

Tethys Oil AB (publ)
Third quarter interim report
1 January – 30 September 2022



Extended well test on Al Jumud expected to commence in 4 to 6 weeks with an expected initial rate of 800 barrels per day

Third quarter 2022 (second quarter 2022)

- The preparations for the extended well test of the Al Jumud discovery on Block 56 is in its final phase. All field work has been completed, the wells are hooked up to the production system and production is expected to commence in the coming weeks following final acceptance tests and certification.
- The preliminary results of the rapidly progressing seismic interpretation of the Fahd and South Lahan areas on Block 58 has upgraded its potential with an increased understanding and number of potential prospects in both areas. Preparations for a 2023 exploration drilling campaign are progressing according to plan.
- Production was 9,788 barrels of oil per day in the third quarter, a decrease of 3 percent when compared to the second quarter, in line with guidance provided in second quarter interim report.
- Full year production is expected to be approximately 10,000 barrels per day (previously 10,200 barrels per day).
- High oil prices continue to bolster earnings. Revenue and other income increased to MUSD 40.9 (37.8) and EBITDA to MUSD 27.0 (24.1).
- A share buy-back programme was activated in the third quarter and to date, a total of 89,410 shares to a value of MUSD 0.5 have been repurchased.

MUSD, unless specifically stated	Third quarter 2022	Second quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Net daily production, before government take, barrels per day	9,788	10,068	11,280	10,108	11,297	11,136
Production before government take, bbl	900,491	916,226	1,037,768	2,759,485	3,084,204	4,064,803
Net entitlement barrels, bbl	378,742	385,005	428,121	1,196,799	1,367,671	1,800,140
Net entitlement as share of production, percent	42%	42%	41%	43%	44%	44%
Achieved Oil Price, USD/bbl	107.3	100.1	66.7	94.6	58.5	62.8
Revenue and other income	40.9	37.8	29.4	113.3	80.9	112.7
EBITDA	27.0	24.1	16.5	71.3	43.4	61.4
Operating result	16.9	13.9	6.0	39.4	12.1	16.1
Net result	18.4	17.0	6.1	45.3	12.6	16.7
Earnings per share, after dilution, USD	0.56	0.52	0.19	1.38	0.39	0.51
Cash flow from operations	23.5	26.8	22.3	61.9	38.3	64.9
Investments in oil and gas properties	20.2	19.6	9.2	64.4	18.1	35.2
Free cash flow	3.4	7.1	13.1	-2.6	20.2	29.7
Cash and cash equivalents	42.1	40.2	59.4	42.1	59.4	68.6

Letter to shareholders

Dear Friends and Investors,

As the autumn leaves are falling, the weather remains mostly mild in Northern Europe as an uncertain winter approaches. At Tethys we continue to bring our contribution to the global energy supply, and hope to be able to contribute much more in coming years. And while we can report on yet another very strong quarter financially our production is once again not quite where we would have preferred for it to be.

Cash flow from operations stood at a healthy MUS\$ 23 while production from Blocks 3&4 came in at 9,788 barrels of oil per day, 3 percent lower than in the second quarter. Blocks 3&4 production has underperformed expectations throughout the year and while we have seen more stability in the second half of 2022 some challenges remain, primarily on the surface with bottlenecks in the production system and a shortage of workover rig time to carry out necessary well maintenance. The Operator is working hard to rectify these shortcomings but post covid effects and remaining supply chain bottlenecks primarily from China will continue to take its toll, at least for the remaining part of 2022.

During the quarter we invested MUS\$ 20 in our oil and gas assets, the bulk going into Blocks 3&4. On Block 56 investment remained steady as the additional wells on Al Jumud were completed. And after investments we note a free cash flow of some MUS\$ 3 which has strengthened our cash position to MUS\$ 42.

Our business model continues to deliver – investments are funded by cash flow from operations and the capital structure allows for both share buy-backs and distribution of cash to shareholders.

A significant part of the investment is aimed at future growth. In Blocks 3&4 we increase drilling while seismic acquisition continues and in our operated Blocks activity has centred on Block 56. Three wells have been completed on the Al Jumud structure all recording initial flows of oil of up to 700 barrels per day. Preparations for the extended well test are well underway, the tanks are filled with oil and

infrastructure such as flowlines and pumps are in place. At the time of writing what remains before extended production testing can commence is the finalisation and approval of the oil metering station and its installation at the Sim Sim facility where oil from Block 56 will be metered before entering the national Omani pipeline system on its way to the export facilities in Muscat. We are hopeful that the meter will be up and running within the next four to six weeks and that we early next year will be in a position to further evaluate the Al Jumud oil discovery from the perspective of potential commerciality. At the same time, we will also get some cash contribution from the oil sold from the production testing.

In parallel, interpretation of the 2,000 km² state of the art 3D seismic study in the Central Area of Block 56 is ongoing with results expected early next year and on Block 58 seismic interpretation and geological modelling are in the final stages before prospect ranking for well picking will commence. On Block 49 planning and procurement for re-testing of the Thameen well is ongoing.

Over the next couple of months, the extended well testing of Al Jumud stands out as the most significant milestone of our operated Blocks but the desktop work in the other areas are of pivotal importance for our future growth. And despite the somewhat disappointing production numbers from Block 3&4 so far this year, those Blocks will remain the main engine for cash flow generation for several years to come. They have the potential to increase production as well as reserves as we expect exploration drilling to pick up starting in the fourth quarter and continuing throughout 2023.

So stay with us, the future may not be ours to see but we are doing our best to ensure it will be a bright one for Tethys.

Stockholm, November 2022
Magnus Nordin
Managing Director



Third Quarter Review

Licences and agreements

Tethys Oil's core area is onshore in the Sultanate of Oman ("Oman"), where the Group holds interest in four exploration and production sharing agreements ("EPSA") per 30 September 2022:

Licences & Agreements	Tethys Oil Interest %	Phase	Expiry date	Partners (operator in bold)
Blocks 3&4, Oman	30	Production phase	July 2040	CCED , Mitsui, Tethys Oil
Block 49, Oman	100*	Initial exploration phase	December 2023	Tethys Oil
Block 56, Oman	65	Second exploration phase	December 2023	Tethys Oil , Medco, Biyaq, Intaj
Block 58, Oman	100	Initial exploration phase	July 2023	Tethys Oil

* Contingent final formal government approval

Producing assets

Production on Blocks 3&4

Tethys Oil's share of production from Blocks 3&4 during the third quarter 2022, before government take, amounted to 900,491 barrels of oil. The production corresponds to 9,788 barrels of oil per day, three percent below the second quarter production, in line with the guidance communicated in the interim report for the second quarter.

Production continued to be impacted by the effects of the water breakthrough on the Anan field earlier in the year. While production has stabilised, technical analysis of the field suggests that the recoverable volumes are lower than previously believed. A consequence of this updated view on the field is an expected negative revision of 2P reserves by 0.5 mmbbl at year-end 2022.

Third quarter production was also impacted by the effects of the upgrade of the produced water re-injection system (PWRI) at the Saiwan central processing facility on Block 4, as communicated in the second quarter report. In conjunction with the upgrade, which involved installation of new pumps and replacement of water pipes, a number of the wells connected to the facility were periodically shut in. The upgrade of the Saiwan PWRI is a key element of the debottlenecking of production on Block 4 and should thus enable greater production rates from existing high water cut wells and newly drilled wells.

Severe weather conditions, including flooding, during the month of July resulted in diesel generator shut ins at several well sites, with lost production time as a result.

The factors described above primarily affected July production, resulting in an average of 9,643 barrels

of oil per day for the month. The production then slightly increased in August and September to 9,898 and 9,824 barrels of oil per day respectively.

Full year 2022 production guidance

The average production for the first nine months of 2022 was 10,108 barrels of oil per day. Tethys Oil expects the full year average production to be approximately 10,000 barrels of oil per day, impacted by continued water related issues and bottlenecks as a consequence of the lower investments in 2020 and 2021.

Any production from the upcoming extended well test on Al Jumd on Block 56 is excluded from the production guidance provided and may affect the total production for the fourth quarter of 2022 positively.

