



Press release

2021-04-16

## Annual General Meeting in Tethys Oil

**The shareholders of Tethys Oil AB (publ) (the “Company” or “Tethys Oil”) are hereby invited to attend the Annual General Meeting (the “Meeting”) on Wednesday, May 19, 2021.**

Due to the coronavirus (Covid-19) and the restrictions that have been introduced to limit the spread of the infection, the Board of Directors has decided that the Annual General Meeting shall be conducted without the physical presence of shareholders, proxies or third parties and that the shareholders shall have the opportunity to exercise their voting rights only by postal voting in advance.

Shareholders will have the opportunity to ask questions in writing prior to the Annual General Meeting. These must be received by Tethys Oil no later than Sunday 9 May 2021 and will be answered no later than Friday 14 May 2021. Tethys Oil will carry out a webcast with the Chairman of the Board and the Managing Director on 14 May 2021 at [www.tethysoil.com](http://www.tethysoil.com). In the webcast, the Chairman and the Managing Director will, among other things, give their views on the past year and provide answers to questions received from Shareholders.

### Notification

To be entitled to participate at the Meeting, shareholders must:

- *first* be entered as a shareholder in the share register kept by Euroclear Sweden AB on Monday 10 May 2021 or, if the shares are registered in the name of a nominee, request from the nominee that the shares are registered for voting purposes in such time that the registration is completed no later than on Wednesday 12 May 2021; and
- *second* give notice of their intention to attend by having submitted a postal vote in accordance with the instructions under the heading “Voting by post” below in such manner that Euroclear Sweden AB has received the postal vote no later than on Tuesday 18 May 2021, at the latest. Please note that the notification to the annual general meeting can only be made by postal voting.

### Shareholders with nominee registered holdings

For entitlement to participate at the Meeting, shareholders with nominee-registered holdings must temporarily re-register their shares in their own names in the register of shareholders maintained by Euroclear Sweden through their nominees. As set out above, the nominee must have performed such registration with Euroclear Sweden no later than Wednesday 12 May 2021.

## **Voting by post**

The board has decided that the shareholders shall have the opportunity to exercise their voting rights by a postal vote pursuant to Sections 20 and 22 of the Swedish Act (2020:198) on Temporary Exemptions to Facilitate the Execution of General Meetings in Companies and Associations. When voting by post, the shareholder shall use the voting form and follow the Company's instructions that are available on the Company's website: [www.tethysoil.com](http://www.tethysoil.com). A completed and signed voting form should be sent by mail to Tethys Oil AB (publ) "AGM", c/o Euroclear Sweden, Box 191, SE-101 23 Stockholm, Sweden or by e-mail to [GeneralMeetingService@euroclear.com](mailto:GeneralMeetingService@euroclear.com). Completed forms must be received by Euroclear Sweden by Tuesday 18 May 2021, at the latest. Shareholders who are natural persons may also submit their postal votes electronically with BankID through Euroclear Sweden AB's website: <https://anmalan.vpc.se/euroclearproxy>. Such electronic votes must be submitted no later than 18 May 2021. If the shareholder votes by proxy, a power of attorney shall be enclosed with the voting form. Proxy forms are available upon request and on the Company's website, [www.tethysoil.com](http://www.tethysoil.com). If the shareholder is a legal entity, a certificate of incorporation or other authorization document shall be enclosed with the voting form.

Shareholders are not allowed to include special instructions or conditions in the postal vote. If special instructions or conditions are included, such postal vote becomes invalid. Further information and conditions can be found in the voting form.

## **Shareholders' rights to request information**

Shareholders have a right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act (2005:551) (Sw. *aktiebolagslagen*). A request for such information shall be made in writing to Tethys Oil AB (publ), Att. Annual general meeting, Hovslagargatan 5B, SE-111 48, Stockholm or by e-mail to [info@tethysoil.com](mailto:info@tethysoil.com), no later than Sunday 9 May 2021. The information will be made available at the Company's office and on [www.tethysoil.com](http://www.tethysoil.com), no later than Friday 14 May 2021. The information is also sent to the Shareholders who requested it and stated their addresses, within the same timeframe.

