

Interim report January - September 2019

1. Summary

MISEN ENERGY AB (publ)

Reg. No. 556526-3968

Results for the July-September 2019 ("Q3 2019") (within brackets same period 2018)

Consolidated operating group result	KSEK 459 (2,564)
Consolidated group net turnover	KSEK 9,669 (5,249)
Earnings per share	SEK -0.05 (-0.01)
Parent company operating loss	KSEK -2,361 (-2,031)
Parent company net turnover	KSEK 3,191 (1,394)

Results for the January-September 2019 ("9M 2019") (within brackets same period 2018)

Consolidated operating group loss	KSEK -6,164 (-12,661)
Consolidated group net turnover	KSEK 21,958 (5,889)
Earnings per share	SEK -0.07 (-0.07)
Parent company operating result	KSEK 20 (-6,290)
Parent company net turnover	KSEK 14,364 (4,183)

Group definition

Misen Energy AB (publ) ("**Parent Company**" or "**Company**") is a Swedish public limited liability company with its registered offices in Stockholm. The address of the Head Office is Kungsporsavenyen 32, 411 36 Gothenburg. The Company is listed at Nasdaq First North Stockholm. The Misen Group ("**Misen Group**" or "**Group**") comprises Misen Energy AB (publ) and the partially owned subsidiaries LLC Karpatygas (Ukraine) and Misen Enterprises AB (Sweden).

In June 2016 and in July 2017, Parent Company sold respectively 37.5% and 10% of Misen Enterprises AB shares to the Hong Kong based company Powerful United Limited ("**PUL**"). The same owners that control the shareholder TCT Holding AB also control PUL. In 2018, Company sold 2% of Misen Enterprises AB shares to Mr. Konstantin Guenevski, Bulgarian citizen, who is a senior trader of one of the world's leading independent commodity trading and logistics houses. Misen Energy AB (publ) remain the owner of 50.5% of Misen Enterprises AB shares and maintain full control of the company. Misen Enterprises AB is consolidated in the Misen Group accounts and the 49.5% held by other investors are accounted for as a non-controlling interest within equity.

Joint Activity and Joint Activity Agreement

Misen Group together with PUL and Mr. Konstantin Guenevski had a 50.01% participation interest in the Joint Activity ("**JA**") dedicated to the hydrocarbon production and sales business in Ukraine. The remaining 49.99% interest in JA was held by Joint Stock Company Ukrgasvydobuvannya ("**JSC Ukrgasvydobuvannya**" or "**UGV**") (Ukraine), a wholly owned subsidiary of National Joint Stock Company Naftogaz of Ukraine (Ukraine). JA was governed by the Joint Activity Agreement No.3, dated 10 June 2002 ("**JAA**" or "**JAA No.3**") (as further restated and amended). JAA No.3 was terminated by the partial final award rendered by the Arbitral Tribunal in the arbitration proceeding under Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce.

2. Essential Events during the 9M 2019

Accounting treatment of the Joint Activity

Misen Enterprises AB and LLC Karpatygaz participate in an arbitration proceeding commenced by JSC Ukrigasvydobuvannya in August 2016 under JAA No.3 and vigorously defend the legitimate interests of their investors.

On 11 July 2018, the Arbitral Tribunal rendered Final Partial Award in the arbitration proceeding commenced under JAA No.3 in accordance to Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce. This award is a final award on those issues that were decided at this stage of the proceeding. The Arbitral Tribunal fully rejected the JAA's invalidity arguments, as well as the overwhelming majority of JSC Ukrigasvydobuvannya's arguments concerning Misen Enterprises AB and LLC Karpatygaz alleged "breaches". In specific, Final Partial Award acknowledges the following:

1. **The Arbitral Tribunal has fully, unanimously and unequivocally dismissed all the claims submitted by JSC Ukrigasvydobuvannya in relation to alleged invalidity of the JAA.** The Arbitral Tribunal found no corruption or collusion in the negotiation and approval of the JAA. The Tribunal did not establish any wrongdoing of present and/or former shareholders (beneficial owners) of Misen Enterprises AB and Karpatygaz LLC. Also, there was no wrongdoing of management of Misen Enterprises AB and Karpatygaz LLC. The JAA complied with all relevant Ukrainian legislation. Specifically, the Arbitral Tribunal found that there is no basis to conclude that the JAA breached Article 7(4) of the Pipeline Transport Law or public policy. The Arbitral Tribunal established that JSC Ukrigasvydobuvannya retained full rights to access and use its wells and there was no misappropriation of this of JSC Ukrigasvydobuvannya's property. Further, the Arbitral Tribunal has rejected claims of JSC Ukrigasvydobuvannya that the JAA breached the prohibition on the sale of gas other than to PJSC NJSC Naftogaz of Ukraine pursuant to Article 10 of the Law on the Functioning of the Gas Market.

Summarizing the Arbitral Tribunal findings on the above mentioned issues, Tribunal confirmed that the JAA is a legal and fully binding contract, which gave rise to substantial benefits for JSC Ukrigasvydobuvannya (notably the ability to commercialise its gas at higher, unregulated prices, the obligation of Misen Enterprises AB to ensure additional financing to implement the Joint Activity Programs, and the revenues earned by providing services to the Joint Activity under the Services Agreement). The JAA was concluded in the interests of JSC Ukrigasvydobuvannya, not contrary to its interests.

2. **Performing their respective contractual obligations, Misen Enterprises AB and / or LLC Karpatygaz did not make any material breaches of the JAA, and, therefore, Arbitral Tribunal has fully, unanimously and unequivocally dismissed all the claims submitted by JSC Ukrigasvydobuvannya to terminate the JAA on the ground that Misen Enterprises AB and LLC Karpatygaz allegedly breached their contractual obligations.** Specifically, the Arbitral Tribunal found that Misen Enterprises AB made no breach of its obligation to provide additional financing to implement the Joint Activity Programs; LLC Karpatygaz made no breaches of the JAA by entering into any of the sale of gas agreements; there was no failure to contribute know-how to the Joint Activity; there were no unjustified "threats" to stop operation of certain booster compressor stations; LLC Karpatygaz had a right to enter into settlement agreements with respect to certain debts owed to the Joint Activity; and, finally, the Arbitral Tribunal declared that LLC Karpatygaz complied with its obligations under the

JAA with respect to commissioning the booster compressor stations (including the major Khrestyshchenska BCS) and conducting repair works of the wells.