Production development activities

The ongoing drilling programme to increase the number of production wells on Blocks 3&4 is progressing. In total, five new wells were drilled in the third quarter, of which four were production wells and one was an injection well.

The number of active drilling rigs on Blocks 3&4 has been increased from three to four. The new rig started its operations in September and will allow for a continued high pace of drilling a combination of exploration, appraisal and production wells on the Blocks going forward. In all, an additional 11 wells are expected to be drilled in the fourth quarter.

In parallel, workover efforts to increase the output of existing wells are ongoing and the production assurance and asset integrity projects continue according to plan. The projects include the replacement of current flow lines and additional loop

lines as well as water handling initiatives in order to increase the output from wells with high water cut.

Seismic acquisition update on Blocks 3&4

In the southern part of Block 4, the seismic acquisition campaign covering an area of up to 3,500 km² is progressing and as of 30 September, about 55 percent has been completed. The acquisition campaign is expected to be completed in early 2023.

Blocks 3&4 exploration and appraisal drilling

The second exploration well of the year on Blocks 3&4, Ahad-1, originally planned to spud by late August, will spud in November. Ahad-1, located some five kilometres southeast of the Shahd B field, will target the Barik and Lower Al Bashair formations. Initial volume estimations are modest but with significant follow-on potential in the area. In early 2023 the Yari-1 exploration well will be drilled in the southern part of Block 4, near where the exploration well Luja-1 was drilled in 2019. This area of Block 4 holds significant potential.

The appraisal well drilled in the second quarter on the Shahd field was tested with limited flow rates. A work over is currently being planned.

Gas to power emission reduction project

The gas utilisation project on Blocks 3&4, initiated to reduce the routine flaring of associated gas, is progressing. Due to the increased general level of activity in the industry, which increase lead times for procurement and recruitment, some slight delays have occurred. Work on the facilities is expected to commence before the end of 2022 with commissioning of the first phase slated for late 2023.

The aim of the project is to utilise the associated gas, produced as a by-product of the produced crude oil, for local power generation with permanent facilities and distributed by overhead lines thus reducing the use of diesel-powered generators at the well sites and production facilities. The result is expected to be an overall reduction of emissions as well as a reduction of diesel consumption and related rental costs.

Production entitlement and sales

Tethys Oil's oil sales derives from its 30 percent interest in Blocks 3&4, from which the company's share of the oil production, "Net Entitlement", is calculated. The Net Entitlement consists of two components: Cost Oil and Profit Oil. The Cost Oil is the value of recoverable costs incurred in the period and any outstanding balance of unrecovered historical cost from previous periods, the "Cost Pool". The total amount of Cost Oil in a given period is capped to a fixed share of total production, after conversion to barrels using the Official Selling Price ("OSP"). What remains after the deduction of Cost Oil is Profit Oil, which is split between the government and contractors according to a fixed percentage.

For the third quarter 2022, Tethys Oil's Net Entitlement was 378,742 barrels of oil, down from 385,005 barrels of oil in the second quarter. The decreased Net Entitlement in the third quarter is a result of the combination of lower production and a higher Average Official Selling Price ("Average OSP")¹, somewhat offset by increased recoverable costs.

The Net Entitlement share of production in the third quarter remained at 42 percent between the second and third quarter. The Average OSP increased by 6 percent from USD 101.9 per barrel in the second quarter 2022 to USD 107.9 in the third quarter.

During the third quarter 2022 all recoverable costs incurred on Blocks 3&4 were recovered through Cost Oil, and as a result there was no Cost Pool at the end of the quarter.

Tethys Oil sold 420,474 barrels of oil from Blocks 3&4 in the third quarter 2022 compared to 261,072 barrels of oil in the second quarter. The increase of 61 percent is a result of four liftings occurring in the third quarter compared to two liftings in the second quarter as the delayed June nomination of 94,497 barrels of oil was lifted in the third quarter.

The higher oil sales compared to entitlement resulted in an overlift of 41,732 barrels. As of 30 September 2022, Tethys Oil has a underlift position of 23,841 barrels of oil compared to 65,573 barrels at 30 June 2022.²

The Achieved Oil Price, price per barrel based on current period sales, in the third quarter 2022 increased by 7 percent to USD 107.3 per barrel compared to USD 100.1 per barrel in the previous quarter. The Achieved Oil Price is lower than the Average OSP in the third quarter due to the inclusion of the June nomination priced with the June OSP.

Production entitlement and sales	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Blocks 3&4					
Production, before Government take, bbl	900,491	916,226	942,768	980,599	1,037,768
Average daily production, barrels per day	9,788	10,068	10,475	10,659	11,280
Net Entitlement barrels, bbl	378,742	385,005	433,052	432,469	428,121
Net Entitlement share of production, percent	42%	42%	46%	44%	41%
Oil sales, bbl	420,474	261,072	479,544	514,683	448,740
Underlift (+) / overlift (-), movement, bbl	-41,732	123,933	-46,475	-82,214	-20,619
Underlift (+) / overlift (-), closing position, bbl	23,841	65,573	-58,360	-11,886	70,328

¹ Tethys Oil's monthly sales are priced using Oman's Official Selling Price (OSP) which is calculated using the monthly average price of the front month futures contract of Oman blend (with 2 months to delivery) as traded on the Dubai Mercantile Exchange, including trading and quality adjustments. The Average OSP is calculated as the production weighted average of the monthly Official Selling Price (OSP) for Omani Export Blend in the quarter and does not take into consideration the timing of monthly liftings, and any trading and quality adjustments (as is the case with the Achieved Oil Price).

² Tethys Oil sells all of its oil from Blocks 3&4 on a monthly basis to a service provider under a long-term contract. Oil sales volumes are nominated by Tethys Oil two to three months in advance and are not based upon the actual production in a month; as a result, the Group's oil sales volumes can be above or below production entitlement volumes. Where the oil sales volume exceeds the volume of entitlement barrels produced, an overlift position occurs and where it is less, an underlift position occurs. Tethys Oil is contractually obliged to maintain a neutral under-/overlift position over time.

Exploration Assets

Extended well test of Al Jumd wells

The preparations for the extended well test of the Al Jumd discovery on Block 56 continued during the third quarter. The three horizontal Al Jumd appraisal wells, drilled in 2022, have been hooked up to an early production facility leased for the purpose of the test. All preparational field work has been completed and the certification and final approval of the facility's metering system is expected to be completed in four to six weeks. The extended well test will start upon commissioning of the facility and sign off of all involved stakeholders at which point production tests can commence. The duration of the extended well test is planned for up to six months with the main purpose of establish the resource volume and production capability of the Al Jumd discovery to assess its long-term technical and commercial viability.

The three wells all have horizontal sections in the Al Khalata sandstone layer and were drilled with the Schlumberger 279 rig and have been completed with a progressive cavity pump (PCP).

The first of the three, Al Jumd-2, was drilled in the first quarter and had an initial flow rate of 700 barrels of oil per day when tested. Following the positive result, the appraisal programme was expanded with the Al Jumd-3 and Al Jumd-4 wells, both drilled during the third quarter some 660 and 700 metres from Al Jumd-2 respectively. Together the three wells cover a wide portion of the Al Jumd discovery, with Al Jumd-2, -3 and -4 targeting the structure's north-western, north-eastern and southern areas respectively. Depending on the outcome of the extended test, the appraisal programme may be expanded further with the drilling of additional wells.

The previous tests confirmed Tethys Oil's model of the area and the suitability of horizontal wells to improve oil production rates from the discovery. As the extended well test progresses, more data on the resource volumes and future production capabilities of the Al Jumd discovery will be available to Tethys Oil and future steps will be taken accordingly.

The initial combined production rate of the three wells is expected to be approximately 800 barrels of oil per day. The produced oil will be transported by truck from the production facility to nearby infrastructure which is hooked up the Omani national pipeline system.

Tethys Oil has a 65 percent interest share in the EPSA and is the operator. As the exact production level of the extended test is difficult to estimate in advance, no oil produced during the test has been

included in the production guidance for 2022. As such, the test production is expected to have a positive effect on the Group's production for the final months of 2022 with liftings starting in the first quarter of 2023.

