Corporate Governance Report

This Corporate Governance Report has been prepared in accordance with the Swedish Companies Act (SFS 2005:551), the Annual Accounts Act (SFS 1995:1554) and the Swedish Corporate Governance Code (the "Code") and has been subject to a review by the Company's statutory auditor.

The Company is not aware of any deviations from Nasdaq Stockholm's Rulebook for Issuers, recommendations from the Swedish Securities Council, decisions from Disciplinary Committee at Nasdaq Stockholm or statements from the Swedish Securities Council.

Maha Energy AB (publ), company registration number 559018-9543, has its corporate head office at Strandvägen 5A SE-114 51 Stockholm, Sweden and the registered seat of the Board of Directors is Stockholm, Sweden. The Company's website is www.mahaenergy.ca.

This 2021 Corporate Governance Report is submitted in accordance with the Swedish Annual Accounts Act and the Code. It explains how Maha has conducted its corporate governance activities during 2021.

As a Swedish public company listed on Nasdaq Stockholm (under symbol MAHA-A) Maha Energy is subject to the Rulebook for Issuers of Nasdaq Stockholm which can be found on www.nasdaqomxnordic.com. In addition, the Company abides by principles of corporate governance found in several internal and external documents to build trust on how Maha responsibly conducts its business.

External and Internal governance framework

The Company observes good corporate governance practices in accordance with the laws and regulations of Swedish legislation, the Company's own Articles of Association and policies. The Company's Articles of Association do not contain any provisions for a special procedure for changing the Articles of Association. The Company issues Annual Consolidated Financial Statements and interim reports in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU, and Swedish Annual Accounts Act.

Maha adheres to both the internal and external rules for Corporate Governance principles; thus, decreasing potential risks associated with unclear individual and company responsibilities and avoiding conflicts of interests between its shareholders, managers, and board of directors.

External Corporate Governance Rules

The Annual Accounts Act
The Exchange Rules for Issuers
NASDAQ Rules and Regulations
The Swedish Companies Act
Swedish Code of Corporate Governance
Statements of the Swedish Securities Council

Internal Corporate Governance Rules

Anti-Corruption Policy
Articles of Association
Code of Conduct
Company Policies, Guidelines, and Procedures
Corporate Governance Policy
Health, Safety, and Environment Policy
Internal Control and Risk Management

Swedish Corporate Governance Code

The Swedish Corporate Governance Code is based on the tradition of self- regulation and the principle of "comply or explain". It acts as a complement to the corporate governance rules contained in the Swedish Companies Act, the Annual Accounts Act, EU rules and other regulations such as the Rulebook for Issuers and good practice on the securities market. The Code is published on www.bolagsstyrning.se, where a description of the Swedish Corporate Governance model can be found. A revised version of the Code applies as of 1 January 2021.

During 2021, the Company deviated from the Code rules 8.1 and 8.2 as the board of directors' evaluations of the work of the board or the CEO have not been conducted through a formalized process as set forth within these rules. The board of directors' assessment is that such formalized processes have not been deemed necessary, as no major development areas with regards to the board of directors' or the CEO's work have been identified during previous years. The board of directors however continuously evaluates the operational management of the Company including the work of the CEO as well as the work of the board of directors (for further information, please refer to heading "The Board and its work"). An evaluation of the board of director's work, competence and composition is further included in the duties of the Nomination Committee. The Nomination Committee also considers criteria such as the background and experience of the board, and evaluates the ongoing work (for further information, please refer to heading "Nomination Committee and its Function"). The Company is not aware of any other deviations from the Code.

Shareholders

The Company's shares (MAHA-A) are listed on Nasdaq Stockholm. At year-end 2021 the share capital amounted to SEK 1,316,872.656, represented by 119,715,696 shares, of which 119,715,696 were Class A shares and nil were class B shares. All shares represent one vote each. At 31 December 2021, the number of shareholders was 9,481 (2020: 11,207). Of the total number of shares, foreign shareholders accounted for approximately 26.13 percent. Kvalitena AB is the only shareholder with a holding in excess of 10 percent of shares and votes, with a holding of 21,588,327 shares representing approximately 18.03 percent of shares and votes. For further information on share, share capital development and shareholders, see page 29 - 30 and the Company's website.

Annual General Meeting

According to the Swedish Companies Act (2005:551), the general meeting is the Company's highest decision-making body. At the general meeting, the shareholders exercise their voting rights in key issues, such as changes to the articles of association, the election of the board of directors and auditors, adoption of the income statement and balance sheet, discharge from liability of the board of directors and the CEO and Managing Director, the appropriation of profit or loss and the principles for the appointment of the nomination committee. The Annual General Meeting ("AGM") must be held within six (6) months of the close of the fiscal year. The Company calls the meeting through announcements in the Swedish Official Gazette, the Svenska Dagbladet and the Company's website.