3. **The only instance where the Arbitral Tribunal partially endorsed the position of JSC Ukrgasvydobuvannya is the Tribunal's findings that Misen Enterprises did not meet its obligation to make part of its contribution in the amount of approximately MUS\$ 8.5 by 31 December 2015 and that Karpatygaz was late under the JAA in equipping certain wells with metering stations.** However, the Arbitral Tribunal decided that these breaches, whether considered alone or together, cannot be characterised as substantially depriving JSC Ukrgasvydobuvannya of what it expected to receive when making the JAA and do not give right for JSC Ukrgasvydobuvannya to terminate the JAA. Moreover, while the Arbitral Tribunal indicated that a failure to make the remaining part of Misen Enterprises AB contribution may lead to making appropriate adjustments to the JAA participant's share of the joint property upon termination of the JAA, this does not result in the rescission of the parties' original agreement on the value of their contributions. Thus, the Arbitral Tribunal upheld that, as was contractually agreed, JAA entitled Misen Enterprises AB and LLC Karpatygaz to a 50,01% share in the joint property.
4. **However, since the 70% royalty imposed by the Government of Ukraine brought a material change in circumstances and it is no longer possible to achieve the purpose of the JAA, the Arbitral Tribunal concluded that the JAA must be terminated as of 11 July 2018 solely on these grounds.** As previously reported, Misen Enterprises AB and LLC Karpatygaz agreed on termination of the JAA particularly on these grounds. Again, the Arbitral Tribunal has fully upheld Misen Enterprises AB and LLC Karpatygaz pleadings in this respect.
5. **Therefore, the Arbitral Tribunal obliged Misen Enterprises AB, LLC Karpatygaz and JSC Ukrgasvydobuvannya to take all steps necessary and appropriate to give practical effect to termination of the JAA.** The parties agree that, following termination, the Joint Activity's assets should be transferred to JSC Ukrgasvydobuvannya, with Misen Enterprises AB and LLC Karpatygaz receiving compensation for their interests in those assets. If after the Final Partial Award the parties will not be able to agree on the valuation of Misen Enterprises AB, LLC Karpatygaz share, this issue will be decided by the Arbitral Tribunal in its final award.

JSC Ukrgasvydobuvannya, Misen Enterprises AB and LLC Karpatygaz agree that, following termination, the JA's assets should be transferred to JSC Ukrgasvydobuvannya, with Misen Enterprises AB and Karpatygaz LLC receiving compensation for their interests in those assets. The parties assigned LLC Karpatygaz, a former Operator under the JAA, to facilitate transfer of the JA's assets to JSC Ukrgasvydobuvannya. The Arbitral Tribunal shall decide on compensation for the assets of Misen Enterprises AB and LLC Karpatygaz in Joint Activity in the second phase of the ongoing arbitration proceeding.

Misen Enterprises AB, LLC Karpatygaz and JSC Ukrgasvydobuvannya started the second phase of the arbitration proceeding. JSC Ukrgasvydobuvannya filed its submission in March 2019. JSC Ukrgasvydobuvannya requested the Arbitral Tribunal, among other issues, to significantly reduce participation share of Misen Enterprises AB and LLC Karpatygaz in JAA No.3 and to award compensation of damages that JSC Ukrgasvydobuvannya allegedly suffered due to non-fundamental breaches of JAA No.3. Misen Enterprises and LLC Karpatygaz filed their submission in June 2019. They requested the Arbitral Tribunal to dismiss all the claims submitted by JSC Ukrgasvydobuvannya in their entirety and order to Ukrgasvydobuvannya to pay to Misen Enterprises AB and LLC Karpatygaz compensation for their share of the Joint Activity.

Given that JAA No. 3 was terminated as of 11 July 2018, the Company believes that control over the specific assets owed by JA no longer exists when preparing this interim report for the 9M 2019. Control is required to consolidate the assets as well as the future results of the JA in the Group accounts.

The claims against JSC Ukgazvydobuvannya may not be accounted for as an asset in the Group financial statements as the outcome of the arbitration proceeding in relation to compensation for Misen Enterprises AB and LLC Karpatygaz for their share of JA is still uncertain at the date of this report.

The accounting treatment and book value do not purport to reflect the value of the claims of Misen Enterprises AB or LLC Karpatygaz for compensation arising from the termination of JAA No.3. Nor does this accounting treatment imply in any respect any waiver of any claim submitted by Misen Enterprises AB and LLC Karpatygaz in the arbitration proceeding under JAA No.3 or any other right of Misen Group. Misen Enterprises AB and LLC Karpatygaz continue to defend the legitimate interests of their shareholders and seek compensation for their share in the Joint Activity from the termination of JAA No.3.

Under JAA No.3 Misen Group operated solely in Ukraine.

For further information, please also refer to chapter Essential events after the end of the 9M 2019.

Financing of the Group's Swedish operations

In November 2018, Misen Energy AB (publ) signed the Financing Agreement with PUL for the maximum sum of up to 12 million Euros. The Agreement obliges PUL to provide financing for the Swedish operation and an arbitration proceeding commented by JSC Ukgazvydobuvannya under Arbitration Rules of the Arbitration Institute of Stockholm Chamber of Commerce in July 2016 against Misen Enterprises AB and LLC Karpatygaz.

Under the Financing Agreement, PUL agreed to provide financing on a non-recourse, unsecured and unguaranteed basis. Misen Energy AB (publ) agreed to pay an amount equal to the PUL's outlay on the arbitration proceeding at the date of payment plus 20 % of any final settlement at the arbitration proceeding to PUL. Such fee shall only become payable upon any final settlement of the arbitration claim. If Misen Energy AB (publ) does not achieve success in the arbitration proceeding, PUL shall not be entitled to any fee or repayment of any outlay. The contribution from PUL in accordance with the Financing Agreement is recorded as „Other operating income“.

Misen Energy AB (publ) has a complete control over the arbitration proceeding and has the right to settle with JSC Ukgazvydobuvannya, discontinue proceeding, pursue the proceeding to trial and take any action Misen Energy AB (publ) considers appropriate to enforce the Final Award.

During 9M 2019 PUL has provided additional financing for the arbitration proceeding and the operation of the Swedish companies.

Pre-trial Investigations in Criminal Cases

The pre-trial investigations in criminal cases commenced by the General Prosecutor Office of Ukraine respectively in 2014 and 2017, as supplemented with the JSC Ukgasvydobuvannya's criminal complaint dated 5 September 2016 and JSC Ukgasvydobuvannya's motion and notice of commitment of criminal offence dated 21 and 22 February 2017, were ongoing as of the date of this

report, to the best knowledge and understanding of Misen Enterprises and LLC Karpatygaz. Any pre-trial investigations in criminal cases are not public under the laws of Ukraine.

In September 2017, JSC Ukrigasvydobuvannya submitted another criminal complaint to the National Anticorruption Bureau of Ukraine (thereafter as “NABU”). In September 2017, NABU finished its pre-trial investigation and submitted a claim to the Commercial Court of Kiev. NABU requested the court to invalidate the Amendment No.4 to the JAA No.3 and the agreement for the provision of services on production, collection, treatment and transportation of natural gas, oil and gas condensate that LLC Karpatygaz concluded with JSC Ukrigasvydobuvannya in April 2011. The court instituted a legal proceeding in October 2017. The preparatory hearings were held in May-August 2018. The Court dismissed jurisdictional objections raised by Misen Enterprises AB and LLC Karpatygaz and moved the case to the consideration phase of the legal proceeding. The Court did not provide reasons for that dismissal.