Further testing on Sarha-3 postponed to 2023

The testing of the Sarha-3 exploration well in the south-western part of the Al Jumd area on Block 56 started in the second quarter. The first and deepest of three layers, the Kareem Sandstone, flowed approximately 20 barrels per day of 15 API, high viscosity oil from a vertical section. In order to test the remaining two layers, the Al Khalata sandstone and Gharif sandstone, a workover rig is required. Due to current high demand during the increased industry activity, rig availability has been limited and following prioritisation Tethys Oil has decided to postpone the rig sourcing and further tests on Sarha-3 until 2023.

The Sahab-1 exploration well, drilled during the first quarter, did not flow any oil to surface during testing. The well has been suspended awaiting further analysis.

Block 56 central area update

Processing of the 3D seismic data over the central area of Block 56, which was acquired in the first quarter of 2022, continued in the third quarter. The processing is expected to be completed during the fourth quarter at which time interpretation by Tethys Oil's G&G staff will commence. The interpretation is expected to be completed in early 2023 with the maturation of prospects for future exploration drilling. In parallel to the interpretation, the procurement process for long lead items for the 2023 exploration drilling campaign in the area is ongoing. The procurement of items and services is primarily coordinated with the pre-drilling activities on Block 58 and to a lesser extent to the activities on Block 49.

On the basis of interpretation results, legacy seismic data and results of previously drilled exploration wells in the area, a multi-well exploration campaign is planned for 2023. The planned programme is expected to target plays with an unrisks potential of close to 50 million barrels, gross.

Block 58 prospect maturation

The processing of the 450 km² 3D seismic acquired over the South Lahan area is in part complete and interpretation has begun. As the interpretation process continues, lead maturation will start in South Lahan and the results from the data interpretation so far are encouraging and reinforce Tethys Oil's view on the area's prospectivity. The South Lahan area contains several leads based on proven plays that are in production in the surrounding areas and from the new seismic several new leads have been identified.

In the Fahd area, in the Block's north-eastern corner, prospect maturation and pre-drilling preparations for a 2023 exploration well are progressing.

Block 49 initial exploration phase update

Following the extension of the initial exploration phase on Block 49, Tethys Oil continues the preparations for a potential future Thameen-1 fracking operation. The fracking operation's objective would be to establish oil flows in the vertical hole from the Hasirah formation, which was seen to be tight in earlier tests.

Revised 2022 Capex & Opex guidance

Following revisions of the 2022 Work Programmes for Tethys Oil's four EPSAs, the Company now expects total investments (capex) in Oil and Gas assets for 2022 to amount to MUSD 84 (previously MUSD 87).

For more information on Tethys Oil's capital investments, see page 11.

As a result of the revised 2022 production guidance, Tethys Oil now expects annual operating expenditure per barrel to be USD 13.5 (+/- 0.5) compared to the previous guidance of USD 13.0 (+/- 0.5). For more information on Tethys Oil's operating expenditures, see page 8.

Group Financial Review and Result³

Income Statement

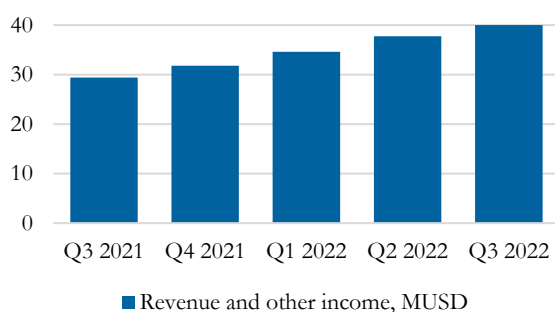
Revenue and other income

Tethys Oil's revenue and other income is comprised of revenue from the oil sold in the period adjusted for the period's movement in over-/underlift position.

Revenue and other income amounted to MUSD 40.9 compared to MUSD 37.8 in the previous quarter, an increase of 8 percent driven by higher oil prices in the quarter.

Revenue from oil sales in the third quarter 2022 was MUSD 45.1 compared to MUSD 26.1 in the previous quarter. The increase is a result of four liftings in the third quarter compared to two liftings in the previous quarter as the delayed June nomination to a value of MUSD 9.7 was lifted in July.

The overlift in the period resulted in an adjustment of MUSD -4.2.



Operating expenses

Operating expenses comprise of Production costs, Workovers and well interventions and Operator G&A and overhead expenses, all relating to Tethys Oil's interest in Blocks 3&4 in Oman. Operating expenses in the third quarter amounted to MUSD 12.3 compared to MUSD 12.1 for the previous quarter, an increase of 2 percent.

Production costs include expenses for throughput fees, energy, consumables, equipment rental, field staff and maintenance. The production costs increased to MUSD 8.3 during the third quarter 2022 compared to MUSD 8.1 in the previous quarter as a result of increased energy costs and other consumables.

Workovers and well interventions amounted to MUSD 1.4 in the third quarter, an increase compared to the MUSD 1.1 of the previous quarter mainly due the higher proportion of high cost workovers.

Operator G&A and overhead expenses were MUSD 2.6 in third quarter 2022 compared to MUSD 2.9 in the previous quarter. The decrease is primarily a result of lower production and staff related costs.

The overall increase in operating expenses and lower oil production during the third quarter equated to an increase in operating expenses per barrel, USD 13.6 compared to USD 13.2 in the previous quarter.

Operating expenses, MUSD	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Production costs	8.3	8.1	8.3	7.7	7.6
Workovers and well interventions	1.4	1.1	1.0	0.9	0.7
Operator G&A and overhead expenses	2.6	2.9	3.3	2.7	2.5
Operating expenses	12.3	12.1	12.6	11.3	10.8

Operating expenses per barrel, USD	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Production costs per barrel	9.2	8.8	8.8	7.9	7.3
Workovers and well interventions per barrel	1.6	1.2	1.1	0.9	0.7
Operator G&A and overhead expenses per barrel	2.8	3.2	3.5	2.8	2.4
Operating expenses per barrel	13.6	13.2	13.4	11.5	10.4

³ The Group financial review is performed by analysing the current interim reporting period performance versus the previous interim reporting period. Accordingly, the current interim financial review is focused on developments in the third quarter 2022 compared to the second quarter 2022. Management believes that this analysis more precisely demonstrates trends and achievements of the Tethys Oil Group activities. Please note that the interim financial report (next section) is presented in accordance with IAS 34, which requires presentation of the current interim period in comparison to the comparable interim period of the immediately preceding financial year. This financial interim report for the third quarter and first nine months of 2022 presents financial results compared to the third quarter and first nine months of 2021.

Other expenses and result

Administrative expenses for the third quarter 2022 were in line with the previous quarter and amounted to MUSD 1.6.

EBITDA (earnings before interest, tax, depreciation and amortisation) increased by 12 percent to MUSD 27.0 in the third quarter, compared to MUSD 24.1 in the previous quarter. The increased EBITDA follows the increased Revenue and other income more than offsetting the modest increase in operating expenses.

DD&A for the third quarter decreased to MUSD 10.1 from MUSD 10.2 in the previous quarter as a result of lower production levels.

Exploration costs are capitalised as incurred and subject to review. MUSD 0.2 relating to early stage exploration and new ventures projects were written down during the third quarter.

During the third quarter Tethys Oil received dividend of MUSD 0.1 from the associated company Odin Energy A/S.

The operating result in the third quarter 2022 increased by 22 percent and amounted to MUSD 16.9 compared to MUSD 13.9 in the previous quarter. The increase is a combination of the higher EBITDA, lower DD&A and minor Exploration costs recorded in the third quarter.

Financial net result in the third quarter 2022 amounted to MUSD 1.5 compared to MUSD 3.1 in the previous quarter and consists primarily of exchange rate differences.

Net result for the third quarter amounted to MUSD 18.4, representing an earnings per share after dilution of USD 0.56, which is an increase of 8 percent compared to the previous quarter.

