

# MAHA

ENERGY

EGM Corporate Presentation  
Maha Energy

March 2023

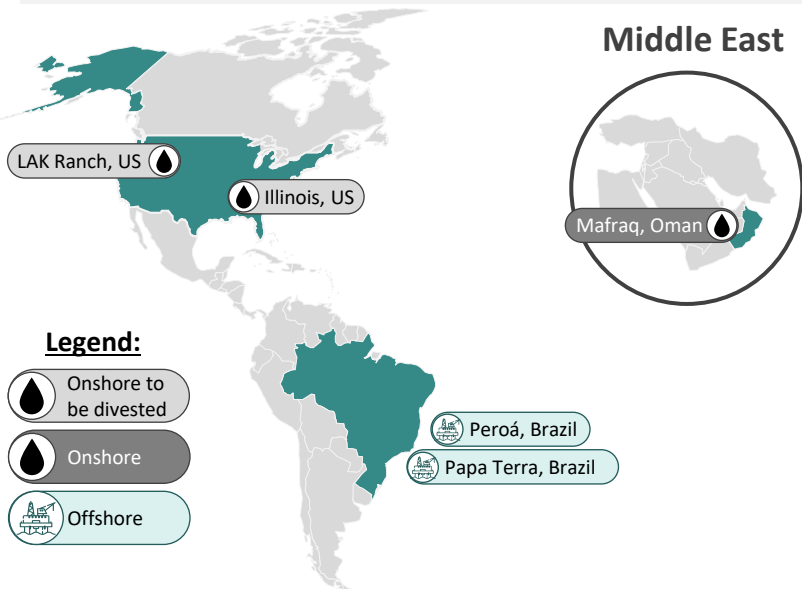
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# Maha at a Glance

## Maha's Global Footprint<sup>1</sup>



## Portfolio Highlights

### Divestment of Maha's Brazilian entity (Tie and Tartaruga)

- ✓ Total consideration<sup>2</sup> of up to USD 186.9m
- ✓ Closed transaction on 28<sup>th</sup> February 2023

### Business Combination with DBO 2.0 (Papa Terra and Peroá) – Object of this EGM

- ✓ Issuance of up to 36,775,410 shares (USD 32.6m on 27<sup>th</sup> March 2023)
- ✓ Attractive transaction multiple of 0.23x P/2P NPV10<sup>5</sup>
- ✓ For year end 2022, 2P reserves of ~18.5 mmboe. 4Q22 production of 2,075 boepd<sup>4</sup>

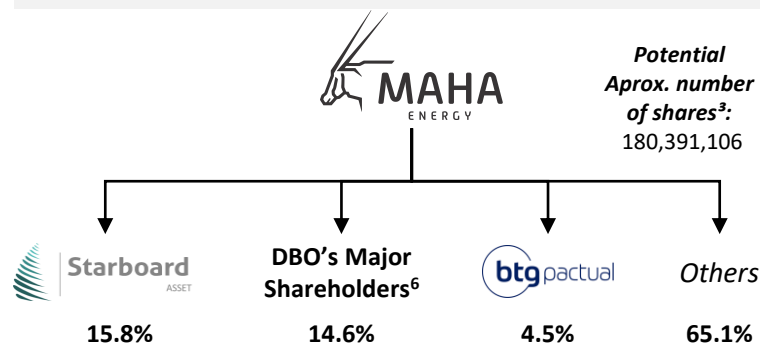
### Block 70 (Oman) – conclusion of the JOA and start of production test with Mafrag-9 well

- ✓ Conclusion of the Farm-Out Agreement and the JOA with Mafrag Energy LLC for 35% W.I.
- ✓ Production test started in March 2023, and will include all eight new production wells drilled in 2022/2023.