The hearing was held in October 2018. The Kyiv Economic Court dismissed a claim what regards, among other issues, invalidation of JAA in their entirety. NABU and JSC Ukrigasvydobuvannya appealed against the decision. The appeal court hearing was held in May 2019. The North Economic Court of Appeal dismissed appeal claims submitted by NABU and JSC Ukrigasvydobuvannya. The Court upheld the decision of the first instance court.

On 5 June 2019, the Constitutional Court of Ukraine decided that NABU has no authority to challenge validity of any such agreements. Specifically, the Court decided that “paragraph 13 of part one of Article 17 of the Law of Ukraine “On the National Anti-Corruption Bureau of Ukraine” dated 14 October 2014 No. 1698-VII under which the National Anti-Corruption Bureau of Ukraine is vested with the right “in presence of the grounds provided for by law, to file claims with the court seeking to invalidate transactions according to the procedure established by the laws of Ukraine” be recognized as incompliant with the Constitution of Ukraine (unconstitutional).” The decision of the Constitutional Court of Ukraine is final and binding.

Disregarding the above decision of the Constitutional Court of Ukraine, NABU and JSC Ukrigasvydobuvannya appealed against the decision rendered by the North Economic Court of Appeal. NABU and JSC Ukrigasvydobuvannya claimed, among other issues, that the North Economic Court of Appeal had illegally upheld that Amendment No.4 of JAA No.3 was valid until its termination. In July 2019, the Supreme Court of Ukraine decided to open the cassation proceeding. The hearing was held on 4 September 2019 at which the case consideration was rescheduled to 2 October 2019.

At any event, LLC Karpatygaz and Misen Enterprises AB consider the criminal allegations to be ungrounded and deny them in their entirety. Misen’s position is that the Arbitral Tribunal had the exclusive jurisdiction to determine validity of JAA No.3.

For further information, please also refer to chapter Essential events after the end of the 9M 2019.

Contribution to the JA

Following termination of the JAA No. 3, Misen Enterprises AB considers that no further contributions can be made under JAA No.3. At the ongoing arbitration proceeding, Misen Enterprises AB agrees that damages for the breach of clause of the JAA regarding contribution is the only available remedy, however, argues that JSC Ukrigasvydobuvannya failed to prove loss and causation.

The liability regarding the remaining contribution, previously accounted for in Misen Group, has been reversed as a part of the deconsolidation of JA as of 31 December 2017.

Operations in the JA during 9M 2019

Production report

The table below sets forth the **accumulated reported production** indicators attributable to the JA for the specified periods:

	9M 2019	9M 2018	9M 2017	9M 2016	9M 2015	9M 2014
Natural Gas (mmcm)	-	-	-	493.8	523.7	515.0
Gas Condensate (ktons)	-	-	-	25.8	24.7	21.4
Oil (ktons)	-	-	-	4.7	8.0	24.4
LPG (ktons)	-	-	-	6.2	3.1	-

Since December 2016 and before the Arbitral Tribunal rendered Final Partial award to terminate JAA No.3, JSC Ukrigasvydobuvannya continued, as Misen Energy AB (publ) believes, manifestly unlawful actions and refused to provide services in respect to production, collection, treatment and transportation of hydrocarbons to JA (see below "Sale of Hydrocarbons"). Due to this the production of hydrocarbons attributable to JA was zero. Misen Enterprises and Karpatygas believe that they are entitled to their share of hydrocarbons attributable to JA since December 2016 until termination of JAA No.3 (since June 2017 excluding incremental production of natural gas from leased Booster Compressor Stations ("BCSs")). This issue will be decided by the Arbitral Tribunal in the ongoing arbitration proceeding.

During 9M 2019 the production was at zero level due to termination of JAA.

Agreements with Solar Turbines CIS LLC

In June 2013 and in 2015, Karpatygas in its capacity as Operator of the Joint Activity and Solar Turbines CIS LLC entered into agreements for equipment supply and maintenance services (as further amended). Solar Turbines CIS LLC rendered the agreed services and supplied equipment, however the Joint Activity did not pay for the services mainly due to the halted operations of the Joint Activity. As of 30 September 2019, outstanding debt to Solar Turbines CIS LLC amounted to KUSD 1,189.4 (KSEK 11,675.3). Misen Enterprises, Karpatygas and JSC Ukrigasvydobuvannya discuss settlement of the debt to Solar Turbines CIS LLC. Under JAA the parties are joint and several liable. Thus, all parties are liable under this agreement. This obligation is included as a contingent liability.

Operation of the Booster Compressor Stations

In early 2016, the JAA's participants agreed on a lease of the Khrestyschenska BCS to JSC Ukragasvydobuvannya. UGV had operated this BCS for its sole benefit and paid the corresponding fuel gas costs acquired during the lease period since 1 January 2016 until termination of JAA No.3. The payments under agreements should be made proportionally to all participants by UGV.

In addition, given UGV's refusal to allocate the power supply costs as well as the JA's unavailability to sell hydrocarbons, in May 2017 the Joint Activity leased the remaining six BCSs to

JSC Ukrkazvydobuvannya. In May 2018 the Lease Agreements, including Khrestyschenska BCS, were renewed. In accordance to the lease agreements, JSC Ukrkazvydobuvannya covered all the costs related to operation of the BCSs.

JSC Ukrkazvydobuvannya failed to make the lease payments to JA under the signed lease agreement, except the amount paid to JSC Sberbank and to be set off against future liabilities under renewed lease agreements. The monthly lease income amounted to approximately MUAH 18 (MSEK 7) including VAT, while the outstanding receivables amounted to MUAH 224 (MSEK 90) including VAT as of date the Arbitral Tribunal rendered the Final Partial Award to terminate the JAA No.3. Despite the fact that JSC Ukrkazvydobuvannya failed to make lease payments according to the agreements, JA has made VAT payments until termination of JAA No.3.

During the term of lease agreements, JSC Ukrkazvydobuvannya sent to LLC Karpatygaz, as the Operator of JAA No.3, more than 100 set-off notices seeking to offset its lease payment against the alleged payments that LLC Karpatygaz should have made to UGV. LLC Karpatygaz objected all the claims and initiated court proceedings in Ukrainian courts to invalidate the set-off notices.

Misen Enterprises AB and LLC Karpatygaz believe that starting from 11 July 2018, when the Arbitral Tribunal rendered the Final Partial Award to terminate JAA No.3, the lease agreements ceased to exist. As of 30 September 2019, Misén Enterprises AB, LLC Karpatygaz and JSC Ukrkazvydobuvannya reached no agreement what regards operation of the booster compressor stations and the related costs.

Subsoil use charge

As previously reported, due to the 70% subsoil use charge applicable to JA, in October 2015, the Company submitted a notice of investment dispute to the Government of Ukraine in accordance to the Agreement between the Government of the Kingdom of Sweden and the Government of the Ukraine on the Promotion and Reciprocal Protection of Investments.

