

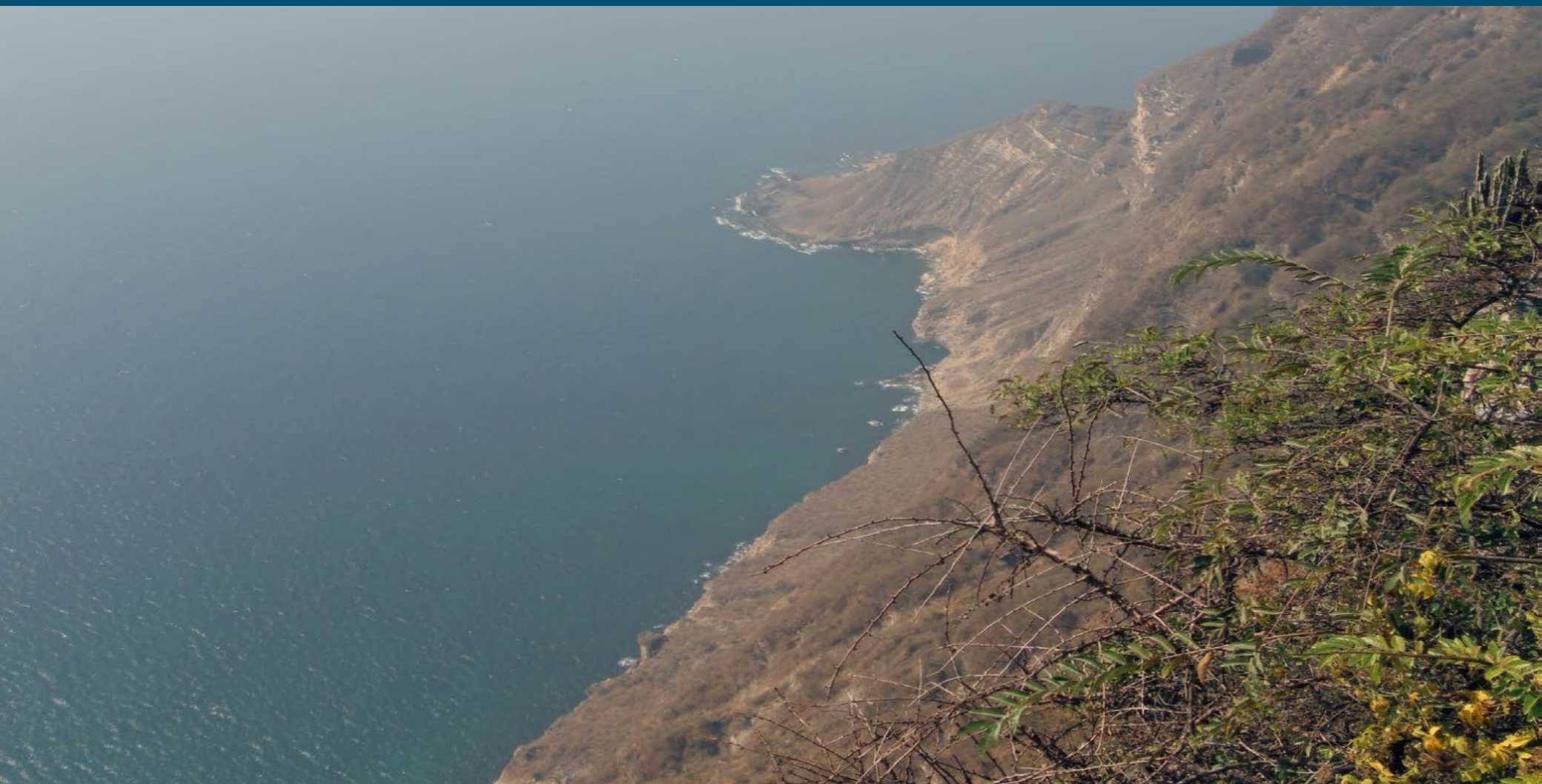


SECOND QUARTER 2023

Magnus Nordin, Managing Director

Petter Hjertstedt, CFO

8 August 2023





Q2 2023 Highlights

Exploration & appraisal highlights

- Block 56 extended well test (EWT) on Al Jumd active throughout the quarter, with positive results
- Prospect maturation on South Lahan, Block 58, completed, third party validation expected in Q3
- Block 58 Fahd nearing exploration drilling, expected in early 2024 following retendering of rig

Production

- Production of 8,994 bopd (9,411 bopd in Q1-23)

Financials

- Cash flow from operations of MUSD 25.7 (20.4)

One of the largest acreage holders in Oman

EPSA/Licences (operated Blocks in bold)	Working Interest %	Award/ Acquisition	Phase	Expiry	Partners (operator in bold)
Blocks 3&4	30%	2007	Production	2040	CCED, Tethys Oil, Mitsui
Block 49	100%	2017	1st exploration	2023	Tethys Oil
Block 56	65%	2019	2nd exploration	2023	Tethys Oil, Medco, Biyaq, Intaj
Block 58	100%	2020	1st exploration	2024	Tethys Oil

Block 49

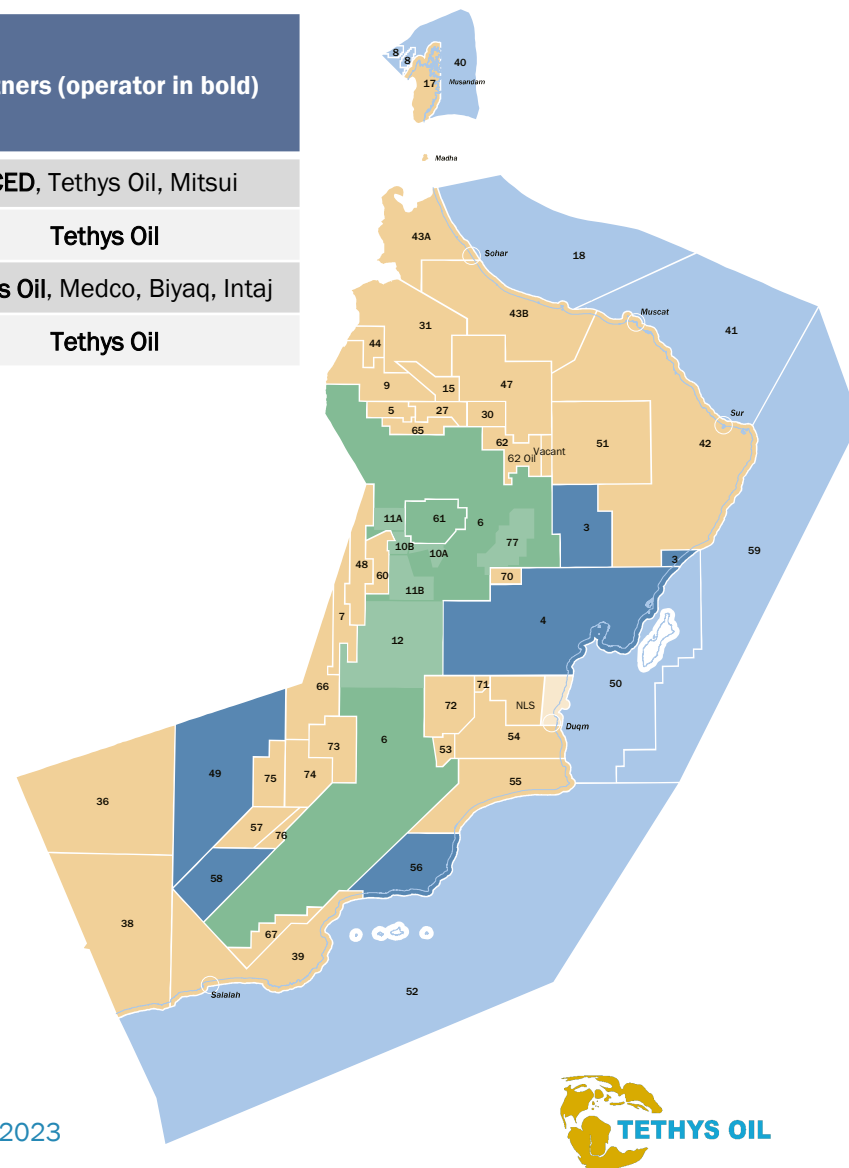
- 2019: Acquired 299 km 2D and 253 km² 3D seismic
- 2021: Drilled Thameen-1 exploration well