No income tax was recorded in the income statement in the quarter, see note 9 on page 21 for more information on the treatment of Tethys Oil's income tax.

Financial review and result, MUSD	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Revenue	45.1	26.1	38.5	37.9	30.0
Underlift (+) / Overlift (-) adjustment	-4.2	11.7	-3.9	-6.1	-0.6
Revenue and other income	40.9	37.8	34.6	31.8	29.4
Operating expenses	-12.3	-12.1	-12.6	-11.3	-10.8
Administrative expenses	-1.6	-1.6	-1.8	-2.5	-2.1
EBITDA	27.0	24.1	20.2	18.0	16.5
DD&A	-10.1	-10.2	-10.5	-9.9	-10.5
Exploration cost	-0.2	-	-1.0	-4.1	-
Share of net result from associates	0.1	-	-	-	-
Operating result	16.9	13.9	8.7	4.0	6.0
Financial result - net	1.5	3.1	1.2	0.1	0.1
Tax	-	-	-	-	-
Net result	18.4	17.0	9.9	4.1	6.1
<i>Earnings per share, after dilution, USD</i>	<i>0.56</i>	<i>0.52</i>	<i>0.30</i>	<i>0.12</i>	<i>0.19</i>

Financials per barrel, USD/bbl	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Achieved Oil Price	107.3	100.1	80.4	73.7	66.7
Operating expenses	13.6	13.2	13.4	11.5	10.4
EBITDA	30.0	26.3	21.4	18.4	15.9
DD&A	11.2	11.2	11.0	10.1	10.1

Netback⁴

Netback is the gross profit associated with bringing a barrel of oil to market and is calculated as revenues net of production and transportation costs, as well as any royalties and government take.

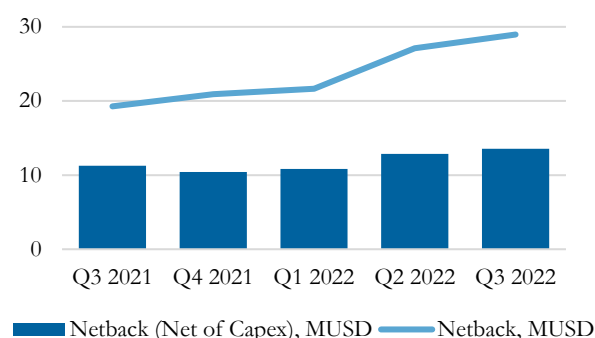
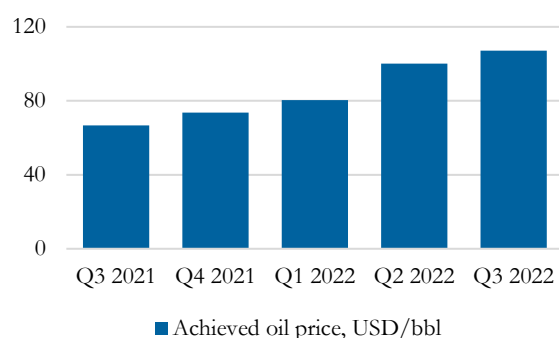
Tethys Oil calculates Netback for its production from Blocks 3&4 and present it both in MUSD and USD per barrel. To align calculations with the effects of the cost recovery mechanism of the EPSA Netback after capex is also presented.

The higher Average OSP in the third quarter is an effect of the increased revenue per barrel compared to the previous quarter. The net entitlement was 42 percent during both the third and second quarter. Netback per barrel in the third quarter has increased by 22 percent due to the combination of the increase of Average Oil Price, absence of net entitlement percentage impact and flat cost development.

In the third quarter, Netback (net of capex) increased to MUSD 14.1 from MUSD 11.9 as Netback increased and capex decreased.

Netback Blocks 3&4, USD/bbl	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Value of oil produced (Average OSP)	107.9	101.9	79.1	74.5	70.3
Government take	-62.5	-59.1	-42.8	-41.6	-41.3
Entitlement value (after government take)	45.4	42.8	36.3	32.9	29.0
Operating expenses	-13.6	-13.2	-13.4	-11.5	-10.4
Netback	31.8	29.6	22.9	21.3	18.6
Capex	-16.0	-16.7	-11.5	-10.7	-7.7
Netback (net of capex)	15.8	12.9	11.5	10.6	10.9

Netback Blocks 3&4, MUSD	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Value of oil produced (Average OSP)	97.1	93.4	74.6	73.1	72.9
Government take	-56.3	-54.1	-40.3	-40.8	-42.8
Entitlement value (after government take)	40.8	39.2	34.3	32.2	30.1
Operating expenses	-12.3	-12.1	-12.6	-11.3	-10.8
Netback	28.5	27.1	21.7	20.9	19.3
Capex	-14.4	-15.3	-10.8	-10.5	-8.0
Netback (net of capex)	14.1	11.9	10.9	10.4	11.3



⁴ Starting in the second quarter 2022, Tethys Oil calculates Netback by using Average OSP as its base rather than Achieved Oil Price. All

Netback amounts presented in the interim report, such as in the tables above, have been retroactively recalculated for previous periods.

Financial position and cash flow

Assets and equity

As of 30 September 2022, the Group's total assets amounted to MUSD 299.7 compared to MUSD 279.6 at the end of the previous quarter. The majority of the Group's assets are oil and gas properties, making up MUSD 237.5 and MUSD 226.5 as of 30 September and 30 June respectively. As of 30 September 2022, the Shareholder's equity was MUSD 271.1 compared to MUSD 255.1 at the end of the previous quarter. The increase is a net effect of the third quarter result of MUSD 18.4, other comprehensive income of MUSD -2.1 and the repurchase of own shares of MUSD 0.4.

Liquidity and financing

As of 30 September 2022, cash and cash equivalents amounted to MUSD 42.1 compared to MUSD 40.2 at the end of the previous quarter. Tethys Oil has a solid liquidity position, free from external borrowings and fully funded for all its current obligations.

Cash flow and investments

The period's cash flow reflects both the increased revenue as well as the net change in working capital. Total cash flow for the third quarter 2022 was MUSD 2.9 compared to MUSD -15.7 in the previous quarter.

Cash flow from operations before change in working capital amounted to MUSD 27.0 compared to MUSD 23.8 in the second quarter.

The net change in working capital amounted to MUSD -3.5 compared to MUSD 3.0 in the previous quarter. The change in working capital was driven primarily by the increased receivables from oil sales.

Cash flow from operations in the third quarter 2022 was MUSD 23.5 compared to the MUSD 26.8 in the previous quarter.

In the third quarter 2022, cash flow from investments increased to MUSD 20.2 from MUSD 19.7 in the previous quarter. Capital investments on Blocks 3&4 were MUSD 14.4 in the third quarter compared to MUSD 15.3 in the previous quarter, driven by continuous activity in drilling and facilities investments. Capital investments on Block 56 was MUSD 5.2 in the third quarter and MUSD 4.2 in the previous quarter and reflect the ongoing drilling and testing operations in the Al Jumud area.

Tethys Oil's free cash flow for the quarter amounted to MUSD 3.4 compared to MUSD 7.1 in the previous quarter following the decreased cash flow from operations.

Cash flow from financing activities of MUSD -0.4 refers to the repurchase of own shares while the previous quarter's net financing activity of MUSD -22.8 mainly relates to distribution to the shareholders.