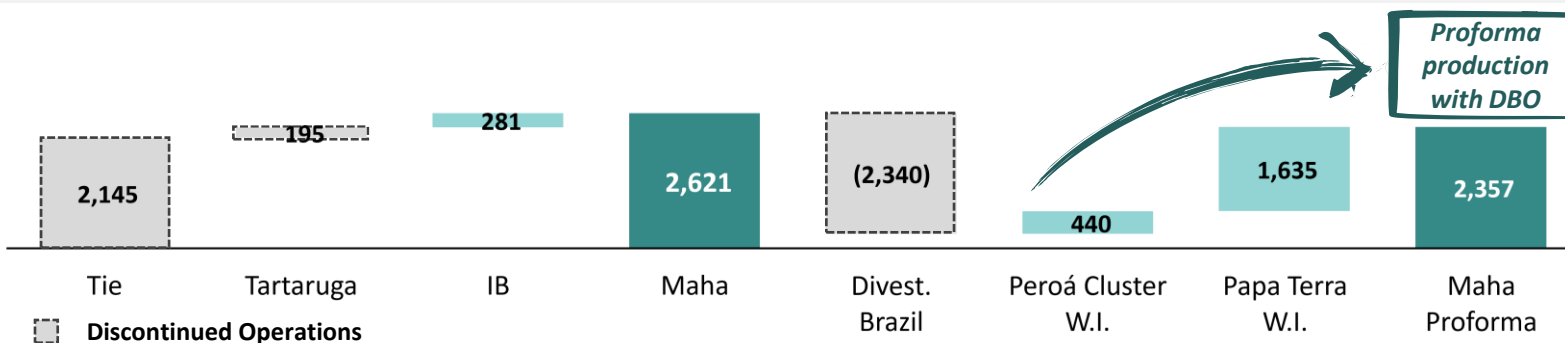
### Ongoing divestment of US assets

- ✓ Energy Advisors Group (EAG) has been assigned as Maha's financial advisors.

## Potential Scenario - Post DBO Transaction

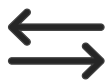


## Production Profile for 4Q22 (boepd)



Notes: 1) Business combination with DBO is still pending closing ; 2) Purchase price (USD 138m) + Earn outs (USD 36m) + WK adj. net of taxes (USD 9.2m) + Net Cash (USD 3.7m); 3) This scenario considers the maximum issuance of 36,775,410 shares relative to DBO transaction – the numbers may vary considering the number of shares actually issued. 4) From ANP ; 5) Considering maximum number of shares to be issued and Maha's share price of SEK 9.24 and FX of 10.41 USDSEK (As of 27/mar/2023) ; 6) Considers the positions of Svein Harald, Kjetil Solbrække and Halvard Idland

# Contemplated business combination with DBO<sup>1</sup> – Highlights



**Binding term sheet signed** regarding business combination with DBO Energy, which holds **15% in 3R Offshore's shares<sup>1</sup>**. Consideration of up to **36,775,410 new shares** in Maha – value of **USD ~32.6 million** at share price per 27<sup>th</sup> March.



**Increase Maha's net 2P reserves with ~18.5 mboe** and estimated to add **~2,075 boepd net production in 2023** with further upside through ramp-up at Papa Terra, Peroá and the potential Malombe development.<sup>2</sup>



The transaction reinforces the construction of a **diversified portfolio** balanced between **mature oil and gas onshore and offshore assets**.



**Acquired 1P and 2P reserves** have an estimated value (NPV10) of **USD 86 million and USD 145 million** (net of future contingent payments) based on public reserve reports<sup>2,3</sup>. Net cash flow<sup>2</sup> of USD 16m in 2023.



**Attractive price metrics – P/NAV of ~0.38x** based on 1P reserves, **~0.23x** based on 2P reserves, and EV/2P of USD **~2.92/boe**.