Block 56

- 2022: Drilled 1 exploration well and 4 appraisal wells
- 2022: Acquired 2,000 km² of 3D seismic
- 2023: Ongoing extended well test of Al Jumld discovery

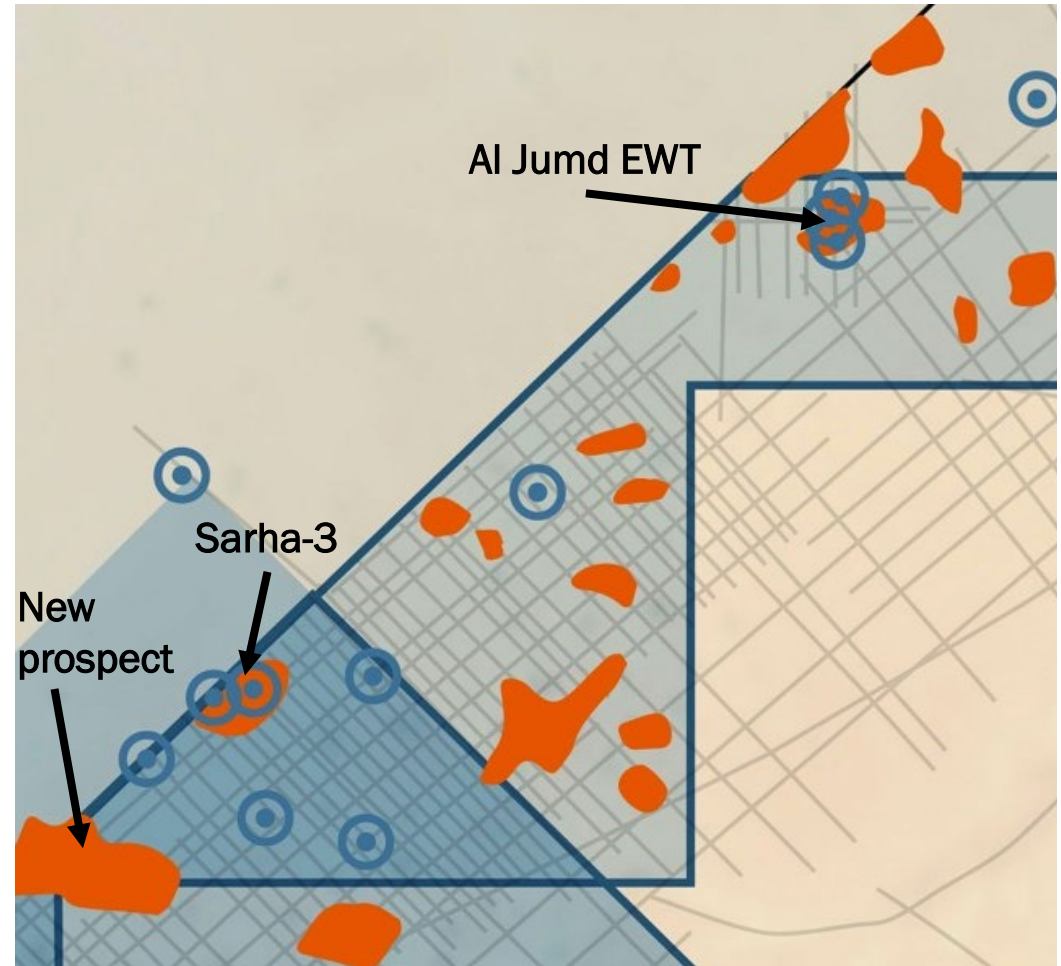
Block 58

- Acquired 450 km² of 3D seismic in 2021



Block 56 Al Jumd trend – what have we have learned so far

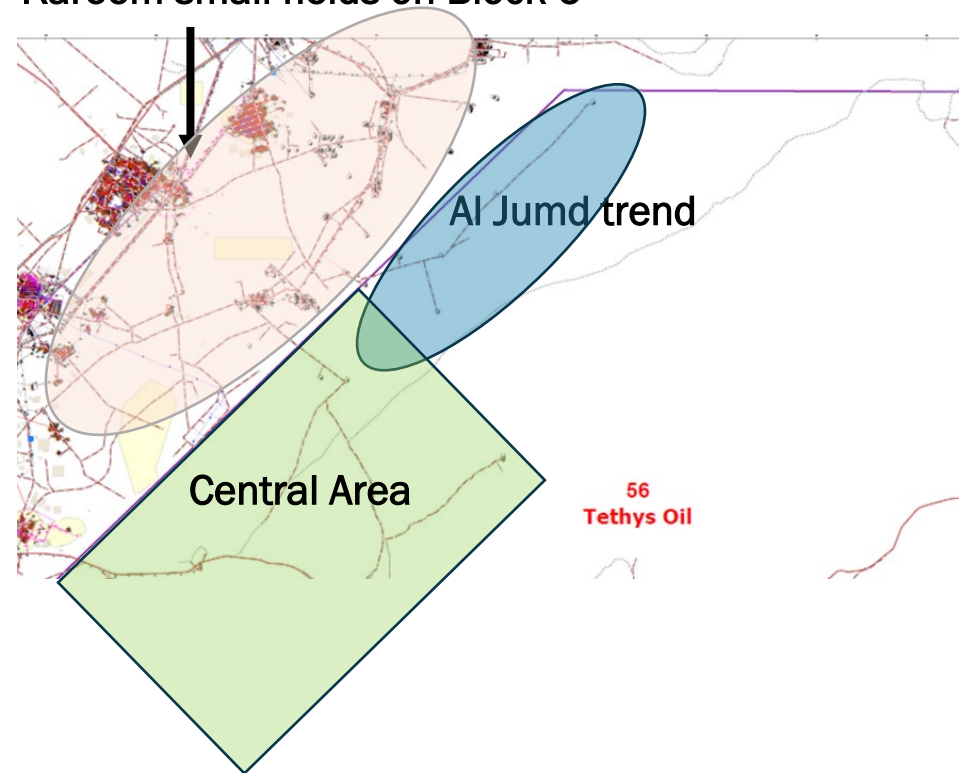
- Al Jumd discovery EWT produced 34,699 barrels of oil and test results suggest commercial potential
 - AJ-2 and -3 stable production for 60 days
 - AJ-4 increased water-cut, testing will resume following well workover and recompletion
- The 2,000km² 3D seismic acquired in 2022 covers both the southern extent of the Al Jumd trend and the Central Area
- Several leads and prospects identified along the western block border
- A newly identified prospect southwest of the Al Jumd discovery was identified on the new 3D seismic
 - Similar geological characteristics
 - Proposed location of H2-23 exploration drilling
- Sarha-3 testing planned to be resumed in the coming months



Block 56: The way forward

- MEM approached for extension of the current exploration phase to allow completion of EWT and appraisal & evaluation
- Continued work on maturing Central Area leads into prospects
 - Expected finalisation in Q4
 - Exploration drilling planned for 2024
- Near term focus on the Al Jumld trend
 - Additional testing, exploration and appraisal
- Sarha-3 is planned to resume testing in the coming months
- Work on provisional field development plan started
- Work is being done to allow for Block 56 to be included in 2023 Reserves and Resources report