Balance Sheet, MUSD	30 Sep 22	30 Jun 22	31 Mar 22	31 Dec 21	30 Sep 21
Non-current assets					
Oil and gas properties	237.5	226.5	218.1	204.9	202.2
Other fixed assets	0.6	0.7	0.9	1.1	1.2
Current assets					
Other current assets	19.5	12.2	24.9	9.9	12.3
Cash and cash equivalents	42.1	40.2	55.4	68.6	59.4
Total assets	299.7	279.6	299.3	284.5	275.1
Shareholders' equity	271.1	255.1	265.3	256.6	253.0
Non-current liabilities	14.1	14.0	13.7	13.6	13.9
Current liabilities	14.5	10.5	20.3	14.3	8.2
Total equity & liabilities	299.7	279.6	299.3	284.5	275.1
Cash flow, MUSD	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Cash flow from operations	23.5	26.8	11.6	26.5	22.3
Cash flow from investments	-20.2	-19.7	-24.7	-17.2	-9.2
Free cash flow	3.4	7.1	-13.1	9.4	13.1
Cash flow from financing activities	-0.4	-22.8	-	-0.2	-0.1
Period cash flow	2.9	-15.7	-13.1	9.2	13.0
Blocks 3&4	14.4	15.3	10.8	10.5	8.0
Block 49	0.1	0.1	0.0	0.5	0.8
Block 56	5.2	4.2	13.7	1.5	0.3
Block 58	0.5	0.1	0.1	4.7	0.1
Total investments in oil and gas properties	20.2	19.7	24.6	17.2	9.2

Parent Company & Share data

The parent company's operating loss in the third quarter 2022 amounted to MSEK -6.5, which is the same as for the previous quarter. Administration expenses during the period was MSEK 11.9 compared to MSEK 9.8 in the previous period.

The net financial result in the third quarter 2022 is MSEK 29.0 compared to MSEK 41.5 in the previous quarter. Net financial result mainly consisted of interest income and expense on intercompany loans and foreign currency exchange gains/losses associated with the intercompany loans.

Share data

As of 30 September 2022, the total number of issued shares in Tethys Oil AB was 33,056,608, with a nominal value of SEK 0.18. All shares represent one vote each. The company's shares are listed on Nasdaq Stockholm (TETY).

Share buy-back

Tethys Oil's Annual General Meeting on 18 May 2022 ("AGM") has resolved to grant the Board of Directors the authorisation to repurchase up to 10 percent of the company's share capital.

During the third quarter, Tethys Oil repurchased 76,900 shares. As of 30 September 2022, Tethys Oil held 551,573 shares in treasury – the equivalent of 1.7 percent of issued shares. During October 2022 an additional 12,510 shares were repurchased, bringing Tethys Oil's number of treasury shares to 564,083 as per the publication of this interim report.

For the complete repurchase authorisation, please refer to Tethys Oil's website www.tethysoil.com.

Incentive programmes

As of 30 September 2022, Tethys Oil has four active warrant-based incentive programmes for employees, which, if exercised can result in the issuance of up to 1,189,500 new shares, corresponding to a potential 3.6 percent increase of total shares issued. In October 2022 the exercise period for the 2019 incentive programme expired without any warrants having been exercised. As such, the maximum issuance from the programmes per 31 October 2022 is 766,000 new shares corresponding to a potential 2.3 percent increase of total shares issued.

Numbers of shares	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Shares in issue, end of the period	33,056,608	33,056,608	33,056,608	33,056,608	33,056,608
Shares issued, during the period	-	-	-	-	-
Shares repurchased, during the period	76,900	-	-	23,500	15,533
Treasury shares, end of the period	551,573	474,673	474,673	474,673	451,173
Shares outstanding, end of the period	32,505,035	32,581,935	32,581,935	32,581,935	32,605,435
Weighted average outstanding before dilution, during the period	32,577,137	32,581,935	32,581,935	32,602,037	32,618,887
Weighted average outstanding after dilution, during the period	32,670,830	32,780,953	32,682,353	32,667,882	32,639,342

Shareholders per 30 September 2022	Number of shares	Proportion capital/votes
Lansdowne Partners	3,633,699	11.0%
Magnus Nordin	1,555,427	4.7%
Avanza Pension	1,513,368	4.6%
Liontrust	1,160,014	3.5%
Adage Capital Management	1,050,000	3.2%
Dimensional Fund Advisors	871,538	2.6%
Nordnet Pensionsförsäkring	771,071	2.3%
Carl Erik Norman	770,000	2.3%
Jan Risberg	625,000	1.9%
Tethys Oil AB	551,573	1.7%
Daniel Hägerlöf	540,130	1.6%
New York City Employees Retirement System (NYCERS)	393,138	1.2%
RAM Active Investments SA	334,454	1.0%
Bengt Karlsson	320,000	1.0%
Missouri Local Government Employees Retirement	316,880	1.0%
Other shareholders, appr. 10,400	18,650,316	56.4%
Total number of shares	33,056,608	100%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME IN SUMMARY

MUSD	Note	Third quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Revenue and other income	3	40.9	29.4	113.3	80.9	112.7
Operating expenses		-12.3	-10.8	-37.1	-32.5	-43.8
Gross profit		28.6	18.6	76.2	48.4	68.9
Depletion, depreciation and amortisation	2, 4	-10.1	-10.5	-30.8	-31.3	-41.2
Exploration costs		-0.2	-	-1.2	-	-4.1
Administrative expenses		-1.6	-2.1	-4.9	-5.0	-7.5
Share of net result from associates		0.1	-	0.1	-	-
Operating result		16.9	6.0	39.4	12.1	16.1
Financial result – net		1.5	0.1	5.9	0.5	0.6
Result before tax		18.4	6.1	45.3	12.6	16.7
Income tax		-	-	-	-	-
Net result		18.4	6.1	45.3	12.6	16.7
Other comprehensive income						
Items that may be subsequently reclassified to profit or loss:						
Exchange differences		-2.1	-0.4	-7.7	-1.1	-1.5
Other comprehensive income		-2.1	-0.4	-7.7	-1.1	-1.5
Total comprehensive income		16.3	5.7	37.6	11.5	15.2
<i>Total comprehensive income attributable to:</i>						
Shareholders in the parent company		16.3	5.7	37.6	11.5	15.2
Non-controlling interest		-	-	-	-	-
Result per share						
Earnings per share (before dilution), USD		0.56	0.19	1.39	0.39	0.51
Earnings per share (after dilution), USD		0.56	0.19	1.38	0.39	0.51
Weighted average number of shares (before dilution)		32,577,137	32,618,887	32,580,259	32,624,817	32,619,054
Weighted average number of shares (after dilution)		32,670,830	32,639,342	32,709,631	32,658,600	32,660,948

CONSOLIDATED BALANCE SHEET IN SUMMARY

MUSD	Note	30 Sep 2022	31 Dec 2021
ASSETS			
Non-current assets			
Oil and gas properties	4	237.5	204.9
Other fixed assets		0.6	1.1
		238.1	206.0
Current assets			
Trade and other receivables	5	19.1	9.2
Prepaid expenses		0.4	0.7
Cash and cash equivalents		42.1	68.6
		61.6	78.5
TOTAL ASSETS		299.7	284.5
SHAREHOLDERS' EQUITY AND LIABILITIES			
Shareholders' equity			
Share capital		0.8	0.8
Additional paid in capital		76.3	76.3
Reserves		-7.4	0.3
Retained earnings		201.4	179.2
Total shareholders' equity		271.1	256.6
Non-current liabilities			
Non-current provisions		13.6	12.8
Other non-current liabilities		0.5	0.8
		14.1	13.6
Current liabilities			
Accounts payable and other current liabilities	6	14.5	14.1
Current provisions		-	0.2
		14.5	14.3
Total liabilities		28.6	27.9
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		299.7	284.5

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

MUSD	Share capital	Paid in capital	Reserves	Retained earnings	Total equity
Opening balance 1 January 2021	0.8	76.3	1.8	178.8	257.7
Net result 2021	-	-	-	16.7	16.7
Other comprehensive income	-	-	-1.5	-	-1.5
Total comprehensive income	-	-	-1.5	16.7	15.2
Transactions with owners					
Share issue	-	-	-	-	-
Repurchase of shares	-	-	-	-1.0	-1.0
Dividend	-	-	-	-7.8	-7.8
Share redemption	-	-	-	-7.7	-7.7
Incentive programme	-	-	-	0.2	0.2
Total transactions with owners	-	-	-	-16.3	-16.3
Closing balance 31 December 2021	0.8	76.3	0.3	179.2	256.6
Opening balance 1 January 2022	0.8	76.3	0.3	179.2	256.6
Net result first nine months 2022	-	-	-	45.3	45.3
Other comprehensive income	-	-	-7.7	-	-7.7
Total comprehensive income	-	-	-7.7	45.3	37.6
Transactions with owners					
Share issue	-	-	-	-	-
Repurchase of shares	-	-	-	-0.4	-0.4
Dividend	-	-	-	-6.6	-6.6
Share redemption	-	-	-	-16.2	-16.2
Incentive programme	-	-	-	0.1	0.1
Total transactions with owners	-	-	-	-23.1	-23.1
Closing balance 30 September 2022	0.8	76.3	-7.4	201.4	271.1

CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

MUSD	Note	Third quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Cash flow from operations						
Result before tax		18.4	6.1	45.3	12.6	16.7
Adjustment for:						
Exploration costs		0.2	-	1.2	-	4.1
Depletion, depreciation, amortisation and other non-cash related items		8.4	10.3	24.9	30.4	40.4
Total cash flow from operations before change in working capital		27.0	16.4	71.4	43.0	61.2
Change in receivables		-7.3	3.1	-9.6	-3.0	-0.6
Change in liabilities		3.8	2.8	0.1	-1.7	4.3
Cash flow from operations		23.5	22.3	61.9	38.3	64.9
Investment activity						
Investment in oil and gas properties	4	-20.2	-9.2	-64.4	-18.1	-35.2
Investment in other fixed assets		-0.1	-	-0.3	-	-
Dividend from associates		0.1	-	0.1	-	-
Cash flow from investment activity		-20.2	-9.2	-64.5	-18.1	-35.2
Financing activity						
Repurchase of shares		-0.4	-0.1	-0.4	-0.8	-1.0
Dividend		-	-	-6.6	-7.8	-7.8
Share redemption		-	-	-16.2	-7.7	-7.7
Cash flow from financing activity		-0.4	-0.1	-23.2	-16.3	-16.5
Period cash flow		2.9	13.0	-25.8	3.9	13.2
Cash and cash equivalents at the beginning of the period		40.2	46.2	68.6	55.4	55.4
Exchange gains/losses on cash and cash equivalents		-1.0	0.2	-0.6	0.1	0.0
Cash and cash equivalents at the end of the period		42.1	59.4	42.1	59.4	68.6

PARENT COMPANY INCOME STATEMENT IN SUMMARY

MSEK	Note	Third quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Other income		4.2	4.9	11.2	11.4	14.6
Administrative expenses		-11.9	-12.7	-31.8	-27.7	-40.2
Dividend income from associates		1.6	-	1.6	-	-
Exploration costs		-0.4	-	-0.4	-	-
Operating result		-6.5	-7.8	-19.4	-16.2	-25.6
Net financial result		29.0	15.1	88.1	32.8	386.5
Result before tax		22.5	7.3	68.7	16.5	360.9
Income tax		-	-	-	-	-
Net Result¹		22.5	7.3	68.7	16.5	360.9

1. *As the parent company does not recognise any Other comprehensive income, no such report is presented.*

PARENT COMPANY BALANCE SHEET IN SUMMARY

MSEK	Note	30 Sep 2022	31 Dec 2021
ASSETS			
Total non-current assets		895.3	510.5
Total current assets		25.8	79.9
TOTAL ASSETS		921.1	590.4
SHAREHOLDERS' EQUITY AND LIABILITIES			
Restricted shareholders' equity		77.1	77.1
Unrestricted shareholders' equity		223.8	386.2
Total current liabilities		620.2	127.1
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		921.1	590.4

NOTES

General information

Tethys Oil AB (publ) (the “Company”), corporate identity number 556615-8266, and its subsidiaries (together the “Group” or “Tethys Oil”) are focused on exploration for and production of oil and natural gas. The Group has interests in exploration and production agreements in Oman and an associated equity interest in a producing company in Lithuania. The Company is a limited liability company incorporated and domiciled in Stockholm, Sweden. The Company is listed on Nasdaq Stockholm.

Accounting principles

The interim report for the period ended 30 September 2022, has been prepared in accordance with IAS 34 and the Swedish Annual Reports Act.

The interim consolidated financial statements have been prepared, consistent with the 2021 consolidated financial statements, in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and by the Swedish Annual Accounts Act.

The Parent Company’s financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the recommendations “RFR 2 on Financial Reporting for Legal Entities” issued by the Swedish Financial Reporting Board.

The interim report does not contain the entirety of the information that appears in the annual report and accordingly, the interim report should be read in conjunction with the 2021 annual report.

The same accounting principles have been applied during the period as were applied during the 2021 financial year and corresponding interim reporting period in the way they were described in the 2021 annual report.

The interim financial information for 2022 has been reviewed by the company’s auditors. The interim financial information for 2021 is not reviewed, in 2021 the half-year report was reviewed by the company’s auditor.

Exchange rates

For the preparation of the financial statements for the reporting period, the exchange rates at the bottom of the page have been used.

Note 1) Risks and uncertainties

Tethys Oil is exposed to a variety of risks associated with oil and gas operations. Risk management is an integral part of the Company’s business activities, and the business areas consequently have the main responsibility for managing risks arising from its business activities. A detailed analysis of Tethys Oil’s operational, financial, and external risks and mitigation of those risks through risk management is described in Tethys Oil’s Annual report 2021.

The conflict in Ukraine

The conflict in Ukraine has, directly and indirectly, a significant effect on the world economy and the oil price. Tethys Oil has no operations in the affected geographical areas. Tethys Oil operations in Oman are not considered to be at risk and is not directly affected. However, Tethys Oil is dependent on the world economy at large. Management follows the situation carefully and react accordingly when necessary.

Currency	30 Sep 22		30 Sep 21		31 Dec 21	
	Average	Period end	Average	Period end	Average	Period end
SEK/USD	9.92	11.12	8.49	8.79	8.58	9.04

Note 2) Segment reporting

The Group's Operating segments are reported based on a split between Producing assets, Non-producing assets and Other. The operating result for each segment is presented below.

Producing assets includes the Company's non-operated interest in Blocks 3&4. Non-producing assets include the operated exploration interests in Block 49, Block 56 and Block 58.

The segment Other includes the head office and other central functions across the Group as well as the Company's indirect 25 percent holding in its Lithuanian associated company Minijos Nafta UAB. Oil & Gas properties detailed analysis is presented in note 4.

Group income statement Jan-Sep 2022				
MUSD	Producing assets	Non-producing assets	Other	Total
Revenue and other income ¹	113.3	-	-	113.3
Operating expenses	-37.0	-	-	-37.0
Depreciation, depletion and amortisation	-30.5	-	-0.3	-30.8
Exploration costs	-1.0	-	-0.2	-1.2
Administrative expenses	-3.3	-	-1.6	-4.9
Share of net result from associates	-	-	0.1	0.1
Operating result	41.4	-	-2.0	39.4
Revenue by country	Producing assets	Non-producing assets	Other	Total
Revenue and other income ¹				
Oman	113.3	-	-	113.3
Other	-	-	-	-
Oil and gas properties as of 30 September 2022	Producing assets	Non-producing assets	Other	Total
Oil and gas properties	189.8	47.6	0.1	237.5

Group income statement Jan-Sep 2021				
MUSD	Producing assets	Non-producing assets	Other	Total
Revenue and other income ¹	80.9	-	-	80.9
Operating expenses	-32.5	-	-	-32.5
Depreciation, depletion and amortisation	-31.2	-	-0.1	-31.3
Exploration costs	-	-	-0.0	-0.0
Administrative expenses	-2.7	-	-2.3	-5.0
Operating result	14.5	-	-2.4	12.1
Revenue by country	Producing assets	Non-producing assets	Other	Total
Revenue and other income ¹				
Oman	80.9	-	-	80.9
Other	-	-	-	-
Oil and gas properties as of 30 September 2021	Producing assets	Non-producing assets	Other	Total
Oil and gas properties	183.1	20.3	-	203.4

1. Revenue and other income relate only to external customers.

Note 3) Revenue and other income

MUSD	Third quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Revenue	45.1	30.0	109.8	75.7	113.5
Underlift (+) / overlift (-), adjustments	-4.2	-0.6	3.5	5.2	-0.8
Revenue and other income	40.9	29.4	113.3	80.9	112.7