Notes: 1) Number of shares may be adjusted in view of applicable taxes). If approved by the EGM, the transaction is still subject to other customary condition precedent for its closing, which is expected to occur during the course of April 2023 ; 2) Based on public reserve reports from DeGolyer and MacNaughton and Gaffney Cline. Value estimates are based on oil price of USD 71/bbl in 2023 and USD 66/bbl thereafter and a gas price of USD 5.0-5.5/mcf; 3) Institutional Presentation, 3R Petroleum, August 2022

# New Certification of Reserves for Oman and IB

## New Consultant and Basis of Opinion



Main changes from last year's reserves and resources numbers are related to:



A reduction resulting from an adjustment of type curves, the number of locations and the estimated ultimate recoverable of future wells



Reflects the completion of the JOA for Block 70, in which Maha is the Operator of the block and reduces its working interest to 65%



As Maha's Brazilian entity (that holds working interest on Tie and Tartaruga fields) was divested before year end (signing), no reserves are being reported for Tie and Tartaruga fields

## Summary table of the new certification of reserves<sup>1</sup>

	Source	Data	Unit	1P	2P	3P
IB	McDANIEL	Reserves	mmbbls	1.3	2.7	3.6
		NPV10	USD million	10.5	20.7	37.3
Oman (65% W.I.)	McDANIEL	Reserves	mmbbls	0.4	0.5	0.6
		NPV10	USD million	2.2	4.1	6.1
DBO <sup>2</sup>	Gaffney Cline DEGOLYER MACNAUGHTON	Reserves	mmboe	12.5	18.5	23.1
		NPV10	USD million	107.6	166.3	242.9
MAHA ENERGY		<b>Reserves</b>	<b>mmboe</b>	<b>14.2</b>	<b>21.7</b>	<b>27.3</b>
		<b>NPV10</b>	<b>USD million</b>	<b>120.3</b>	<b>191.1</b>	<b>286.3</b>
		<b>Cash position + Proceeds from sale<sup>3</sup></b>	<b>USD million</b>	<b>214.7</b>	<b>214.7</b>	<b>214.7</b>
		GAV	USD million	335.0	405.8	501.0
		<b>NAV<sup>4</sup></b>	<b>USD million</b>	<b>267.6</b>	<b>338.4</b>	<b>433.6</b>
		<b>Data</b>	<b>Unit</b>	<b>1C</b>	<b>2C</b>	<b>3C</b>
Oman (65% W.I.)	McDANIEL	<b>Contingent Resources</b>	mmbbls	11.1	20.99	35.09

Notes: 1) LAK Ranch was not included in McDaniel's certification ; 2) Business Combination with DBO is still pending closing; 3) Purchase price (USD 138m) + Earn outs (USD 36m) + WK adj. net of taxes (USD 9.2m) + Brazil's Net Cash (USD 3.7m) + Cash Position (USD 19.5) + Mafraq Reimbursement (USD 8.3m); 4) Net of contingent payments of USD 21.3m and Bank Debt of USD 46.1m

Source: Company Information; McDaniel & Associates; Gaffney Cline; DeGolyer & MacNaughton

# Solid balance sheet and asset diversification with the conclusion of the two announced transactions

The company will have a cash position and M&A receivables that is higher than the current market cap