Kareem small fields on Block 6



Block 58: High-potential exploration drilling in 2024

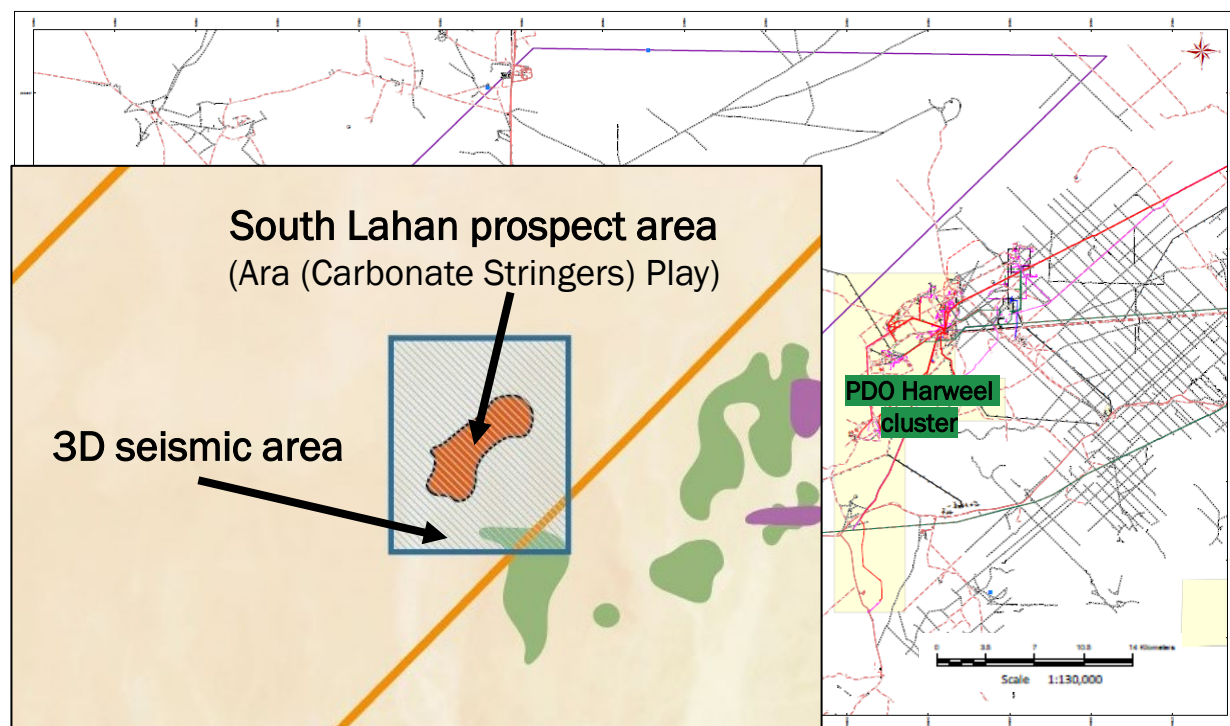
Fahd

- Fahd South prospect selected as location for first exploration drilling
 - Unrisked prospective resource potential of 123 mmbo (Pmean)
- Tender for drilling rig ongoing

South Lahan

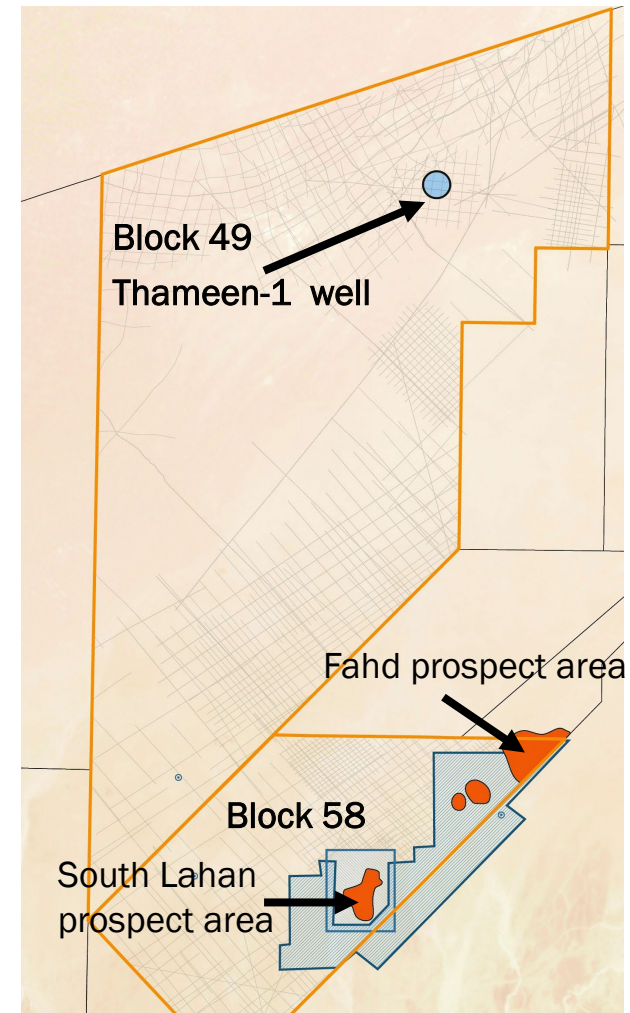
- Prospect maturation of the 450 km² 3D seismic completed
- Several drillable prospects identified
- Expected to be third-party validated in Q3

Potential farmout investigated



Block 49: Thameen-1 re-entry and re-test

- Indicated >30-metre hydrocarbon bearing zone in the Hasirah sandstone formation when tested in 2021
- Continued preparations for re-testing
- Tendering for an integrated service contract of all services needed
- Previous tendering process concluded in June with offers lacking commercial attractiveness
- Updated timeline and plan of action once evaluation of the tender is completed

