and measurable criteria designed to promote Maha's long-term value creation. The remuneration shall not be discriminatory on grounds of gender, ethnic background, national origin, age, disability or other irrelevant factors.

The table below shows the remuneration to the members of the board of directors and senior executives for 2019, including any contingent or deferred remuneration and any benefits in kind which has been granted by Maha for services. All amounts are expressed in TUSD.

Salaries and other remuneration for the Board members and the Company Management

(TUSD)	Board Fee / Base salary	Other benefits[84]	Short-term variable remuneration[85]	Remuneration for Committee work	Option Based Award	Total 2019
Board members						
Jonas Lindvall[86]	-	-	-	-	-	-
Wayne Thomson[87]	15	-	-	7	-	22
Anders Ehrenblad	25	-	-	20	-	45
Harald Pousette	18	-	-	22	-	40
Nicholas Walker	9	-	-	16	-	25
Total	**67**	-	-	**65**	**-**	**132**
Management						
Jonas Lindvall	375	16	77	-	30	498
Other	752	36	150	-	109	1,234
Total Management	**1,127**	**52**	**227**	**-**	**139**	**1,545**

Incentive programs

The Company has incentive programmes designed as part of the remuneration package for management to attract long term qualified and committed personnel in a global oil and gas market setting. The programmes are available to select employees and is meant to re-occur annually. For more information regarding the Company's incentive programmes, see section "Share capital and ownership structure - Share related incentive programs".

Agreements regarding remuneration after termination

Under the terms of the employment contracts, and in the event of termination without cause or a change of control and ownership, the CEO and other senior executives of the Company may be entitled to compensation of between 3-12 months base salary plus benefits and any earned but unpaid bonuses. A change of control and ownership is defined as: (i) the acquisition of 30 percent or more of existing shares concurrent with a majority of the board of directors being changed; (ii) the sale of all or substantially all assets of the Company; or (iii) the resolution of the board of directors to liquidate the assets or wind up the Company. The Company has not set aside or accrued amount to provide pensions and similar benefits upon termination of employment or assignment.

Auditing

The Company is, in its capacity of a public company, obliged to have at least one auditor for examination of the Company's and the Group's annual report and accounts as well as the board of directors' and the CEO's management. The auditing shall be as detailed and extensive as required by generally accepted auditing standards. The Company's auditors are, according to the Swedish Companies Act, elected by the general meeting. Thus, auditors of Swedish limited liability companies are given their assignment by, and are obliged to report to, the general meeting, and must not allow their work to be governed by the board of directors or any senior executive. The auditor's reporting to the general meeting takes place at the annual general meeting through the auditor's report.

According to the Company´s articles of association, the Company shall have not less than one and not more than two auditors with maximum two deputy auditors. The Company's auditors are elected at general meetings for a period of one year. At the annual general meeting held in 2020, Deloitte was re-elected as the Company's auditor, with Fredrik Jonsson as the auditor-in-charge within the Group.

Remuneration to the Company's auditor is paid in accordance with specified invoices. Remuneration to Deloitte regarding auditing assignments amounted to TUSD 184 for the financial year 2019. Remuneration to Deloitte for other auditing assignments and tax/other advisory services amounted to TUSD 14 and TUSD 196, respectively, for the financial year 2019.

[84] Other benefits include pension, health insurance and other for the management.
[85] This column shows bonuses accrued but not paid for one-time bonus plan based on certain performance achievements.
[86] Jonas Lindvall was not compensated in the capacity as a Board member.
[87] Wayne Thomson was the Chairman of the Board until June 2019.

More information on the auditor is presented under the section “Board of directors, executive management and auditors” above.

STOCK MARKET INFORMATION AND INSIDER RULES

Listed companies are required to ensure that all stakeholders on the stock market and the public have simultaneous access to inside information which concerns the Company in order to prevent market abuse.

The board of directors has *e.g.* adopted an information policy and an insider policy for the purpose of ensuring that the Company’s information and handling of inside information internally as well as externally is correct and qualitative. The chairman of the board of directors of the Company manages ownership issues on an overall basis, while the CEO holds the overall responsibility for the Company’s external communication.

Policies and guidelines regarding disclosure of information and insider rules, as well as updates and changes, are made available to the concerned employees and the Company’s management goes through the regulatory framework with employees. The Company’s regulatory framework is arranged in accordance with Swedish law, Nasdaq Stockholm’s regulatory framework and the Code, and the EU Market Abuse Regulation (MAR). All financial reports and press releases are published on the Company’s website (www.mahaenergy.ca).