## **Proposed agenda**

1. Opening of the Meeting.
2. Election of Chairman of the Meeting.
3. Election of at least one person to approve the minutes.
4. Preparation and approval of the voting list.
5. Approval of the agenda.
6. Determination as to whether the Meeting has been duly convened.
7. Presentation of the annual report and the auditor's report, the consolidated annual report and the auditors' group report.
8. Resolution in respect of adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and consolidated balance sheet.
9. Resolution in respect of appropriation of the Company's profit or loss according to the adopted balance sheet.
10. Resolution in respect of discharge from liability of the members of the Board of Directors and the Managing Director.
11. Resolution in respect of number of members of the Board of Directors and auditors.
12. Resolution in respect of the fees payable to the Board of Directors and the auditors.
13. Election of members of the Board of Directors, Chairman of the Board of Directors and auditor.
14. Resolution on the remuneration report.
15. Resolution in respect of adoption of an instruction for the Nomination Committee.
16. Resolution on the issue of warrants and approval of transfer of warrants.

17. Resolution in respect of an authorisation for the Board of Directors to resolve on repurchase of own shares.
18. Resolution in respect of an authorisation for the Board of Directors to resolve on transfer of own shares.
19. Resolution in respect of an authorisation for the Board of Directors to resolve on issues of new shares and/or convertibles.
20. Resolutions on (A) share split, (B) reduction of the share capital with redemption of shares and (C) increase of the share capital by way of a bonus issue.
21. Closing of the Meeting.

### **Proposals for resolutions**

*Resolutions in respect of election of Chairman of the Meeting, election of one person to verify the minutes, approval of the voting list, the number of members of the Board of Directors and auditors, fees payable to the Chairman of the Board of Directors and auditor and election of members of the Board of Directors, Chairman and auditor (items 2, 3, 11, 12 and 13)*

The Company's Nomination Committee for the Meeting, consisting of Viktor Modigh (Chairman), Mikael Petersson, Jan Risberg and Geoffrey Turbott, proposes the following:

- Carl Westerberg, member of the Swedish Bar Association, to be appointed as Chairman of the Meeting.
- Daniel Hägerlöf or, in his absence, the person designated by the board of directors, is, in addition to the chairman, proposed as person to verify the minutes. Also, such assignment includes verifying the voting list and that the received postal votes are correctly reflected in the minutes.
- Five members of the Board of Directors to be appointed without deputy members.
- Re-election of Rob Anderson, Alexandra Herger, Magnus Nordin, Per Seime and Klas Brand as members of the Board of Directors until the end of the next Annual General Meeting. Geoffrey Turbott has declined re-election.
- Election of Per Seime as Chairman of the Board of Directors.
- Remuneration of the members of the Board of Directors and the Chairman of the Board of Directors, including board committee membership, to be as follows: (i) annual fees of the members of the Board of Directors of SEK 330,000 (excluding the Chief Executive Officer); (ii) annual fees of the Chairman of the Board of Directors of SEK 700,000; (iii) annual fees for committee members of SEK 35,000 per committee assignment, annual fees for the Chairmen of the Remuneration Committee and the Technical Committee of SEK 65,000 each, annual fee for the Chairman of the Audit Committee of SEK 90,000, unless the committee is chaired by the Chairman of the Board in which case the annual fee is SEK 65,000. The total fees for committee work, including committee Chairmen fees, shall not exceed SEK 360,000.
- Re-election of the registered accounting firm PricewaterhouseCoopers AB as the auditor of the Company, with authorised public accountant Johan Malmqvist as the auditor in charge, for a period until the end of the Annual General Meeting 2022. The proposal is in accordance with the recommendation from the company's audit committee.
- That auditor's fees shall be payable upon approval of their invoice.

The Nomination Committee has obtained support for its proposal from shareholders representing over 20 per cent of the shares of the Company.

*Preparation and approval of the voting list (item 4)*

The voting list that is proposed to be approved under item 4 on the agenda is the voting list that Euroclear Sweden AB has prepared, on behalf of the company, based on the shareholders register and received postal votes and which has been verified and approved by the persons to verify the minutes.

*Resolution in respect of appropriation of the Company's profit or loss according to the adopted balance sheet (item 9)*

The Board of Directors proposes a dividend for the financial year 2020 of SEK two (2.00) per share. As the record date for the dividend, the Board of Directors proposes May 21, 2021. If the Meeting approves the proposal, the dividend is expected to be paid through Euroclear Sweden AB on May 26, 2021.

*Resolution on the remuneration report (item 14)*

The board of directors proposes no amendments in the guidelines for remuneration to senior executives (the “**Guidelines**”) adopted by the annual general meeting on 13 May 2020.

The board of directors' remuneration report for 2020 provides an outline of how the guidelines for compensation to senior executives have been implemented in 2020. The Report also provides information on the remuneration of Tethys' Managing Director. The Report has been prepared in accordance with Chapter 8, Sections 53 a and 53 b of the Swedish Companies Act (2005:551) and the remuneration rules issued by the Swedish Corporate Governance Board.

There have been no deviations from the procedure for the implementation of the Guidelines and no derogations from the application of the Guidelines in 2020.

