

**Annual report and consolidated financial statements
for the financial year 2022**



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The Board of Directors and Managing Director present the following annual accounts and the consolidated financial statements.

Unless otherwise stated, all amounts are reported in KSEK. Information in brackets refers to the previous year.

Management report

The Board of Directors and Managing Director present the following annual accounts and the consolidated financial statements.

Misen Energy AB (publ.) Organisationsnummer 556526-3968.

Misen Energy Group

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 Kungsportsavenyen 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 wholly owned subsidiary Misen Enterprises AB (Sweden), the subsidiary LLC Karpatygaz (Ukraine) was transferred for liquidation in October 2022.

Misen Enterprises AB is consolidated in the Misen Group accounts.

Joint Activity and Joint Activity Agreement

Misen Group 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 Ukrigasvydobuvannya ("**JSC Ukrigasvydobuvannya**" 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 on 11 July 2018 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 (the "**SCC Arbitration**").

In March 2021 Misen Energy AB (publ) and Misen Enterprises AB initiated arbitration proceeding against Ukraine under the Washington Convention and the Rules of the International Centre for Settlement of Investment Disputes (the "**ICSID Arbitration**").

Essential Events during 2022

Accounting treatment of the Joint Activity

In July 2018, the Arbitral Tribunal rendered Final Partial Award in the SCC Arbitration. The Arbitral Tribunal fully rejected the JAA's invalidity arguments, as well as the overwhelming majority of JSC Ukrgasvydobuvannya's arguments concerning Misen Enterprises AB and LLC Karpatygaz alleged "breaches".

JSC Ukrgasvydobuvannya, Misen Enterprises AB and LLC Karpatygaz agreed 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.

In March 2020 the Arbitral Tribunal rendered a Consent Award and confirmed the settlement agreement concluded by JSC Ukrgasvydobuvannya, Misen Enterprises AB and LLC Karpatygaz in July 2019.

In June 2020, the Arbitral Tribunal rendered a Second Final Partial Award. The Arbitral Tribunal decided that JSC Ukrgasvydobuvannya should get title to the joint property only on payment in full of compensation to Misen Enterprises AB and LLC Karpatygaz. The Arbitral Tribunal fully rejected the overwhelming majority of JSC Ukrgasvydobuvannya's arguments concerning valuation of the joint property.

The Arbitral Tribunal decided that JSC Ukrgasvydobuvannya has not established any loss it allegedly suffered due to a failure of LLC Karpatygaz to engage a contractor to design and develop metering stations at certain wells under JAA. The Arbitral Tribunal also decided that JSC Ukrgasvydobuvannya should not be entitled to any damages for a failure of Misen Enterprises AB to make a full contribution under JAA. However, in light of this, the Arbitral Tribunal reduced the share of Misen Enterprises AB to 23.9% (as opposed to 50% under JAA) and increased the share of LLC Karpatygaz to 0.015% (as opposed to 0.01% under JAA) in the joint property.

The Arbitral Tribunal ordered JSC Ukrgasvydobuvannya to pay to Misen Enterprises AB and LLC Karpatygaz the majority of the legal and arbitration costs that Misen Enterprises AB and LLC Karpatygaz incurred in the SCC Arbitration.

In November 2020, Misen Enterprises AB and LLC Karpatygaz received a Final Award by Consent from the Arbitral Tribunal in the SCC Arbitration. This award provides:

- The total value to be paid by JSC Ukrgasvydobuvannya to Misen Enterprises AB and LLC Karpatygaz is UAH 1,575,093,162.86 (adjusted KSEK 466,387) for their share in the joint property under the JAA No.3 including for hydrocarbons produced using JA's assets from 1 December 2016 to 10 July 2018 (termination of JAA No.3).
- JSC Ukrgasvydobuvannya is entitled to withhold a tax on non-resident income for 15% of the specified amount to Misen Enterprises AB (UAH 236,113,788, adjusted KSEK 69,914) and pay the withheld amount to the budget of Ukraine. The Settlement Agreement does not regulate payment of tax, if any, in Sweden.
- Ownership of shares of Misen Enterprises AB and LLC Karpatygaz in the joint property under the JAA No.3 shall pass to JSC Ukrgasvydobuvannya from the date of full payment by JSC Ukrgasvydobuvannya to Misen Enterprises and LLC Karpatygaz of all amounts under the Settlement Agreement.

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 12M 2022. Control is required to consolidate the assets as well as the future results of the JA in the Group accounts.

The accounting treatment and book value do not purport to reflect the value of the claims in the SCC Arbitration or ICISD Arbitration. Nor does this accounting treatment imply in any respect any waiver of any claim concerning JAA No.3.

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

Enforcement of the Arbitration Awards

Misen Enterprises AB, LLC Karpatygaz and JSC Ukrgasvydobuvannya sought enforcement and recognition of the arbitration awards in Ukraine under the New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

In April 2020, Misen Enterprises filed a motion to enforce a Consent Award rendered by the Arbitral Tribunal on 26 March 2020. The court confirmed and recognized a Consent Award in June 2020.

In July 2020, Misen Enterprises AB filed a motion to confirm and enforce the Second Partial Final Award in Ukraine.

In September 2020 Kyiv Court of Appeal granted an application of Misen Enterprises AB whereby Misen Enterprises AB sought recognition and enforcement of the Second Partial Final Award dated 12 June 2020 (subject to the Corrections of the Second Partial Final Award dated 18 August 2020). JSC Ukrgasvydobuvannya filed a cassation appeal to the Supreme Court of Ukraine. On 14 January 2021 the Supreme Court of Ukraine issued a ruling recognizing the Second Partial Final Award dated 12 June 2020 (subject to the Corrections of the Second Partial Final Award dated 18 August 2020). Accordingly, JSC Ukrgasvydobuvannya transferred EUR 2,739,784.53 (adjusted KSEK 27,784), SEK 344,415.38, USD 7,971.59 (adjusted KSEK 67), and GBP 10,940.05 (adjusted KSEK 123) to Misen Enterprises AB for the legal costs incurred the SCC case V 2016/114.

In November 2020, Misen Enterprises AB filed a motion to confirm and enforce the Final Award by Consent granted by the Arbitral Tribunal in the SCC case V 2016/114 on 5 November 2020. On 5 January 2021 the Kiev Court of Appeal recognized Final Award by Consent dated 5 November 2020. On 10 February 2021, Misen Enterprises AB received USD 47,060,537.16 (adjusted KSEK 396,630) and LLC Karpatygaz received UAH 1,001,242.74 (adjusted KSEK 299) from JSC Ukrgasvydobuvannya.

