

GASUM GROUP
FINANCIAL RESULT
Q4 2022



Gasum

GASUM GROUP FINANCIAL RESULT Q4 2022

YEAR CLOSED ON A POSITIVE NOTE DESPITE HISTORICALLY CHALLENGING ENVIRONMENT

Gasum took actions throughout the year to adjust operations to the changing market landscape and succeeded in improving profitability.

January–December 2022 (1-12/2022):

- The Group's revenue increased by 73 percent to EUR 2,722.5 (1,571.0) million.
- Operating profit (EBIT) was EUR 149.9 (-238.5) million. Comparable operating profit (EBIT) was EUR 37.1 (-74.3) million
- Balance sheet total came to EUR 1,947.3 (2,420.7) million
- Equity ratio was 28.3 (18.0) percent
- Delivery volumes decreased by 37 percent and were 15.6 (24.8) TWh

KEY FINANCIAL INDICATORS

EUR million	1-12/2022	1-12/2021	Change YTD
Revenue	2,722.5	1,571.0	73%
Adjusted operating profit*	37.1	-74.3	
Operating profit	149.9	-238.5	
Adjusted operating profit (%)*	1.4%	-4.7%	
Operating profit (%)	5.5%	-15.2%	
Equity ratio (%)	28.3%	18.0%	
Adjusted return on equity (%)*	8.6%	-26.3%	
Return on equity (%)	25.3%	-55.1%	
Adjusted return on investment (%)*	2.4%	-7.6%	
Return on investment (%)	12.0%	-21.4%	
Balance sheet total	1,947.3	2,420.7	-20%
Net interest-bearing debt	309.4	473.1	-34.6%
Gearing ratio (%)	57.0%	109.1%	
Gearing ratio (%) excluding the impact of IFRS 16 leases	25.5%	61.4%	
Personnel at the end of period	321	356	-9.8%

* Calculated without unrealized gains and losses from derivatives relating to the operative business and non-recurring items. Comparison figures from financial year 2021 adjusted to follow same principles.



Mika Wiljanen
CEO,
Gasum Group

GASUM GROUP CEO MIKA WILJANEN COMMENTS ON Q4 AND THE FULL YEAR 2022:

The year closed on a positive note despite the turbulent roller coaster ride that became the new normal in the energy market during 2022. Throughout the year we took different kinds of actions to adjust our operations to the changing market landscape.

During the fourth quarter Gasum published a new strategy, which had been in the works throughout a large part of the year. Our purpose remains the same as before: cleaner energy. However, during the next five years we will be seeing an increasing emphasis towards renewable gas and electricity in our operations.

Gasum already possesses a strong competence in the renewable power market, it's now just a matter of building on top of that competence further. In the biogas business, Gasum has begun a significant investment program to increase biogas availability in the Nordic region.

As part of this program, we started preparing for construction work at the site of our next biogas plant in Götene, Sweden, towards the end of 2022. The plant is the first of five large biogas plants that Gasum is planning to construct in Sweden during the coming years.

Our strategy is based on offering our customers an energy platform of complete end-to-end value chains in biogas, natural gas as well as renewable power. Investment in developing the competence and wellbeing of our personnel as well as continuously improving processes and making data-driven decisions are top priorities in implementing the strategy.

The Group's revenue for 2022 was EUR 2,722.5 million operating profit was EUR 149.9 million and adjusted operating profit was EUR 37.1 million. Despite the challenging operational environment throughout the year, the Group's profitability was progressing as planned.

In order to improve the company's resilience, we began a profit improvement program during the second quarter of the year. The program included several actions to reduce the costs of our operations, for example, a restructuring, which resulted in a new organization in June of 2022. The implementation of the program progressed according to plan during 2022.

Similarly, Gasum has taken actions to mitigate the impact of market volatility by reducing the hedge levels. This has led to a lower financial impact through valuation of financial instruments and reduced requests for cash deposits as guarantees for hedge positions despite continuing market volatility.

In mid-November the arbitral tribunal gave a decision in the dispute between Gasum and Gazprom Export after Gazprom Export had presented Gasum with a demand last April that payments for gas should be paid in rubles instead of euros. According to the arbitral tribunal's award, Gasum is not obligated to pay in rubles nor through the proposed payment procedure. The arbitral tribunal also ordered Gasum and Gazprom Export to continue contract negotiations to resolve the situation.