Right to attend AGMs

All shareholders who are listed in the share registry on the record date, and who have notified the Company of their participation in due time, are entitled to participate in the AGM. Shareholders of Class A and B shares are entitled to exercise their respective voting rights in accordance with the description above (Shareholders).

Annual General Meeting 2021

The 2021 AGM was held on 27 May 2021 through postal voting only due to coronavirus pandemic and in accordance with the Swedish Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. The AGM was attended by 7 shareholders, personally or by proxy, representing 6.41 percent of the share capital. The Chairman of the Board, all Board members including the CEO and Managing Director were present, as well as the Company's auditor and the majority of the members of the Nomination Committee for the 2021 AGM. The members of the Nomination Committee for the 2021 AGM were also present. Under the Articles of Association and Swedish law, the AGM must address those matters listed below marked with "*".

The submissions and resolutions passed by the 2021 AGM included the following:

- Approval of administrative matters concerning the AGM*;
- Submission of the annual report and the auditor's report and the consolidated financial statements and the auditor's report on the group*;
- Resolution in respect of adoption of the profit and loss statement and the balance sheet and the consolidated profit and loss statement and the consolidated balance sheet*;
- Resolution in respect of Company's funds available shall be carried forward and no dividends shall be paid for the last financial year;
- Resolution in respect of the members of the Board and the Managing Director's discharge from liability*;
- Resolution that the Board of Directors shall comprise of six (6) ordinary members and no deputy members;
- Determination of the fees payable to the members of the Board and the auditors*;
- Election of members of the Board and auditors*;
- Resolution on a policy for remuneration to the senior executives;
- Approval of the remuneration report*;
- Resolution regarding principles for the appointment of and instructions regarding a Nomination Committee (see below)*;
- Resolution regarding an incentive program and issuance of warrants to the executive management (LTIP 5) (see below);
- Resolution regarding an incentive program and issuance of warrants to the executive management (LTIP 6) (see below);
- Resolution regarding authorisation for the Board to increase the share capital. The Board of Directors was authorized to resolve on issuance of new shares, warrants and/or convertible debentures during the period until the next annual general meeting and at one or more occasions, with consideration in cash and, in kind or by set-off and with the right to deviate from the shareholders' preferential rights, through which the share capital may be increased by an amount corresponding to 20 per cent of the share capital and number of shares in the company as of on the date the Board of Directors make use of the authorization.

Annual General Meeting 2022

The Annual General Meeting (AGM) of Maha Energy AB (publ) will be held on 31 May 2022 3:00 PM CET at 30 Grev Turegatan in Stockholm .

Nomination Committee and its Function

The duties of the nomination committee include the preparation and drafting of proposals regarding the election of members of the board of directors, the chairman of the board of directors, the chairman of the general meeting and auditors. The nomination committee shall also propose fees for board members and the auditor. The composition of the nomination committee is publicly announced at least six months ahead of the AGM.

In accordance with the Nomination Committee proposal approved by the 2021 AGM (proposal not to change the principles for the appointment of and instructions regarding a nomination committee adopted at the Annual General Meeting in 2019), the Nomination Committee for the 2022 AGM consists of members appointed by three (3) of the largest shareholders of the Company based on shareholdings as at 30 September 2021 and the Chairman of the Board. The names of the members of the Nomination Committee were announced and posted on the Company's website on 26 November 2021 (within the time frame of six (6) months before the AGM, as prescribed by the Code). Henrik Moren is the Chairman of the Nomination Committee.

The Nomination Committee for the 2022 AGM consists of:

- Christer Lindholm, appointed by Kvalitena AB
- Edwyn Neves, appointment by Banco BTG Pactual S.A
- Henrik Moren, appointed by Jonas Lindvall
- Harald Pousette, Chairman of the Company's Board

The Nomination Committee Report, including the final proposals to the 2022 AGM, is published on the Company's

website at the same time the Notice of the AGM is given. During 2021, the Nomination Committee has met and conferenced one (1) time during which all members attended or were in conference.