Note 4) Oil and gas properties

MUSD	Phase	Tethys Oil's share	30 Sep 2022	Investments	DD&A	Exploration cost	Site restoration and other adjustments	31 Dec 2021
Blocks 3&4, Oman	Prod.	30%	189.9	40.5	-30.5	-1.0	-	180.9
Block 49, Oman	Expl.	100%*	0.5	0.1	-	-	-	0.4
Block 56, Oman	Expl.	65%	39.8	23.1	-	-	-	16.7
Block 58, Oman	Expl.	100%	7.3	0.7	-	-	-	6.6
New ventures			0.1	-	-	-0.2	-	0.3
Total			237.5	64.4	-30.5	-1.2	-	204.9

* Contingent final formal government approval

Note 5) Trade and other receivables

MUSD	30 Sep 2022	31 Dec 2021
Trade receivable oil sale	8.9	7.2
Underlift position	2.5	-
Receivable on partner	4.0	-
Other	3.7	2.0
Total	19.1	9.2

Note 6) Accounts payable and other current liabilities

MUSD	30 Sep 2022	31 Dec 2021
Accounts payable	0.5	0.3
Joint operations payable	13.3	11.6
Overlift position	-	1.0
Other current liabilities	0.7	1.2
Total	14.5	14.1

Note 7) Related party transactions

In the Tethys Oil Group, Tethys Oil AB (publ) with organisational number 556615-8266 is the parent company. Material subsidiaries include Tethys Oil Oman Limited, Tethys Oil Block 3&4 Limited, Tethys Oil Montasar Limited, Tethys Oil Oman Onshore Limited, Tethys Oil Qatbeet Limited, Tethys Oil France AB and Tethys Oil Exploration AB.

Tethys Oil enters into related-party transactions as part of the normal course of business and on an arm's length basis. During the period, there were no transactions with related parties external to the Group.

Note 8) Incentive program

Tethys Oil has an incentive program as part of the remuneration package to employees. Warrants have been issued annually since 2015, following a decision by the respective AGM. In the third quarter 2022 160,000 new warrants were issued. In October 2022 the exercise period for the 2019 incentive programme expired without any warrants having been exercised.

Warrant incentive programme	Exercise period	Subscription price, SEK	Shares per warrant	1 Jan 2022	Number of warrants			30 Sep 2022
					Issued 2022	Exercised 2022	Expired 2022	
2019 programme	1 Jun – 7 Oct 2022	64.9	1.21	350,000	-	-	-	350,000
2020 programme	13 Jun – 6 Oct 2023	48.2	1.12	350,000	-	-	-	350,000
2021 programme	12 Jun – 4 Oct 2024	70.8	1.07	200,000	-	-	-	200,000
2022 programme	11 Jun – 6 Oct 2025	99.5	1.00	-	160,000	-	-	160,000
Total				900,000	160,000	-	-	1,060,000

Note 9) Tax

Tethys Oil's oil and gas operations in Oman are governed by an Exploration and Production Sharing Agreement for each Block ("EPSA"), whereby Tethys Oil receives its share of oil after the government's take. Under the terms of each EPSA, Tethys Oil is subject to Omani income taxes, which are paid in full, on behalf of Tethys Oil, from the government's share of the oil. The effect of these taxes is netted against revenue and other income in the income statement.

Note 10) Pledged assets

The parent company has MSEK 0.5 (MSEK 0.5) pledge related to the office rental.

Note 11) Contingent liabilities

As part of the farmin transaction with Medco for Block 56 there is further potential consideration contingent upon a declaration of commerciality.

Note 12) Subsequent events

No significant events have occurred after the end of the reporting period.

ALTERNATIVE PERFORMANCE MEASURES: RELEVANT RECONCILIATIONS

Alternative performance measures are used to describe the development of operations and to enhance comparability between periods. These are not defined under IFRS but correspond to the methods applied by executive management and the Board of Directors to measure Tethys Oil's financial performance.

Alternative performance measures should not be viewed as a substitute for financial information presented in accordance with IFRS but rather as a complement. Besides the definitions presented in the section "Alternative performance measures: Glossary and Definitions, definitions of alternative performance measures" additional information can be found in the 2021 Annual Report.

EBITDA and Net cash, MUSD	Third quarter 2022	Third quarter 2021	First nine months 2022	First nine months 2021	Full year 2021
Operating result	16.9	6.0	39.4	12.1	16.1
Add: Depreciation, depletion and amortisation	10.1	10.5	30.8	31.3	41.2
Add: Exploration costs	0.2	-	1.2	-	4.1
Less: Share of net result from associates	-0.1	-	-0.1	-	-
EBITDA	27.0	16.5	71.3	43.4	61.4
Cash and cash equivalents	42.1	59.4	42.1	59.4	68.6
Less: Interest bearing debt	-0.5	-0.9	-0.5	-0.9	-0.8
Net cash	41.6	58.5	41.6	58.5	67.8

Key data per quarter

	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021
Net daily production before government take, Blocks 3&4, bbl	9,788	10,068	10,475	10,659	11,280
Net entitlement barrels, bbl	378,742	385,005	433,052	432,469	428,121
Net entitlement's shares of production, percent	42%	42%	46%	44%	41%
Oil sales, bbl	420,474	261,072	479,544	514,683	448,740
Achieved Oil Price, USD/bbl	107.3	100.1	80.4	73.7	66.7
Average Oman oil price (OSP), USD/bbl	107.9	101.8	79.0	74.6	70.3
Operating expenses, USD/bbl	-13.6	-13.2	-13.4	-11.5	-10.4
Revenue and other income, MUSD	40.9	37.8	34.6	31.8	29.4
EBITDA, MUSD	27.0	24.1	20.2	18.0	16.5
Operating result, MUSD	16.9	13.9	8.7	4.0	6.0
Earnings per share after dilution, USD	0.56	0.52	0.30	0.12	0.19
Cash flow from operations, MUSD	23.5	26.8	11.6	26.5	22.3
Investment in oil and gas properties, MUSD	20.2	19.6	24.6	17.2	9.2
Free cash flow, MUSD	3.4	7.1	-13.1	9.4	13.1
Cash and cash equivalents, MUSD	42.1	40.2	54.4	68.6	59.4
Return on shareholder's equity, rolling 12 months	19%	15%	9%	6%	4%
Return on capital employed, rolling 12 months	16%	12%	8%	6%	4%
Share price end of period, SEK	62.7	63.5	78.8	62.3	60.8

ALTERNATIVE PERFORMANCE MEASURES: GLOSSARY AND DEFINITIONS

The Company applies the European Securities and Markets Authority's (ESMA) guidelines on alternative performance measures. The alternative key financial performance indicators are defined as financial measures of historical or future earnings trends, financial position, financial performance, or cash flows that are not defined or specified in the applicable regulations for financial

reporting, IFRS, and the Annual Accounts Act. These measures should not be regarded as a substitute for measures defined in accordance with IFRS.

If an alternative performance measure cannot be identified directly from the financial statements, a reconciliation is required.