Natural gas pipeline deliveries from Russia have been discontinued since May 2022. Because of the situation, we've had to arrange for an entirely new supply and logistics chain to secure natural gas deliveries for our customers. We have managed to do this without any interruptions in the deliveries during 2022, which has been a fantastic demonstration of the dedication and expertise of the Gasum staff.

Gasum has come through an extremely turbulent and unprecedented time with renewed resilience. We have gained this resilience by restructuring operations and revising our strategy. We are moving on to the new year with a positive but realistic outlook – while the turbulence in the energy market is expected to, more or less, continue for the time being, Gasum is poised to take it on with confidence.

**FURTHER INFORMATION,
PLEASE CONTACT:**

Mika Wiljanen,
Chief Executive Officer

Heidi Westerberg,
Executive assistant
Phone +358 40 554 0951,
heidi.westerberg@gasum.com

Olga Väisänen,
Vice President,
Communications and Sustainability
Phone +358 40 554 0578,
olga.vaisanen@gasum.com

GASUM IN BRIEF

The energy company Gasum is a Nordic gas sector and energy market expert. We offer cleaner energy and energy market expert services for industry and for combined heat and power (CHP) production as well as cleaner fuel solutions for road and maritime transport. We help our customers to decrease their own carbon footprint and that of their customers. Together with our partners, we promote development towards a carbon-neutral future on land and at sea.

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OPERATING ENVIRONMENT

Energy market – Industry and power

During the last quarter of the year Nordic electricity prices continued to drift lower from the peak prices seen in end of August, but still remained at high price levels in October as gas and coal prices continued at high levels, although weather forecasts were wet and windier. In other words, the main driver for high Nordic power prices was still the Central European price development with war in Ukraine being the biggest driver.

At the beginning of the fourth quarter, the Finnish area price settled back above the system price levels, mainly because the new Finnish nuclear power reactor Olkiluoto 3 continued to be down for a service break. The emission allowance price moved to 20% higher levels from 65 EUR/ton to above 80 EUR/ton as the political situation remained uncertain related to gas price caps and RePowerEU program impacts. Nordic hydrobalance was at the level of the five-year average going into November. The higher probability of an upcoming global recession is worrying.

The gas market started the fourth quarter at about 180 EUR/MWh mainly due to uncertainties linked to the war in Ukraine. European gas prices continued to drift lower as European gas storages were filled above 90% and plenty of LNG was available. Russian gas deliveries to Europe were continued through the Ukraine pipeline only with about 25% capacity and the rest through the Turkstream pipeline. No volumes were coming through the destroyed Nordstream pipelines or via the Polish pipeline. Healthy LNG inflow was expected to continue, and more LNG import terminals, in other words new FSRUs, have been deployed at a fast pace in order to prepare for a full stop of pipeline gas imports from Russia.

The amount of LNG cargoes arriving to European LNG terminals was at a record high level also throughout the fourth quarter. The LNG prices were well below the front month prices as there were far too many vessels arriving to Europe without available slots in the terminals. The LNG prices dropped close to 50 EUR/MWh for some of the delivery locations and several LNG vessels decided to wait outside a port for a next month delivery opportunity with a possibility of a higher price.

From mid-November onwards power prices started to climb significantly as the weather turned colder. There was even some fears of power cuts due to the unavailability of sufficient power supply to match the increased power demand. Supply problems concentrated specifically on wind power production as there were severe problems with frozen turbine blades. Hydropower availability was also reduced due to the formation of ice covers for the winter period. From mid-December onwards, power prices dropped as weather was milder, windier, and gas prices dropped significantly.

Inflation pressure continued to impact the global economy even further. Central banks continued to change interest rate increase paths and there were several rate hikes in the USA and Europe during the fourth quarter. The market was reacting downwards on the back of high infla-

tion, tightening monetary policy and likely continuation of supply disruptions.

Road and Maritime

Delivery times of new LNG trucks have been extended significantly due to problems with key components. The growth of the number of LNG-powered trucks has slowed down also due to the extremely high prices of liquified biogas (LBG) and LNG.

The maritime industry has also been hit by the high price levels of LNG. The main reason was still the price differential between marine gasoil (MGO) and LNG, which continued to impact the growth of the LNG-powered vessels' market negatively.

In the long run, the number of LNG-powered vessels will increase significantly as the orderbook for new vessels is still massive. The new EU Emissions Trading System, due to be phased in gradually 2024-2025 to include maritime transportation, will also result in a price signal that incentivizes improvements in energy efficiency and low-carbon solutions and reduces the price difference between alternative fuels and traditional maritime fuels.