Articles of association

Adopted at the annual general meeting held on 27 May 2020.

1 § Name

The name of the company is Maha Energy AB. The company is a public company (publ).

2 § Registered office

The board of directors' registered office is in Stockholm.

3 § Object of the company's business

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.

4 § Share capital

The company's share capital shall be not less than SEK 517,000 and not more than SEK 2,068,000.

5 § Shares

The number of shares in the company shall be no less than 47,000,000 and no more than 188,000,000.

Shares may be issued in two (2) different classes; shares of class A and shares of class B.

Shares of class A may be issued up to a number corresponding to one hundred (100) per cent of the total share capital, shares of class B may be issued up to a number corresponding to thirty five (35) per cent of the total share capital.

All shares of class A and B shall carry one (1) vote per share.

Shares of class B are not entitled to dividends. Upon liquidation of the company, shares of class B shall carry equal rights as shares of class A to the company's assets up to an amount equal to the quotient value of the share. Thereafter, remaining assets are to be distributed to shares of class A only.

6 § Increase of the share capital

In the event of new issues of shares, irrespective of which class of shares, where payment is not to be made in kind, owners of shares of class A and class B shall enjoy preferential rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary preferential right). Shares which are not subscribed for pursuant to the primary preferential rights shall be offered to all shareholders (secondary preferential right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary preferential rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

In the event of issues of warrants or convertible debentures where payment is not to be made in kind, owners of shares of class A and B shall enjoy preferential rights in accordance with the above.

The above shall not restrict the possibility to resolve upon an issue with deviation from the shareholders' preferential rights.

In the event of a bonus issue with issuance of new shares, new shares of each class shall be issued pro rata to the number of shares of the same class previously issued. In this connection, the owners of old shares of a certain class shall have preferential rights to new shares of the same class in proportion to their proportion of the share capital. This shall not restrict the possibility of issuing new shares of a new class by means of a bonus issue, following the required amendment to the articles of association.

7 § Conversion clause

Each share of class B may, without request from the holder and by the company's board of directors, be converted to shares of class A. Such conversion of shares of class B may take place at any time. The company shall notify conversion in accordance with the above to the Swedish Companies Registration Office (*Sw.* Bolagsverket) for registration. The conversion is effected once the registration is completed and it has been noted in the CSD register.

In the event not all shares of class B are converted to shares of class A at the same time, conversion shall be effected pro rata to the number of shares held by each shareholder within the share class subject to conversion

8 § **Board of directors**

The board of directors shall consist of not less than three (3) and not more than seven (7) members without deputy members.

9 § **Auditor**

The company shall have not less than one (1) and not more than two (2) auditors with not more than two (2) deputy auditors. The auditor(s), or deputy auditor(s) (as applicable), shall be an authorized public accountant or a registered public accounting firm.

10 § **Place of shareholders' meeting**

The shareholders' meeting shall be held in Göteborg, Malmö or Stockholm.

11 § **Notice of shareholders' meeting**

Notices of shareholders' meetings shall be made by announcement in the Swedish Official Gazette (*Sw.* Post- och Inrikes Tidningar) and by making the notice available on the company's website. At the same time as notice is given it shall be announced in Svenska Dagbladet that a notice has been made.

Shareholders wishing to participate in shareholders' meetings must notify the company no later than the date specified in the notice of the shareholders' meeting. A shareholder may be accompanied by advisors at a shareholders' meeting only if he or she notifies the company of the number of advisors in accordance with the procedure prescribed for in respect of notice of attendance to be made by a shareholder.

12 § **Matters to be addressed at annual shareholders' meetings**

The following matters shall be addressed at annual shareholders' meetings:

1. Election of chairman of the meeting;
2. Preparation and approval of the voting list;
3. Approval of the agenda;
4. Election of one (1) or two (2) persons who shall approve the minutes of the meeting;
5. Determination of whether the meeting has been duly convened;
6. Submission of the annual report and the auditors' report and, where applicable, the consolidated financial statements and the auditors' report on the group;
7. Resolution in respect of adoption of the profit and loss statement and the balance sheet and, where applicable, the consolidated profit and loss statement and the consolidated balance sheet;
8. Resolution in respect of allocation of the company's profit or loss according to the adopted balance sheet;
9. Resolution in respect of the members of the board of directors' and the managing director's discharge from liability;
10. Determination of the number of members of the board of directors and the number of auditors and, where applicable, deputy auditors;
11. Determination of fees payable to the members of the board of directors and the auditors;
12. Election of the members of the board of directors, auditors and, where applicable, deputy auditors; and
13. Other matters which are set out in the Swedish Companies Act (*Sw.* aktiebolagslagen (2005:551)) or the company's articles of association.