JSC Ukrgasvydobuvannya was entitled to withhold a tax on non-resident income for 15% of the compensation to Misen Enterprises AB (adjusted UAH 236,113,788, KSEK 70,447) and pay the withheld amount to the budget of Ukraine.

In fourth quarter of 2021 Misen Enterprises AB and LLC Karpatygaz finalized transfer of shares in the joint property to JSC Ukrgasvydobuvannya. In January 2022 LLC Karpatygaz submitted an application to deregister JA from tax authorities which is currently suspended due to moratorium on tax audit for the periods from 2016 till 2019.

Given that the awarded amounts have been paid to the subsidiaries of Misen Energy AB (publ), the effect of compensation was reflected in the Misen Group's accounts for 2020.

Financing of the Group's Swedish operations

Following successful resolution of the SCC arbitration dispute under the SCC Arbitration Rules and given that Misen Enterprises AB received compensation from JSC Ukrgasvydobuvannya, Misen Energy AB (publ) and Misen Enterprises AB executed payments to the funders under the financing agreements. In consideration of the payments, Misen Energy AB (publ) and Misen Enterprises AB consider that they met all terms satisfactorily and the financing agreements terminate.

Operating expenses of Misen Energy AB and Misen Enterprises AB will be covered from compensation received in the SCC Arbitration or under agreements with investors.

For further information, please also refer to chapter Essential events after the end of the 12M 2022.

Repurchase of the Shares

On 13 September 2021, Misen Energy AB (publ) closed the purchase of 47.5 % of shares and share capital in Misen Enterprises AB with PUL. The shares' purchase price was SEK 2,724,817 plus 47.5 % of the distributable income from the compensation, if any, to be received following the completion of the investment arbitration against Ukraine in ICSID Case No. ARB/21/15 ("BIT arbitration"). Under the agreement, Misen Energy AB (publ) and PUL undertook to share the costs of the funding, if any, to finance the BIT arbitration.

On 1 October 2021, Misen Energy AB (publ) closed the purchase of 2 % of shares and share capital in Misen Enterprises AB with Mr. Konstantin Guenevski, Bulgarian citizen, who is a senior trader of one of the world's leading independent commodity trading and logistics houses. The shares' purchase price was SEK 114,729.00 plus 2 % of the distributable income from the compensation, if any, to be received following the completion of the BIT arbitration against Ukraine. Under the agreement, Misen Energy AB (publ) and Mr. Konstantin Guenevski undertook to share the costs of the funding, if any, to finance the BIT arbitration.

As a result, Misen Energy AB (publ) now owns 100 % of the shares in Misen Enterprises AB.

BIT arbitration against Ukraine

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 with 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.

On 24 March 2021, Misen Energy AB (publ) and its partially owned subsidiary Misen Enterprises AB filed a Request for Arbitration under the Washington Convention and the Rules of the International Centre for Settlement of Investment Disputes (ICSID). ICSID is an international organization that is part of the World Bank Group, headquartered in Washington, D.C., in the United States.

On 30 June 2021 the tribunal was constituted in ICSID arbitration against Ukraine. Professor Jan Paulsson has been appointed as president of the Arbitral Tribunal in a dispute between Misen Energy AB (publ) and Misen Enterprises AB vs. Ukraine (ICSID Case No. ARB/21/15). Earlier the Swedish companies appointed Dr. Stanimir Alexandrov and Ukraine - Professor W. Michael Reisman.

On 29 October 2021, Misen Energy AB (publ) and Misen Enterprises AB submitted a Memorial in international investment arbitration case against Ukraine (ICSID Case No. ARB/21/15). Misen requested for compensation that reflects the going concern value of Misen's share at the time exorbitant subsoil use tax was imposed on Joint Activity, which led to the termination of the JAA No.3.

On 27 January 2022 Ukraine filed an application proposing the disqualification of Dr. Stanimir Alexandrov ("**Proposal**"). On 15 April 2022 Administrative Council of ICSID dismissed that application.

In February 2022, Russia started a full-scale invasion of Ukraine. Russian troops make indiscriminate attacks including air raids, ballistic missile strikes and bombings, targeting residential housing, utilities, and critical infrastructure all over Ukraine. President of Ukraine signed Decree № 64/2022 “On the imposition of martial law in Ukraine”. Given the invasion, the BIT arbitration against Ukraine was suspended.

The Company constantly monitors the situation and will inform the market accordingly.

For further information, please also refer to chapter Essential events after the end of the 12M 2022.

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 Ukrigasvydobuvannya’s criminal complaint dated 5 September 2016 and JSC Ukrigasvydobuvannya’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.

At any event, Misen Enterprises AB consider the criminal and civil allegations to be ungrounded and deny them in their entirety.

NABU case

In September 2017, JSC Ukrigasvydobuvannya submitted another criminal complaint to the National Anticorruption Bureau of Ukraine (thereafter as “NABU”). In September 2017, NABU 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.

On 22 July 2022, the Supreme Court of Ukraine rendered a decision whereby it dismissed the NABU’s claims. The court case is over.

Additionally, on 2 September 2022, the relevant pre-trial investigation in criminal proceedings were closed by NABU due to the absence of evidence (i.e. concrete facts and circumstances) of a criminal offense.

Termination of the JAA No. 493

On 31 December 2021 LLC Karpatygaz and LLC Tekhhproekt signed settlement agreement with JSC Ukrigasvydobuvannya to terminate the Joint Activity Agreement No.493. According to the settlement agreement the total value to be paid by JSC Ukrigasvydobuvannya to LLC Karpatygaz is UAH 165,617,516 (adjusted KSEK 48,783) for their share in the joint property under the JAA No.493 including for hydrocarbons produced using JA’s assets from 1 January 2017. 50% of the amount shall be paid on the date of termination of the mentioned settlement agreement and 50% shall be paid on the date of deregistering of the JAA from tax authorities in Ukraine.

On 1 January 2022 the Joint Activity Agreement No.493 between LLC Karpatygaz, LLC Tekhhproekt and JSC Ukrigasvydobuvannya was terminated.

In April 2022 LLC Karpatygaz finalized a transfer of shares in the joint property of the JAA #493 to JSC Ukrigasvydobuvannya. In July 2022 JA was deregistered from tax authorities.