Circular economy – biowaste and biogas

The year 2022 saw an increased interest in the importance of utilizing more circular economy solutions to mitigate climate change. Biogas contributes to mitigating climate change both in the form of renewable energy and through recycled nutrients, which are produced as a side stream. Recycled nutrients along with renewable energy have an important role due to increased prices of nutrients and fertilizers of mineral or fossil origin, although the peak prices of the past year seem to be over now. Demand for biogas and recycled nutrients has been increasing throughout the year caused by the sharp rise in energy and nutrient prices and by security of supply concerns.

Increasing the production of biogas is in a strong tailwind, especially in the Nordics, but also at a European level. There is strong competition inside the biogas sector, especially when it comes to feedstock, as new and incumbent players are acting in the same geographical market area.

New ways of producing renewable synthetic biogas are being launched throughout the EU, where biomethane production is based on methanization of hydrogen produced with renewable electricity and carbon dioxide sourced either from biogas upgrading or from powerplants' flue gases. Many of these new projects are in their early feasibility study phase but it is likely that the first commercial-scale applications will be seen soon.

In Sweden subsidy schemes for biogas production and use of biogas has been in an unclear state because of over-compensation concerns since the summer of 2022 when the previous support scheme ended. Regardless of this unclarity, Gasum is continuing to increase biogas production in Sweden through several new planned biogas plant projects. Work at the site of the first investment, a new 120 GWh/a biogas plant located in Götene, has been started. Expected commissioning of the plant using animal-based

side streams, such as manure, and food industry side streams as feedstock will be in the latter half of 2024.

In Finland, neither biogas production nor usage subsidies are in place, instead biogas has been part of the blending obligation of transport fuels since the beginning of 2022. The blending mandate levels were temporarily lowered during 2022 but will eventually increase back to the previous higher level in coming years. The blending mandate in general incentivizes biogas production.

National investment subsidies in Finland for increasing biogas production have been halted due to the need for an EU decision on potential overlapping of the blending obligation and investment subsidies as state support. There are measures to promote biogas production, economic growth, and job creation, but the incentives for investments are stronger in the neighbouring country Sweden.

European energy policy aims at boosting biogas production as part of the REPowerEU plan. To implement the plan, the European Commission together with the European Biogas Association have founded a network called Biogas Industrial Partnership (BIP). Due to the current geopolitical situation, i.e., in order to phase out Russian gas, the European Commission proposed a rapid increase of European biomethane production to 35 billion cubic meters (bcm) by 2030, up from 3 bcm in 2020. A recent study shows that the potential of biogas production in the Nordic countries is about 2 bcm. The BIP is connecting multiple stakeholders in the value chain, Gasum among others, to support the achievement of this volume target at the EU level.

This volume is also supported by the synthetic methane production potential. Both biogas and synthetic biomethane rely on the infrastructure built for natural gas that can and will be utilized increasingly for renewable energy purposes. All the needed elements for increased biogas production are in place in most European countries.

SUSTAINABILITY

Gasum's strategy, renewed during 2022, is based on increasingly shifting emphasis towards renewable gas and electricity. Despite recent market turmoil and a changed geopolitical landscape, there is an increasingly urgent need to keep an eye on the long game – the transition to a cleaner energy future. Our role is to guide our customers towards sustainable energy solutions and help them continuously reduce their greenhouse gas emissions.

We look at sustainability holistically through environmental, social and economic lenses. This means enabling emission reductions for our customers, reducing the environmental impacts of our own operations, promoting a safe work environment and ensuring responsible business practices. Gasum's sustainability work is steered by its Sustainability Program and objectives. Transparency, openness, and diverse stakeholder cooperation are guiding principles for Gasum in both business and communication.

The positive trend in the demand for biogas continued throughout the year, and the company helped its customers achieve their emission reduction goals both in industrial processes and in logistics solutions for road and maritime

transport. Gasum is also a major player in the wind power segment and further increased its market share during the year. As a supplier of wind power, Gasum enables increasing production of renewable energy in Finland.

Gasum's biogas plants and LNG terminals were externally audited in the fall of 2022 and certifications were renewed as well as expanded at the end of the year. For customers, certification is a guarantee that Gasum operates in accordance with strict harmonized requirements and is committed to responsibility in all operations. Public and corporate procurement and partnerships increasingly require certified systems.