The Government of Ukraine continued to impose the exorbitant subsoil charge to the Joint Activity until termination of JAA No.3 on 11 July 2018. Up until termination of the JAA No.3 on 11 July 2018, the Company reached no amicable resolution of the dispute with the Government of Ukraine.

Misen Energy AB (publ) reserves all its rights in this respect.

Tax payments in Ukraine

Since 2011, JA and its participants have contributed to Ukraine KUAH 11,174,511 (adjusted KSEK 5,243,935) as subsoil use charge, value added tax and corporate profit tax. Despite termination of JAA No.3 on 11 July 2018 JA is still registered as taxpayer with tax authorities of Ukraine. Since 11 July 2018 JA paid KUAH 4,098 (adjusted KSEK 1,300) in VAT related to the lease services till 11 July 2018 (please see section Operation of the Booster Compressor Stations).

Sale of hydrocarbons

During 2019 JSC Ukrkazvydobuvannya continued, as the Company believes, manifestly unlawful actions and refused to provide services in respect of production, collection, treatment and transportation of hydrocarbons to JA.

In 2016, LLC Karpatygaz, in its capacity as Operator of the Joint Activity, commenced a court proceeding and requested the court to order JSC Ukrkazvydobuvannya to provide services in respect

of production, collection, treatment and transportation of hydrocarbons to the JA. The court obliged UGV to provide the respective services, however JSC Ukrgasvydobuvannya appealed against the ruling. The Appeal Court maintained the decision of the first instance court. Subsequently, JSC Ukrgasvydobuvannya filed a cassation appeal with the Supreme Economic Court of Ukraine. In November 2017, the Supreme Court of Ukraine reversed decisions of lower courts and returned the case for reconsideration in a new circle.

In addition, LLC Karpatygaz commenced another court proceeding and requested the court to order JSC Ukrgasvydobuvannya to deliver hydrocarbons produced by JA during the period from December 2016. The court obliged JSC Ukrgasvydobuvannya to deliver hydrocarbons to the Joint Activity. It also dismissed JSC Ukrgasvydobuvannya's counterclaim against JA regarding reimbursement of debt and penalties under the services agreements. JSC Ukrgasvydobuvannya appealed against this court ruling.

In December 2017, the proceedings in both cases were halted until the final court ruling on case initiated by NABU, as described in the section "Pre-trial Investigations in Criminal Cases" above.

Investment program report

Due to financial constraints imposed by the increased subsoil use taxation as well as JSC Ukrgasvydobuvannya, as the Company believes, manifestly unlawful actions, since 2017 Misen Group almost completely halted investments into the development program of JA.

Since 2011 and until termination of JAA No.3, the Company has reached the following major milestones:

- at 86 wells repair works using the most up-to-date technical solutions were undertaken,
- 70 wells were commissioned,
- 7 BCSs from 11 were commissioned including Khrestyschenska, the largest in Ukraine,
- 4 BCS were at the final stages of construction.

Court proceedings against Center of Financial Leasing LLC (previously Sberbank Leasing)

Court proceeding in Case No. 910/21720/15

In 2015, LLC Sberbank Leasing Ukraine ("**Sberbank Leasing**" later as Financial Leasing Center) initiated the court proceeding against JSC Ukrgasvydobuvannya, LLC Karpatygaz and Misen Enterprises AB seeking to enforce the contract and recover penalties. Sberbank Leasing claims that JA failed to deliver the equipment within the terms of the contract and, therefore, Sberbank Leasing is entitled to recover penalties. Contrary to this, LLC Karpatygaz claims that the Joint Activity could suspend delivery of the equipment and, therefore, the Joint Activity had committed no violations. In October 2016, the Supreme Economic Court of Ukraine reversed decisions of the lower courts. The Ukrainian courts considered the case in a new circle. In February 2017 Sberbank Leasing changed its claims seeking now to recover USD 37,219,502 (SEK 365,350,651) of advance payment and UAH 352,987,638 (SEK 142,111,411) as foreign exchange losses and fines. In March 2017, Sberbank Leasing was renamed to Financial Leasing Center following the change of owners. In September 2017, the Supreme Economic Court of Ukraine again sent the case for reconsideration in a new circle. In October 2017 Kyiv Economic Court engaged the Specialized Anti-Corruption Prosecutor's Office.

In June 2018, Kyiv Economic Court ruled to halt the proceeding until the court finally decides on the claims brought by NABU. Financial Leasing Center appealed against the ruling of Kyiv Economic Court in June 2018. In July 2018 Kyiv Economic Court of Appeal upheld the decision taken by Kyiv Economic Court.

By the Ruling dated 1 July 2019 the Kyiv Commercial Court resolved to re-open the proceeding in the case. LLC Karpatygaz filed a claim to the Kyiv Commercial Court and requested the Court to return the submission of Center of Financial Leasing without consideration. The Court held preparatory hearing in the case in July 2019.

At the hearing held on 16 September 2019 the Court rescheduled the hearing on 7 October 2019.

For further information, please also refer to chapter Essential events after the end of the 9M 2019.

Court proceeding in Case No. No. 910/24412/16

In December 2016, Sberbank Leasing initiated another case against JSC Ukrgasvydobuvannya, LLC Karpatygaz and Misen Enterprises AB seeking to recover UAH 1,397,704,127 (SEK 562,710,091). Financial Leasing Center claims that the Joint Activity failed to deliver the equipment within the terms of the contract and thereby Financial Leasing Center was deprived of profit under the leaseback agreement. In June 2017, Financial Leasing Center filed additional claim to recover USD 10,170,581 (SEK 99,835,522) of lost profit. Kyiv Economic Court resolved to recover only UAH 237,507,020 (SEK 95,619,376) of lost profit. In June 2018 the judge of Kyiv Economic Court recused himself based on the request of Financial Leasing Center.

On 13 August 2018, Kyiv Economic Court of Appeal upheld the decision of the first instance court and resolved to recover UAH 237,507,020 (SEK 95,619,376) of lost profit and UAH 9,856 (SEK 3,968) of court costs to Financial Leasing Center. This decision was subject to an immediate enforcement.

LLC Karpatygaz challenged the decision in the Supreme Economic Court of Ukraine. On 30 August 2018 Supreme Economic Court of Ukraine ruled to halt enforcement of ruling of Kyiv Economic Court of Appeal until it will be reconsidered according to cassation procedure.

The hearing was held in February 2019. Supreme Economic Court partially upheld cassation appeals of JSC Ukrgasvydobuvannya, LLC Karpatygaz and Misen Enterprises AB and annulled rulings of lower instance courts. The Court send Financial Leasing Center's claim to recover lost profits for a retrial to a court of first instance. By its ruling dated 7 May 2019 the Kyiv Commercial Court decided to hold the preparatory hearing on 5 September 2019. On 10 September 2019 the Kyiv Commercial Court suspended the court proceedings in that case upon a request of LLC Karpatygaz, until the final judgment in the case no. 910/21720/15.