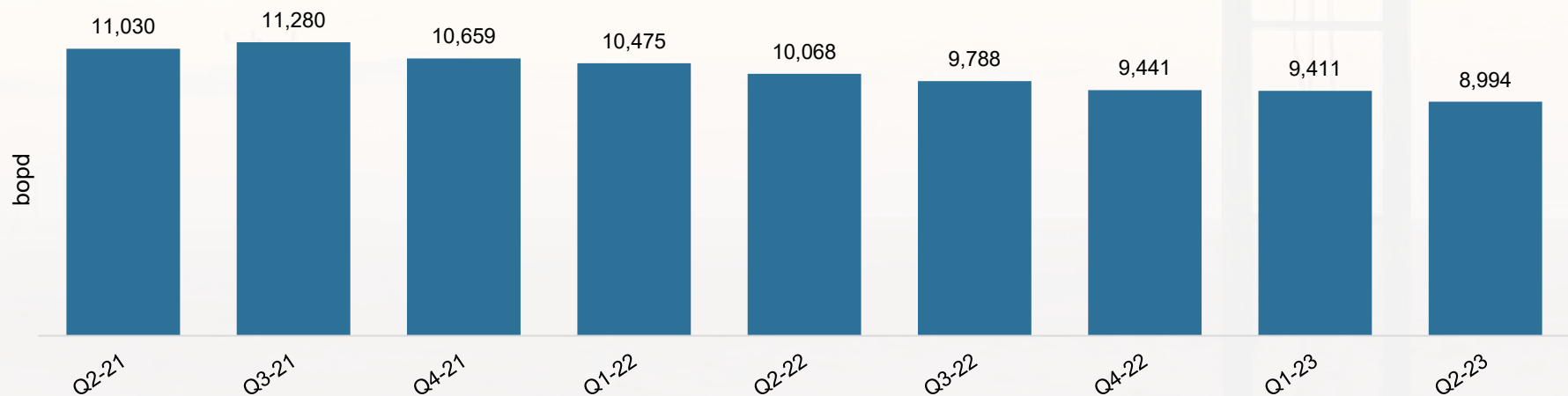




TETHYS OIL

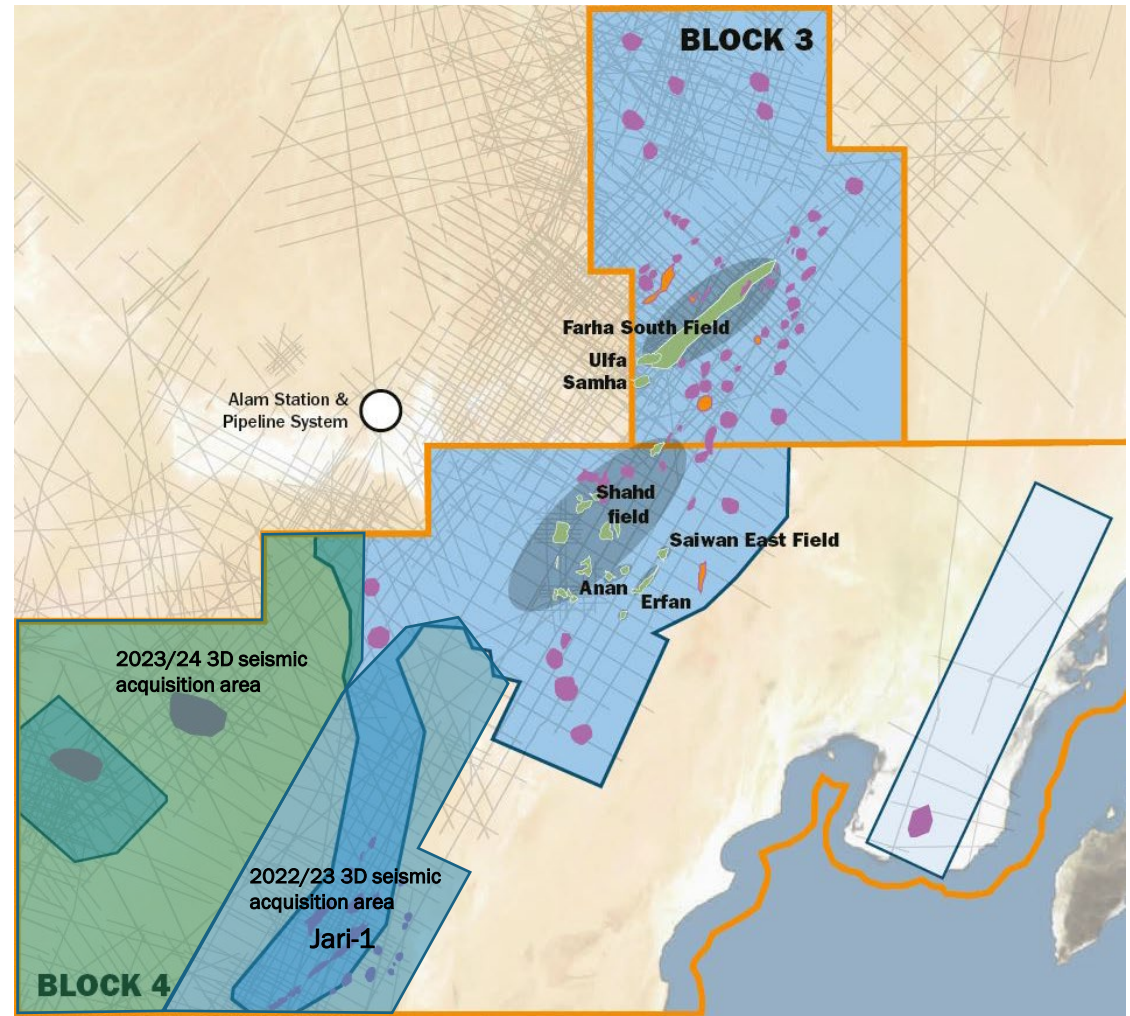
Production on Blocks 3&4

- Ten development wells (nine producers & one water disposal) wells drilled in Q2
- Production of 8,994 bopd in Q2-23 (Q1-23: 9,411)
 - Some development wells have performed below expectations
 - Evaluation and remedial work ongoing
- Continued focus on production assurance initiatives to avoid unplanned production stoppages
- Production for the full year 2023 is expected to be 9,000 (+/- 200) bopd



Ongoing exploration activities on Blocks 3&4

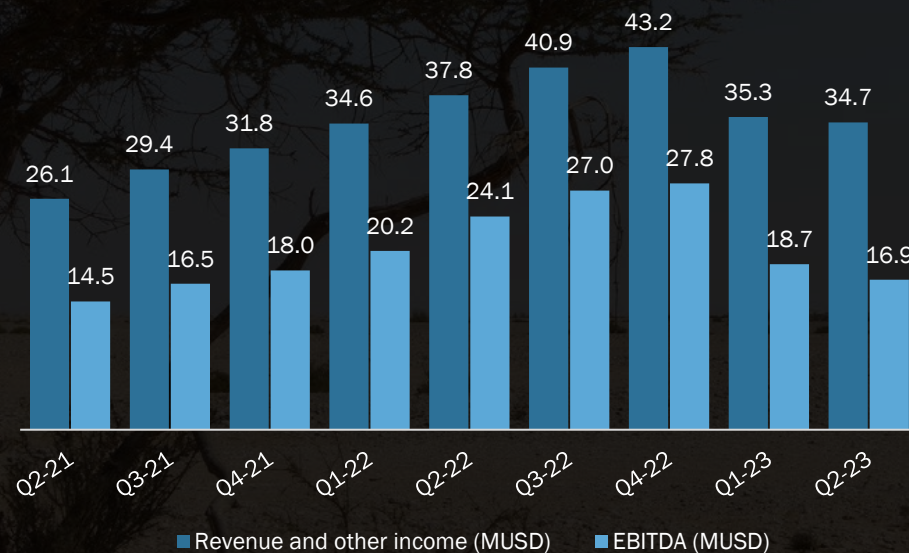
- Drilling of two exploration wells in Q2:
 - **Jari-1**, S B4 near Luja, encountered oil in target zone including oil to surface.
 - Hydraulic fracturing operations conducted in late Q2
 - Continued analysis in Q3 and Q4
 - Significant resource potential
 - **Rahbah-1**, SE of Ulfa, encountered light hydrocarbons in target zones with flows to surface
 - **Elaf-1**, NW of Ulfa, tested with flow to surface of light hydrocarbons
 - Rahbah-1 and Elaf-1 undergoing further evaluation analysis
- 2023/24 seismic campaign covering 6,200 km² started
 - Expected to be completed in Q2-24



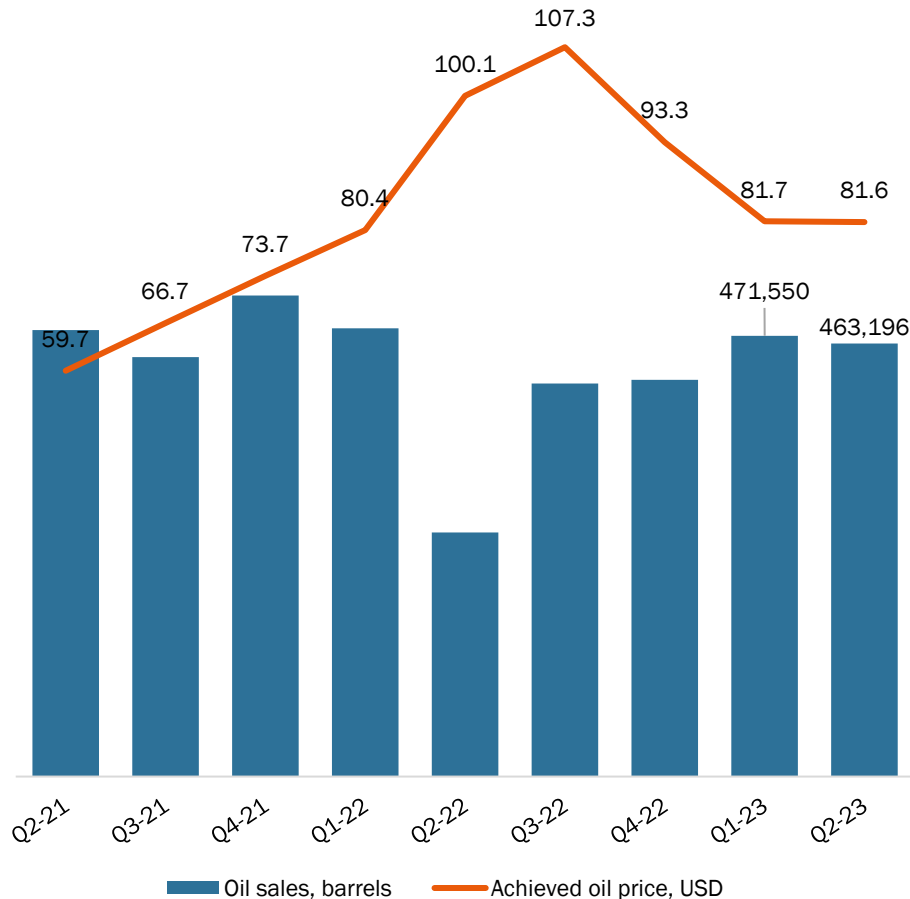


Financial highlights for Q2 2023

- Achieved Oil Price USD 81.6 (81.7) per barrel
- Revenue and other income: MUSD 34.7 (35.3)
- EBITDA: MUSD 16.9 (18.7)
- Investments in oil & gas properties: 21.4 (20.0)
- Free Cash Flow: MUSD 4.0 (0.4)
- Repurchase of shares: MUSD 0.3 (2.0)
- 58,795 shares in Q2
- Share redemption: MUSD 9.0 (-)
- Net Cash: MUSD 33.9 (39.9)