Gasum's operations are certified in accordance with quality (9001), environment (14001) occupational health and safety (45001), as well as energy management (50001) requirements. The 2022 certifications expanded the previous certification to cover all seven Gasum biogas plants in Sweden as well as the Finnish biogas plant in Lohja. In addition to the biogas plants, all Gasum LNG terminals are certified according to the quality (9001), environment (14001) and energy management (50001) standards.

RESULTS

Revenue in 2022 was at EUR 2,722.5 million, 73% higher than the revenue of EUR 1,571.0 million in 2021. Revenue increased despite lower delivery volumes due to higher gas price than in comparable period especially in the first half of the year.

Adjusted operating profit increased to EUR 37.1 million (2021: EUR -74.3 million) and Operating profit was at EUR 149.9 million (2021: EUR -238.5 million). Items affecting comparability and were adjusted include unrealized gain in hedge derivatives of EUR 157.8 million, reduction of inventory values to net realisable value of EUR 25.0 million, impairment charge of goodwill related to Skangas acquisition of EUR 11.0 million, legal costs related to arbitration of EUR 7.8 million and writedown of fixed assets of EUR 0.8 million for Suomenoja plant closure. In 2021, items affecting comparability and were adjusted include unrealized loss in hedge derivatives of EUR 154.1 million and loss of court case for electricity taxes in Gasum AS and smaller one-time arbitration and legal costs.

Finance income and expenses in 2022 were at EUR -8.7 million (2021: EUR -17.3 million). The difference is mainly due to changes in fair value of currency and interest rate derivatives.

Net profit in 2022 was EUR 123.3 million (2021: -254.6 million).

FINANCIAL POSITION AND FINANCING

The Group's balance sheet totalled at the end of December 2022 EUR 1,947.3 million (2021: EUR 2,420.7 million). Net interest-bearing debt, borrowings from financial institutions and lease liabilities, decreased by 35% to EUR 309.4 million (2021: EUR 473.1 million). Equity at end of 2022 was at EUR 543.0 million, increase of 25% from EUR 433.7 million in 2021. Gearing at end of 2022 was at 57% (2021: 109%) and equity ratio at 28% (2021: 18%).

Decrease in net interest-bearing debt resulted from posi-

tive operative performance and decrease in working capital. Margin from LNG business contributed to the positive operative cash flow in 2022. Decrease in working capital resulted mainly from the release of cash collaterals paid in 2021 for the hedge derivatives.

Gasum continued investments in 2022 in all its' businesses. Expansion investments included projects in biogas production, customer terminals for LNG and LBG and filling stations for road transportation. Capital expenditure in 2022 was EUR 37.5 million (2021: EUR 54.9 million).

In 2022, Gasum repaid a EUR 210 million short-term loan taken in 2021. Loan was taken in September 2021 to strengthen the financial position of Gasum and to prepare for the consequences from the general market situation and uncertainty.

At the end of 2022, cash and cash equivalents amounted to EUR 206.2 million (31.12.2021: EUR 387.4 million) and unused committed credit facilities to EUR 220 million. Gasum has financial covenants in its' loan agreements for gearing and minimum available liquidity. At balance sheet date, Gasum has recognized assets and liabilities related to natural gas contract with Gazprom Export. More information of the arbitration and recognized items in Legal proceedings and claims.

LEGAL PROCEEDINGS AND CLAIMS

Company's appeals to market court concerning decisions made by the Energy Authority on February 26, 2019 and March 15, 2019 and the Energy Authority's penalty fee submission and the Energy Authority's 2020 decisions on unbundled financial statements

In spring 2019, the company appealed to the Market Court on a decision made by the Finnish Energy Authority on February 26, 2019 on the application of the unbundling rules concerning the calculated unbundling of natural gas operations and on a decision relating to the same set of matters made by the Energy Authority on March 15, 2019 on corrective measures to the company's unbundling calculations regarding the financial statements for January 1 to December 31, 2018. On July 17, 2020 the Energy Authority submitted to the Market Court that the court impose on Gasum a penalty fee for non-compliance with the unbundling provisions of the Natural Gas Market Act in conjunction with the demerger concerning the natural gas transmission network operations. The Energy Authority proposed that the amount of penalty fee be €79.7 million. On April 30, 2021 the Energy Authority supplemented its penalty fee submission with its response and secondarily proposed a penalty fee of the same size on the basis of Gasum's conduct that has continued for years in consecutive financial statements, involving either intentional or negligent breach of or non-compliance with provisions of the Natural Gas Market Act on unbundling of activities in case of the eventuality that the unbundling provisions of the Natural Gas Market Act would not be applicable to the demerger of Gasum. According to the Energy Authority, the continued conduct first took place at least in the 2017 financial statements and the 2016

comparative figures included in them and continued until the 2019 financial statements.

