



## Information from Interim report January-December 2022 Misen Energy AB (publ)

Following is a summary of the financial information given Interim report January – December 2022 (12M 2022) from Misen Energy AB (publ) published today. The complete report is attached and is available in both English and Swedish on the Company's website:

[http://misenenergy.se/repository/Financial\\_reports\\_ENG/Misen\\_Energy\\_Q4\\_2022\\_ENG.pdf](http://misenenergy.se/repository/Financial_reports_ENG/Misen_Energy_Q4_2022_ENG.pdf)

### Results for October-December 2022 (within brackets same period 2021):

- Consolidated operating group result KSEK -4,303 (-13,309)
- Consolidated group net turnover: KSEK 0 (265)
- Earnings per share: SEK -0.03 (-0.09)
- Production of natural gas: at zero level (at zero level)

### Results for January-December 2022 (within brackets same period 2021):

- Consolidated operating group result KSEK -19,331 (-41,538)
- Consolidated group net turnover: KSEK 0 (33,761)
- Earnings per share: SEK -0.13 (-0.29)
- Production of natural gas: at zero level (at zero level)

### Summary of results:

- Given that the Arbitral Tribunal rendered an award to terminate the Joint Activity Agreement No.3 (the "JAA"), Misen Energy AB (publ) believes that control over the specific assets owned by the Joint Activity (the "JA") no longer exists. Thus, Misen Energy AB (publ) continues accounting treatment of 50.01% participation interest in the JA under which assets and liabilities are not presented in the financial statements.

### Key events during January-September 2022:

- In November 2020, Misen Enterprises AB and LLC Karpatygas received a Final Award by Consent from the Arbitral Tribunal in the SCC Arbitration. 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 Karpatygas 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 Karpatygas finalized transfer of shares in the joint property to JSC Ukrgasvydobuvannya. In January 2022 LLC Karpatygas 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.
- 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) against Ukraine. ICSID is an international organization that is part of the World Bank Group, headquartered in Washington, D.C., in the United States. The claims against Ukraine relate to Ukraine's breaches of the companies' rights – and the ensuing damage to the companies' investment in Ukraine – resulting from the imposition of a 70% subsoil use charge for the production of natural gas from depths of up to 5,000 meters.
- In 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.
- In 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.

- 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.
- On 31 December 2021 the subsidiary LLC Karpatygaz and LLC Tekhhproekt signed settlement agreement with JSC Ukrgasvydobuvannya in relation to the Joint Activity Agreement #493. According to the settlement agreement the total value to be paid by JSC Ukrgasvydobuvannya to LLC Karpatygaz is UAH 165,617,516 (adjusted KSEK 48,783) for their share in the joint property under the JAA No.493.
- On 1 January 2022 the Joint Activity Agreement No.493 between the subsidiary LLC Karpatygaz, LLC Tekhhproekt and JSC Ukrgasvydobuvannya was terminated. Accordingly, JSC Ukrgasvydobuvannya transferred to LLC Karpatygaz UAH 82,808,758 (adjusted KSEK 24,391) which amounts to 50% of total compensation.
- In April 2022 LLC Karpatygaz finalized a transfer of shares in the joint property of the JAA #493 to JSC Ukrgasvydobuvannya. In July 2022 JA was deregistered from tax authorities.
- 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 to put LLC Karpatygaz into liquidation without bankruptcy proceedings.
- In September 2017, JSC Ukrgasvydobuvannya submitted criminal complaint to the National Anticorruption Bureau of Ukraine (thereafter as "NABU"). On 22 July 2022, the Supreme Court of Ukraine rendered a decision whereby it dismissed the NABU's claims. The court case is over.
- In October 2022, Victoria Legis was registered as a new owner of LLC Karpatygaz.

#### **Key events after end of 12M 2022:**

- In January 2023, Misen Energy AB entered into Loan and Call Option Agreement with PUL, an investment company focused on energy production and based in Hong Kong. Under the Agreement, PUL undertook to provide EUR 2 million loan in three installments by 31 July 2023.

Despite the legal issues that Misen Energy AB (publ) has had with its investments in Ukraine, the Board of Directors and the Management unconditionally and wholeheartedly support Ukraine and its people in their fight against the Russian aggression.

After Ukraine emerges victorious from this heinous war, Misen Energy AB (publ) and Misen Enterprises AB intend to propose amicable settlement to Ukraine on the fair terms that shall fully take in to account those atrocious current developments on Ukrainian soil. Misen Energy AB (publ) will inform the market accordingly.

#### **Publication of the Interim report January – December 2022**

This Interim report January - December 2022 is published at the Company's website ([www.misenenergy.se](http://www.misenenergy.se)), and a printed version can be ordered at [info@misenenergy.se](mailto:info@misenenergy.se).

#### **Future reports and events**

Next reporting and events dates are as follows:

- |                    |                               |
|--------------------|-------------------------------|
| • 7 March 2023     | Annual Report 2022            |
| • 28 March 2023    | AGM                           |
| • 31 May 2023      | Interim Q1 2023 report        |
| • 31 August 2023   | Interim half-year 2023 report |
| • 30 November 2023 | Interim Q3 2023 report        |
| • 29 February 2024 | Interim year-end 2023 report  |

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The company was founded in 2004 and its shares have been traded on Nasdaq First North Growth Market since June 2007. In 2011, Misen Energy AB (publ) acquired Misen Enterprises AB and its Ukrainian subsidiary, LLC Karpatygaz, including the rights to 50.01% of the revenue and profit from a gas production project in Ukraine. Misen Energy AB (publ) acquired the rights to produce hydrocarbons under Joint Activity Agreement No.3 ("JAA No.3") between Misen Enterprises AB and LLC Karpatygaz (together 50.01%) and JSC Ukrgasvydobuvannya (49.99%), a subsidiary of the NJSC Naftogaz of Ukraine. The purpose of the JAA No.3 was to significantly increase production of hydrocarbons by providing modern technologies via a large-scale investment program for the purposes of attainment of profits. The JAA No.3 (as amended and restated) was terminated in June 2018. As a result, Misen Energy AB (publ) received compensation that reflected its share of the replacement costs of the equipment subject to the joint ownership under the JAA No.3. In March 2021, Misen Energy AB (publ) and Misen Enterprises AB initiated an investment arbitration against Ukraine (ICSID Case No. ARB/21/15) concerning Ukraine's breaches of the investor's rights resulting from the imposition of a 70% subsoil use charge. The registered office of Misen Energy AB (publ) is in Stockholm. Misen Energy AB (publ) is listed on Nasdaq First North Growth Market and the Company adheres to the rules and regulations for First North. The Certified Adviser of the Company is Erik Penser Bank AB, tel.: +46 8 463 80 00, email: [certifiedadviser@penser.se](mailto:certifiedadviser@penser.se). For further information, please visit our website [www.misenenergy.se](http://www.misenenergy.se).

*This information is information that Misen Energy AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 09:00 CET on 28 February 2023.*