Misen and Karpatygaz consider that all the claims are unlawful and believe that final court decision will abolish the decisions of lower courts.

Essential events after the end of the 9M 2019

Ongoing arbitration under JAA No.3

In November 2019, JSC Ukgazvydobuvannya, Misen Enterprises AB and LLC Karpatygaz filed their statements on costs. Misen Enterprises AB and LLC Karpatygaz claim that JSC Ukgazvydobuvannya should at a minimum bear the full costs of the first phase of the arbitration and reimburse Misen Enterprises AB and LLC Karpatygaz all costs related thereto given that JSC Ukgazvydobuvannya's arguments concerning alleged "fundamental breaches", "malicious arrangement" and "invalidity" under Ukrainian law unnecessarily burdened phase one of the arbitration proceeding and were rejected in their entirety in the Partial Final Award. In accordance to the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce, the Arbitral Tribunal should issue the Final Award by the end of January 2020.

Court proceeding in Case No. 910/18439/17 (National Anticorruption Bureau of Ukraine)

The court postponed the hearing until 4 December 2019.

Court proceedings against Center of Financial Leasing LLC (previously Sberbank Leasing)

Court proceeding in Case No. 910/21720/15

On 11 November 2019, in case no. 910/21720/15 Kyiv Commercial Court rendered a judgment granting the claims of Financial Leasing Center for recovery USD 37,219,201.00 (UAH 911,948,019.95) from JSC Ukgazvydobuvannya, Misen Enterprises AB and LLC Karpatygaz jointly. The parties may appeal the judgment.

3. Results – the Misen Group and the Company

Misen Group net turnover for Q3 2019 was KSEK 9,669 (KSEK 5,249) and the Parent Company net turnover for this period was KSEK 3,191 (KSEK 1,394).

Misen Group net turnover for 9M 2019 was KSEK 21,958 (KSEK 5,889) and the Parent Company net turnover for this period was KSEK 14,364 (KSEK 4,183).

In Q3 2019 loss after financial items for the Misen Group was KSEK -970 (profit KSEK 391) the Parent Company loss after financial items made up KSEK -2,405 (KSEK -1,917).

For 9M 2019 loss after financial items for the Misen Group was KSEK -10,459 (KSEK -14,839) the Parent Company profit after financial items made up KSEK 19 (loss of KSEK -5,694).

Since 31 December 2017, JA is no longer consolidated into the accounts of Misen Energy since control ceased to exist. JAA No.3 was terminated on 11 July 2018.

During 9M 2019, due to termination of JAA, the production of hydrocarbons attributable to JA was zero (zero level during the same period 2017 due to violation by JSC Ukgazvydobuvannya of JAA).

Financial assets and liabilities

As of date of termination JAA, JA has KUAH 168,779 (KSEK 67,950) of written off bad debts. The subsidiary LLC Karpatygas, as the Operator of JA, is engaged in constructive negotiations with the debtors. The settlement of these outstanding obligations is also sought through the court proceedings in Ukraine.

The fair value of the financial assets and financial liabilities is estimated to be equal to the carrying value.

Contingent liabilities

As of 30 September 2019, Misen group contingent liabilities amounted to KSEK 63,859 (KSEK 27,027 as of 31 December 2018), the change is mainly explained by the inventory of assets and liabilities that have taken place as a part of the ongoing arbitration proceedings.

As described above, the Group is also involved in two court proceedings with Sberbank Leasing (Court proceeding in Case No. 910/21720/15 and Court proceeding in Case No. No. 910/24412/16). The outcome of these court proceedings is uncertain at the date of this report.

Cash position

As of 30 September 2019, the cash balance of the Misen Group was KSEK 83 (KSEK 310). The cash flow from operations after changes in working capital for 9M 2019 was KSEK -191 (KSEK -16,864).

Capital expenditure

The Misen Group's capital expenditure on equipment for gas production in Ukraine related to the JA activity during 9M 2019 was at zero level due to deconsolidation as described above.

Amendments to the tax code

As reported in previous reports, as of 1 January 2015 Ukrainian Parliament adopted amendments to the tax code. According to the adopted amendments, Joint Activities are not corporate profit tax (“CPT”) payers starting from 2015. Instead, Joint Activities’ operators are liable to pay income taxes on behalf of the participants. In December 2015 Ukrainian Parliament adopted additional amendments to the tax code. According to these amendments the CPT return is submitted within 40 days after the end of reporting period on a quarterly basis. The CPT obligations are based on the tax returns for the previous quarter and are paid within 10 days after submission of the return.

In this report it has been assumed that Misen Group with regard to the taxes related to JA will be tax payer according to Ukrainian legislation based on the presumption that it has operating activities within the country. Joint operations such as the JA in Ukraine have no clear definition in the Swedish Tax Legislation. JA has in the tax returns of Misen Enterprises since 2015 been treated as a foreign legal entity taxed by the participants (Sw. *I utlandet delägarbeskattad juridisk person*). This report has been prepared on the assumption that the income in the JA accrued before 1 January 2015 will not be subject to the Swedish tax, that the holding in the JA is considered as business-related shares (Sw. *näringsbetingade aktier*) until 31 December 2014 and that the Ukrainian income tax may be deducted from Swedish income tax.

After the sale of 49.5% of the shares in Misen Enterprises AB the Parent Company can no longer utilize the tax losses carried forward through group contribution from Misen Enterprises AB.

Despite termination of JAA No.3 on 11 July 2018 JA is still registered as taxpayer with tax authorities of Ukraine and obliged to pay taxes according to the Tax Code if such obligations will arise.

Expected future development of the Company and going concern

As described earlier in this report, the participants of the JAA No.3 have confirmed their agreement to terminate the JAA No 3 on 24 January 2018 and the JAA No.3 was terminated on 11 July 2018. Due to this fact, JA can no longer be considered a going concern. The value of the net assets and the size of the any compensation entitled to the Group as a consequence of the termination of JAA No.3 is uncertain at the date of this report. To account for an asset in accordance with IFRS the asset needs to be virtually certain which is not the case as the size of any compensation is dependent on the outcome of the arbitration.

For the remaining operations of the Group a long-term financing agreement with PUL was signed 21 November 2018. Financing received under the financing agreement is expected to cover arbitration costs and other operating expenses in the Swedish Group. Group accounts are therefore prepared based on the going concern assumption.

Sector information - the Misen Group

The Misen Group operational activities are located in Ukraine. Solely administrative issues are undertaken in Sweden.

Geographical area

	30 Sept 2019	30 Sept 2018	31 Dec 2018
<i>(All amounts in KSEK)</i>			
Net sales, external:			
Sweden	--	--	--
Ukraine	245	286	297
Fixed assets:			
Sweden	--	--	--
Ukraine	180	337	296

Transactions with related parties

	30 Sept 2019	30 Sept 2018	31 Dec 2018
<i>(All amounts in KSEK)</i>			
Management, Board and major Shareholders:			
Purchase of services	6,713	7,358	8,639
Interest and fees	4,298	--	574
Capital contribution	17,313	--	13,283
Salaries and remunerations	4,882	4,273	5,173
Short-term debts	10,977	9,820	5,204
Long-term debts	--	--	--

Environmental impact

Since the JA has been terminated the Group no longer faces any environmental risks.

