

GASUM GROUP
FINANCIAL RESULT
Q1 2025



Gasum

Gasum Group financial result Q1 2025

Interest in FuelEU Maritime pooling a positive indicator – global price turbulence resulted in lower volumes and profitability

January–March 2025 (January–March 2024):

- Total volume in Q1 2025 was 3.5 TWh (Q1 2024: 5.8 TWh), decrease to comparison period 40 % mainly due to decreased pipeline natural gas volumes.
- The Group's revenue decreased by 16.8 percent to EUR 352.7 (Q1 2024: 423.7) million.
- Operating profit (EBIT) was EUR -0.3 (Q1 2024: 2.8) million. Adjusted operating profit (EBIT) was EUR -4.9 (Q1 2024: 17.8) million
- Balance sheet total came to EUR 1,410.1 (31 March 2024: 1,507.6) million
- Equity ratio was 39.0 (31 March 2024: 38.0) percent

Key financial indicators

EUR million	1-3/2025	1-3/2024	1-12/2024
Revenue	352.7	423.7	1,330.8
Adjusted operating profit*	-4.9	17.8	33.1
Operating profit	-0.3	2.8	2.2
Adjusted operating profit (%)*	-1.4%	4.2%	2.5%
Operating profit (%)	-0.1%	0.7%	0.2%
Equity ratio (%)	39.0%	38.0%	34.4%
Return on equity (%)	-6.3%	-1.9%	-5.4%
Return on investment (%)	-3.3%	-1.0%	-2.4%
Balance sheet total	1,410.1	1,507.6	1,573.6
Net interest-bearing debt	393.2	197.8	290.1
Gearing ratio (%)	72.4%	34.9%	53.8%
Gearing ratio (%) excluding the impact of IFRS 16 leases	45.3%	8.6%	26.2%
Personnel at the end of period (FTE)	353	330	348

* Calculated without unrealized gains and losses from derivatives relating to operative business and non-recurring items

Items affecting comparability

Non-recurring items and unrealized gains and losses from derivatives relating to operative business

EUR million	1-3/2025	1-3/2024	1-12/2024
Unrealized fair value change of derivative instruments	4.6	-18.6	-21.2
Non-recurring items	0.0	3.6	-9.7
Change of inventory values to net realisable value	-0.2	3.7	10.3
Costs related to ongoing claims	-0.5	-0.1	-0.9
Change in ECL provision	0.0	0.0	-16.1
Other	0.7	0.0	-3.1
Total	4.7	-15.0	-30.9

Gasum Group CEO Mika Wiljanen:

“Trouble caused by sharp price turbulence in the gas market led to low volumes for the first quarter of the year. We saw European gas prices climb high to almost 60 EUR/MWh in February and fall lower once more in March. This price roller coaster resulted in volumes being halved in the maritime segment in February compared to the same period the year before. In March volumes recovered somewhat as prices came down.

The price turbulence also meant that in the industry segment customers chose other fuel options.

In Sweden, while domestic biogas is again exempt from carbon tax, the tax authority has decided that the exemption is not applicable to imported European biogas. This interpretation is not shared by other Swedish authorities. This has resulted in Gasum being forced to raise prices in the Swedish traffic segment. This tax authority interpretation has, as a result, hampered sales in the traffic segment in Sweden.

The turbulent market environment had its impact on the Group's financial performance, the adjusted operating result being for the first quarter of 2025 EUR -4.9 million (Q1 2024: EUR 17.8 million) and the adjusted operating profit margin -1.4% (Q1 2024: 4.2%).

On the positive side, biogas deliveries were up from 2024. Also, Gasum's biogas plants reached record production volumes during the first quarter of 2025. Production is expected to further increase as our newest plant in Götene is being ramped up towards full capacity during the second quarter. Gasum's first Danish biogas plant acquired in November of 2024 has been undergoing integration into Gasum's operations and a project for connecting the plant into the gas network has begun.

There was also positive development in the power business, as the multi-market optimization (MMO) service we launched in 2024, gained a lot of traction during the first quarter of 2025 and expectations are high for the rest of the year.

