St1 Nordic Oy Financial Statements 2022

Contents

Report for 1 January 2022–31 December 2022

Business operations and financial performance of St1 Nordic Oy

St1 Nordic Oy is the parent company to St1 Nordic group which is a versatile player in the energy sector. The group engages in sale of traffic and heating fuels to consumers and the corporate sector in Finland, Sweden and Norway, to the marine sector in Sweden and Norway and to air traffic in Norway, as well as in the sale of biogas in Sweden. The group strengthened its waste feedstock business by acquiring Brocklesby Ltd in the UK on 31 January 2022.

The group operates a total of 1,269 retail stations under the St1 and Shell brands in Finland and Sweden and under the Shell brand in Norway. St1 and Shell service stations and unmanned stations have hundreds of thousands of customer visits daily for refueling as well as food, shop and car wash offering. EV charging is currently offered in Norway and Sweden. In addition, the biogas business St1 BioGas AB, acquired in 2021, produces, trades and supplies biogas to customers through various sales channels.

The group manufactures, develops and refines liquid fuels at its oil refinery in Gothenburg, Sweden. The refinery's annual capacity is 30 million barrels of crude oil. Most of the refinery's production is sold in Sweden through the retail station network and other sales channels.

St1 focuses heavily on the energy transition at the refinery; a renewable diesel facility is under construction at the refinery site, which is expected to start operations in late 2023.

St1 also focuses strongly on other renewable energy initiatives. The group has production facilities producing bioethanol from waste in Kajaani, Vantaa, Lahti and Gothenburg in connection with the refinery. The Kajaani facility focuses particularly on product development. The creation of new synthetic fuel value chains is assessed in Finland, Sweden and Norway. The subsidiary St1 Lähienergia Oy installs devices based on geothermal heat. St1 operates wind parks on a service agreement in Finland. The group has industrial wind power projects in Northern Norway, Sweden and Finland. The Norwegian projects are the largest.

With an objective to maximize the competitiveness of the group's fuel procurement, the purchase of liquid fuels is centralized in the group's associated company North European Oil Trade Oy (NEOT). NEOT group purchases most of the Gothenburg refinery's production.

The group's revenue in 2022 was MEUR 10,474.8, which was MEUR 4,093.3 more than in the previous year. The increase in turnover was due to the sharp increase in oil product prices on

Key indicators of St1 Nordic Oy´s financial position and results of operations:

	2022	2021	2020	2019	2018
Net sales, MEUR	35.4	30.9	41.8	51.1	50.5
Operating profit/loss, MEUR	-6.7	-3.7	11.0	13.0	14.8
Operating profit, % of net sales	-18.8	-11.9	26.2	25.4	29.3
Profit for the period, MEUR	10.3	78.3	28.6	27.1	44.0
Return on equity, %	1.8	14.0	5.5	5.3	8.7
Equity ratio, %	75.6	80.7	63.6	63.5	67.2

Key indicators of St1 Nordic group´s financial position and results of operations:

	2022	2021	2020	2019	2018
Net sales, MEUR	10,474.8	6,381.5	4,923.1	6,588.0	6,885.2
Operating profit/loss, MEUR	284.4	181.4	162.9	150.1	63.1
Operating profit, % of net sales	2.7	2.8	3.3	2.3	0.9
Profit for the period, MEUR	234.6	148.8	126.8	119.1	55.3
Return on equity, %	19.3	14.0	13.5	14.3	7.0
Equity ratio, %	51.2	53.8	57.7	46.3	40.7

the world market during the year and to some extent to the increase in service stations and direct sales volumes. An increasing share of liquid fuels are bio products, whose share increased to almost 19%. The share of bio products of the total turnover was 17.4% in 2022. 22% of the revenue came from Finland, 52% from Sweden, 25% from Norway, and 1% from the UK.

The group's operating profit was MEUR 286.9, which was MEUR 105.4 more than in the previous year. The refinery and wholesale margin were significantly above the prior year's level due to the unstable energy market, caused by the global geopolitical situation. As the price competition remains fierce, the result level of Retail and B2B weakened. The bio gas operations result was weaker due to the high market price of gas products, particularly at the end of the year. The subsidiary St1 Oy booked a write-off on the Otaniemi geothermal pilot heat plant investment. St1 provides the wells for scientific research.