The Remuneration Report for 2020 is published on the Company's website: [www.tethysoil.com](http://www.tethysoil.com).

The board of directors proposes that the annual general meeting approve the remuneration report.

*Resolution in respect of adoption of an instruction for the Nomination Committee (item 15)*

The Nomination Committee proposes that the Meeting resolves that the following instructions for the company's Nomination Committee which were adopted on the annual general meeting of 2020 shall be applied until further notice and until the general meeting resolves on new instructions.

The representatives of the Nomination Committee shall be appointed through a procedure where the Chairman of the Board of Directors contacts the three largest shareholders in terms of votes based on shareholders statistics from Euroclear Sweden AB as of 30 September each year, and that such shareholders each appoints a representative to, together with the Chairman of the Board of Directors, constitute the Nomination Committee up until a new Nomination Committee has been appointed. If the Chairman of the Board of Directors, directly or through companies, would be one of the three aforementioned largest shareholders, the Nomination Committee shall be composed of three members only (the Chairman and the two representatives appointed by the other two larger shareholders).

Should a representative resign from the Nomination Committee before its work is completed, and provided that the Nomination Committee considers it necessary, a substitute shall be appointed by the same shareholder that has appointed the resigning representative, or, if this shareholder is no longer one of the largest shareholders in terms of votes, a replacement will be approached among the larger shareholders.

The Nomination Committee shall appoint one of its members as Chairman. A member of the Board of Directors may not be Chairman of the Nomination Committee. The Chairman of the Board of Directors shall convene the first meeting of the Nomination Committee. The composition of the

Nomination Committee shall be made public on the Company's website as soon as the Nomination Committee has been formed and no later than six months before the Annual General Meeting. In the event that the ownership structure is changed after the Nomination Committee has been composed such that one or several shareholders that have appointed a representative to the Nomination Committee is no longer in the group of the three largest shareholders in terms of votes, the composition of the Nomination Committee may be changed in accordance therewith if the Nomination Committee considers that it is necessary.

The tasks of the Nomination Committee shall, when applicable, be to prepare, for the shareholders' meeting, proposals in respect of number of directors of the Board of Directors to be elected by the shareholders' meeting, remuneration to the Chairman of the Board of Directors, the other directors of the Board of Directors and the auditors respectively, remuneration, if any, for committee work, the composition of the Board of Directors, the Chairman of the Board of Directors, resolution regarding the Nomination Committee, Chairman at the Annual General Meeting and election of auditors. In addition hereto, the Nomination Committee shall fulfil the tasks set out in the Swedish Corporate Governance Code at any given time. The Company shall pay for reasonable costs that the Nomination Committee has considered to be necessary in order for the Nomination Committee to be able to complete its assignment.

*Resolutions on the issue of warrants and approval of transfer of warrants (item 16)*

The Board of Directors proposes that the Meeting resolves on an issue of warrants and on the approval of transfer of warrants in accordance with the below. It is noted that the number of warrants to be issued is reduced due to the Company intending to implement a cash based incentive program, replacing the warrant program for certain employees not in the executive management.

The Board of Directors proposes that the Company shall issue a maximum of 200,000 warrants. The right to subscribe for warrants shall, with deviation from the shareholders' preferential rights, belong to Tethys Oil Invest AB, reg. no 556658-1442 (the "**Subsidiary**"), a wholly-owned subsidiary of the Company, with a right and obligation for the Subsidiary to transfer the warrants to senior executives in the group.

The warrants shall be issued to the Subsidiary without compensation and subscription for the warrants by the Subsidiary shall take place on a separate subscription list not later than 28 May, 2021. The Board of Directors is entitled to prolong the subscription period.

Employees in the group shall be entitled to acquire warrants from the Subsidiary. The following two categories shall be entitled to acquire warrants from the Subsidiary (the highest number of warrants any category can be allotted is stated in parentheses): the Managing Director of the group (60,000) and senior executives (30-55,000, however not more than 140,000 in total for all senior executives). Application to purchase warrants shall be made not later than on 11 June, 2021. The Board of Directors is entitled to prolong the application period.

Each person entitled to purchase warrants may apply to purchase warrants in lots corresponding to either the maximum amount of warrants offered or reduced by lots of 5,000 warrants. The allocation is not guaranteed and is conditional upon that it is possible to legally acquire the warrants and that this according to the assessment of the board directors can be done with reasonable administrative and financial costs. The allocation of warrants is further subject to that the senior executive, at the time of allocation, not having given or been given notice of termination from his or her employment in the Group. The Board of Directors shall resolve on and implement the allocation in accordance with the above. If not all warrants are acquired, any remaining warrants

shall be retained in the Subsidiary. The Board of Directors shall be entitled to resolve on the transfer of such warrants to any new additional senior executives.