Accounting principles

This report is prepared according to the International Financial Reporting Standards (IFRS), as adopted by EU. This report is prepared according to IAS 34 and The Swedish Annual Accounts Act as well as RFR 2, Accounting for legal entities. The accounting principles for the Misen Group as well as for the Company are identical to the last annual and quarterly reports, except as described below:

IFRS 16, Leasing, applies from January 1, 2019 and mean that almost all leases are reported in the balance sheet. Misen Energy AB (publ) has chosen to apply the simplified transition method and will not recalculate the comparative figures. The company's lease commitments consist solely of lease agreements for premises and thus the new standard did not have any material impact on the

company's financial reports.

Financial and other risks

Before termination of JAA No.3, Misen Group focused on increasing the local hydrocarbons production in Ukraine by undertaking a large-scale investment program focused on development and modernization of gas production infrastructure. In this activity, the Group worked with a complex set of industry-specific risks such as price trends for oil and gas, currency risk and interest rate risks, regulatory matters relating to investigations, processing and environment and uncertainty in the value of the completed exploration work and the subsequent field development.

The current financial and other risks relate to the outcome of the ongoing arbitration proceeding what regards compensation to Misen Enterprises AB and LLC Karpatygaz for their share in the Joint Activity, enforcement of the arbitral awards rendered in accordance to the Arbitration Rules of the Arbitration Institute of the Stockholm Chamber of Commerce and other risks related to the multiple court proceedings in Ukraine.

A more in-depth explanation of the different risk exposures in the Company's business is included in the annual report 2018.

First North

Misen Energy AB (publ) is listed on First North, which is an alternative market place operated by Nasdaq First North Stockholm and the Company adheres to the rules and regulations for First North. The Certified Adviser of the Company is Erik Penser Bank AB.

Publication of the January - September 2019 interim report

This January – September 2019 interim report is published at the Company's website (<http://www.misenenergy.se>), and a printed version can be ordered at info@misenergy.se.

This information is information that Misen Energy 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 12:00 CET on 29 November 2019.

Future reports

Next report, the interim January-December report 2019, will be published on 28 February 2020.

This report has not been subject to review by the Company's auditors.

Stockholm, 29 November 2019

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Misen Energy AB (publ) (formerly Svenska Capital Oil AB (publ)) is a Swedish upstream oil and gas company with operations in Ukraine. The company was founded in 2004 and its shares are traded on Nasdaq First North since 12 June 2007. In 2011, Misen Energy AB (publ) acquired Misen Enterprises AB and its Ukrainian subsidiary, LLC Karpatygas, including the rights to 50.01% of the revenue and profit from a gas production project in Ukraine. Under IFRS rules, this transaction is classified as a reverse takeover. In consideration of the acquisition, a new share issue was carried out. The gas producing assets were acquired by production cooperation via a joint activity project governed by a Joint Activity Agreement between at that time the wholly-owned direct and indirect subsidiaries of Misen Energy AB (publ), i.e. Misen Enterprises AB and LLC Karpatygas (together 50.01%) and JSC Ukrgasvydobuvannya (49.99%), a subsidiary of the National Joint Stock Company Naftogaz of Ukraine. JSC Ukrgasvydobuvannya is the largest producer of natural gas in Ukraine. The purpose of the Joint Activity Agreement is to significantly increase production of gas and oil by providing modern technologies via a large-scale investment program for the purposes of attainment of profits.

In June 2016 and in July 2017 Misen Energy AB (publ) sold respectively 37.5% and 10% of Misen Enterprises AB shares to the Hong Kong based company Powerful United Limited. In March 2018, Misen Energy AB (publ) sold 2% of Misen Enterprises AB shares to Mr. Konstantin Guenevski. Owning (the remaining) 50.5% of Misen Enterprises AB shares, Misen Energy AB (publ) maintains full control of the company and preserves a right to obtain 50.5% of the future dividends from the operations in Ukraine.

The registered office of Misen Energy AB (publ) is in Stockholm and the shares are traded on First North under identification ticker MISE. The Certified Adviser of the company at Nasdaq First North is Erik Penser Bank AB.

For further information, please visit our website www.misenergy.se.

CONDENSED INCOME STATEMENT-THE GROUP

	1 July - 30 Sept 2019 3 months	1 July - 30 Sept 2018 3 months	1 Jan - 30 Sept 2019 9 months	1 Jan - 30 Sept 2018 9 months	1 Jan - 31 Dec 2018 12 months
<i>All amounts in KSEK</i>					
Operating revenue					
Net sales	111	114	245	286	297
Other operating income	9,558	5,135	21,713	5,603	26,228
	9,669	5,249	21,958	5,889	26,525
Operating expenses					
Other external expenses	-5,779	-2,847	-13,563	-12,483	-17,496
Personnel expenses	-3,579	-2,014	-11,342	-6,043	-13,048
Depreciation and amortisation of tangible and intangible fixed assets	-19	-9	-67	-24	-71
Other operating cost	167	2,185	-3,150	0	-50
	-9,210	-2,685	-28,122	-18,550	-30,665
Operating income/loss	459	2,564	-6,164	-12,661	-4,140
Financial items	-1,429	-2,173	-4,295	-2,178	-180
Profit/loss after financial items	-970	391	-10,459	-14,839	-4,320
Taxes for the period	0	0	0	0	0
Profit for the period	-970	391	-10,459	-14,839	-4,320
Profit is attributable to:					
Owners of Misen Energy AB (publ)	-6,867	-752	-10,459	-10,554	-5,592
Non-controlling interests	5,897	1,143	0	-4,285	1,272
	-970	391	-10,459	-14,839	-4,320
Statement of comprehensive income - The Group					
Net profit for the period	-970	391	-10,459	-14,839	-4,320
Other comprehensive income					
Items possible for later reclassification in income statement:					
Translation differences	306	190	659	-161	-87
Other comprehensive income for the period, net after taxes	306	190	659	-161	-87
Total comprehensive income for the period	-664	581	-9,800	-15,000	-4,407
Total comprehensive income for the period is attributable to:					
Owners of Misen Energy AB (publ)	-1,525	-656	-4,939	-10,637	-5,637
Non-controlling interests	861	1,237	-4,861	-4,363	1,230
	-664	581	-9,800	-15,000	-4,407
Net earnings per share, attributable to the owners of Misen Energy AB's (publ) (in SEK per share)					
Net earnings for the period, before and after dilution	-0.05	-0.01	-0.07	-0.07	-0.09
Average number of shares for the period was 145,068,222					