13 § **Financial year**

The company's financial year is 1 January – 31 December.

14 § **CSD clause**

The shares of the company shall be registered in a CSD register in accordance with the Central Securities Depositaries and Financial Instruments Accounts Act (*Sw.* lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument).

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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.

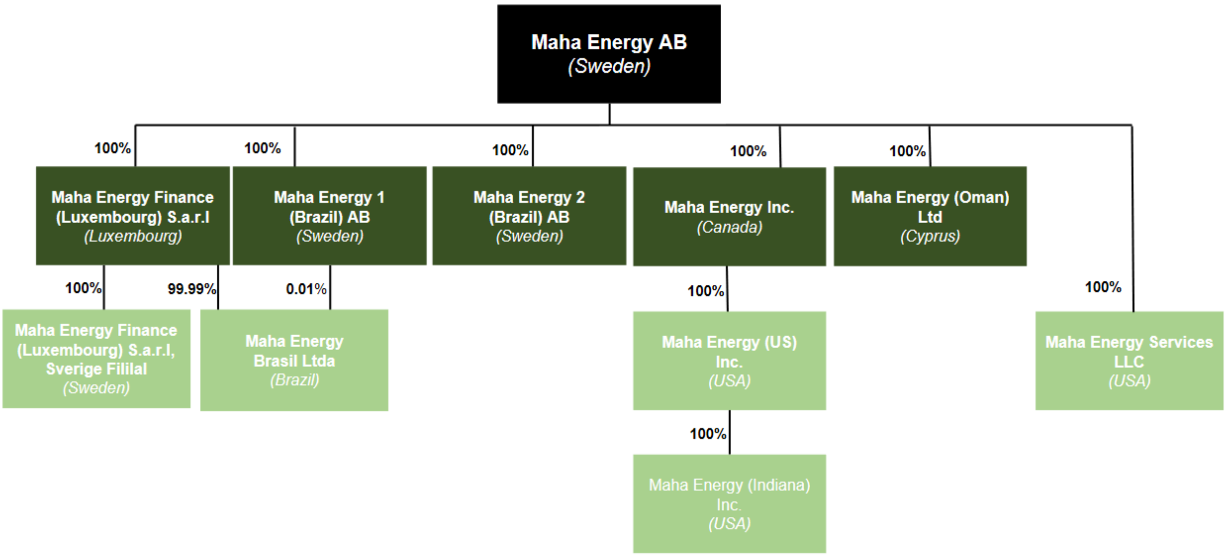
The objects of the Company's business are to, directly or indirectly through subsidiaries or through smaller partnerships or other forms of cooperation, conduct production of and/or exploration for oil, gas and minerals, acquire, own, manage and divest shares and other interests as well as other movable and immovable property and conduct other activities compatible therewith. See the section "Articles of association" for the complete articles of association and more information. 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.

GROUP STRUCTURE

The Company is the parent company in the Group which, as of the date of the Prospectus, comprises 8 wholly owned subsidiaries, as well as a branch in Sweden. Maha Energy AB is the parent company of a group in which the following subsidiaries are included; Maha Energy Services LLC (corporate registration number: 2018-002241022, a company incorporated under the laws of Wyoming, USA) and Maha Energy Inc. (corporate registration number 2018256518, a company incorporated under the laws of Alberta, Canada)[88], Maha Energy (US) Inc. (corporate registration number 2013-000637593, a company incorporated under the laws of Wyoming, USA), and Maha Energy (Indiana) Inc. (corporate registration number 0161241600, a company incorporated under the laws of Indiana, USA), and Maha Energy 1 (Brazil) AB (corporate registration number 559058-0907, a Swedish private limited company) and Maha Energy 2 (Brazil) AB (corporate registration number 559058-0899, a Swedish private limited company) and Maha Energy Finance (Luxembourg) S.A.R.L (corporate registration number B163089), and Maha Energy Brasil Ltda. (corporate registration number 11.230625/0001-66, a Brazilian "Limitada") and Maha Energy (Oman) Ltd, (company registration number HE 259894, a Cyprus private limited company). Maha Energy Finance (Luxembourg) S.A.R.L has a branch in Sweden, Maha Energy Finance (Luxembourg) S.A.R.L Sweden Branch and Maha Energy (Oman) Ltd is planning to establish a branch in Oman.