Share Transfer Agreement In Relation to LLC Karpatygaz

On 31 March 2022 Misen Enterprises AB, a wholly owned subsidiary of Misen Energy AB (publ) entered into a Share Transfer Agreement in relation to LLC Karpatygaz with local law firm Victoria Legis Under the agreement, Misen Enterprises AB transfers the shares of LLC Karpatygaz with all its

rights and obligations. Accordingly, the transferee agreed, among other matters, to put LLC Karpatygaz into liquidation without bankruptcy proceedings and to indemnify Misen Enterprises AB against any losses whatsoever arising in relation to the ongoing and forthcoming court proceedings in relation to LLC Karpatygaz in Ukraine.

Since LLC Karpatygaz was registered to new owners in October 2022 the company is no longer consolidated in the group accounts.

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 of Booster Compression Stations (thereafter as “BCS”).

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 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.

Misen Energy AB (publ) and Misen Enterprises AB defend the legitimate expectations of their shareholders at BIT arbitration against Ukraine. Misen seeks to receive compensation that reflects the going concern value of Misen’s share at the time exorbitant subsoil use tax was imposed on Joint Activity, which led to the termination of the JAA No.3.

Essential events after the end of the 2022

BIT arbitration against Ukraine

Given the invasion, the BIT arbitration against Ukraine was suspended.

The Company constantly monitors the situation and will inform the market accordingly.

Financing of the Group's Swedish operations

In January 2023, Misen Energy entered into Loan and Call Option Agreement with PUL, an investment company focused on energy production and based in Honk Kong. Under the Agreement, PUL undertook to provide EUR 2 million loan in three installments by 31 July 2023. The parties agreed that until 30 January 2024 PUL will have an irrevocable priority right for an additional amount to purchase Misen Enterprises AB being assigned by Misen Energy AB (publ) any and all claims in relation to Misen Energy AB (publ) and Misen Enterprises AB v. Ukraine, ICSID Case No. ARB/21/15. PUL can exercise this right alone or with capital partner.

Ownership structure

Major shareholders as per 31 December 2022:

Shareholder	Antal aktier och röster	Kapitalandel och röstandel, %
Norchamo Ltd. (CY)	43 057 475	29,68
Nellston Holdings Ltd. (CY)	43 047 100	29,67
Blankbank Investment Ltd. (CY)	26 491 377	18,26
TCT Holding AB (SE)	13 326 997	9,19
Forest Walkway AB (SE)	11 415 738	7,87
Totalt, större aktieägare	137 338 687	94,67
Övriga	7 729 535	5,33
Totalt	145 068 222	100,00

Comparative performance indicators

Alternative performance measures (APM) – Group

As of 3 July 2016, new guidelines for alternative performance indicators (APMs), published by the European Securities and Markets Authority (ESMA) are being applied. Alternative performance indicators refer to financial measurements that are not defined within the framework of IFRS. Misen Energy AB (publ) regularly uses alternative performance indicators in its communications in order to improve comparisons between different periods and provide a more in-depth overview of the Company's performance for analysts, investors and other stakeholders. It is important to note that not all companies calculate their alternative performance indicators using the same methods. The usefulness of these performance indicators is therefore limited, and they should not be used as a substitute for financial measurements within the framework of IFRS. Below the alternative performance indicators for the Group are presented.

Summary of the financial development of the Misen Group and the Parent Company, covering the last five years, is showed below. Unless otherwise stated, all amounts are in KSEK.

	2022	2021	2020	2019	2018
The Group					
Net sales, KSEK	-	35	38	347	297
EBITDA, KSEK	-19,331	-41,431	340,484	-13,259	Neg.
Financial expenses	-	26	140	8,038	629
Profit/loss after financial items, KSEK	-19,331	-41,551	340,314	-21,326	-4,320
Earnings per share before dilution*, SEK	-0,13	-0,29	0,82	-0,05	-0,03
Earnings per share after dilution*, SEK	-0,13	-0,29	0,82	-0,05	-0,03
Return on equity, %	Neg.	Neg.	213,9%	Neg.	Neg.
Return on capital employed, %	Neg.	Neg.	715,7%	Neg.	Neg.
Balance sheet total, KSEK	10,380	34,025	487,343	9,396	12,002
Equity/assets ratio, %	57,6%	73,1%	26,2%	Neg.	Neg.
Proportion of risk-bearing capital, %	57,6%	73,1%	26,2%	Neg.	Neg.
Debt/equity ratio, %	0,0%	0,0%	0,0%	Neg.	Neg.
Number of employees	2	24	36	46	69
	2022	2021	2020	2019	2018
Parent Company					
Net sales, KSEK	-	-	-	-	-
EBITDA, KSEK	-8,286	-35,515	-37,936	5,636	Neg.
Profit/loss after financial items, KSEK	-8,286	-35,541	74,464	5,694	-6,402
Return on equity, %	Neg.	Neg.	20,2%	2,0%	Neg.
Return on capital employed, %	Neg.	Neg.	22,2%	1,9%	Neg.
Balance sheet total, KSEK	270,094	278,408	437,173	332,671	313,734
Equity/assets ratio, %	98,5%	98,5%	84,1%	88,2%	91,9%
Debt/equity ratio, %	0,0%	0,0%	0,0%	0,8%	0,9%
Number of employees	2	2	3	3	3

Definitions of key ratios are provided in the section "Supplementary information".

Results – Misen Group and the Company

Misen Group net turnover for 2022 was KSEK 0 (KSEK 33,761) and the Parent Company net turnover for this period was KSEK 5,577 (KSEK 10,163).

After receiving compensation, the operating income was influenced by currency rate fluctuations as well as ongoing BIT arbitration costs in 2022.

In 2022 loss after financial items for the Misen Group was KSEK -18,901 (KSEK -41,551) the Parent Company loss after financial items made up KSEK -8,287 (KSEK -35,541).

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.

Financial assets and liabilities

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

Contingent liabilities

As of 31 December 2022, Misen group does not have contingent liabilities, the absence of liabilities is explained by the transfer of shares of Misen Enterprises AB and LLC Karpatygaz in the joint assets and Liabilities of JA to JSC Ukrigasvydobuvannya.

Cash position

As of 31 December 2022, the cash balance of the Misen Group was KSEK 5,862 (KSEK 27,511). The cash flow from operations after changes in working capital for 2022 was KSEK -20,956 (KSEK 87,394).

In January 2021 the Kiev Court of Appeal recognized Final Award by Consent dated 5 November 2020. In February 2021, Misen Enterprises received USD 47,060,537.16 (adjusted KSEK 396,630) and LLC Karpatygaz received UAH 1,001,242.74 (adjusted KSEK 299) from JSC Ukrigasvydobuvannya.

JSC Ukrigasvydobuvannya was entitled to withhold a tax on non-resident income for 15% of the compensation to Misen Enterprises AB (adjusted UAH 236,113,788, KSEK 70,447) and pay the withheld amount to the budget of Ukraine.