## Key takeaways

## Attractive metrics (TUSD)

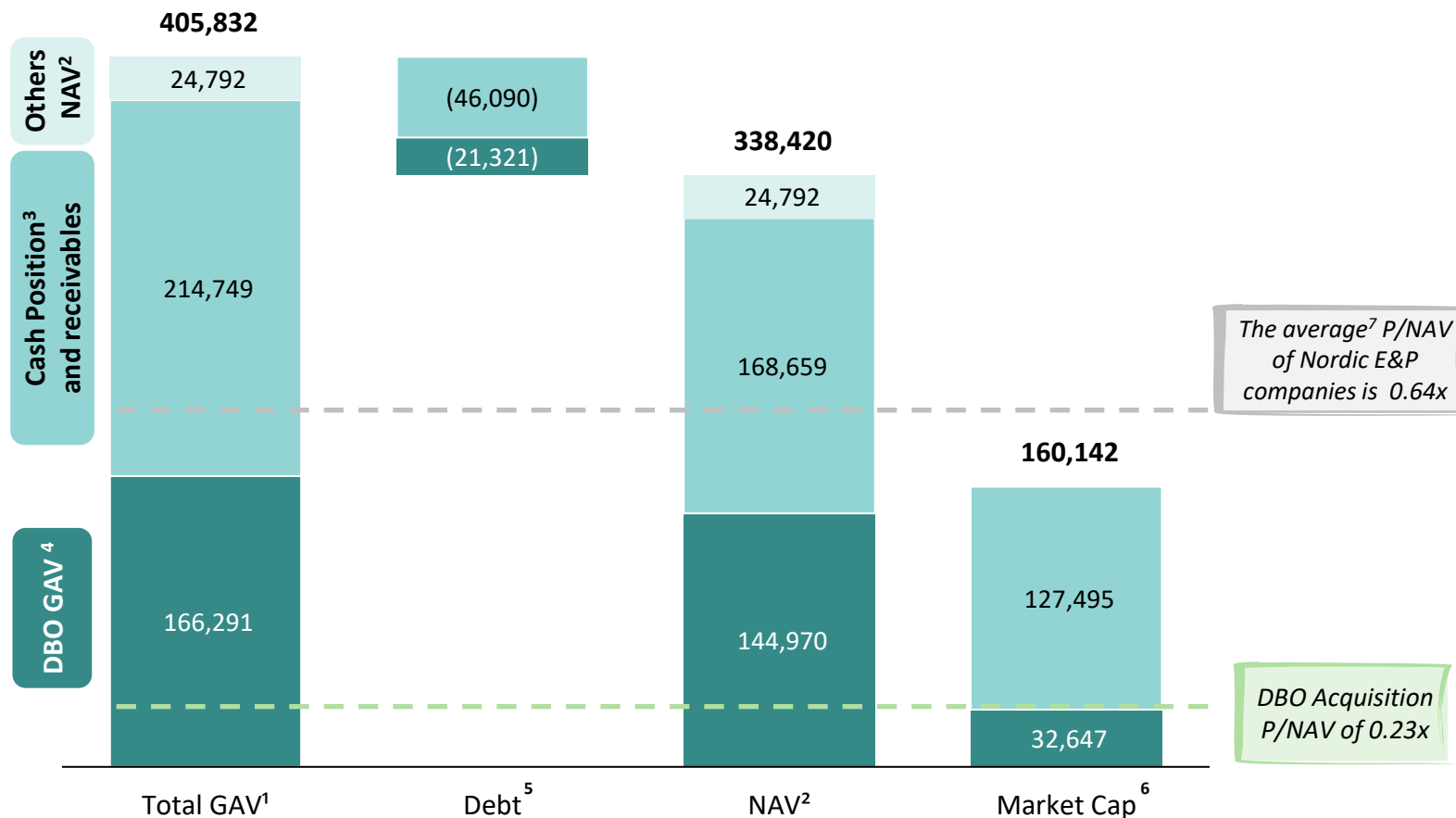
Maha's current market cap is very discounted when compared to the Company's new NAV ( the sum of: US assets' NAV; Mafraq's NAV; Cash position and receivables net of debt; and DBO's NAV)



This scenario presents a **potential upside** if Maha's multiple converge to the average P/NAV of Nordic and Brazilian E&P companies



Only the "Cash position and receivables<sup>3</sup>" (USD 214.7 million) net of debt (USD 46.1 million) is **1.32x Maha's current market cap<sup>1</sup>**



Notes: 1) Updated on 27<sup>th</sup> March 2023 ; 2) Based on McDaniel's certificate on 31 December 2022 (IB : TUSD 20,740; Oman 65% W.I. TUSD 4,052) ; 3) Cash balance on 31<sup>st</sup> December 2022: TUSD 19,520; Acq. Price: TUSD 138,000; Earn-outs: TUSD 36,000; Closing Adjustments: TUSD 12,969; Mafraq Energy Reimbursement: TUSD 8,260 ; 4) Based on public reserve reports from DeGolyer & MacNaughton and Gaffney Cline ; 5) Considers Maha's debt on 31<sup>st</sup> December 2022 (TUSD 46,090) and USD 21.3 million for DBO contingent payments ; 6) Considers the issuance of 33,775,410 shares related to DBO transaction, price based on 27<sup>th</sup> March 2023 ; 7) Weekly E&P update Sparebank1 on 23<sup>rd</sup> March 2023