The Swedish parent company is responsible for the Group's overall functions such as fund and equity raising along with investor relations. The Canadian company is responsible for the Corporate administration of consolidated financial reporting, IT and technical support services to the subsidiary operating companies. Maha Energy (US) Inc is responsible for all production operations and accounting at the LAK Ranch heavy oil field in Wyoming. Maha (Indiana) Inc is responsible for all production operations and accounting at the IB assets in Illinois and Indiana, USA. Maha Energy Services LLC provides manpower services to the Groups operating units. Maha Energy Brasil Ltda is the Group's operating unit for Brazil and manages all accounting and production, drilling and workover operations. Maha Energy Brasil Ltda has an office in Rio de Janeiro. The remaining subsidiaries are holding companies for the Brazilian operating company. Maha Energy (Oman) Ltd. will, through an Omani branch which the Company plans to establish, handle its affairs in the Sultanate of Oman.

[88] For further information regarding the ownership of Maha Energy Inc., see section "Share capital and ownership structure – Corporate restructuring/roll-up of 2016"



ORGANISATION

Maha has its head office in Stockholm, Sweden, and the Company's subsidiary Maha Energy Inc. has its technical office in Calgary, Alberta, Canada. The Company also has an office in Rio de Janeiro, Brazil, and an operational office in Newcastle, Wyoming, USA. The Company further plans to establish an operations office in Muscat, Oman The average number of employees in the Group in the financial year 2019 was 58, 2018 was 46 and for the financial year 2017 was 36. For 2020 until the date of this Prospectus the average number of employees has been 72.

MATERIAL AGREEMENTS

During the two years immediately preceding the date of this Prospectus, Maha has not entered into any material agreements other than within its day-to-day operations and as described below.

Acquisition of Dome AB Inc.

On 31 March 2020, Maha (US) acquired all outstanding shares in Dome AB Inc., a Texas corporation, for a purchase price amounting to USD 4,000,000 in cash. The acquisition strengthened Maha's production capability in whole and made Maha's presence at the oil market in the US, and especially in the Illinois Basin area apparent due to Dome AB Inc.'s production assets in this area. The total amount of production from the acquired assets in the Illinois Basin area was, on 1 March 2020, 160 barrels of oil per day. The Illinois Basin assets are described in further depth above under section "Market and business overview – Business overview – Illinois Basin".

The Exploration and Production Sharing Agreement (EPSA) for Block 70, Mafraq, Oman

On 5 October 2020 the Company's wholly owned Subsidiary Maha Energy (Oman) Ltd entered into an Exploration and Production Sharing Agreement ("**EPSA**") with the government of the Sultanate of Oman, for Block 70, an onshore block that includes the shallow undeveloped Mafraq heavy oil field in Oman. Maha will be the operator of the Block and hold a 100% working interest. The EPSA is subject to a Royal Decree by His Majesty the Sultan of Oman which was granted on 28 October 2020. The EPSA covers an initial exploration period of three years with an optional extension period of another three years. In case of a commercial oil or gas discovery, the EPSA can be transformed into a fifteen year production license which can be extended for another five years.

The EPSA contains provisions on the parties' entitlement to produced oil, natural gas and condensate. Under the EPSA, the Company shall pay an initial acquisition fee of MUSD 10 in connection with the issue of the Royal Decree, a renewal fee amounting to MUSD 3 if the EPSA is extended into a second exploration period at the request of the operator, a discovery fee amounting to MUSD 7 in the event of a commercial discovery, as well as yearly fees to the Oman government ranging from approximately USD 350,000 during the exploration phase to approximately USD 550,000 during the production phase. Following commencement of regular exports of oil or natural gas from the block, the Company shall further spend 2% of its profit oil and natural gas per year towards projects for the development of the local community within Oman.

During the first exploration period, the Company will, inter alia, drill 2 delineation wells, 6 horizontal production wells and 2 exploration wells. The Company will also undertake some seismic reprocessing and geological studies. The Company expects the total cost for the first exploration period to range between MUSD 15 – MUSD 20. If the EPSA is extended to a second exploration period, work commitments during such period include, inter alia, drilling two additional exploration wells and ten wells for development concept testing as well as conducting further geological studies. According to the EPSA, these work commitments shall amount to approximately MUSD 25.