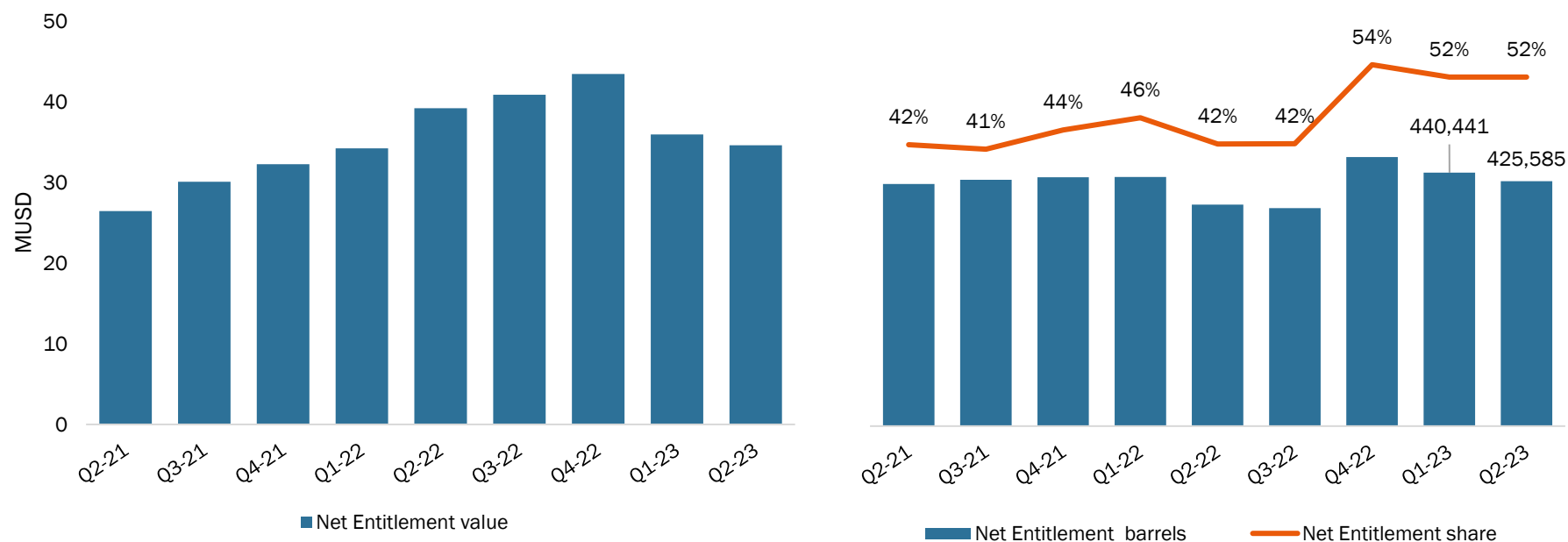
Flat oil sales and price in Q2-23



- Achieved oil price in Q2-23 was USD 81.6/barrel vs USD 81.7 in Q1-23
- Oil sales (barrels) decrease 2% vs Q1-23
- Revenues from oil sales was MUSD 37.8, down 2% as a result of lower lifting
- Overlift of 37,611 barrels compared to entitlement in Q2-23
- Movement to an overlift position:
 - 1,760 barrels overlift per end of June
 - 35,851 barrels underlift per end of March 2023

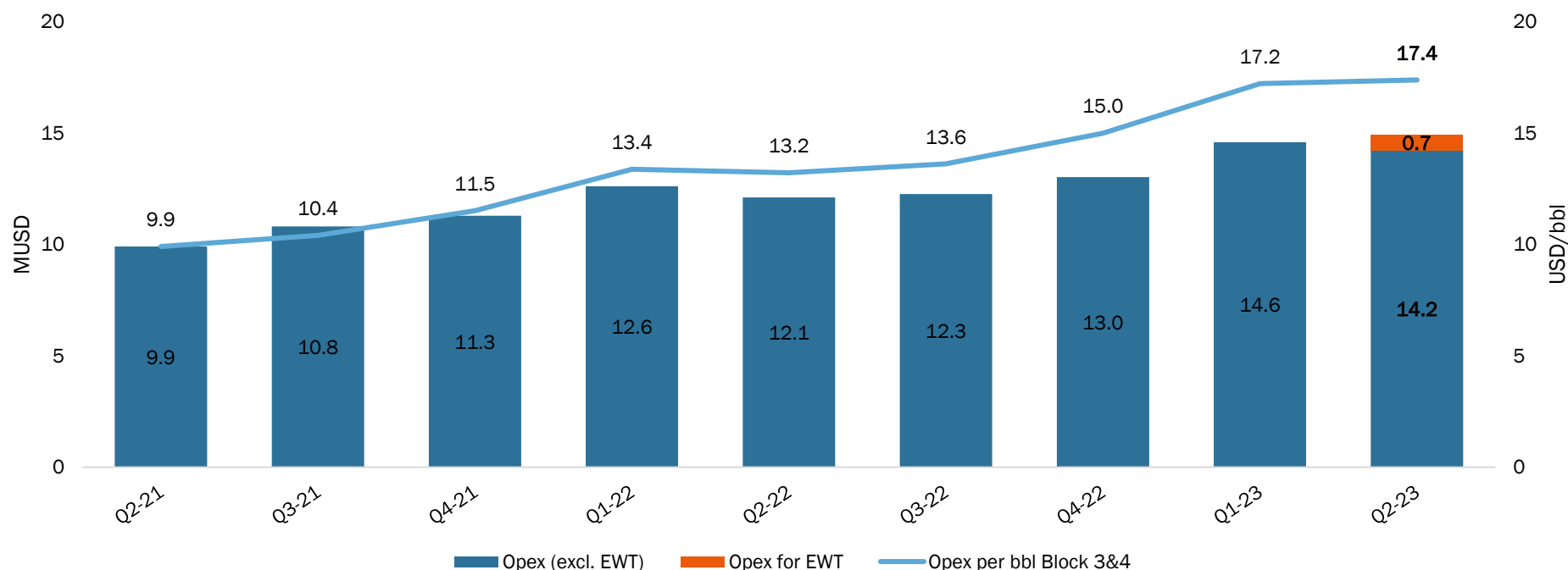
Flattish Net Entitlement in Q2-23

- Net Entitlement barrels decreased due to lower production vs Q1-23 and recoverable costs exceeding Cost Oil allowance
- Net entitlement share at 52% of production
- Recoverable cost incurred in the quarter exceeding the cost oil allowance resulting in a Cost Pool of MUSD 10.5 (4.3) per end of March