Following successful resolution of the SCC arbitration dispute under the SCC Arbitration Rules and given that Misen Enterprises AB received compensation from JSC Ukrigasvydobuvannya, Misen Energy AB (publ) and Misen Enterprises AB were obliged to execute payments to the funders under the financing agreements. Namely, under the Financing Agreement concluded in March 2020 the companies paid EUR 1,940,000.00 (adjusted SEK 19,854,511); under the Financing Agreement concluded in November 2018 the companies paid EUR 8,452,140.90 (adjusted SEK 86,501,610) and EUR 3,221,404.00 (adjusted SEK 32,968,763). In consideration of the payments, Misen Energy AB (publ) and Misen Enterprises AB consider that they met all terms satisfactorily and the financing agreements terminate.

Capital expenditure

The Misen Group's capital expenditure on equipment for gas production in Ukraine related to the JA activity during the 2022 was at zero level due to deconsolidation as described above.

Expected future development of the Company and going concern

As described earlier in this report, the JAA No.3 was terminated on 11 July 2018. Due to this fact, JA ceased to exist and hence can no longer be considered a going concern.

The BIT arbitration costs and operating expenses in the Swedish Group will be covered from compensation received in the SCC Arbitration or under agreements with investors.

Group accounts are therefore prepared based on the going concern assumption.

Proposed appropriation of profits

The following result is at the disposal of the Annual General Meeting:

Loss brought forward and additional paid-in capital	-16,225,548
Net loss for the year	<u>-8,286,268</u>
	<u>-24,511,816</u>

The Board of Directors proposes that losses brought forward be appropriated as follows:

To be carried forward	<u>-24,511,816</u>
	<u>-24,511,816</u>

For information regarding the result of the Company's operations and its financial position, please refer to the income statement and balance sheet below, with accompanying additional disclosures, which together with the administration report, constitute an integral part of this annual report.

Consolidated income statement	Note	2022	2021
<i>All amounts in KSEK</i>			
Net sales		0	35
Other operating income		<u>0</u>	<u>33,726</u>
Operating expenses		0	33,761
Other external expenses	2	-9,355	-42,694
Personnel expenses	3	-9,976	-31,627
Depreciation and amortisation of tangible and intangible fixed assets		0	-7
Other operating expenses		<u>0</u>	<u>-971</u>
Total operating expenses		-19,331	-75,299
Operating profit/loss		-19,331	-41,538
Profit/loss from financial items			
Other interest income and similar profit/loss items		1	13
Sale of subsidiary		429	
Interest expenses and similar profit/loss items			<u>-26</u>
Total profit/loss from financial items		430	-13
Profit/loss after financial items		-18,901	-41,551
Taxes for the year		0	<u>0</u>
Net profit/loss for the year		<u>-18,901</u>	<u>-41,551</u>
Profit/loss attributable to:			
Misen Energy AB (publ) shareholders		-18,901	-41,551
Non-controlling interests		0	0
		<u>-18 901</u>	<u>-41 551</u>

Consolidated balance sheet	Note	31 Dec 2022	31 Dec 2021
<i>All amounts in KSEK</i>			
Assets	1		
Fixed assets			
Equipment, tools, fixtures and fittings	5	0	50
Total fixed assets		0	50
Current assets			
Inventories, etc.		0	2
Goods for resale			
Current receivables			
Accounts receivable - trade		0	1,138
Other receivables		2,631	3,612
Prepaid expenses		<u>1,887</u>	<u>1,712</u>
		4,518	6,464
Cash and bank balances		<u>5,862</u>	<u>27,511</u>
Total current assets		<u>10,380</u>	<u>33,975</u>
TOTAL ASSETS		<u>10,380</u>	<u>34,025</u>
Equity and liabilities			
Equity			
Share capital		290,136	290,136
Other contributed capital		-274,435	-274,435
Other reserves		345	-237
Profit/Loss brought forward		-10,066	9,419
Non-controlling interests		<u>0</u>	<u>0</u>
Total equity		<u>5,980</u>	<u>24,883</u>
Current liabilities			
Accounts payable - trade		2,123	5,931
Tax liabilities		0	0
Other liabilities		582	1,275
Accrued expenses and deferred income	6	1,695	1,936
Total current liabilities		<u>4,400</u>	<u>9,142</u>
TOTAL EQUITY AND LIABILITIES		<u>10,380</u>	<u>34,025</u>

Changes in equity for the Group

All amounts in KSEK

	Share capital	Other contributed capital	Other reserves	Loss brought forward	Total	Non- controlling interests	Total equity
Opening equity 1 Jan 2021	290,136	-274,435	-237	110,531	125,996	1,499	127,495
Net result							
Net loss for the year				-41,551	-41,551	0	-41,551
Translation differences				<u>-193</u>	<u>-193</u>	<u>0</u>	<u>-193</u>
Total income	<u>0</u>	<u>0</u>	<u>0</u>	<u>-41,744</u>	<u>-41,744</u>	<u>-0</u>	<u>-41,744</u>
Transactions with holders of non-controlling interests							
Dividend				-58,028	-58,028	0	-58,028
Other transactions with non-controlling interests	-	-	-	-1,341	-1,341	-1,499	-2,840
Total transactions with holders of non-controlling interests	<u>0</u>	<u>0</u>	<u>0</u>	<u>-59,369</u>	<u>-59,369</u>	<u>-1,499</u>	<u>-60,868</u>
Closing equity 31 Dec. 2021	290,136	-274,435	-237	9,419	24,883	0	24,883
Opening equity 1 Jan 2022	290,136	-274,435	-237	9,419	24,883	0	24,883
Net result							
Net loss for the year				-18,901	-18,901	0	-18,901
Translation differences			-582	<u>-582</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total income	<u>0</u>	<u>0</u>	<u>-582</u>	<u>-41,744</u>	<u>-41,744</u>	<u>-0</u>	<u>-41,744</u>
Closing equity 31 Dec. 2022	290,136	-274,435	345	-10,065	5,982	0	5,982