Any assignment of the EPSA and any change of control event (excluding inter-affiliate transfers) requires the written consent and approval of the Oman government, upon which an assignment fee, to be agreed upon by the Company and the Oman government, is to be paid by the Company. In case of a commercial discovery the Oman Government Oil Company has a right to acquire up to a 30% interest in Block 70 against refunding the pro rata share of past expenditure. In case of a commercial discovery, the Oman government may further after three years of the discovery request that Maha relinquishes up to a maximum of 50% of the block.

A parent company guarantee, guaranteeing Maha Energy (Oman) Ltd.'s obligations under the EPSA, is to be issued whereby Maha (Sweden) shall provide the resources to perform such obligations.

INSURANCE

The board of directors' assessment is that the Company's current insurance coverage is adequate with respect to the nature and the scope of the operations.

LEGAL PROCEEDINGS AND ARBITRATION PROCEEDINGS

Maha has not, in the past twelve months, been a party to any authority proceedings, legal proceedings or arbitration proceedings (including proceedings that are pending or deemed likely by the Company) that are deemed likely to have a significant effect on the Company's financial position or profitability.

RELATED PARTY TRANSACTIONS

The Company has defined related parties as the management of the parent company, the board of directors of the parent company and subsidiaries. In relation to the parent company, the subsidiaries are considered related parties. In addition, Kvalitena AB holds 20.95% of the voting rights and two board member positions in Maha. Thus, Kvalitena may exercise significant influence over the Company, and is therefore a related party under IAS 24. All related party transactions have been made on market terms. Other than the transactions described below, The Company has not been a party in any related party transaction during the period 2017–2019, or during the period thereafter until the date of the Prospectus.

Rental of office space

The Company rents an office space from Fastighets AB Bodarne 11 (which is a wholly owned subsidiary of Kvalitena AB) in Sweden. The rental terms correspond to market terms. As of the date of the Prospectus, Maha has no amounts outstanding with respect to debts or receivables to or from Kvalitena AB. The rental expenses has, thus far, amounted to approximately TSEK 91 in 2020. The expenses amounted to approximately TSEK 90.9 in 2019.

Guarantee consortium

In 2017, Kvalitena AB, was part of a guarantee consortium with a group of shareholders and investors who guaranteed a share rights issue in Maha. Of the total guarantee fees paid by Maha to the consortium, Kvalitena AB collected SEK 3.6 million for their part as guarantor.

Subsidiary board fees

The Company's board member Anders Ehrenblad holds positions in several of the Company's subsidiaries and for this he receives a limited annual remuneration. Since the financial year 2017 until the date of this Prospectus, the yearly remuneration due to these positions amounts to USD 7,500 in total.

Intragroup loans and shareholders' contributions

The Company has provided subsidiaries with intragroup loans. As of the balance sheet date 2017, the intercompany loans amounted to TSEK 407,638, whereof TSEK 62,959 was provided to Maha Energy 1 (Brazil) AB, TSEK 9,652 was provided to Maha (Canada) and TSEK 335,027 was provided to Maha Energy Finance (Luxembourg) S.a.r.l. As of the balance sheet date