The Nomination Committee's purpose is to produce proposals for certain matters including, amongst others, the following (which will be presented to the 2022 AGM for consideration):

- Number of members of the Board of Directors
- Remuneration to the Chairman of the Board of Directors, the other members of the Board of Directors and auditors respectively
- Election of auditors
- Remuneration, if any, for committee work
- The composition of the Board of Directors
- The Chairman of the Board of Directors
- Resolution regarding the process of the Nomination Committee 2022
- Chairman at the AGM

The work of the Nomination Committee includes evaluation of the Board's work, competence and composition, as well as the independence of the members. The Nomination Committee will also consider criteria such as the background and experience of the Board, and evaluate the ongoing work.

The Board and its work

Board composition

After the general meeting, the board of directors is the highest decision-making body. According to the Swedish Companies Act, the board of directors is responsible for the organisation and management of the company's affairs, which means that the board of directors is responsible for, among other things, establishing targets and strategies, securing procedures and systems for monitoring of set targets, continuously assessing the company's financial position and evaluating the operational management. Furthermore, the board of directors is responsible for ensuring that proper information is given to the company's shareholders, that the company complies with laws and regulations and that the company develops and implements internal policies and ethical guidelines. Moreover, the board of directors is responsible for ensuring that annual reports and interim reports are prepared in a timely matter. The board of directors also appoints the company's CEO and Managing Director and determines its salary and other compensation.

The members of the board of directors are elected annually at the annual general meeting for the period until the end of the next annual general meeting. Pursuant to the Company's Articles of Association, the Board shall consist of not less than three (3) and not more than seven (7) ordinary members, without any deputy members. There are no specific stipulations in the Company's Articles of Association on how the board members should be assigned or dismissed. The Company aims to promote diversity at all levels of the Company and as such a Board seat was offered to a female candidate in the past who turned it down. Currently, the Company's Board consists of 6 ordinary members, appointed until the end of the next annual shareholders' meeting. The composition of the Board of the Company changed at the 2021 AGM. The current Board is as follows: Mr. Harald Pousette (Chairman), Mr. Jonas Lindvall, Mr. Anders Ehrenblad, Mr. Fredrik Cappelen, Mr. Nick Walker and Mr. Seth Lieberman (see bios in section "The Board of Directors and Management").

Member	Elected	Position	Year of Birth	Nationality	Independent in Relation to Company	Independent in relation to the Company's major shareholders
Harald Pousette	2017	Chairman	1965	Swedish	Yes	No
Anders Ehrenblad	2013	Member	1965	Swedish	No	Yes
Jonas Lindvall[1]	2013	Member	1967	Swedish	No	Yes
Nick Walker	2020	Member	1962	British	Yes	Yes
Fredrik Cappelen	2021	Member	1962	Norwegian	Yes	Yes
Seth Lieberman	2021	Member	1961	United States	Yes	No

Rules of Procedure

The Board's work is governed by the approved Rules of Procedure. The Board supervises the work of the Managing Director by monitoring the Company's operational and financial activities. The Board ensures that the Company's organisation, administration, and controls are properly managed. The Board adopts strategies and goals and provides review and approval of larger investments, acquisitions and disposals of business activities or assets. The Board also appoints the Managing Director and determines the Managing Director's salary and other compensation. The Chairman of the Board supervises the Board and is responsible for it functioning well. The Chairman, among other things, is regularly updated on the Company's operations, meets with the Managing Director and is responsible to ensure information and documentation is provided by the Company to ensure high quality discussions and proper consideration of matters.

Board's Yearly Work Cycle:

Q1 / Q2 targeted main activities:	*Q3 / Q4 main activities:*
▪ Approval of the fourth quarter report; ▪ Approval of the Annual Report and other annual reports; ▪ Review of the Auditor's Report and meeting with the Auditor (excluding Management) to discuss the audit process, risk management and internal controls; ▪ Review of the Policy on Remuneration for submission to the AGM; ▪ Determination of the AGM details and approval of the AGM materials; ▪ Approval of the first quarter report; ▪ Annual investor relations assessment; ▪ Review of the Rules of Procedure	▪ Adoption of the budget and work programme; ▪ Consideration of the Board self-evaluation to be submitted to the Nomination Committee; ▪ Approval of the second and third quarter reports; ▪ Review of the third quarter Auditor's Report and meeting with the Auditor (excluding Management) to discuss interim review results; ▪ Performance assessment of the CEO and Managing Director; ▪ Consideration of the performance review of Group management and Remuneration Committee remuneration proposals; ▪ Long-term strategy discussions; ▪ Evaluation of internal controls; ▪ Insurance Program renewal

The Board's work in 2021

During 2021, the Board held nine (9) in-person meetings and one (1) per-capsulam meetings. Attendance for the in-person meetings is shown in the tables below. The Company's CFO acted as the Board's corporate secretary. Prior to each meeting, Board members were provided with an agenda and written information on the matters to be covered. Each meeting has included the possibility to discuss without management representatives being present. The Company's Auditor also met at least once with the board or respective board committee.