Cash flow statement for the Group

	Note	2022	2021
<i>All amounts in KSEK</i>			
Operating activities			
Operating loss before financial items		-19,331	-41,538
Adjustment for non-cash items		0	-2,550
Interest received		1	13
Interest paid		0	-26
Income tax paid		0	-68,818
Cash flow from changes in working capital		-19,330	-112,919
Increase/decrease Inventories		0	31
Increase/decrease Other current receivables		-1,542	479,271
Increase/decrease Other current operating liabilities		0	278,989
Cash flow from operating activities		-20,956	87,394
Investment activities			
Investments in tangible fixed assets		0	-1
Tangible fixed assets sold		0	17
Sale of shares in subsidiary		-693	
Purchase of shares in subsidiary		0	-2,840
Cash flow from investing activities		-693	-2,824
Financial activities			
Paid dividend		0	-58,028
Cash flow from financial activities		0	-58,028
Cash flow for the year		-21,649	26,542
Cash and cash equivalents at the beginning of the year		27,511	935
Exchange rate differences in cash and cash equivalents		0	35
Cash and cash equivalents at year-end		5,862	27,511

Income statement for the Parent Company

	Note	2022	2021
<i>All amounts in KSEK</i>			
Övriga rörelseintäkter		5,577	10,163
Operating expenses			
Other external expenses	2	-6,203	-17,015
Personnel expenses	3	-7,660	-28,411
Other operating expenses		=	<u>-252</u>
Total operating expenses		-13,863	-45,678
Operating profit/loss		-8,285	-35,515
Profit/loss from financial items			
Interest expenses and similar profit/loss items		<u>-1</u>	<u>-26</u>
Total profit/loss from financial items		-1	-26
Profit/loss after financial items		-8,286	-35,541
Income tax		=	=
Net profit/loss for the year		<u>-8,286</u>	<u>-35,541</u>
Report on total profit/loss – Parent company			
Net profit/loss for the year		-8,286	-35,541
Other total profit/loss for the year			
Net profit/loss for the year		<u>-8,286</u>	<u>-35,541</u>

Balance sheet for the Parent Company

	Note	31 Dec 2021	31 Dec 2020
<i>All amounts in KSEK</i>			
Assets			
Fixed assets			
<u>Financial fixed assets</u>			
Shares in subsidiaries	7	<u>260,199</u>	<u>249,199</u>
Total fixed assets		<u>260,199</u>	<u>249,199</u>
Current assets			
<u>Current receivables</u>			
Receivables from Group companies		1,949	620
Other short-term receivables		209	83
Prepaid expenses		1,887	1,688
		<u>4,045</u>	<u>2,391</u>
Cash and bank		5,850	26,818
Total current assets		<u>9,895</u>	<u>29,209</u>
Total assets		<u>270,094</u>	<u>278,408</u>
Equity and liabilities			
Equity			
<u>Restricted equity</u>			
Share capital		290,136	290,136
Statutory reserves		<u>345</u>	<u>345</u>
		<u>290,481</u>	<u>290,481</u>
<u>Non-restricted equity</u>			
Profit/loss brought forward		-16,226	19,315
Net loss for the year		<u>-8,286</u>	<u>-35,541</u>
		<u>-24,512</u>	<u>-16,225</u>
Total equity		<u>265,970</u>	<u>274,256</u>
Non-current liabilities			
Liabilities to Group companies		<u>88</u>	<u>88</u>
Total non-current liabilities		<u>88</u>	<u>88</u>
Current liabilities			
Accounts payable - trade		2,123	1,321
Other short-term liabilities		322	1,036
Accrued expenses and deferred income		<u>1,592</u>	<u>1,707</u>
Total current liabilities		<u>4,036</u>	<u>4,064</u>
Total equity and liabilities		<u>270,094</u>	<u>278,408</u>

Statement of changes in equity - Parent Company

All amounts in KSEK

	Share capital	Statutory reserves	Share premium reserve	Loss brought forward	Total equity
Opening equity 1 Jan. 2021	290,136	345	714,285	-636,935	367,825
Net loss for the year				<u>-35,541</u>	<u>-35,541</u>
Total loss for the year				<u>-35,541</u>	<u>-35,541</u>
Transactions with holders					
Dividend				<u>-58,028</u>	<u>-58,028</u>
Total transactions with holders				<u>-58,028</u>	<u>-58,028</u>
Closing equity 31 Dec. 2021	290,136	345	714,285	-730,504	274,256
Opening equity 1 Jan. 2022	290,136	345	714,285	-730,504	274,256
Net loss for the year				-8,286	-8,286
Closing equity 31 Dec. 2022	290,136	345	714,285	-738,790	<u>265,970</u>

Cash flow statement for the Parent Company

2022 2021

All amounts in KSEK

Operating activities

Operating profit/loss before financial items	-8,285	-35,515
Adjustment for non-cash items	-	-4,535
Interest paid	<u>-1</u>	<u>-26</u>
Increase/decrease Other current receivables	-8,286	-40,076
Increase/decrease Accounts payable - trade	-12,655	191,232
Increase/decrease Other current operating liabilities	802	-13,488
Cash flow from operating activities	<u>-829</u>	<u>-47,175</u>
	-20,968	90,493

Investment activities

Sale of subsidiary	-693	-
Purchase shares in subsidiary	-	<u>-5,840</u>
Cash flow from investing activities	-	<u>-5,840</u>

Financing activities

Paid Dividend	-	<u>-58,028</u>
Cash flow from financial activities	-	<u>-58,028</u>
Cash flow for the year	-20,968	26,627

Cash and cash equivalents at the beginning of the year	26,818	191
Cash and cash equivalents at year-end	5,850	26,818

Notes

Note 1 Accounting principles

Amounts in KSEK unless otherwise stated.

General accounting principles

The annual report has been prepared in accordance with the Annual Accounts Act and for the first time the Accounting Standards Board's general guidelines BFNAR 2012:1 Annual and Group Reports (K3).

Changes to accounting principles

The Company has changed its accounting principles from IFRS and RFR 1-2 to K3. The change entails no essential accounting differences, since the business activities have been substantially reduced.

Valuation principles etc

Assets, provisions and liabilities are valued based on cost unless otherwise stated.

Tangible assets

Tangible assets are recorded at acquisition cost less accumulated depreciation and write-downs. In addition to the purchase price, the acquisition cost includes any expenditure directly attributable to the acquisition.

Additional costs

Additional costs, which meet the assets criterion is included in the recorded value of the asset. Any expenditure regarding maintenance and repairs are recognized as an expense when incurred.

Depreciation

Tangible assets are depreciated proportionally during the estimated economic life of the asset.

The following depreciation periods are applicable:	Group	Parent company
Equipment, tools, fixtures and fittings	5 years	5 years

Foreign currency

Monetary items in foreign currency are assessed at the exchange rate prevailing on the closing date. Non-monetary items are recorded at the exchange rate at the time of the acquisition. Exchange differences arising on the settlement of monetary items or on translating monetary items are recognised in profit or loss in the period in which they arise.