In February we announced a building project for a new bunker vessel. The chartered vessel will be owned by a joint venture between Gasum and Swedish shipping company Sirius Shipping and will serve Gasum's customers starting 2027. This strategic investment aims to secure the availability of LNG and LBG to our customers in Northwest Europe. Demand is expected to increase in the coming years as the number of LNG-powered dual fuel vessels grows year by year.

Interest in Gasum's FuelEU Maritime pooling service has grown during the first quarter, as shipowners are now starting to respond to the regulation. The interest is global, as the regulation applies to all shipping companies that call at EU ports. This is an opportunity for us to expand our reach beyond the Northwest Europe area.

During the reporting period the European Parliament announced that it will delay the application of the CSRD sustainability reporting directive to small and medium sized companies. We are, nevertheless, continuing preparations for sustainability reporting according to the CSRD. Gasum's view is that the CSRD increases the credibility and comparability of sustainability reporting, which is a positive development and should be advanced.”

Outlook for the current year

Volume development in all segments is highly dependent on the development of global prices. Volumes are expected to develop positively if gas prices remain stable and at a reasonable level.

The Swedish tax authority's interpretation regarding the tax exemption of imported biogas is not expected to change soon, meaning that its hampering effect on Swedish biogas sales is expected to continue for the time being.

Maritime volumes are expected to be positively affected by increasing numbers of LNG-fueled vessels as well as the introduction of FuelEU Maritime regulation and the related Gasum pooling service.

Volumes in the industry segment are particularly vulnerable to market fluctuations. Volumes are expected to improve if the price of LNG becomes more favorable against alternatives going forward. The power business is expected to benefit from the high interest in Gasum's MMO service.

Biogas production is set to continue on a high level and production volumes are set to increase further once the Götene plant is fully ramped up. Construction work at the site of the next new plant in Borlänge, Sweden is expected to continue as planned.

Tariffs imposed by the US and counter tariffs levied by other countries and regions do not have a direct impact on Gasum's business as, at the moment, they do not pertain to energy. However, they may have indirect effects through worsening global economic conditions. Global geopolitics may further have an impact on supply chains during the course of the year.

Operational review

Gasum's operations are divided into three customer segments: industry, maritime and traffic. In addition, production and sourcing of renewable gases is reviewed as an area of strategic importance.

Industry

In the industry segment, volumes during the first quarter were slightly lower than during the same period in 2024. This was due to high prices as well as interruptions in industrial production and a slightly warmer-than-normal winter, which reduced the amount of gas needed for heating.

The demand for electricity market services remained strong, especially for multi-market optimization (MMO) services, which are in high demand.

Changes in the environment, such as the transition of the balance period to 15-minute cycles in the Finnish electricity market, are changing skill requirements among market participants. Gasum is continuously strengthening systems and capabilities to serve the changing markets in the future as well.

Maritime

During January and February high price volatility caused a large spread between the TTF and conventional fuel prices and volumes ended up lower than forecasted. Prices came down in March and some recovery was seen.

Building the Gasum FuelEU Maritime pooling service proceeded according to plan. The service is getting more and more traction in the market, and it is expected to fully take off during the second quarter of 2025.

LBG sales for the reporting period were lower than expected. The maritime segment is expected to catch up to volume targets during the rest of the year. The majority of biogas sales in the segment is expected to come from the FuelEU Maritime pooling service.

Traffic

The transportation market in all Nordic countries has been subject to price increases during the first quarter of the year. The reason for these price increases is the significantly higher-than-expected costs of biogas procurement.

The relative competitiveness of renewable fuel alternatives has been maintained. However, due to the price increase of biogas the price gap between fuel options has widened.

In Sweden, the process of getting the carbon tax exemption to apply to imported liquefied biogas continues. The tax authority's interpretation of the tax exemption is particularly detrimental to the development of the Swedish transportation market.

Production and sourcing of renewable gases

During the first quarter of 2025, biogas deliveries from Gasum's own plants were 17% higher than in Q1 2024. Production targets set for the quarter were met already before quarter end. Production is foreseen to run as planned for the rest of the year. Waste management sales reached planned levels despite the generic gate fee market moving towards lower unit prices.