By a ruling given on 7 November 2022, the Market Court reversed, following Gasum's appeal, the decisions issued by the Energy Authority concerning Gasum's financial statements. In addition, the Market Court dismissed the Energy Authority's proposal concerning the penalty fee. The Energy Authority has appealed the Market Court's ruling to the Supreme Administrative Court. The Energy Authority requested in its appeal that the Supreme Administrative Court refer the matter to the Court of Justice of the European Union (CJEU) for a preliminary ruling relating to the interpretation of the Natural Gas Market Directive underlying the unbundling provisions of the Natural Gas Market Act.

The Energy Authority has, in addition, issued decisions on January 28, 2022 and June 16, 2022 concerning the company's unbundled 2020 financial statements. The company has appealed against the decisions made by the Energy Authority to the Market Court and submitted that the Market Court postpone the consideration of the matters until the Supreme Administrative Court has ruled on the above-described appeal matters as well as on the Energy Authority's the penalty fee submission. No related accounting provisions have been made.

Arbitration proceedings against Venator P&A Finland Oy

In spring 2020, the Gasum subsidiary Gasum LNG Oy filed arbitration proceedings against Venator P&A Finland Oy for failure by Venator to comply with its obligation to purchase the minimum quantity of gas under a natural gas supply agreement. The arbitration procedure resulted in a decision in favor of Gasum LNG Oy in August 2021.

Venator terminated the natural gas supply agreement as of 1 September 2022, whereby all remaining amounts under the agreement fell due. Venator has not paid its outstanding invoice despite of Gasum LNG Oy's several reminders. In early November 2022, Gasum LNG Oy filed arbitration proceedings against Venator to be able to enforce the outstanding payment. The company is currently waiting for the appointment of the arbitral tribunal and the decision is not expected before end of 2023. In addition, Gasum LNG Oy filed for an interim measure at the Satakunta district court, which was granted in February 2023.

The company has recognized an amount of EUR 32.7 million as a receivable under operating revenue

Company's appeal to Vaasa Administrative Court on administrative enforcement decision of September 30, 2021 made by Centre for Economic Development, Transport and the Environment for Southwest Finland and appeal against the amended environmental permit

By its administrative enforcement decision of September 30, 2021, the Centre for Economic Development, Transport and the Environment for Southwest Finland has considered that Gasum's Turku biogas plant has not, regardless of requests, taken sufficient measures to eliminate odor nuisance from the activities. Gasum appealed against the decision to Vaasa

Administrative Court on October 28, 2021. To reinforce the first main obligation included in the decision, the Centre has imposed a periodic notice of a conditional fine with its basic component amounting to €200,000 and its additional component to €100,000. To reinforce six (of a total of twelve) other main obligations included in the decision, a separate fixed notice of a conditional fine amounting to €50,000 per obligation has also been imposed. Because the administrative enforcement decision is enforceable, Gasum has, regardless of its appeal, performed all measures in compliance with the Centre's administrative enforcement decision by the due dates set for the measures in the enforcement decision. The appeal process regarding the administrative enforcement decision is currently pending in Vaasa Administrative Court.

In addition, the Regional State Administrative Agency of Southern Finland has in spring 2022 issued an amended environmental permit decision for the Turku biogas plant. The amended environmental permit decision has not become legally valid yet due to objections filed against the decision by local residents, and therefore the new requirements of the environmental permit have not been implemented yet. The appeal process regarding the amended environmental permit is currently pending in Vaasa Administrative Court, and the court decision is not expected until after summer 2023.

Possible further measures and processes on these matters cannot be ruled out.