Leasing (Lessee)

All lease contracts have been classified as operational lease contracts.

Operational lease contracts

The lease payments are in accordance with the lease contracts, including the higher first-time rent but excluding services such as insurance and maintenance, are reported linearly as a cost over the lease period.

Financial assets and liabilities

Financial assets and liabilities are recorded in accordance with Ch 11 (Financial Instruments valued at acquisition cost) BFNAR 2012:1.

Recognition in and removal from the balance sheet

The Company recognizes a financial asset or a financial liability when the Company becomes a party to the contractual provisions of the financial instrument. A financial asset is derecognized when the Company loses control of its contractual rights over the financial asset. A financial liability is derecognized when the obligation specified in the relevant contract is discharged, cancelled or expired.

Valuation of financial assets

Financial assets are initially recorded at acquisition cost, including transaction costs directly attributable to the acquisition of the asset.

After initial recognition, Current assets are recorded at the lower of the acquisition value and the net realisable value.

Trade - and other receivables classified as current assets are individually assessed at the expected realisable amount.

After initial recognition Financial assets are measured at its acquisition cost less any depreciation and any impairment losses.

Interest-bearing assets are carried at amortised cost using the effective interest method.

Valuation of financial liabilities

Financial liabilities are recognized at their acquisition cost.

Revenues

Revenues include the gross inflows of economic benefits received and receivable by the entity on its own account. Revenues are measured at fair value of benefits received or receivable, less discounts.

Interest and dividend

Revenue is recognized at the time when it is probable that the economic benefits associated with the transaction will flow to the enterprise and a reliable estimate of the revenue can be made.

Employee benefits

Post-employment benefits

Post-employment benefit plans are classified as defined contribution plans.

Under defined contribution plans, the company pays fixed contributions into a separate entity, normally an insurance company, and will have no obligation towards the employee after these have been paid. The level of the post-employment benefits correlates to the contributions paid and the return on capital.

A contribution to defined contribution plans is recognized as an expense. An unpaid contribution is recognized as a liability.

Tax

Tax on the profit of the year, is current tax and deferred tax. Current tax is income tax for the current financial year regarding the current taxable profit and the part of previous financial years' income tax not yet accounted for.

Deferred tax is taxable profit (tax loss) of future periods resulting from transactions or events taken place earlier.

The consolidated balance sheet divides untaxed reserves into deferred tax and equity.

Consolidated accounts

Subsidiaries

Subsidiaries are companies in which the parent company directly or indirectly owns more than 50% of the votes or in any other way exercise controlling influence. The term "controlling influence" signifies a direct or indirect right to determine the financial and operational

strategies of an entity with an aim to gain financial benefits. The unitary principle is applied for recognition of business combinations, meaning that the acquisition analysis is drawn up at the point in time where the acquirer obtains controlling influence over the entity. From this point on the acquirer and the acquired entity is regarded as an accounting unit. The application of the unitary principle also entails that all assets (including goodwill), liabilities and costs are recognized in their entirety, even for partially owned subsidiaries.

The acquisition cost for subsidiaries is calculated as the fair value of the assets given, at the time of the acquisition, including liabilities incurred or assumed and equity instruments issued, any expenses directly related to the acquisition of the subsidiary and any additional purchase price. With a few exceptions, the acquisition analysis establishes the fair value of identifiable assets assumed liabilities and minority interest at the acquisitions date. Minority interest is measured at fair value at the time of the acquisition. From the acquisition date, the revenues and costs, identifiable assets and liabilities and liabilities, as well as any goodwill or negative goodwill arisen, of the acquired undertaking are included in the consolidated accounts.

Accounting principles in the parent company

The accounting principles of the parent company is in accordance with the above stated accounting principles except for the below cases:

Leasing

All lease contracts have been classified as operational lease contracts.

Tax

The parent company does not disclose deferred tax, pertaining to untaxed reserves.

Group Contributions

Group contributions made or received, are entered as an appropriation in the income statement. The group contribution made or received has affected the current tax of the company.

Note 2 Remuneration of auditors

	Group		Parent Company	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Frejs Revisorer AB:</u>				
Audit assignment	94	219	94	179
Tax advisory services	-	19	-	14
Other services	-	22	-	22
<u>PwC:</u>				
Audit assignment	53	-	53	-
Tax advisory services	9	68	9	68
Other services	-	-	-	-
Total	<u>156</u>	<u>328</u>	<u>156</u>	<u>283</u>

Note 3 Average number of employees

	Group		Parent Company	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
Average number of employees				
Women	1	13	1	1
Men	<u>1</u>	<u>11</u>	<u>1</u>	<u>1</u>
Total	<u>2</u>	<u>24</u>	<u>3</u>	<u>3</u>

Note 4 Rights and licences

	Group	
	<u>2022-12-31</u>	<u>2021-12-31</u>
Opening acquisition value	1	1
Translation differences	-	-
Sales and scrapping	-	-
Sale of subsidiary	<u>-1</u>	-
Closing accumulated acquisition value	-	1
Opening amortisation/depreciation	-1	-
Sale of subsidiary	1	-
Depreciation/amortisation for the year	-	-1
Translation differences	-	-
Closing accumulated depreciation/amortisation	-	-1
Closing residual value according to plan	<u>0</u>	<u>0</u>

Note 5 Equipment, tools, fixtures and fittings

	Group		Parent Company	
	<u>2022-12-31</u>	<u>2021-12-31</u>	<u>2022-12-31</u>	<u>2021-12-31</u>
Opening acquisition value	169	193	403	403
Purchases	-	1	-	-
Translation differences	-	24	-	-
Sales and scrapping	-	-49	-	-
Sale of subsidiary	<u>-169</u>	<u>-</u>	<u>-</u>	<u>-</u>
Closing accumulated acquisition value	-	169	403	403
Opening amortisation/depreciation	-119	-133	-403	-403
Sales and scrapping	-	38	-	-
Depreciation/amortisation for the year	-	-7	-	-
Sale of subsidiary	119	-	-	-
Translation differences	-	<u>-18</u>	<u>-</u>	<u>-</u>
Closing accumulated depreciation/amortisation	<u>-</u>	-119	-403	-403
Closing residual value according to plan	<u>-</u>	<u>50</u>	<u>0</u>	<u>0</u>

Note 6 Accrued expenses and deferred income

	Group		Parent Company	
	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>	<u>31 Dec 2022</u>	<u>31 Dec 2021</u>
Accrued interest expenses	-	-	-	-
Accrued holiday pay	304	383	248	258
Accrued social security contributions	24	-	18	21
Other items	<u>1,367</u>	<u>1,563</u>	<u>1,326</u>	<u>1,428</u>
Total	<u>1,695</u>	<u>1,936</u>	<u>1,592</u>	<u>1,707</u>