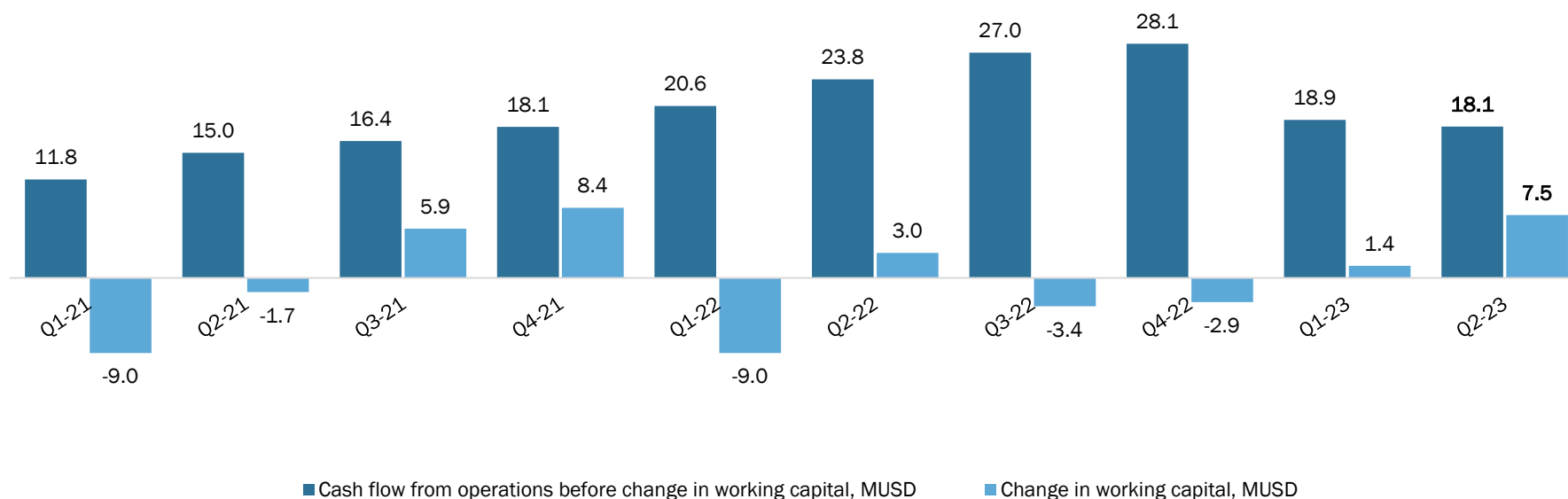
Q2-23 Opex includes costs for EWT

- Q2-23 total operating expenditure increased to MUSD 14.9 (14.6) due to the inclusion of the extended well test of MUSD 0.7.
- Excluding the extended well test costs operating expenditure decreased to USD 14.2 (14.6) due to the annual bonus & benefit effect of the previous quarter
- Opex per barrel (not including EWT) increased to USD 17.4 (17.2) due to lower production



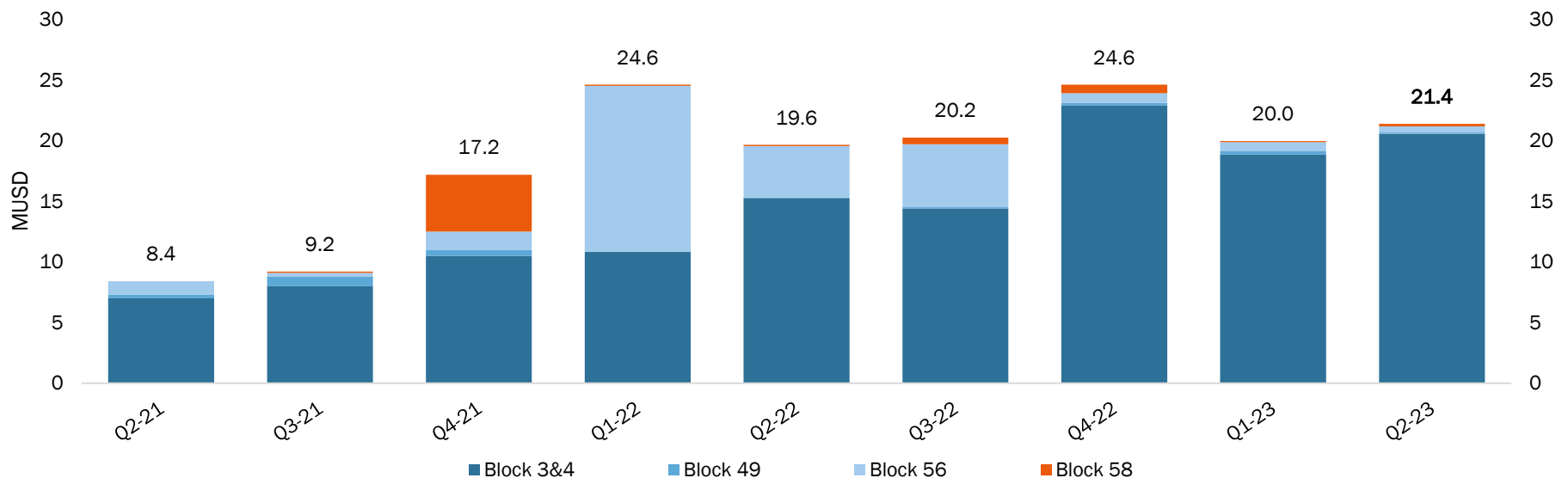
Cash flow from operations stable

- Cash Flow from Operations before changes in working capital relatively unchanged vs Q1-23 but lower than Q2-22 unrecovered costs (cost pool buildup)
- Positive contribution from working capital MUSD 7.5 (MUSD 1.4)



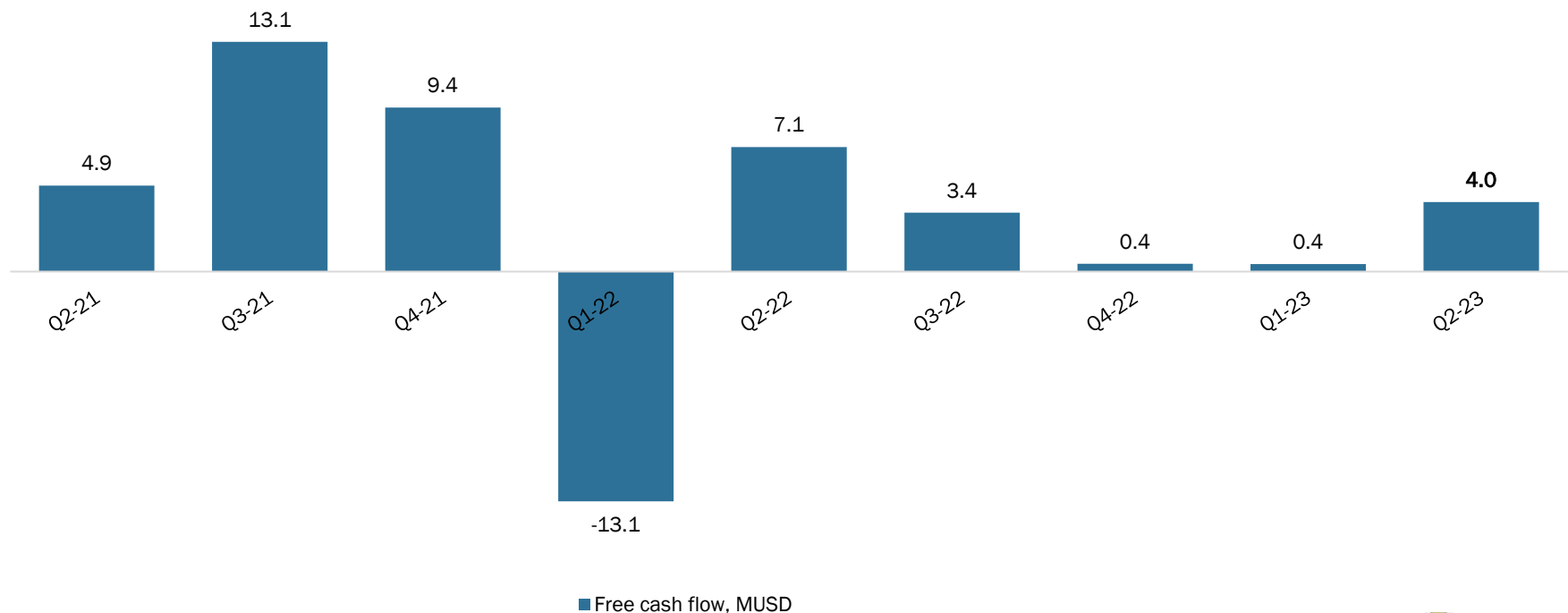
Blocks 3&4 continues to dominate capex

- Total investments in Oil & Gas properties in Q2-23 amounted to MUSD 21.4 (MUSD 20.0)
- Continued high investments on Blocks 3&4, with higher spending in Projects and Infrastructure vs Q1-23
- Low expenditures in operated Blocks (49, 56 and 58) ahead of more active H2 2023