Gasum to continue negotiations regarding natural gas supply contract after a decision from the arbitral tribunal

Gasum has a long-term natural gas supply contract with Russian Gazprom Export. In April 2022, Gazprom Export presented Gasum with a demand that the payments agreed in the supply contract should be paid in rubles instead of euros. Gasum did not accept this demand. In addition, the companies had a significant disagreement regarding certain other demands made based on the contract, relating to the amount of and contractual interpretation concerning the minimum purchase obligation based on the contract. Due to these reasons, Gasum referred the matter to arbitration in accordance with the supply contract. Gazprom Export ceased gas supplies to Gasum in May 2022.

On November 14, 2022, the arbitral tribunal issued an award in the matter. According to the award, Gasum is not obligated to pay in rubles nor through the proposed payment procedure. Furthermore, the arbitral tribunal ordered Gasum and Gazprom Export to continue their bilateral contract negotiations to resolve the current situation related to the suspension of deliveries. Gasum has in January 2023 filed with the Svea Court of Appeal a challenge concerning parts of the arbitral award. Natural gas deliveries from Russia in accordance with Gasum's supply contract are not continuing for the time being. Should the natural gas deliveries be resumed, the company has a large minimum purchase obligation for 2023, taking into account the current market demand in Finland.

Balance sheet values on 31 December 2022 include

non-disputed 144.8 million euros trade payables and other provisions for gas deliveries and supply contract related other costs from 2021–2022. Gasum declined to pay for gas deliveries in rubles in April and May 2022 and therefore the above amount was unpaid at year end. Gasum has recognized 171.3 million euros asset under inventories regarding the undelivered gas from financial years 2020–2021 under the terms of the gas supply contract. Recognized asset is for the most part unpaid. There is no time limit for the reception of the gas under the gas supply contract. Gasum has recognized 158.0 million euros obligation as liability under accrued trade payables in company balance sheet on 31 December 2022. The liabilities set out in the arbitral award accrue interest, totaling at EUR 0.7 million at year end. In the beginning of the year 2023 Gazprom Export informed Gasum that payment of already existing debts can be made in foreign currency. The Svea Court of Appeal has in January 2023 granted stay of enforcement related to the above 158.0 million euros obligation. Realization of inventory asset and related gas deliveries involve risks due to surrounding geopolitical situation.

EVENTS AFTER REPORTING PERIOD

Gasum's new biogas plant in Götene, Sweden, received final construction permits at the end of January 2023. Construction is expected to proceed at pace during 2023 and continue into 2024. The plant will produce 120 gigawatt hours (GWh) worth of liquefied biogas or LBG per year from the start of 2025 onwards. The plant will use mainly manure as feedstock and produce 350,000 tons of high quality environmentally friendly fertilizer to be returned to the farmers providing the feedstock. The Götene plant is the first of five planned large scale biogas plants in Sweden that form a substantial investment towards fulfilling Gasum's strategy to increase biogas availability on the Nordic market.

After the reporting period the company has in January 2023 filed with the Svea Court of Appeal a challenge concerning parts of the arbitral award received in the arbitration against Gazprom Export. Gasum is currently continuing its bilateral negotiations with Gazprom Export as required by the arbitral tribunal. For further information please see financial statement note 5.5. Legal proceedings and claims.

FUTURE OUTLOOK

Russia's brutal war against Ukraine has affected the energy market and Gasum's operations in a profound way during 2022. The continued effects of the war are felt in our operating environment in 2023. Although the energy market continues to be in turmoil, in terms of volatility, some kind of "calming down" can be observed.

Gasum has honed its organizational model and renewed its strategy to match the changed situation and is capable of operating in a new kind of environment – the customer is at the center of all activities and the company is able to help customers navigate within the changing landscape.

Despite the turbulent markets, Gasum expects gas solutions to remain at the core of the energy sector as gas is needed in industry as well as maritime and land transportation. Demand for renewable gases is expected to grow, and

as the leading operator in the Nordic countries, Gasum is in a position to take the reins in this segment.

In accordance with the company's renewed strategy, Gasum will continue investments in 2023. Construction of Gasum's newest biogas plant in Götene, Sweden, is expected to proceed at pace during the year. The company is strengthening its already solid capabilities in the power market to offer its customers comprehensive services.

Gasum aims to offer 7 TWh of biogas annually to the Nordic market by 2027 through increasing its own production as well as sourcing from trusted partners. This will result in a cumulative reduction of 1.8 million tons of carbon dioxide. It also means that an increasing portion of the company's profits will come from the production, purchasing and selling of renewable energy.

Management and the Board of Directors of the company have assessed that there is no material uncertainty of the going concern for the company. Risks of business continuity are, among other things, evaluated through a variety of scenarios. In addition, the company has sought to develop the capability to react to challenges in the energy markets.