The new Götene biogas plant moved towards commercial production and delivered the first amounts of LBG. First fertilizer deliveries have been also made back to the local farmers. The main part of the groundworks at the next project site in Borlänge were finalized during the period.

Biogas sourcing has been focusing on securing long-term availability, and several direct sourcing agreements directly with European producers were completed during the first quarter. Overall, price levels were somewhat lower compared to a year ago, especially in short-term deals.

Development of the EU's database integrating national biogas certificate registries is moving forward but there is no clear schedule on implementation. Demand for biomethane in Gasum's market areas is expected to grow by approximately 30% compared to 2024 and increased volumes of biogas certificates are expected to be needed towards the end of the year.

Sustainability

During the reporting period, Gasum published its last sustainability report in accordance with the Global Reporting Initiative (GRI), reflecting its commitment to transparency and accountability in sustainability practices. Going forward Gasum will be reporting according to the Corporate Sustainability Reporting Directive (CSRD).

Consolidated figures on the Group's sustainability performance are reported annually in Gasum's sustainability report. During the first quarter a third-party assurance was performed on the key performance indicators connected to Gasum's sustainability-linked revolving loan.

In March, the European Parliament decided to postpone the application dates for the CSRD by two years for the second and third waves of companies covered by the legislation. Gasum falls under the second wave. Despite these adjustments, Gasum is continuing preparations for CSRD reporting for the year 2025.

Financial performance

Despite somewhat higher market prices, Gasum Group's revenue decreased by 16.8% in Q1 2025 to EUR 352.7 million (Q1 2024: EUR 423.7 million) due to lower volumes. The total volume in Q1 2025 was 3.5 TWh (Q1 2024: 5.8 TWh), representing a 40% decrease compared to the same period last year. The decline is mainly attributed to the pipeline natural gas business, which faced special circumstances last year when the Balticconnector pipeline was broken. Gasum at that time imported more gas than usual through the Inkoo floating terminal due to security of supply reasons. The turbulent price environment in the first quarter impacted volume development in the maritime and industry business segments. Although the volume decrease in these segments was modest, the total volumes were lower than in the comparison period.

Adjusted operating profit in Q1 2025 was EUR -4.9 million (Q1 2024: EUR 17.8 million) and operating profit for Q1 2025 was EUR -0.3 million (Q1 2024: EUR 2.8 million). Net profit for Q1 2025 was EUR -8.5 million (Q1 2024: EUR -2.8 million). The operative result in Q1 2025 was not similarly impacted by realized inventory gains as in comparison period Q1 2024.

Items affecting comparability and which are excluded from adjusted figures have been listed in the table *Key financial indicators* presented on the first page.

Financing

The Group's balance sheet totaled at the end of March 2025 EUR 1,410.1 million (March 31, 2024: EUR 1,507.6 million).

Net interest-bearing debt, including borrowings from financial institutions and lease liabilities, increased to EUR 393.2 million (March 31, 2024: EUR 290.1 million). Change in net interest-bearing debt mainly results from payment made related to below mentioned process at enforcement agency, change in working capital as well as the ongoing investment programs especially in biogas production.

Relating to the enforcement process between Gazprom Export and another entity, Gasum has made a payment of EUR 130 million to the National Enforcement Authority Finland in accordance with a demand for payment issued by the Enforcement Authority relating to Gasum's payable towards Gazprom Export in January 2025. See further details under Legal proceedings and claims.

At end of March 2025, cash and cash equivalents including short-term deposits amounted to EUR 97.9 million (March 31, 2024: EUR 295.2 million) and unused committed credit facilities to EUR 220 million. Gasum has financial covenants in its loan agreements for gearing and minimum available liquidity.

Equity at end of March 2025 was at EUR 542.8 million, decrease of 4.3% from EUR 567.0 million on March 31, 2024. Gearing at end of Q1 2025 was at 72.4% (March 31, 2024: 34.9%) and equity ratio at 39.0% (March 31, 2024: 38.0%).