The warrants shall be transferred free of charge to the participants and the Group shall account for any income tax for the participants to the extent such tax is attributable to the programme. Compensation to the participants for their income tax, if any, shall be equal to the income tax they have to pay on an income corresponding to obtained warrants' calculated market value plus the income tax they have to pay for the subsidy to obtain such tax compensation.

Each warrant entitles the holder to subscribe for one new share in the Company during the period from and including 12 June, 2024 up to and including 4 October, 2024. Under the terms and conditions of the warrants, the period during which the warrants may be exercised may be extended if participants are prevented from exercising their rights to subscribe for shares based on the warrants due to applicable laws on insider trading or equivalent.

The subscription price shall be equal to an amount corresponding to 122.5 per cent of the volume-weighted average of the quoted price paid for the Company's share on Nasdaq Stockholm during the period from and including 5 May, 2021 up to and including 18 May, 2021, reduced by any dividends or other value transfers resolved upon by the Annual General Meeting 2021. The increase of the Company's share capital will, upon exercise of the warrants, amount to not more than SEK 36,609.09, calculated on the basis of the quota value of the shares issued by the Company as of the date of this notice.

The reasons for deviating from the shareholders' preferential rights is to ensure that the Group can retain and recruit qualified and committed senior executives on a global market for oil companies by offering such persons to participate in a long-term incentive programme, as well as creating attractive leverage and reward risk-taking.

The Board of Directors proposes that the Meeting authorises the Board of Directors of the Company to implement the issue resolution and to ensure that the Board of Directors of the Subsidiary implements the transfer of warrants. It is further proposed to authorise the Board of Directors to make such minor adjustments in the Meeting's resolutions as may be required in connection with the registration with the Swedish Companies Registration Office and the affiliation of the warrants with Euroclear Sweden AB.

*Resolution in respect of an authorisation for the Board of Directors to resolve on repurchase of own shares (item 17)*

The Board of Directors proposes that the Meeting authorises the Board of Directors to, on one or several occasions before the Annual General Meeting 2022, resolve on repurchase of own shares on principally the following terms and conditions:

1. Purchases may be effected on Nasdaq Stockholm.
2. Purchases may be made by a maximum of so many shares that the Company's holding of own shares after the purchase amounts to a maximum of one-tenth of all the shares in the Company.
3. Purchases of shares may only be effected on Nasdaq Stockholm within the registered price interval at any given time.

The main reason for possible purchases is to give the Company flexibility regarding its equity and thereby optimise the capital structure of the Company. Possible purchases may also enable own shares to be used as payment for, or financing of, acquisitions of companies or businesses or in

connection with the handling of incentive programmes. The Board of Directors shall have the right to determine other conditions for purchases in accordance with the authorisation.

*Resolution in respect of an authorisation for the Board of Directors to resolve on transfer of own shares (item 18)*

The Board of Directors proposes that the Meeting authorises the Board of Directors to, on one or several occasions before the Annual General Meeting 2022, resolve on transfer of own shares up to the number of shares which, at any time, are held by the Company.

Transfer of own shares may be carried out to be used as payment for, or financing of, acquisitions of companies or businesses, and/or to external parties in connection with the handling of settlement of the Company's incentive programs. Transfer of own shares may be effected otherwise than on Nasdaq Stockholm at an estimated market value and may deviate from the shareholders' preferential rights. Payment for transferred shares may be made in cash, in kind or through set-off. Transfer of own shares may also be carried out on Nasdaq Stockholm at a price within the registered price range at any given time.

*Resolution in respect of an authorisation for the Board of Directors to resolve on issues of new shares and/or convertibles (item 19)*

The Board of Directors proposes that the Meeting authorises the Board of Directors to, on one or several occasions before the Annual General Meeting 2022, resolve on issues of new shares and/or convertibles in the Company against payment in cash, in kind or through set-off or subject to other conditions and with the right to deviate from the shareholders' preferential rights.

The purpose of the authorisation and the reason for a possible deviation from the shareholders' preferential rights is to facilitate the raising of capital for acquisitions and the Company's operations. The authorisation shall be limited whereby the Board of Directors may not resolve to issue shares and/or convertibles that involve the issue of or conversion into shares corresponding to more than 10.0 per cent of the total number of shares in the Company at the time of the issue resolution, corresponding to an issuance of 3 305 660 shares calculated on the basis of the number of shares issued by the Company as of the date of this notice. To the extent issues are made with deviation from the shareholders' preferential rights, such issues shall be made on market conditions.