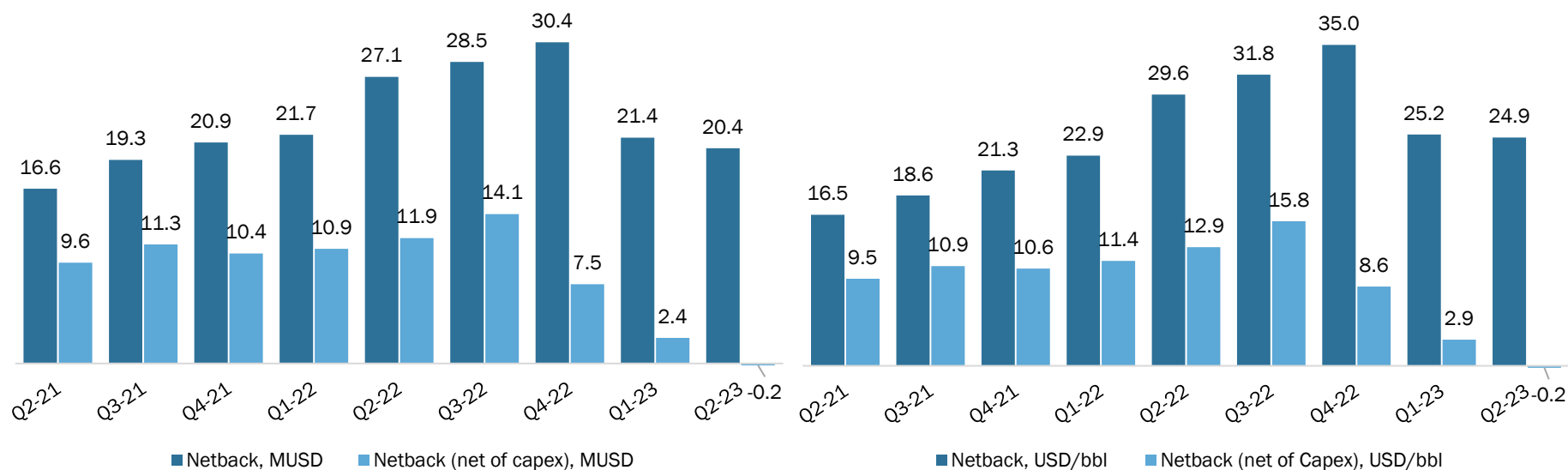
Free cash flow increased

- Free cash flow Q2-23 of MUSD 4.0 (0.4)
- Slightly lower cash flow from operations (q/q) more than offset by the release in working capital



Netback trend impacted by lower oil prices

- The lower oil price and production resulted in a slight decline in the Netback
- In addition, the increased investments in oil and gas assets resulted in negative Netback (net of capex)
- The trend is mainly a result of the absence of full entitlement to cover costs in the period as the cost allowance was exceeded



Revised FY 2023 guidance

- Production expected to be 9,000 (+/- 200) for FY-23
 - (9,000– 10,000 barrels of oil per day)
- Operating expenditures expected to be USD 17.0 (+/- 0.5) per barrel
 - (USD 14.5 (+/- 1.0) per barrel)
- Investments in oil & gas assets for a total of MUSD 81-86
 - (MUSD 85-95)
- Investments will be financed by cash flow and available cash

	Investments, MUSD	Comments
Block 3&4	70-75 (65-75)	Revision primarily driven by increased testing costs from the three explorations wells drilled so far in 2023
Block 49	0.3 (1.5)	Thameen-1 re-entry & re-test tender delay
Block 56	8.0 (8.0)	One exploration well on the newly identified prospect on the Al Jumd trend
Block 58	2.3 (10.5)	Fahd exploration well pushed to 2024
Total	86-91 (85-95)	

Oil price in Q2-23 and Q3-23

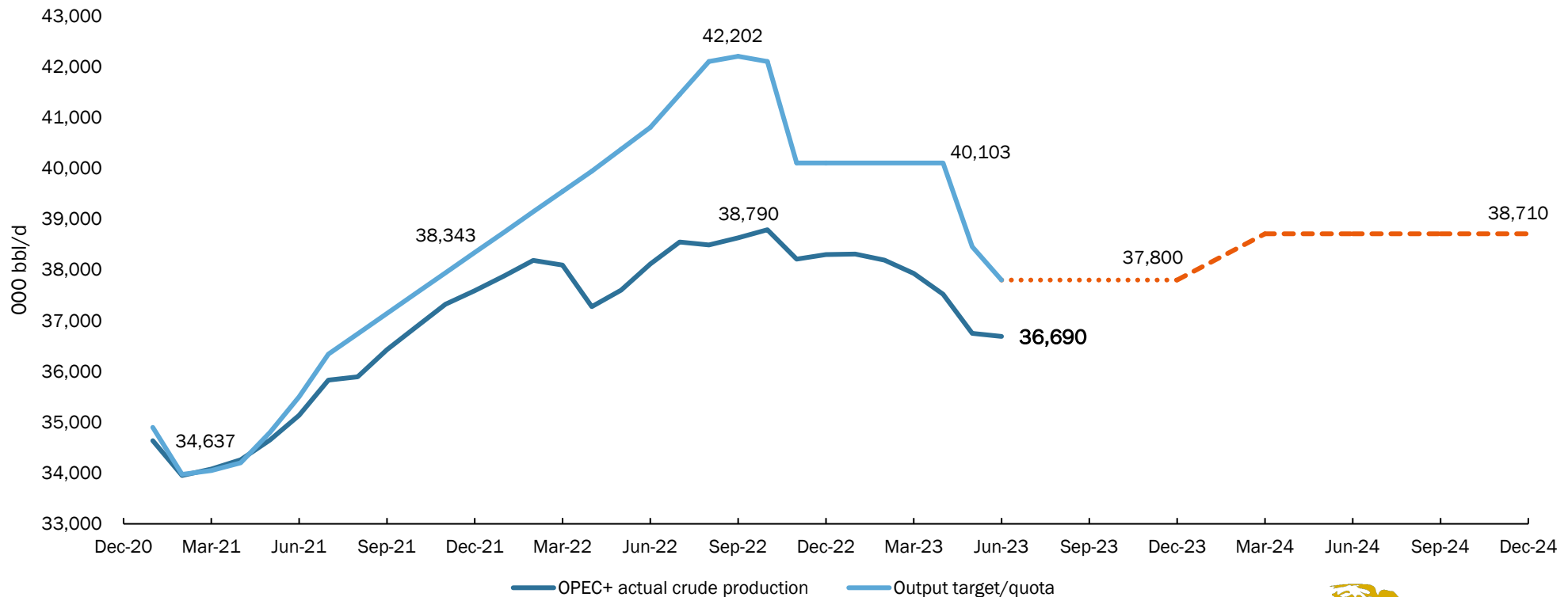
- Q2-23 Average OSP (unweighted) stable quarter on quarter
- Q3-23 OSPs drifted slightly lower due to macro concerns during the first half of 2023
- Oman export blend currently trading at USD ~87 per barrel - USD 3 premium to Brent



OPEC+ limits production for 2023 and 2024?

- OPEC+ “quota” for H2-2023 was set at the lowest level since October-2021, cancelling all 2022 hikes
- OPEC+ “quota” for 2024 set at just MMbbl/d 38.7, corresponding to January-2022 level
- Actual production of OPEC+ (as of June-2023) was at the lowest level since September-2021

OPEC+ actual crude production vs. output quota (19 countries)



Second quarter 2023 – 8 August 2023



TETHYS OIL Outlook

- MEM approached for extension of the current exploration phase of Block 56, and Tethys Oil has begun working on a provisional field development plan with increased exploration and appraisal activities on the wider Al Jumd trend
- Prospect maturation completed for South Lahan on Block 58 with third-party validation expected in the third quarter
- Discussions of a farmout of a share in Block 58 ongoing
- Continued production boosting activities as well as significant explorational drilling and seismic acquisition on Blocks 3&4



TETHYS OIL Thank you for your time!