Risks and geopolitical uncertainty

The energy market and prices have remained volatile and prices reactive to changes in the global energy supply chains. The commodity price risks, derivative risks and liquidity risks remain in close monitoring.

Gasum's most important strategic risks relate to the demand of its main products, such as biomethane, liquefied natural gas (LNG) and renewable power. The need for LNG and renewable energy is affected by the economic environment, energy regulation, and the availability and relative price level of other energy solutions. Gasum has also focused efforts on the operational risks relating, in particular, to the supply chain and supply security.

As the leading producer of biomethane in the Nordics, Gasum is exposed to various risks. The regulation of biomethane is still developing, which creates uncertainty for the processes and business models developed around it. There is also increasing competition for feedstock for renewable energy production, which may affect the production cost of biomethane and future investments. Furthermore, Gasum has an ambitious investment plan into biomethane production, and the investment projects are subject to risks in project execution, rising construction prices and counterparty risks.

The geopolitical turbulence increasing around the world may imply risks in the general operating environment for Gasum through for example shifts in international and national policies, climate targets, tariffs, sanctions and their effect on economies or changing supply chains for gas. The geopolitical tensions have also increased threats on Nordic critical infrastructure and risks of other hybrid operations. Gasum regularly reviews and further improves the safety of its assets and personnel.

Gasum has been in legal proceedings against Russian Gazprom Export over the since then cancelled natural gas supply contract, which has been described in Legal proceedings and claims section. Gasum won its partial challenge regarding the previous arbitral award and now considers the outflow of previously disclosed contingent liability amounting to EUR 158.0 million and the related interest remote. A risk remains that further legal proceedings are initiated by either party. Legal risks are described in the Legal proceedings and claims section.

Legal proceedings and claims

The report includes ongoing and potential legal proceedings and claims significant for the company. The company is reporting changes in relation to the financial statement for 2024. To the extent changes are not reported, the financial statement for 2024 applies.

Gasum cancelled its pipeline natural gas supply contract with Gazprom Export and won its partial challenge regarding the related arbitral award

Gasum has had a long-term pipeline 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. In addition, the companies had a significant disagreement regarding certain other demands made based on the contract. Due to these reasons, Gasum referred the matter to arbitration in accordance with the supply contract. In November 2022, the arbitral tribunal issued an award in the matter and ordered Gasum and Gazprom Export to continue their bilateral contract negotiations to resolve the situation. The parties were not able to resolve the situation within the period defined by the arbitral tribunal and therefore, Gasum has cancelled the long-term natural gas supply contract with Gazprom Export on 22 May 2023.

Gasum has in January 2023 filed with the Svea Court of Appeal a challenge concerning parts of the arbitral award received in the arbitration based on competition law grounds. On 10 January 2025, the Svea Court of Appeal gave its judgement in the matter and ruled in Gasum's favor by annulling parts of the arbitral award due to the arbitral tribunal having failed to assess one of the competition law grounds invoked by Gasum during the arbitration. The Svea Court of Appeal also ordered Gazprom Export to pay Gasum's legal costs relating to the challenge proceedings. The judgement cannot be appealed to the Supreme Court of Sweden and is therefore final.

Gasum has in late 2024 received a demand for payment from the National Enforcement Authority Finland relating to an enforcement process where the Enforcement Authority was collecting a creditor's receivable from Gazprom Export from Gasum's payables towards Gazprom Export under the pipeline natural gas supply contract. Gasum is not a party in the said enforcement process. Gasum's payable mainly consists of payment for the natural gas delivered in April and May 2022, which payment Gazprom Export had previously returned due to their demand that payments should be made in rubles. Gasum has made a payment of EUR 130 million to the Enforcement Authority in accordance with the demand for payment in January 2025.