Definitions of key ratios and abbreviations

EBITDA-margin	EBITDA as a percentage of yearly revenue and other income.
Equity ratio	Shareholders' equity as a percentage of total assets.
Net entitlement, barrels & %	Volumes and share of oil production from Joint operation, which the company is entitled to sell. Calculated monthly based on EPSA. Consist of 2 components: Cost oil and Profit Oil.
Cost Oil	The Cost Oil is the value of recoverable costs incurred in the period and any outstanding balance of unrecovered historical cost from previous periods ("the Cost Pool") The total amount of Cost Oil for a given period is capped to a fixed share of total production, after conversion to barrels using the Official Selling Price ("OSP").
Profit Oil	Profit Oil remains after the deduction of Cost Oil. Most of the Profit Oil is the government's take according to a fixed percentage.
Cost pool	Any outstanding balance of unrecovered historical cost from previous periods.
Production before government take	Net share of total production.
Underlift/ Overlift	Calculation of net from Net Entitlement barrels and lifted barrels. Lifting more barrels than entitlement barrels resulted in an overlift and the opposite in an underlift.
Netback	Gross profit per barrel of oil. Average OSP reduced by royalties/government take and operating and transport expenses per barrel.
Achieved Oil Price	Achieved Oil Price is calculated with revenue from oil sales within the period divided by sold barrels of oil.
Average OSP	The Average OSP is calculated as the production weighted average of the monthly Official Selling Price (OSP) for Omani Export Blend in the quarter and does not take into consideration the timing of monthly liftings or any trading and quality adjustments (as is the case with the Achieved oil price).
Oman OSP	Oman's Official Selling Price (OSP) is calculated using the monthly average price of the front month futures contract of Oman blend (with 2 months to delivery) as traded on the Dubai Mercantile Exchange.
Net cash	Cash and equivalents less interest-bearing debt.
Number of employees	Average number of fulltime employees during the period.
Shareholders' equity per share	Shareholders' equity divided by the number of outstanding shares.
Weighted average number of shares (after dilution)	Number of shares at the beginning of the year with newly issued shares time weighted for the period on issue. Dilution effects include potential shares that may be converted to shares under favourable conditions, primarily warrants with subscription prices lower than the share price.
Treasury shares	Own share held by Tethys Oil for future use.
Earnings per share	Net result divided by the weighted number of shares.
SEK	Swedish krona.
MSEK	Millions of Swedish kronor.
USD	US dollar.
MUSD	Millions of US dollars.
Bbl	One barrel of oil = 159 litres, 0.159 cubic meters.
Bopd	Oil production is often given in numbers of Barrels of Oil per Day.
Mbo	Thousand Barrels.
Mmbo	Million Barrels.
EPSA	Exploration and Production Sharing Agreement.

ABOUT TETHYS OIL AB(PUBL)

Tethys Oil is an oil exploration and production company with focus on onshore areas with known oil discoveries. The company’s core area is the Sultanate of Oman, where it has been present since 2006 and currently holds interests in Blocks 3&4, Block 49, Block 56 and Block 58. Tethys Oil has 2P reserves of 26.2 mmbo and 2C Contingent Resources of 15.6 mmbo and had an average oil production of 11,136 barrels per day during 2021. The company’s shares are listed on Nasdaq Stockholm (TETY).
Website: www.tethysoil.com

Mission

Tethys Oil is an oil and gas exploration and production company with a primary objective of creating shareholder value working across the whole upstream industry lifecycle of exploration, appraisal, development, and production. A central belief in our business model is to explore for and produce oil and gas in an economically, socially, and environmentally responsible way. The Group applies the same standards to its activities worldwide to satisfy both its commercial and ethical requirements in accordance with our Code of Conduct.

Tethys Oil seeks to be a sustainable and profitable business long-term. Sustainability means running a business that is not only profitable but is aligned with the requirements and expectations of stakeholders both within and outside the Group.

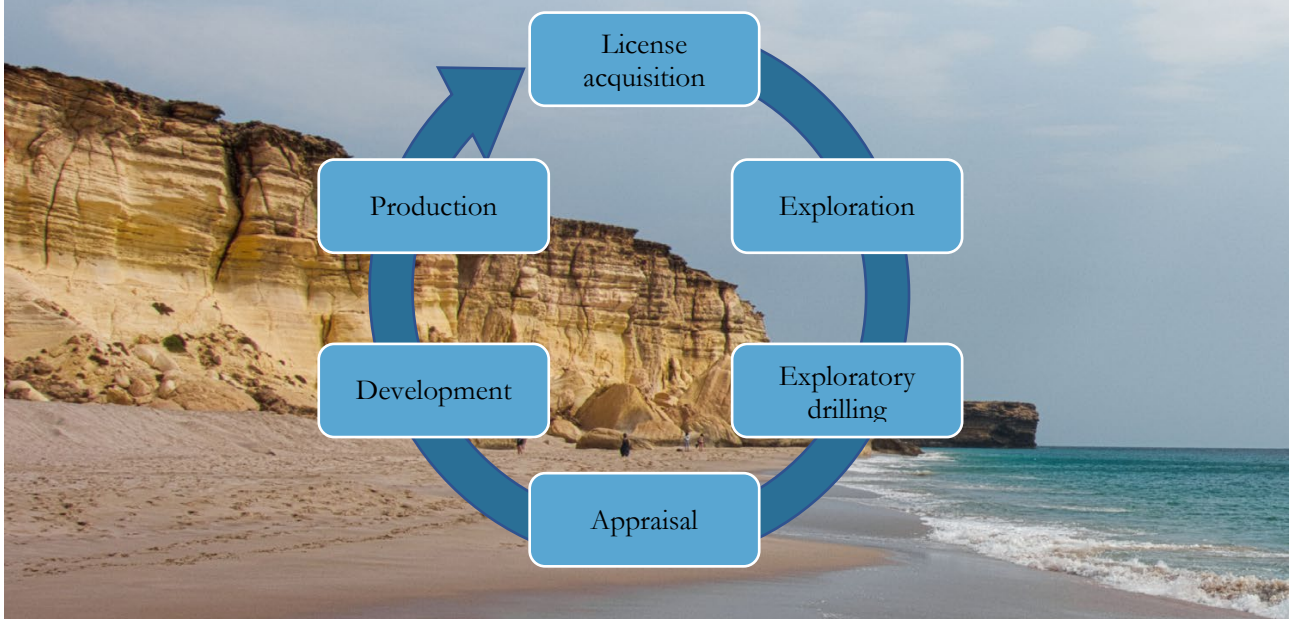
Vision

Tethys Oil’s vision is that growth continues through its exploration success. It seeks to build, maintain and expand a well-balanced and self-financed portfolio of oil assets, offering a measured exposure to onshore production, development, appraisal and exploration potential. The focus of today and tomorrow is on geographies with proven petroleum systems, existing infrastructure, established institutional frameworks and low political risk. In all its activities, Tethys Oil seeks a balanced approach to risk.

Values

Tethys Oil’s corporate culture emanates from the Group’s Scandinavian roots. It is the responsibility of Tethys Oil’s management to foster a corporate culture that promotes the values and principles outlined in Tethys Oil’s Code of Conduct. Tethys Oil aims to act in all respects in a responsible, fair, accountable and ethical manner towards all aspects of the environment and to all individuals and entities that the Group encounters in its course of doing business. Tethys Oil aims to apply the same standards to all its activities wherever they are carried out.

It is of vital importance to Tethys Oil that the Group maintains and further builds on its reputation as a responsible and forward-looking corporate citizen in all countries where Tethys Oil has a presence and in relation to all stakeholders, may they be shareholders, employees, contractors, partners or someone else.



FINANCIAL CALENDAR:

- Report for fourth quarter 2022 (January – December 2022) on 7 February 2023
- Report for first quarter 2023 (January – March 2023) on 9 May 2023
- The Annual General Meeting 2023 is to be held in Stockholm on 10 May 2023
- Report for the second quarter 2023 (January- June 2023) on 8 August 2023
- Report for third quarter 2023 (January – September 2023) on 7 November 2023

CONFERENCE CALL

Date: 8 November 2022

Time: 10.00 CET

To participate in the conference call, you may choose one of the following options:

Link to webcast: <https://edge.media-server.com/mmc/p/nohr7i6u>

To participate via phone, please register [here](#) to receive dial-in information.

Stockholm, 8 November 2022

Tethys Oil AB (publ)

Org. No. 556615-8266

Magnus Nordin

Managing Director

This report has been reviewed by the auditors of the company.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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This information is information that Tethys Oil AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 7:30 CET on 8 November 2022.

AUDITOR'S REPORT

Tethys Oil AB (publ), 556615-8266

Introduction

We have reviewed the condensed interim financial information (interim report) of Tethys Oil AB (publ) as of 30 September 2022 and the nine-month period then ended. The board of directors and the managing director are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope

than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Gothenburg, 8 November 2022

PricewaterhouseCoopers AB

Johan Malmqvist
Authorized Public Accountant
Auditor in charge

Sophie Damborg
Authorized Public Accountant