Note 7 Participations in Group companies

Group	Corp. ID no.	Domicile	Share of equity (%)
Misen Enterprises AB	556526-3968	Sweden	100%
Capital Oil Resources Sweden AB	556754-4878	Sweden	100%

Parent Company	Share of equity %	Share of votes %	No. of shares	Book value, 31 Dec. 2022	Book value, 31 Dec. 2021
Misen Enterprises AB	<u>100</u>	<u>100</u>	<u>50,000</u>	<u>260,199</u>	<u>249,199</u>
Total				<u>260,199</u>	<u>249,199</u>
				2022	2021
<u>Participations in Group companies</u>					
Opening acquisition value				249,199	243,359
Capital contribution/repayment				11,000	3,000
Sales of participations				-	2,840
Closing accumulated acquisition value				<u>260,199</u>	<u>249,199</u>
Closing book value				<u>260,199</u>	<u>249,199</u>

Note 8 Essential events after the end of 2022**BIT arbitration against Ukraine**

Given the invasion, the BIT arbitration against Ukraine was suspended.

The Company constantly monitors the situation and will inform the market accordingly.

Financing of the Group's Swedish operations

In January 2023, Misen Energy entered into Loan and Call Option Agreement with PUL, an investment company focused on energy production and based in Honk Kong. Under the Agreement, PUL undertook to provide EUR 2 million loan in three installments by 31 July 2023. The parties agreed that until 30 January 2024 PUL will have an irrevocable priority right for an additional amount to purchase Misen Enterprises AB being assigned by Misen Energy AB (publ) any and all claims in relation to Misen Energy AB (publ) and Misen Enterprises AB v. Ukraine, ICSID Case No. ARB/21/15. PUL can exercise this right alone or with capital partner.

Note 9 Definitions of Key Ratios

Return on total capital: Operating Profit + financial income / Average assets

Return on Equity: Profit/loss after financial items / adjusted equity

Equity/Asset ratio: Total equity / Total assets

Affirmation

The Board of Directors and the Managing Director hereby affirm that the annual report has been prepared in accordance with Generally Accepted Accounting Principles, gives a true and fair view of the Parent Company's financial position and performance, and that the administration report gives a fair overview of the development of the Parent Company's operations, financial position and performance and, additionally, describes the significant risks and uncertainty factors faced by the Parent Company. The Board of Directors and the Managing Director also confirm that the consolidated financial statements have been prepared in accordance with international financial reporting standards, IFRS, as adopted by the EU, that they give a true and fair view of the Group's financial position and performance, and that the administration report for the Group gives a fair overview of the Group's operations, financial position and performance, and, additionally, describes significant risks and uncertainty factors faced by the Group.

The income statements and balance sheets will be submitted for adoption at the Annual General Meeting on 7 March 2023.

Stockholm, 7 March 2023

Andrius Smaliukas
Board member, Chairman

Gediminas Vaikasas
Board member

Dimitrios Dimitriadis
Board member

Iryna Demchenko
Board member

Göran Wolff
Managing Director

Our audit report was submitted on March 7, 2023

Frejs Revisorer AB

Ulf Johansson
Authorized Public Accountant
Auditor-in-Charge

Auditor's report

To the general meeting of the shareholders of Misen Energy AB (publ.)

Corporate identity number 556526-3968

Report on the annual accounts and consolidated accounts

No statements are made respective statements made

We have been assigned to perform an audit of the annual accounts and consolidated accounts of Misen Energy AB (publ.) for the financial year 2022.

As a result of the significance of the matter described in the "Basis for opinions" section, we are unable to express an opinion on whether the financial statements and consolidated financial statements have been prepared in accordance with the Annual Accounts Act, or whether they give a true and fair view of the financial position of the Parent Company and the Group as at 2022-12-31 or of their financial performance and cash flows for the year then ended in accordance with the Annual Accounts Act. We are also unable to express an opinion on whether the Directors' Report is consistent with the other parts of the annual accounts and consolidated accounts.

As a result of the situation described in the section "Basis for our opinion", we can neither approve nor disapprove the adoption of the income statement and balance sheet of the Parent Company and the Group by the Annual General Meeting.

Basis for Opinions

The assessment of the value of the Parent company's shares in the subsidiary Misen Enterprises AB, which amounts to KSEK 260 199 and corresponds to 97 % of the Parent company's total assets and thereby representing a significant part of the Parent company's assets, is entirely dependent on the outcome of the ongoing legal processes between the participants of the JA.

We are independent of the Parent Company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the Group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Due to the matter described in the "Basis for opinions" section, we were unable to obtain sufficient appropriate audit evidence on which to base our opinions with respect to these annual and consolidated financial statements.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Misen Energy AB (publ.) for the financial year 2022 and the proposed appropriations of the company's profit or loss.

As a result of the situation described in the section "Basis for our opinion", we can neither approve nor disapprove of the General Meeting's treatment of the loss as proposed in the Directors' Report.

We recommend to the general meeting of shareholders that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

As stated in our Report on the annual accounts and consolidated accounts, we can neither approve nor disapprove, among other things, the adoption of the balance sheet for the Parent company and the Group.

We conducted the audit of the administration of the Board of Directors and the Managing Director in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the Parent company and the Group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the Group's type of operations, size and risks place on the size of the Parent company's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes, among other things, continuous assessment of the company's and the Group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission, which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

Gothenburg, March 7 2023

Frejs Revisorer AB

Ulf Johansson
Authorized Public Accountant

3 (3)

Board of Directors, Group Management and Auditor

Board of Directors

Dr. Andrius Smaliukas, Chairman of the Board of Directors (since 2013)



Dr. Smaliukas is a Managing Partner at Milasauskas, Martinkute, Smaliukas and Partners (Lithuania). He is also an Executive Chairman at Minexa Ltd (Singapore), a Chairman of the Board at Staticus Group UAB (Lithuania) and a board member at Asia Investment Holdings PTE (Singapore). Dr. Smaliukas frequently serves as an arbitrator at numerous international arbitration proceedings.

Dr. Smaliukas holds Ph.D. and Master of Laws degrees of Vilnius University, as well as LL.M from Queen Mary University of London. He did postgraduate research at Oxford University and completed executive education programs at University of Cambridge Judge Business School and Harvard Law School.

Independence: independent in relation to the company and the company's management, and in relation to major shareholders.