Financial Calendar 2023 & 2024

- Report for the third quarter 2023 (January – September 2023) on 7 November 2023
- Year-end report 2023 (January – December 2023) on 5 February 2024
- Report for the first quarter 2024 (January – March 2024) on 7 May 2024
- Report for the second quarter 2023 (January – June 2024) on 6 August 2023

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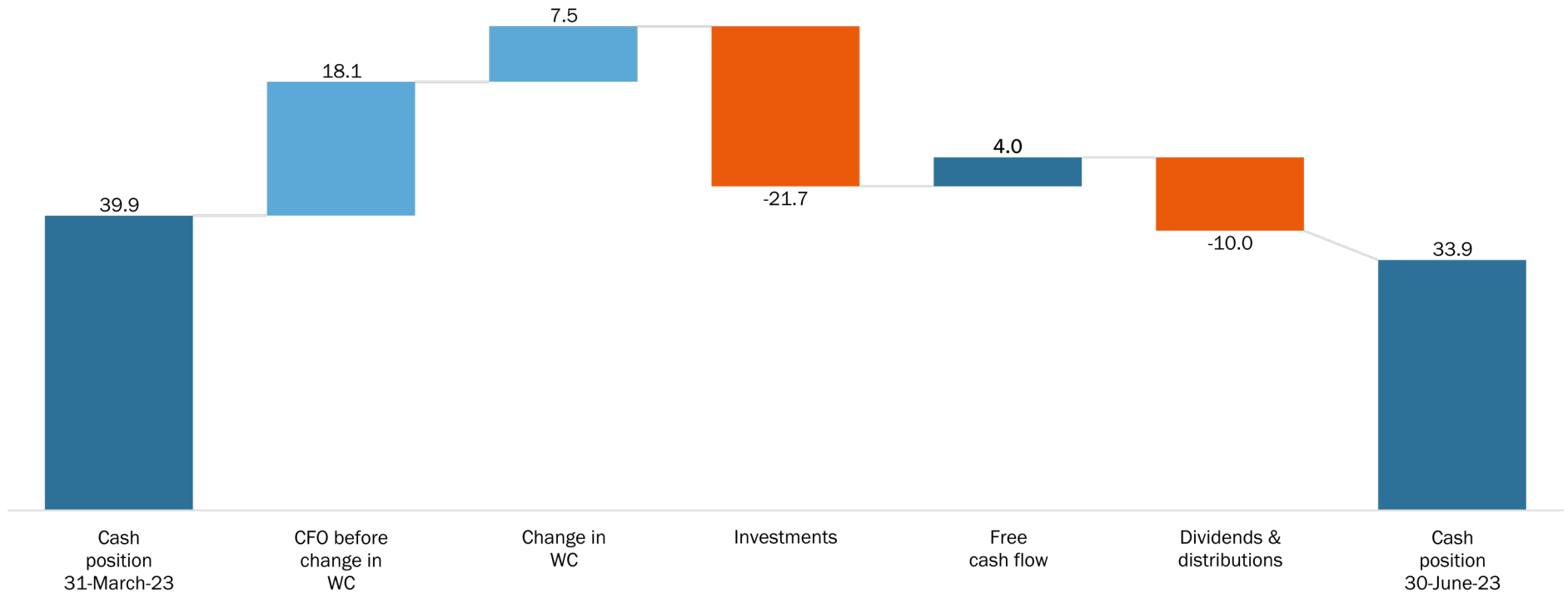


TETHYS OIL Supporting slides



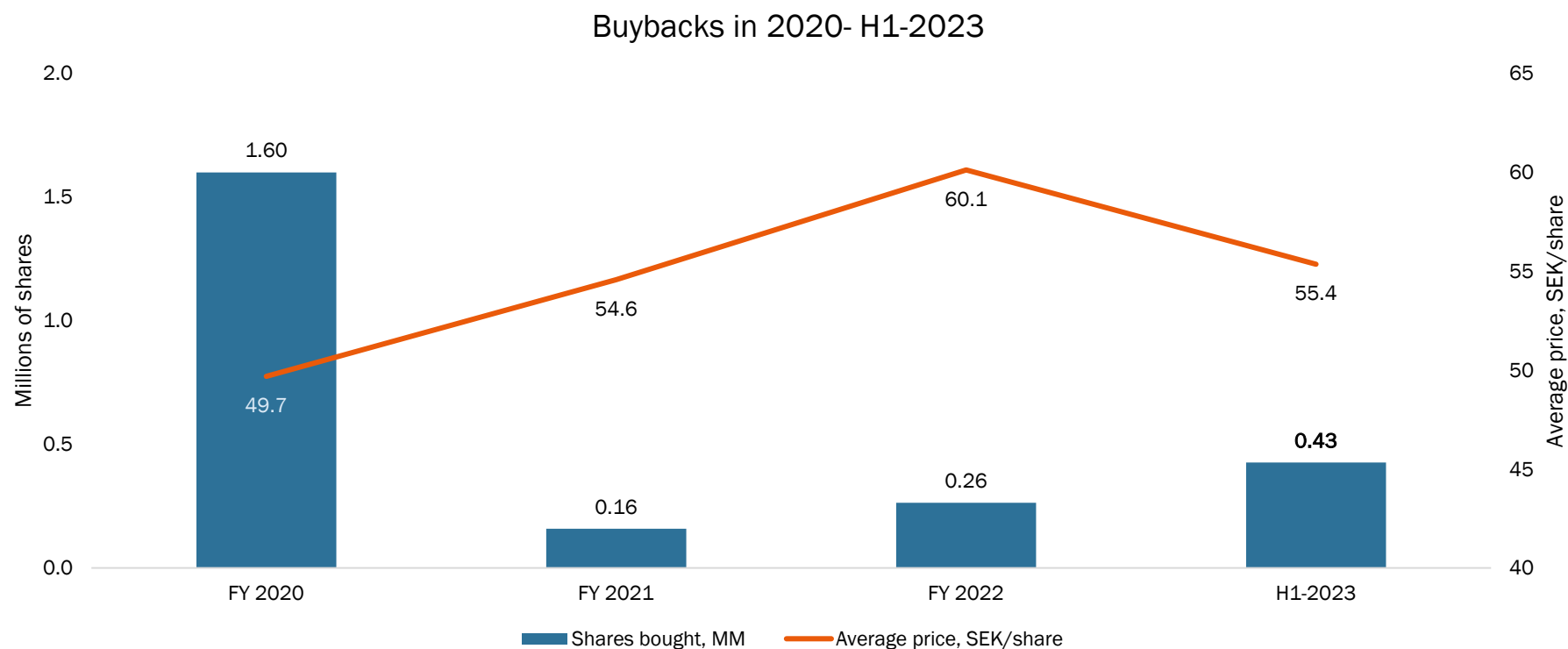
Evolution of Cash Balance

- Cash Balance of MUSD 33.9 as of June-2023
- MUSD 10 returned to shareholders in Q2-23



3.52% of issued shares in treasury after buybacks

- A new buyback program was authorised by the AGM 2023 with a limit of up to 10% of outstanding shares
- In total **426,550 shares** have been purchased in H1-23
- As of **30 June 2023**, Tethys Oil holds treasury shares in the amount of **1,164,901 shares** (3.5% of shares outstanding)



Dividends and redemptions

- The AGM approved the distribution of dividends of SEK 2.0 per share (2021: SEK 2.0) and extraordinary distribution of SEK 3.0 per share (2021: SEK 5.0) by way of redemption
- Redemptions, SEK 3.0 per share
 - Record date for split: 25 May
 - Payment: June
- Ordinary dividends, SEK 2.0 per share
 - Record date: 13 November
 - Payment: On or about 16 November