CONDENSED BALANCE SHEET-THE GROUP

<i>All amounts in KSEK</i>	30 Sept 2019	30 Sept 2018	31 Dec 2018
ASSETS			
Non-current assets			
Intangible fixed assets	0	1	1
Tangible fixed assets	180	336	295
Total non-current assets	180	337	296
Current assets			
Stock	41	91	95
Accounts receivable	8,021	8,212	8,384
Other receivables	3,255	2,328	2,834
Prepaid expenses and accrued income	296	309	351
Total current assets	11,613	10,940	11,664
Cash and bank balances	83	310	42
Total current assets	11,696	11,250	11,706
TOTAL ASSETS	11,876	11,587	12,002

<i>All amounts in KSEK</i>	30 Sept 2019	30 Sept 2018	31 Dec 2018
EQUITY AND LIABILITIES			
Equity attributable to owners of Misen Energy AB (publ)	-26,821	-24,900	-19,901
Non-controlling interests	2,797	83	5,677
Total equity	-24,024	-24,817	-14,224
Current liabilities			
Accounts payable	18,803	22,098	15,438
Short-term loans	2,679	5,150	2,553
Other short-term debt	4,255	2,029	2,480
Accrued expenses and deferred income	10,163	7,127	5,755
Total current liabilities	35,900	36,404	26,226
TOTAL EQUITY AND LIABILITIES	11,876	11,587	12,002

CONDENSED STATEMENT OF CHANGES IN EQUITY - THE GROUP

	Attributable to owners of Misen Energy AB (publ)				Total	Non-controlling interests	Total equity
	Share capital	Other equity	Other reserves	Retained earnings			
<i>All amounts in KSEK</i>							
Equity brought forward 2018-01-01	290,136	-274,435	-237	-6,805	8,659	-28,604	-19,945
Net result							
Net result of the period Jan-Sept 2018	0	0	0	-10,554	-10,554	-4,285	-14,839
Other comprehensive income							
Translation difference	0	0	0	-83	-83	-78	-161
Total comprehensive income	0	0	0	-10,637	-10,637	-4,363	-15,000
Transactions with non-controlling interests							
Sale of shares in subsidiary	0	0	0	11,348	11,348	-1,220	10,128
Other transactions with non-controlling interests				-34,271	-34,271	34,271	0
Total transactions with non-controlling interests	0	0	0	-22,923	-22,923	33,051	10,128
Equity brought forward 2018-09-30	290,136	-274,435	-237	-40,365	-24,901	83	-24,817
Equity brought forward 2018-10-01	290,136	-274,435	-237	-40,365	-24,901	83	-24,817
Net result of the period Oct - Dec 2018	0	0	4,962	4,962	4,962	5,557	10,519
Other comprehensive income							
Translation difference	0	0	0	38	38	36	74
Total comprehensive income	0	0	0	5,000	5,000	5,593	10,593
Equity brought forward 2018-12-31	290,136	-274,435	-237	-35,365	-19,901	5,676	-14,224
Equity opening balance 2019-01-01	290,136	-274,435	-237	-35,365	-19,901	5,676	-14,224
Total comprehensive income							
Net result of the period Jan-Sept 2019				-5,272	-5,272	-5,187	-10,459
Other comprehensive income							
Translation difference				333	333	326	659
Total comprehensive income	0	0	0	-4,939	-4,939	-4,861	-9,800
Transactions with non-controlling interests							
Other transactions with non-controlling interests				-1,982	-1,982	1,982	0
Equity brought forward 2019-09-30	290,136	-274,435	-237	-42,286	-26,822	2,797	-24,024

CONDENSED STATEMENT OF CASH FLOWS - THE GROUP

	1 Jan-30 Sept 2019 9 months	1 Jan-30 Sept 2018 9 months	1 Jan-31 Dec 2018 12 months
<i>All amounts in KSEK</i>			
Operating activities			
Operating income	-6,164	-12,661	-4,140
Adjustment for non-cash items	3,090	3,544	-8,373
Interest and dividends received	4	3	4
Interest paid	-4	-53	-53
Income tax	-84	-7	-7
Cash flow from operating activities before working capital changes	-3,158	-9,174	-12,569
Decrease(+)/increase in stocks	69	-92	-94
Decrease(+)/increase in receivables	2,635	-10,624	857
Decrease(-)/increase in short-term debts	263	3,026	-2,731
Cash-flow from operating activities	-191	-16,864	-14,537
Investing activities			
Acquisition of tangible and intangible assets	-	-536	-536
Sale of tangible and intangible assets	230	245	247
Sale of shares in subsidiary	-	10,128	10,128
Cash flow from investing activities	230	9,837	9,839
Financing activities			
Change in interest bearing debt (increase+)	-	5,150	2,553
Cash flow from financing activities	0	5,150	2,553
Cash flow for the period	39	-1,877	-2,145
Cash at the beginning of the period	42	2,181	2,181
Exchange rate difference in cash	2	6	6
Cash at the end of the period	83	310	42

CONDENSED INCOME STATEMENT - PARENT COMPANY

(Misen Energy AB (publ))

	1 July - 30 Sept 2019 3 months	1 July - 30 Sept 2018 3 months	1 Jan-30 Sept 2019 9 months	1 Jan-30 Sept 2018 9 months	1 Jan-31 Dec 2018 12 months
<i>All amounts in KSEK</i>					
Operating revenue					
Net sales	3,191	1,394	14,364	4,183	7,620
	3,191	1,394	14,364	4,183	7,620
Operating expenses					
Other external expenses	-3,837	-1,836	-8,009	-4,855	-8,386
Personnel expenses	-1,715	-1,589	-6,335	-5,618	-5,869
	-5,552	-3,425	-14,344	-10,473	-14,255
Operating result	-2,361	-2,031	20	-6,290	-6,635
Result from sale of subsidiary	0	0	0	488	488
Financial items net	-44	114	-1	108	-255
	-44	114	-1	596	233
Profit/loss after financial items	-2,405	-1,917	19	-5,694	-6,402
Taxes for the period	-	-	-	-	-
Net profit/loss	-2,405	-1,917	19	-5,694	-6,402
Statement of comprehensive income - Parent company					
Net loss for the period	-2,405	-1,917	19	-5,694	-6,402
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-2,405	-1,917	19	-5,694	-6,402

CONDENSED BALANCE SHEET - PARENT COMPANY

(Misen Energy AB (publ))

<i>All amounts in KSEK</i>	30 Sept 2019	30 Sept2018	31 Dec 2018
ASSETS			
Non-current assets			
Financial fixed assets			
Shares in subsidiaries	317,359	313,359	313,359
Total financial fixed assets	317,359	313,359	313,359
Total fixed assets	317,359	313,359	313,359
Total non-current assets	317,359	313,359	313,359
Current receivables			
Other receivables	-	-	1
Prepaid expenses and accrued income	184	303	339
	184	3,027	340
Cash and bank balances	2	249	35
Total current assets	186	3,276	375
TOTAL ASSETS	317,545	316,635	313,734