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

Pre 27 May 2021 AGM

Board Member	Board	Attend	Audit Committee	Attend	Remuneration Committee	Attend	Reserves/HSE Committee	Attend
*Harald Pousette	*	6/6	*	3/3				
Anders Ehrenblad	*	6/6	*	3/3	*	2/2		
Jonas Lindvall	*	6/6					*	1/1
Nick Walker	*	6/6			*	2/2	*	1/1
Fredrik Cappelen	*	6/6	*	3/3			*	1/1
Seth Liberman	*	5/6	*	3/3	*	2/2		

Post 27 May 2021 AGM

Board Member	Board	Attend	Audit Committee	Attend	Remuneration Committee	Attend	Reserves/HSE Committee	Attend
*Harald Pousette	*	3/3	*	2/2				
Anders Ehrenblad	*	3/3	*	2/2	*	1/1		
Jonas Lindvall	*	3/3					*	1/1
Nick Walker	*	3/3			*	1/1	*	1/1
Fredrik Cappelen	*	3/3	*	2/2			*	1/1
Seth Liberman	*	3/3	*	2/2	*	1/1		

Board Committees

In order to increase the efficiency of its work and enable a more detailed analysis of certain matters, the Board has formed three (3) committees: Audit Committee; Remuneration Committee; and Reserves/HSE Committee. Committee members are appointed by the Board within the Board members up to the next AGM. The Committee's duties and authorities are governed by those Mandates, Policies and Terms of Reference described below. The committees perform monitoring and evaluations, resulting in recommendations to the Board, where all decision-making takes place.

Audit Committee

The Board established an Audit Committee just after the 2021 AGM for the period up to and including the 2022 AGM, consisting of Harald Pousette as Chairman, Anders Ehrenblad, Seth Lieberman and Fredrik Cappelen as members. The Committee convened five (5) times during 2021.

The Audit Committee is a supervisory body within the Board of Maha. The Audit Committee shall ensure compliance with the Board's monitoring responsibilities pertaining to financial reporting, risk management and assessing the efficiency of the Company's internal controls over financial reporting. The Audit Committee shall thereby, in particular, contribute to sound and regular financial reporting to ensure the market's trust in Maha. The Audit Committee shall furthermore regularly liaise with the Company's external auditors as part of the annual audit process and review their fees, as well as the auditors' qualifications, independence and impartiality. The Audit Committee shall also ensure that good communication is maintained between the Board and the external auditor(s).

As per the Audit Committee's functions and responsibilities, Audit Committee met with the external auditors more than once during the year and also met without the presence of the management.

Remuneration Committee

The Board established a Remuneration Committee for the period up to and including the 2022 AGM, consisting of Seth Lieberman as Chairman, Nick Walker and Anders Ehrenblad as members. The Committee convened three (3) times during 2021.

The Remuneration Committee is a preparatory body within the Board of Directors with the main duties to prepare resolutions to be adopted by the Board of Directors pertaining to matters regarding remuneration principles, remuneration and other terms of employment for executive management; monitor and evaluate current and during the year finalized programs for variable compensations for the executive management, and monitor and evaluate the compliance with the guidelines for remuneration for the executive management which the general meeting by law shall adopt, and applicable remuneration structures and remuneration levels in the Company. The work of the Remuneration Committee is governed by established rules of procedures that have been set by the Board of Directors.

Reserves/HSE Committee

The Board established a Reserves/HSE Committee after the 2021 AGM for the period up to and including the 2022 AGM, consisting of Nick Walker, Chairman, Fredrik Cappelen and Jonas Lindvall. The Committee convened two (2) times during 2021.

The Reserves & HSE Committee is responsible for the following functions:

- assist the Board in fulfilling its oversight responsibilities generally with respect to the oil and natural gas reserves evaluation process of the Company and public disclosure of reserves data and related information in connection with the Company's oil and gas activities;
- evaluation of and recommendation on appointment of independent qualified reserve auditor, oversight of the reserves audit process;
- developing, implementing and monitoring policies, standards and practices of the Company with respect to matters concerning health, safety and environment, including public disclosures.

Remuneration of Board members

The remuneration of the Chairman and other Board members follows the resolution adopted by the AGM. The Board members, except for the CEO and Managing Director, are not employed by the Company, do not receive any salary from the Company and are not eligible for participation in the Company's incentive programmes. The Policy on Remuneration approved by the AGM also comprises remuneration paid to Board members for work performed outside their directorships.