GASUM GROUP

Revontulenpuisto 2 C, P.O. Box 21

FI-02100 Espoo, FINLAND

Phone: +358 20 44 71

www.gasum.com

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF INCOME

EUR million	1-12/2022	1-12/2021
Revenue	2,722.5	1,571.0
Other operating income	522.5	383.7
Materials and services	-2,343.7	-1,377.3
Personnel expenses	-35.5	-39.3
Depreciations and amortization	-92.9	-69.8
Other operating expenses	-623.8	-706.9
Share of result from investments accounted for using the equity method	0.8	-0.9
Operating profit	149.9	-238.5
Finance income and expenses	-8.7	-17.3
Result before taxes	141.2	-255.8
Taxes	-17.9	1.1
Result for the period	123.3	-254.6
Result for the period attributable to:		
Owners of the parent	123.3	-254.6
Non-controlling interest	0.0	0.0

CONSOLIDATED BALANCE SHEET

EUR million	31.12.2022	31.12.2021
ASSETS		
Non-current assets		
Intangible assets	169.0	192.8
Property, plant and equipment	621.5	691.9
Equity-accounted investments	11.6	11.0
Derivative financial instruments	133.7	37.5
Deferred tax assets	0.0	2.3
Other non-current assets	0.3	0.2
Total non-current assets	936.1	935.8
Current assets		
Inventories	257.9	247.5
Derivative financial instruments	186.7	233.3
Trade and other receivables	354.6	616.8
Current tax assets	5.9	0.0
Cash and cash equivalents	206.2	387.4
Total current assets	1,011.2	1,484.9
TOTAL ASSETS	1,947.3	2,420.7

CONSOLIDATED BALANCE SHEET

EUR million	31.12.2022	31.12.2021
EQUITY AND LIABILITIES		
Share capital	10.0	10.0
Reserve for invested unrestricted equity	159.7	159.7
Capital loan	199.0	199.0
Retained earnings	67.3	321.2
Result for the period	123.3	-254.6
Translation differences	-16.3	-1.6
Total equity attributable to owners of the parent	543.0	433.7
Non-controlling interest	0.0	0.0
TOTAL EQUITY	543.1	433.7
LIABILITIES		
Non-current liabilities		
Loans	344.5	445.7
Non-current lease liabilities	139.4	170.0
Derivative financial instruments	104.1	50.9
Deferred tax liabilities	11.5	7.1
Provisions	11.9	27.3
Post-employment benefits	4.4	5.6
Total non-current liabilities	615.8	706.5
Current liabilities		
Loans	0.0	207.9
Derivative financial instruments	211.9	383.4
Trade and other payables	563.1	684.8
Current income tax liabilities	13.5	4.4
Total current liabilities	788.5	1,280.5
TOTAL LIABILITIES	1,404.3	1,987.0
TOTAL EQUITY AND LIABILITIES	1,947.3	2,420.7

FORMULAS FOR KEY FINANCIAL INDICATORS

$$\text{Equity ratio (\%)} = 100 \times \frac{\text{Total equity}}{\text{Balance sheet total - Advances received}}$$

$$\text{Return on equity (\%)} = 100 \times \frac{\text{Result for the period}}{\text{Total equity (average for the period)}}$$

$$\text{Return on investment (\%)} = 100 \times \frac{\text{Profit before tax}}{\text{Total equity + Interest-bearing debt (average for the period)}}$$

$$\text{Net interest-bearing debt} = \text{Interest-bearing debt} - \text{Cash and cash equivalents}$$

$$\text{Gearing ratio (\%)} = 100 \times \frac{\text{Interest-bearing debt} - \text{Cash and cash equivalents}}{\text{Total equity}}$$

$$\text{Gearing ratio (\% excluding the impact of IFRS16 Leases)} = 100 \times \frac{\text{Interest-bearing debt} - \text{IFRS16 leasing debt} - \text{Cash and cash equivalents}}{\text{Total equity}}$$

$$\text{Net debt/EBITDA} = 100 \times \frac{\text{Interest-bearing debt} - \text{Cash and cash equivalents}}{\text{EBITDA}}$$

GASUM GROUP

Revontulenpuisto 2 C, P.O. Box 21

FI-02100 Espoo, FINLAND

Phone: +358 20 44 71

www.gasum.com