*Resolutions on (A) share split, (B) reduction of the share capital with redemption of shares and (C) increase of the share capital by way of a bonus issue (item 20)*

The Board of Directors' proposals pursuant to sections (A)–(C) below are conditional upon each other and are therefore to be resolved upon as one resolution.

(A) Share split

The Board of Directors proposes that one share in the Company is split (share split) into two shares (1:2), of which one share is to be named redemption share and redeemed as set out in section (B) below. The record date for the share split is 27 May, 2021. Following completion of the share split, the number of shares will be changed from 33,056,608 to 66,113,216 and the quota value of each share will be changed from approximately SEK 0.183045 to approximately SEK 0.091523.

(B) Reduction of the share capital with redemption of shares

The Board of Directors proposes that the share capital of the Company is reduced by SEK 3,025,431.1175 by compulsory redemption of 33,056,608 shares. The shares that are to be redeemed are those that, following the share split pursuant to section (A) above, are named redemption shares. The record date for the redemption of redemption shares is 14 June, 2021. The Company intends to promote arrangements for customary trade in the redemption shares.

The purpose of the reduction is repayment to the Company's shareholders and, to the extent that the reduction of the share capital is made by redemption of shares held by the Company, for transfer to the Company's non-restricted equity.

For each redeemed share a redemption price of SEK two (2) will be paid. However, no payment shall be made in respect of redeemed shares held by the Company. The redemption price exceeds the quota value of the share after completion of the share split pursuant to section (A) above with approximately SEK 1.908477. The part of the redemption price that exceeds the quota value of the share will be transferred from the non-restricted equity of the Company. Payment of the redemption price will be made not later than ten banking days after the resolutions on the share split pursuant to section (A) above, the reduction of the share capital pursuant to this section (B) and the increase of the share capital by way of a bonus issue pursuant to section (C) below have been registered with the Swedish Companies Registration Office.

Following completion of the reduction, the share capital of the Company will amount to SEK 3,025,431.1175 divided among 33,056,608 shares.

The reduction can be effected without obtaining the authorisation of the Swedish Companies Registration Office or a court of general jurisdiction, as the Company, at the same time, carries out a bonus issue pursuant to section (C) below, resulting in no reduction of the restricted equity of the Company or its share capital.

(C) Increase of the share capital by way of a bonus issue

The Board of Directors proposes that the share capital of the Company is increased by way of a bonus issue. The share capital is to be increased by SEK 3,025,431.1175 way of transfer of SEK 3,025,431.1175 from the non-restricted equity of the Company. No new shares are to be issued in connection with the increase of the share capital. Following completion of the bonus issue, the share capital of the Company will amount to SEK 6,050,862.235 and the quota value of each share will be changed from approximately SEK 0.091523 to approximately SEK 0.183045.

### **Documents for the Meeting**

The Company's annual report and audit report, the complete proposals for resolutions as well as other documents for the Meeting, including a form of power of attorney, will be available at the Company's head offices in Stockholm and on the Company's website, [www.tethysoil.com](http://www.tethysoil.com), not later than 28 April, 2021. The documents will be sent free of charge to shareholders upon request.

### **Majority Requirements**

For a resolution in accordance with item 16 on the proposed agenda to be valid, the resolution must be supported by shareholders representing at least nine-tenths of the votes cast and the shares represented at the Meeting. A General Meeting in the Subsidiary must further approve the transfer of warrants. For resolutions in accordance with the Board of Directors proposals in accordance with items 17–20 on the proposed agenda to be valid, the resolutions must be supported by shareholders representing at least two-thirds of the votes cast and the shares represented at the Meeting.

### **Disclosures at the Meeting**

The Board of Directors and the Managing Director shall, if requested by any shareholder and if the Board of Directors is of the opinion that it can be done without causing material harm to the Company, provide disclosures about conditions that may impact assessment of an item on the

agenda, about conditions that may impact assessment of the Company's or a subsidiary's financial situation, and about the Company's relationship with any other group company.

Any shareholder wishing to submit questions in advance of the Meeting can do so by email to [info@tethysoil.com](mailto:info@tethysoil.com) – with header “Questions to the AGM”.

### **Processing of personal data**

For information on how personal data is processed in connection with the Meeting, see the privacy notice available on Euroclear Sweden AB's website, [www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf](http://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf).

### **Shares and votes**

On the day this notice was issued, the Company had a total of 33,056,608 shares in issue with one vote each. Of such shares, the Company held 435,640 own shares as of the date of this notice.

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Stockholm in April 2021

**Tethys Oil AB (publ)**

*The Board of Directors*