<i>All amounts in KSEK</i>	30 Sept 2019	30 Sept2018	31 Dec 2018
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	290,136	290,136	290,136
Statutory reserves	345	345	345
	290,481	290,481	290,481
Non-restricted equity			
Profit/Loss brought forward	-2,815	3,588	3,588
Profit/loss for the year	19	-5,694	-6,402
	-2,796	-2,106	-2,814
Total equity	287,685	288,375	287,667
Non-current liabilities			
Other long-term debts to group companies	88	88	88
Total non-current liabilities	88	88	88
Current liabilities			
Accounts payable	12,650	17,189	10,602
Short-term loans	2,679	5,150	2,553
Other short-term liabilities	499	451	417
Other short-term liabilities group	5,750	-	8,114
Accrued expenses and deferred income	8,194	5,382	4,293
Total current liabilities	29,772	28,172	25,979
TOTAL EQUITY AND LIABILITIES	317,545	316,635	313,734

CONDENSED STATEMENT OF CHANGES IN EQUITY - PARENT COMPANY

(Misen Energy AB (publ))

<i>All amounts in KSEK</i>	Share capital	Statutory reserves	Share Premium reserve	Retained earnings	Total equity
Equity brought forward 2018-01-01	290,136	345	714,285	-710,697	294,069
Net result					
Net result of the period Jan - Sept 2018	-	-	-	-5,694	-5,694
Total comprehensive income	0	0	0	-5,694	-5,694
Equity brought forward 2018-06-30	290,136	345	714,285	-716,391	288,375
Net result					
Net result for the period Oct - Dec 2018	-	-	-	-708	-708
Equity brought forward 2018-12-31	290,136	345	714,285	-717,099	287,667
Equity opening balance 2019-01-01	290,136	345	714,285	-717,077	287,667
Net result					
Net result of the period Jan - Sept 2019	-	-	-	19	19
Equity brought forward 2019-09-30	290,136	345	714,285	-717,077	287,686

CONDENSED STATEMENT OF CASH FLOWS - PARENT COMPANY

(Misen Energy AB (publ))

	1 Jan-30 Sept 2019 9 months	1 Jan-31 March 2018 9 months	1 Jan-31 Dec 2018 12 months
<i>All amounts in KSEK</i>			
Operating activities			
Operating income	20	-6,290	-6,635
Interest paid	-4	-53	-53
Cash flow from operating activities before working capital changes	16	-6,343	-6,688
Decrease(+)/increase in receivables	156	-2,488	40
Decrease(-)/increase in accounts payable	2,047	-268	-7,057
Decrease(-)/increase(+) in short term debts	-2,252	-7,574	-585
Cash flow from operating activities	-33	-16,673	-14,290
Investment activities			
Sale of shares in subsidiary	-	10,128	10,128
Cash flow from investing activities	0	10,128	10,128
Financing activities			
Change in interest bearing debt	-	5,150	2,553
Cash flow from financing activities	0	5,150	2,553
Cash flow for the period	-33	-1,395	-1,609
Cash at the beginning of the period	35	1,644	1,644
Cash at the end of the period	2	249	35

Alternative Performance Measures – Group

As of July 3, 2016 new guidelines on APMs (Alternative Performance Measures) are issued by ESMA (the European Securities and Markets Authority). APMs are financial measures other than financial measures defined or specified by International Financial Reporting Standards (IFRS).

Misen Energy AB (publ) regularly uses alternative performance measures to enhance comparability from period to period and to give deeper information and provide meaningful supplemental information to analysts, investors and other parties. It is important to know that not all companies calculate alternative performance measures identically, therefore these measurements have limitations and should not be used as a substitute for measures of performance in accordance with IFRS. Below you find our presentation of the APMs and how we calculate these measures.

CONDENSED FINANCIAL AND OPERATIONAL KEY RATIOS

	1 Jan - 30 June 2019 9 months	1 Jan - 30 June 2018 9 months	1 Jan-31 Dec 2018 12 months
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The Group

Financial key ratios

EBITDA (KSEK)	-6,097	-12,637	-4,069
Financial cost	-4,295	-2,178	-629
Profit/loss per share before dilution SEK*	-0.07	-0.07	-0.03
Profit/loss per share after dilution SEK*	-0.07	-0.07	-0.03
Return on equity (ROE)	n.a.	n.a.	neg
Return on capital employed (ROCE)	n.a.	n.a.	neg
Debt/equity ratio	neg	neg.	neg
Equity ratio	neg	neg.	neg
Share of risk bearing capital	neg	neg.	neg
Weighted average number of shares for the period*	145,068,222	145,068,222	145,068,222
Number of outstanding shares before dilution *	145,068,222	145,068,222	145,068,222
Number of outstanding shares after dilution *	145,068,222	145,068,222	145,068,222
Weighted average number of shares for the period after dilution*	145,068,222	145,068,222	145,068,222

The Parent Company (Misen Energy AB)

EBITDA (KSEK)	20	-6,290	-6,635
Profit/loss per share before dilution SEK*	0.00	-0.04	-0.04
Profit/loss per share after dilution SEK*	0.00	-0.04	-0.04
Return on equity (ROE)	n.a.	n.a.	neg
Return on capital employed (ROCE)	n.a.	n.a.	neg
Debt/equity ratio	0.9%	-	-
Equity ratio	90.6%	91.1%	91.9%
Share of risk bearing capital	90.6%	91.1%	91.9%
Weighted average number of shares for the period*	145,068,222	145,068,222	145,068,222
Number of outstanding shares before dilution *	145,068,222	145,068,222	145,068,222
Number of outstanding shares after dilution *	145,068,222	145,068,222	145,068,222
Weighted average number of shares for the period after dilution*	145,068,222	145,068,222	145,068,222

Definition of financial key ratios

1. EBITDA (profit before interest, tax, depreciation, write-downs) defined as the group and the parent company's operating profit/loss before depreciation.
2. Profit/loss per share before dilution defined as the group and the parent company's net profit/loss after tax divided by the number of outstanding shares before dilution at the end of period.
3. Profit/loss per share after dilution defined as the group and the parent company's net profit/loss after tax divided by the number of outstanding shares after dilution at the end of period.
4. Return on equity defined as the group and the parent company's profit/loss divided by total equity at the end of period.
5. Return on working capital is defined as the group and the parent company's profit/loss after financial items plus interest expense plus/minus exchange differences on financial items divided by total capital employed (average of the two latest periods balance sheet total with reduction for non-interest bearing debt).
6. Debt/equity ratio defined as the group and the parent company's interest bearing debt divided by equity.
7. Equity ratio defined as the group and the parent company's equity including minority owner shares divided by balance sheet total.
8. Proportion of risk-bearing capital %, defined as the sum of the Group's and Parent Company's respective equity and deferred tax (including minority interest) divided by the balance sheet total.
9. On the 12th of January 2012 an amalgamation of shares 100:1 was registered whereby the number of shares were reduced to 145,068,222 and the quota value became approximately 2 SEK.