2018, the intercompany loans amounted to TSEK 402,709, whereof TSEK 61,759 was provided to Maha Energy 1 (Brazil) AB, TSEK 630 was provided to Maha Energy 2 (Brazil) AB, TSEK 52,277 was provided to Maha (Canada), TSEK 245,037 was provided to Maha Energy Finance (Luxembourg) S.a.r.l, TSEK 13,713 was provided to Maha Energy Brazco (Luxembourg) S.a.r.l and TSEK 29,293 was provided to Maha Energy (US) Inc. As of the balance sheet date 2019, the intercompany loans amounted to TSEK 365,474, whereof TSEK 7,358 was provided to Maha Energy 1 (Brazil) AB, TSEK 46 was provided to Maha Energy 2 (Brazil) AB, TSEK 86,256 was provided to Maha (Canada), TSEK 210,175 was provided to Maha Energy Finance (Luxembourg) S.a.r.l, TSEK 45,353 was provided to Maha Energy (US) Inc. and TSEK 16,286 was provided to Maha Energy Services LLC. As of 30 September 2020, the intercompany loans amounted to TSEK 453,692, whereof TSEK 3,689 was provided to Maha Energy 1 (Brazil) AB, TSEK 45,959 was provided to Maha Energy 2 (Brazil) AB, TSEK 85,251 was provided to Maha (Canada), TSEK 212,755 was provided to Maha Energy Finance (Luxembourg) S.a.r.l, TSEK 85,502 was provided to Maha Energy (US) Inc. and TSEK 20,536 was provided to Maha Energy Services LLC. As of the date of this Prospectus, the intra-group loans amount to TSEK 496,586, whereof TSEK 3,689 was provided to Maha Energy 1 (Brazil) AB, TSEK 46 was provided to Maha Energy 2 (Brazil) AB, TSEK 99,790 was provided to Maha (Canada), TSEK 187,182 was provided to Maha Energy Finance (Luxembourg) S.a.r.l, TSEK 83,833 was provided to Maha Energy (US) Inc., TSEK 21,197 was provided to Maha Energy Services LLC, TSEK 7,699 was provided to Maha Energy (Indiana) Inc. and TSEK 93,150 was provided to Maha Energy (Oman) Ltd.

During the financial year 2019, Maha Energy 1 (Brazil) AB provided Maha with a group contribution amounting to SEK 647,656, and Maha Energy 2 (Brazil) AB received a group contribution from Maha amounting to SEK 52,000. During the financial year 2019 Maha also provided Maha Energy 2 (Brazil) AB with an unconditional shareholders' contribution amounting to SEK 630,000.

ADVISORS

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

TAX ISSUES IN SWEDEN

The tax legislation in (i) the investor's member state and (ii) the country in which the issuer has its registered office may affect the income from the securities referred to in the Prospectus. The taxation of each individual shareholder depends on his or her specific situation, for example if the shareholder has limited or unlimited tax liability in Sweden, if the shareholder is a natural or a legal person, or if there shares are deposited on an investment savings account (*Sw.* investeringssparkonto (ISK)). Furthermore, special tax rules apply to certain types of taxable persons, such as investment companies and insurance companies. Each holder of shares should therefore consult a tax advisor to obtain information on the specific consequences that may arise in the individual case, including the applicability and effect of foreign tax rules and tax agreements.

THE PROSPECTUS

The Prospectus has been approved by the Swedish Financial Supervisory Authority as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the Prospectus Regulation). The Swedish Financial Supervisory Authority has approved the Prospectus only insofar it meets the standards of completeness, comprehensibility and consistency set out in the Prospectus Regulation. The approval of the Prospectus should not be taken as any form of endorsement of the issuer referred to in this Prospectus or of the quality of the securities referred to in the Prospectus. Investors should make their own assessment on whether it is appropriate to invest in these securities.

TRANSACTION COSTS

The Company's costs attributable to the Admission are estimated to amount to MSEK 4.75. Such costs are primarily attributable to costs for auditors, legal advisors, and listing costs to Nasdaq Stockholm and the Swedish Financial Supervisory Authority.

Documents incorporated by reference

The following accounting documents and prospectuses are incorporated into the Prospectus by reference. The parts of the following documents which are not referred to are either not relevant for an investor or are covered elsewhere in this Prospectus. The documents incorporated by reference are available on https://mahaenergy.ca/en/investors/financial-reports.

- Maha's unaudited interim report for the period January–September 2020, to which reference is made to the condensed consolidated statement of operations on page 18, condensed consolidated statement of financial position on page 20, condensed consolidated statement of changes in equity on page 22, condensed consolidated statement of cash flows on page 21 and notes on pages 25-35.
- Maha's audited annual report for the financial year 2019, to which reference is made to the consolidated statement of operations on page 41, consolidated statement of financial position on page 42, changes in equity on page 44, consolidated cash flow statement on page 43, notes on pages 49–73 and auditor's report on pages 76–79.
- Maha's audited annual report for the financial year 2018, to which reference is made to the consolidated statement of operations on page 35, consolidated statement of financial position on page 37, changes in equity on page 39, consolidated cash flow statement on page 38, notes on pages 44–71 and auditor's report on pages 74–77.
- Maha's audited annual report for the financial year 2017, to which reference is made to the consolidated statement of operations on page 35, consolidated statement of financial position on page 36, changes in equity on page 38, consolidated cash flow statement on page 37, notes on pages 43–63 and the audit report on pages 65–68.