The 2021 AGM resolved that remuneration of the chairman of the Board of Directors shall be TSEK 415 per annum and of the other members TSEK 300 per member per annum. Remuneration is not paid for service of the Boards or directors of subsidiaries. Jonas Lindvall, who is employed by Maha, does not receive any remuneration for his service on the Board of Directors. Annual fee for committee members is TSEK 40 per committee assignment. The annual fee for the chairman of the audit committee, chairman remuneration committee and reserve and health, safety and environment committee is TSEK 60. Further, if a member of the Board of Directors, following a resolution by the Board of Directors, performs tasks which are outside the regular Board work, separate remuneration will apply.

Management

The executive management in Maha throughout 2021 has consisted of the Managing Director and Chief Executive Officer (Jonas Lindvall), the Chief Financial Officer (Andres Modarelli), the Vice President of Operations (Alan Johnson) until 8 August 2021 and was promoted to the Chief Operating Officer beginning 8 August 2021, the Vice President of Exploration and Production (Jamie McKeown) until 30 November 2021 when he retired, the Manager of Investor Relations and Deputy Managing Director (Victoria Berg), and Sub-surface Manager (Robert Thomson)

beginning 1 November 2021. The Board of Directors has adopted an instruction for the Managing Director which clarifies the responsibilities and authority of the Managing Director. According to the instruction, the Managing Director shall provide the Board of Directors with decision data to enable the Board to make well-founded decisions and with documents to enable it to continually monitor the activities for the year. The Managing Director is responsible for the day-to-day business of the Company and shall take the decisions needed for developing the business – within the legal framework, the business plan, the budget and the instruction for the Managing Director adopted by the Board of Directors as well as in accordance with other guidelines and instructions communicated by the Board of Directors.

Remuneration for Management

At the AGM 2021 it was resolved to adopt a policy for remuneration and other employment conditions for the Executive Management which is available at the Company's website.

For additional information on Board member and senior management compensation please refer to Note 29 to the Financial Statements as well as the Company's Remuneration Report available at the Company's website.

External Auditors

At the 2021 AGM and for the period until the conclusion of the next Annual General Meeting the accounting firm Deloitte AB was elected as Maha's independent auditor. The Auditor in charge is Fredrik Jonsson.

Financial Reporting and Internal Controls

The Board of Directors has the ultimate responsibility of the internal controls over financial reporting. Maha's systems of internal control, with regard to financials reporting, is designed to minimize risks involved in financial reporting process and ensure a high level of reliability in the financial reporting. Furthermore, the system of internal control ensures compliance with applicable accounting requirements and other disclosure requirements that Maha is required to meet as a publicly listed company.

Internal Controls

While the Board (with assistance from the Audit Committee), in accordance with the Swedish Companies Act, has the ultimate responsibility for the internal controls over the Company's financial reporting; front line responsibility for such is with the CEO and Managing Director and CFO under the approved Instructions for Financial Reporting and the Instructions to Managing Director. In line with listed companies of similar size in the oil and gas sector, Maha maintains a system of internal controls for its financial reporting that is designed to minimize risks of error and ensure a high level of reliability and compliance with applicable accounting principles. The Company's CFO and Managing Director continually work on improving the financial reporting process through evaluating the risk of errors in the financial reporting and related control activities. Control activities include close monitoring and approval by the Company's executive team, in line with the authorization guidelines of: invoices, other payables, contracts and legal commitments, and other financial and treasury activities in relation to the oil and gas operations of the Company in the United States, Brazil and Oman. The purpose of these activities is to ensure and monitor that control activities are in place for the areas of identified risks related to financial reporting and potentially fraudulent activities. The Audit Committee, the CFO, and the Managing Director follow up on the compliance and effectiveness of the Company's internal controls to ensure the quality of internal processes is appropriate and develop controls as considered necessary.

There were no complaints reported under the Company's Anti-Corruption Policy and Code of Business Conduct and Ethics.

Information and Communication

The Board has adopted an Information and Communication Policy for the purpose of ensuring that the external information is correct and complete. There are also instructions regarding information security and how to communicate financial information.

Monitoring

Both the Board (with assistance from the Audit Committee) and the management follow up on the compliance and effectiveness of the Company's internal controls to ensure the quality of internal processes. The Audit Committee ensures and monitors that adequate controls are in place for the identified areas of risk related to financial reporting activities. For this purpose, an independent consultant reporting directly to the Audit Committee is engaged to monitor and test effectiveness of internal controls.