Consolidated statement of income

EUR million	1-3/2025	1-3/2024	1-12/2024
Revenue	352.7	423.7	1,330.8
Other operating income	23.2	57.5	121.3
Materials and services	-309.2	-379.4	-1,144.0
Personnel expenses	-9.5	-8.4	-38.2
Depreciation, amortization and impairment	-15.8	-14.5	-58.5
Other operating expenses	-46.9	-58.3	-190.4
Unrealized gains and losses of derivative instruments	4.6	-18.6	-21.2
Share of profit/loss from investments accounted for using the equity method	0.5	0.8	2.3
Operating profit	-0.3	2.8	2.2
Finance income and expenses	-8.2	-5.6	-27.3
Result before taxes	-8.5	-2.8	-25.1
Taxes	0.0	0.0	-5.3
Result for the period	-8.5	-2.8	-30.4
Result for the period attributable to:			
Owners of the parent	-8.5	-2.7	-30.8
Non-controlling interest	0.0	0.0	0.4

Consolidated balance sheet

EUR million	31.3.2025	31.3.2024	31.12.2024
ASSETS			
Non-current assets			
Intangible assets	158.0	157.0	155.7
Property, plant and equipment	710.7	626.7	696.3
Equity-accounted investments	14.0	13.4	14.1
Derivative financial instruments	34.3	38.4	47.6
Deferred tax assets	17.1	17.3	17.2
Other non-current assets	0.2	0.2	0.2
Total non-current assets	934.4	852.9	931.1
Current assets			
Inventories	102.4	103.7	140.4
Derivative financial instruments	35.9	43.8	39.9
Trade and other receivables	221.0	206.0	245.9
Current tax assets	18.4	5.7	14.1
Assets held for sale	0.1	0.3	0.1
Cash and cash equivalents	97.9	295.2	202.1
Total current assets	475.7	654.7	642.5
TOTAL ASSETS	1,410.1	1,507.6	1,573.6

Consolidated balance sheet

EUR million	31.3.2025	31.3.2024	31.12.2024
EQUITY AND LIABILITIES			
Share capital	10.0	10.0	10.0
Reserve for invested unrestricted equity	159.2	159.7	159.2
Capital loan	200.0	200.0	200.0
Retained earnings	191.4	222.0	222.2
Result for the period	-8.5	-2.7	-30.8
Translation differences	-12.1	-23.4	-22.2
Total equity attributable to owners of the parent	539.9	565.6	538.4
Non-controlling interest	2.9	1.4	1.0
TOTAL EQUITY	542.8	567.0	539.4
LIABILITIES			
Non-current liabilities			
Loans	343.7	344.2	343.5
Non-current lease liabilities	133.5	136.0	134.9
Derivative financial instruments	33.0	29.4	38.3
Deferred tax liabilities	20.4	13.7	20.1
Provisions	31.3	12.6	31.1
Post-employment benefits	2.8	3.6	2.8
Total non-current liabilities	564.8	539.6	570.8
Current liabilities			
Derivative financial instruments	30.6	38.9	39.0
Trade and other payables	269.6	360.9	420.9
Current income tax liabilities	0.5	1.0	0.9
Provisions	1.8	0.3	2.5
Total current liabilities	302.5	401.0	463.5
TOTAL LIABILITIES	867.3	940.6	1,034.2
TOTAL EQUITY AND LIABILITIES	1,410.1	1,507.6	1,573.6

Formulas for key financial indicators

Equity ratio (%) =	100 x	$\frac{\text{Total equity}}{\text{Balance sheet total - Advances received}}$
Return on equity (%) =	100 x	$\frac{\text{Result for the period (annualized)*}}{\text{Total equity (average for the period)}}$
Return on investment (%) =	100 x	$\frac{\text{Profit before tax (annualized)*}}{\text{Total equity + Interest-bearing debt (average for the period)}}$
Net interest-bearing debt =		Interest-bearing debt - Cash and cash equivalents
Gearing ratio (%) =	100 x	$\frac{\text{Interest-bearing debt - Cash and cash equivalents}}{\text{Total equity}}$
Gearing ratio (%) excluding the impact of IFRS16 Leases =	100 x	$\frac{\text{Interest-bearing debt - IFRS16 leasing debt - Cash and cash equivalents}}{\text{Total equity}}$

*Annualized by dividing the figure by the number of months in the reporting period and multiplying by the number of months in the full financial year

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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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