# SpareBank 1 Markets Fairness Opinion<sup>1</sup>



To the board of directors of Maha Energy AB,

Strandvägen 5A  
SE-114 51 Stockholm  
Sweden

Oslo, 5 February 2023

## Maha Energy AB – Independent Fairness Opinion statement

### 1. BACKGROUND

Maha Energy AB (“Maha”) has entered into a binding agreement regarding a potential business combination with DBO 2.0 S.A. (“DBO”), according to which Maha will acquire all the issued and outstanding shares in DBO in exchange for 36,775,410 new shares in Maha (the “Proposed Transaction”). DBO has a 15% ownership in 3R Petroleum Offshore S.A. (“3R Offshore”), a subsidiary of publicly listed 3R Petroleum Oleo e Gas S.A. (“3R Petroleum”). 3R Offshore holds a 100% working interest in the Peróá field and a 62.5% working interest in Papa Terra field (the “Assets”), both located offshore Brazil in the Espirito Santo and Campos basins, respectively.

SpareBank 1 Markets AS (“SB1M”) has been engaged by Maha to i) provide an independent assessment of the Proposed Transaction and whether it constitutes a fair transaction for Maha’s shareholders from a financial point of view and ii) comment on the overall attractiveness for Maha’s shareholders of effectuating the Proposed Transaction, as well as provide other relevant considerations for shareholders.

The opinions expressed in this statement (the “Fairness Opinion”) are prepared for Maha only and may not be relied upon by any third party for any other purposes whatsoever. Evaluations of this nature will always contain an element of uncertainty and although reasonable care and efforts have been exerted, SB1M disclaims, to the fullest extent permitted by law, any legal or financial liability related to this Fairness Opinion, and does not accept any responsibility for any loss, damage, failure or other liability resulting from acting or relying on it.

The Fairness Opinion is based on evaluation of publicly available information, data provided by Maha and DBO as well as discussions with Maha’s management. In addition, SB1M has received certain, none of which is classified as material, non-public information from Maha relating to DBO, 3R Offshore and the Assets, in order to carry out an assessment of the Proposed Transaction. In the preparation of this Fairness Opinion, SB1M has relied upon the accuracy, completeness and fairness of the above-mentioned information. SB1M has not conducted any independent verification of the information received from the above-mentioned sources, but has assumed its accuracy and completeness, and that no information is misleading or withheld. With respect to financial forecasts and other projections, SB1M has assumed that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgements as to the future performance. SB1M has not performed any legal, financial, technical or other due diligence investigations of the Company or DBO or evaluated any tax, accounting or legal issues in relation to the Proposed Transaction. Hence, SB1M’s assessment is based on financial, economic, market and other conditions as in effect on, and the information available to use as of, the date of this Fairness Opinion.

The Fairness Opinion has been made on objective criteria, to the extent possible, and on