DOCUMENTS AVAILABLE FOR INSPECTION

The following documents are, throughout the period of validity of the Prospectus, available on the Company's website, www.mahaenergy.ca.

(i) The Company's articles of association.
(ii) The Company's certificate of registration.

Glossary

"Admission"	Refers to the admission to trading of shares in Maha (Sweden) on Nasdaq Stockholm.
"ANP"	Refers to the 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.
"A-Shares"	Refers to shares of series A in Maha Energy AB.
"B-Shares"	Refers to shares of series B in Maha Energy AB.
"BOPD"	Refers to barrels of oil per day, a common unit of measurement for volume of oil.
"BRL"	Refers to Brazilian real.
"CDGN"	Refers CDGN Logistica SA.
"Chapman"	Refers to Chapman Petroleum Engineering, Calgary, Alberta, Canada.
"Code"	Refers to the Swedish Code of Corporate Governance.
"COGE-Handbook"	Refers to the Canadian Oil and Gas Evaluation Handbook prepared by the Standing Committee on Reserves Definitions of the CIM (Petroleum Society).
"C-Shares"	Refers to C1-Shares and C2-Shares in Maha Energy AB.
"C1-Shares"	Refers to the now removed series of shares, C1, in Maha Energy AB.
"C2-Shares"	Refers to the now removed series of shares, C2, in Maha Energy AB.
"Dax Oil"	Refers to Dax Oil Refino SA.
"Deloitte"	Refers to the Company's accountant Deloitte AB.
"EOR"	Refers to the high end technology within enhanced oil recovery technology, also known as Enhanced Oil Recovery Technology.
"EPSA"	Refers to the Exploration and Production Sharing Agreement for Block 70, Mafraq oil field, Oman
"ESMA"	Refers to the European Securities and Markets Authority.
"Euroclear"	Refers to Euroclear Sweden AB.
"Exchangeable Maha (Canada) Shares"	Refers to exchangeable shares in Maha (Canada) which can be exchanged for one A-Share in Maha (Sweden).
"Group"	Refers to the Company and its subsidiaries.
"GTW"	Refers to GTW Geracao e Servicos.
"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.
"Host country"	Refers to the country where the oil- and gas resources is located.
"Illinois Basin"	Refers to the Company's Light oil field in Illinois/Indiana, USA.
"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.
"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.
"Maha (Canada)"	Refers solely to Maha Energy Inc. (Canada).
"Maha (US)"	Refers solely to Maha Energy (US) Inc. (USA).
"Maha (Sweden)"	Refers solely to Maha Energy AB.
"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.
"Marwayne assets"	Refers to the four wells in eastern Marwayne, Alberta, Canada.
"Minority shareholder"	Refers to the shareholders who are not a Majority owner in a Swedish limited liability company.
"mmscf"	Refers to million standard cubic feet, a common measure for volume of gas.
"Nasdaq First North Growth Market"	Refers to the alternative stock exchange "Nasdaq First North Growth Market" run by Nasdaq.
"Nasdaq Stockholm"	Refers to the regulated marketplace "Nasdaq Stockholm" run by Nasdaq.
"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.
“NI 51-101”	Refers to the standard National Instrument 51-101 from the Canadian Securities Administrators (CSA).
“OPEC”	Refers to the Organization of the Petroleum Exporting Countries.
“P90”	Refers to those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves (P90).
“P50”	Refers to those additional reserves that are less certain to be recovered than proved reserves (P90). It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved (P90) + probable (P50) reserves.
“P10”	Refers to those additional reserves that are less certain to be recovered than probable reserves (P50). It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved (P90) + probable (P50) + possible (P10) reserves
“Palliser”	Refers to Palliser Oil and Gas Corp.
“PeTech”	Refers to PeTech Enterprises, Texas, USA.
“Petrobras”	Refers to the Brazilian state-owned oil company Petrobras Brasileiro S.A .
“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.
“Roll-Up”	Refers to a restructuring where Maha (Sweden) became parent company to Maha (Canada).
“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”	Refers to the Company’s Light oil field in Sergipe, Brazil.
“Tie Field”	Refers to the Company’s Light oil field in Bahia, Brazil.
“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.
“1P”	Refers to proven reserves (P90).
“2P”	Refers to probable reserves (P50) plus probable reserves (P50).
“3P”	Refers to proven reserves (P90) plus probable reserves (P50), plus possible reserves (P10).

Addresses

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