Dimitrios Dimitriadis, Board Member (since 2011)



Mr. Dimitriadis is a founding member and managing partner of DD Partners AG. DD Partners AG is a Zürich (Switzerland) based globally acting office offering broad wealth structuring and managing consulting services for international companies and individuals. He acts as a senior fund manager of several special opportunities funds. Prior to DD Partners AG, Mr. Dimitriadis worked for more than 15 years at various Swiss financial institutions. He shared responsibility for asset allocations and investment activities as a member of the management in mutual funds and major single portfolios. Furthermore he acted as a leading negotiation and contracting partner for financial services partners. His experience includes international relationship management of HNWI customers.

Other assignments:

- CEO HF SWISS, a global Wealth Management and Family Office Company in Switzerland;
- Advisor and representative for eastern European and Greek clients, in the energy and construction industry;
- Chairman of Sensap Swiss, a Technology Company in Switzerland;
- Chairman of Innomedis, a global medical device company;
- Chairman of AMD Telecom LLC, a global telecommunication Company.

Dimitrios Dimitriadis holds a degree in economics of the University of Zürich and AZEK, Swiss Training Centre for Investment Professionals. His earlier studies contain a Swiss federal degree in dental laboratory technique.

Independence: independent in relation to the company and the company's management, non-independent in relation to major shareholders (Nellston Holdings Ltd.).

Iryna Demchenko, Board Member (since 2021)



Ms. Demchenko is an attorney at law and a partner at a well-regarded law firm Victoria Legis (Ukraine).

Ms. Demchenko works in the energy and infrastructure industries for nearly 15 years. She has substantial experience advising energy companies on various matters concerning Ukrainian law and international dispute resolution.

She was a head of the legal department at Karpatygaz LLC (Ukraine), a wholly owned subsidiary of Misen Enterprises AB (Sweden) and was an attorney at law at Ilyashev & Partners Law firm (Ukraine), the leading law firm in Central and Eastern Europe. Earlier she was a Deputy Director General for Legal Affairs in Datagroup, the leading Ukrainian telecommunication services company.

For more than 10 years Ms. Demchenko had been an Assistant Professor at the Law Faculty of Taras Shevchenko National University of Kyiv and authored a number of articles on Ukrainian law issues.

Ms. Demchenko holds a Master of Law degree of Taras Shevchenko National University of Kyiv (2003) and has a degree in corporate governance (2011).

Independence: non-independent in relation to the company (provides consultancy services), independent to the company's management, non-independent in relation to major shareholders (Panagiotis Kinanis (CY)).

Gediminas Vaikasas, Board Member (since 2021)



Mr. Vaikasas is a project manager with multi-million-dollar project experience. Since he joined Misen Group in 2011, Mr. Vaikasas was an assistant to Mr. Tore I. Sandvold (Chairman of the Board of Misen Energy AB (publ)), a managing director of Misen Enterprises AB and a strategy consultant to the management and board of Misen Energy AB (publ).

Mr. Vaikasas' previous experience includes managing radio networks for the international media group Metromedia Inc., working with companies at the Swedish Trade Council, expanding international presence in Baltics and Commonwealth of Independent States for Consolis SA NV company HeidelbergCemen AG O.N., and developing real estate projects in Illinois and South Carolina, USA.

Other assignments:

- Board member at Kuro Aparatura UAB (Lithuania)
- Consultant at Balit LLC (USA)

Mr. Vaikasas studied liber arts at Vytautas Magnus University (Lithuania) and business administration at Stockholm School of Economics (Sweden-Latvia).

Independence: non-independent in relation to the company (provides consultancy services), independent to the company's management, and independent in relation to major shareholders.

Group management

At the balance sheet date, Management of the Parent Company comprises:

Göran Wolff, Managing Director and the Company's CFO



Mr. Wolff has been CFO of the Parent Company since February 2012 and became Managing Director later the same year. He has more than 30 years of experience from business administration in industrial operations. He has had a range of assignments as CFO and controller in Swedish listed as well as private owned companies, most recently with Geveko, a company previously listed on a small cap list at NASDAQ OMX. Mr. Wolff holds a BA in business administration from the University of Gothenburg.

Pavel Stolayev, Group Controller, ACCA, CFA



Mr. Stolayev joined Misen Energy AB (publ) in September 2013. He is experienced in investment banking and professional consulting. Mr. Stolayev worked at Ernst & Young LLC Ukraine in Transactions Advisory Services Department as Executive.

Mr. Stolayev holds a diploma with a distinction from Donetsk University of Economics and Law. He has attended training programs at Deloitte Academy, International Business Institute, Kyiv.

Mr. Stolayev is member of ACCA since 2011 and CFA charter holder since 2016.

Raimonda Kundrotaitė, Chief Legal Officer



Ms. Kundrotaitė joined Misen Energy AB (publ) in November 2015. For nearly 10 years, she has been handling complex energy project development and overseeing international arbitration and court proceedings in Eastern Europe. Ms. Kundrotaitė is an attorney at law in Texas, the United States of America.

Prior to joining Misen Energy AB (publ), Ms. Kundrotaitė worked at the leading Pan - Baltic law firm Valiunas Ellex in Vilnius (Lithuania), where she was a member of team representing the Government of Lithuania in a number of investment disputes.

Ms. Kundrotaitė holds LL.M degree in Global Energy Law from the University of Texas at Austin (United States of America), Master of Laws degree in International Commercial Arbitration Law from Stockholm University (Sweden) and Bachelor of Laws degree in Law and Management at Mykolas Romeris University (Lithuania). Ms. Kundrotaitė attended Paris Arbitration Academy (France). She is a recipient of a number of scholarships and awards for the successful participation in international student competitions.

Auditor

Frejs Revisorer AB, auditor-in-charge Ulf Johansson.

Board committees

At Misen Energy AB (publ) board meeting on 28 April 2022, the board appointed an audit committee and a remuneration committee within the board.

The Audit Committee comprises:

- Dimitrios Dimitriadis as chair
- Iryna Demchenko as member

The Remuneration Committee comprises:

- Gediminas Vaikasas as chair
- Andrius Smaliukas as member
- Iryna Demchenko as member

The AGM 2022 appointed the Nomination Committee, comprising:

- Sergey Probylov as chair (representing Blankbank Investments Limited)
- Dimitrios Dimitriadis as member (representing Nellston Holdings Limited)
- Aurimas Augustinavicius as member (representing TCT Holding AB)
- Andrius Smaliukas as member, in his capacity as chairman of the board of directors of Misen Energy AB (publ)