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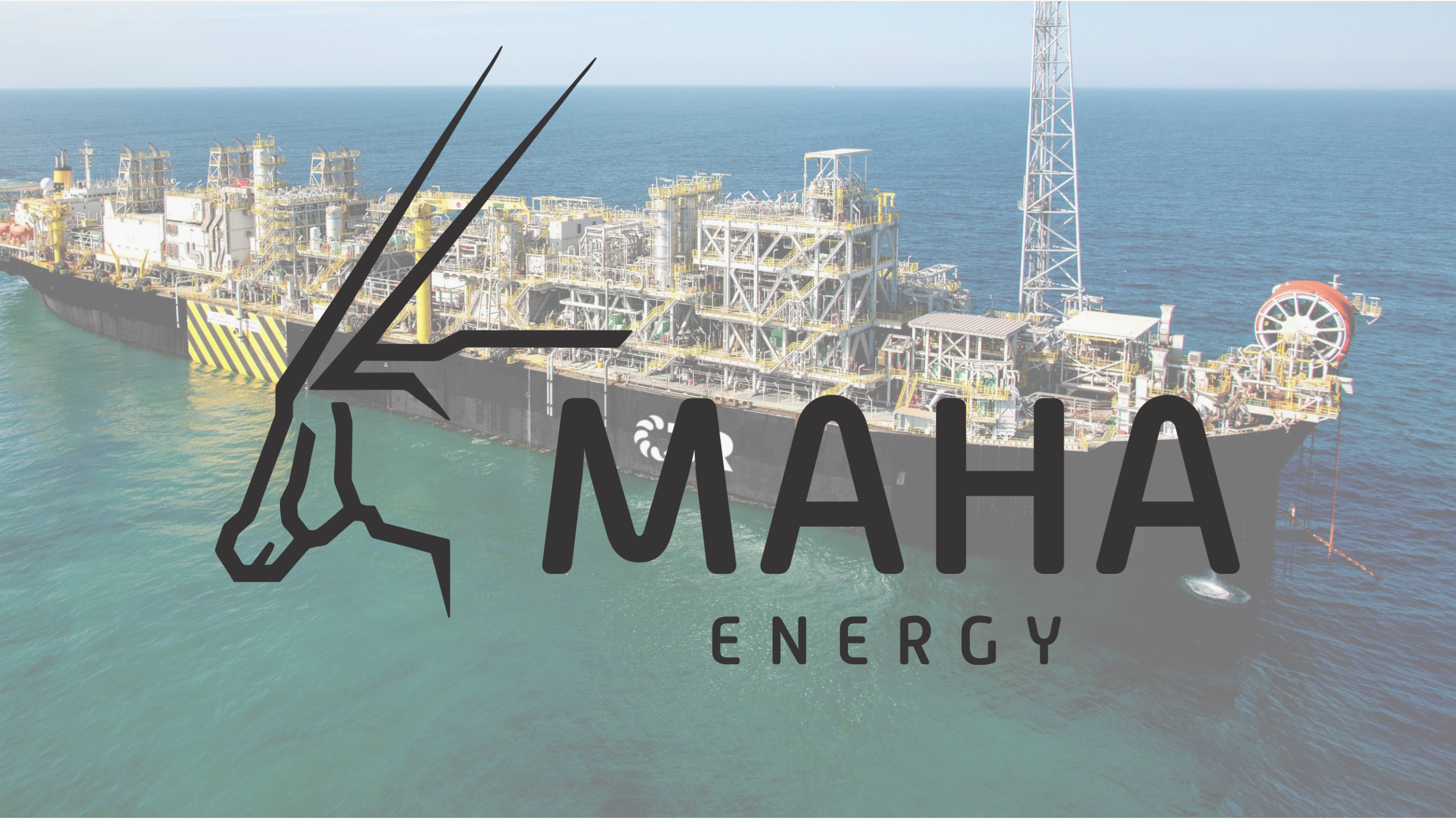
“Based on and subject to the foregoing as well as the disclaimer below, SB1M is of the opinion that, in both cases from a financial point of view:

- i. the Proposed Transaction is fair for the shareholders of Maha and
- ii. effectuating the Proposed Transaction is attractive for Maha’s shareholders.

SB1M notes that the estimated valuation multiples implied in the Proposed Transaction for DBO is materially below the current consensus trading level of Maha and its key peers in the European and Brazilian capital markets, based on a comparable methodology of calculating risked NAV.

Further, SB1M also notes that the announced sale of Maha Brazil – based on equity research reports – is carried out a higher implied Price-to-NAV than the current trading level of Maha and materially higher than the estimated valuation multiples in the Proposed Transaction, confirming the potential for Maha to carry out accretive transactions through a more active business development and M&A strategy, as recently announced.

Please note that SpareBank 1 Markets does not express any opinions or recommendations as to whether the individual shareholders should support the Proposed Transaction in the EGM and that the shareholders should make up their own on the Proposed Transaction to draw their own conclusions.”



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