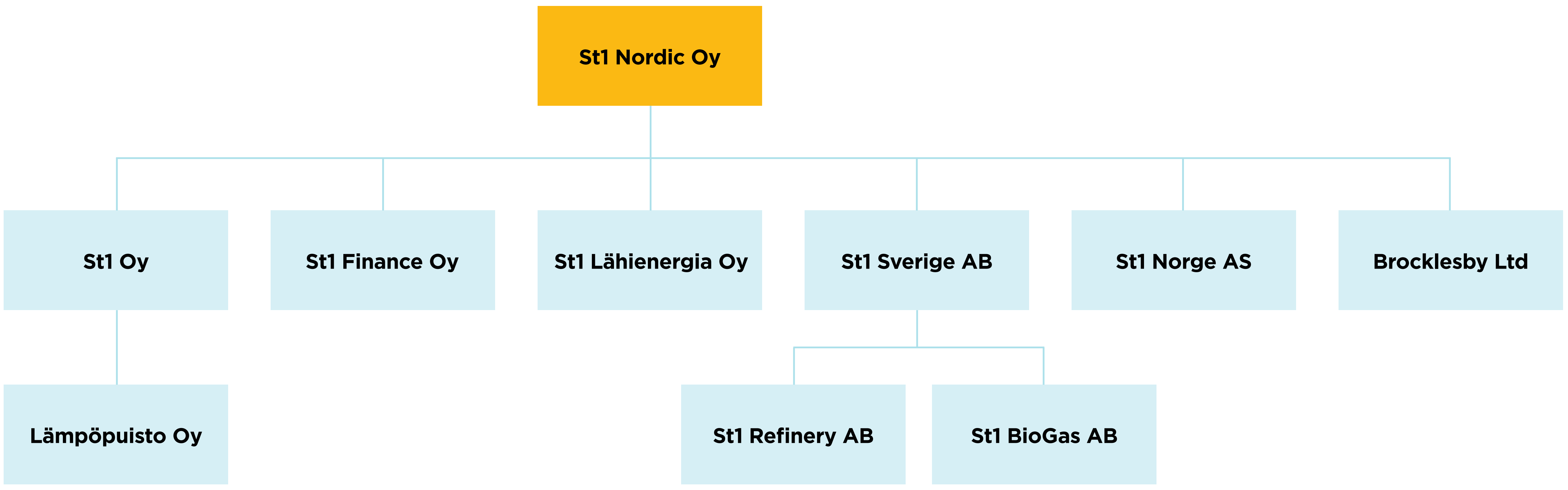
Group structure

The most notable change in the group structure in 2022 was the above-mentioned acquisition of a waste feedstock company in the UK. The company operates under the name Brocklesby Ltd. In addition to the parent company, the St1 Nordic Oy group also includes the most significant operative subsidiaries St1 Oy, Lämpöpuisto Oy, St1 Finance Oy, St1 Lähienergia Oy, St1 Sverige AB, St1 Refinery AB, St1 BioGas AB and St1 Norge AS.

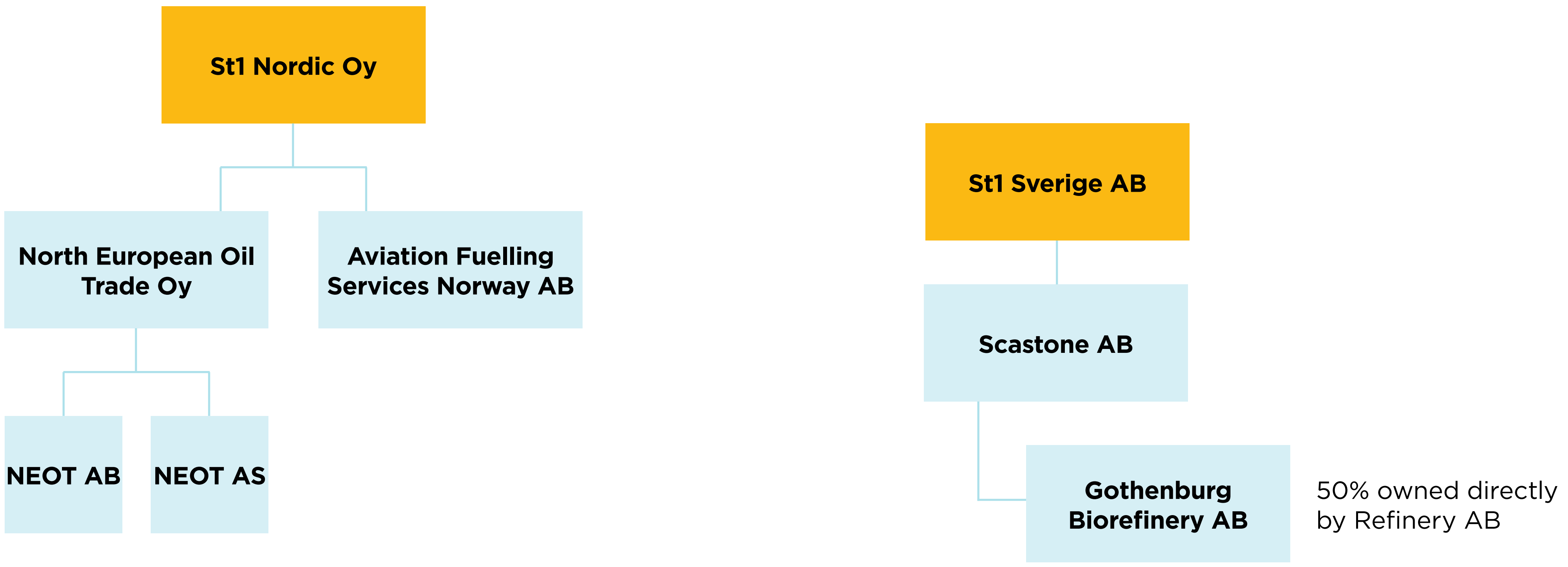
St1 Nordic Oy's most significant associated companies comprise North European Oil Trade Oy and the Norwegian Aviation Fuelling Services Norway AS, of which the latter conducts aircraft refueling in Norway and purchases its products from St1 Norge AS. In addition, St1 Sverige AB and SCA founded the joint company Scastone AB, which acquired 50% of Biorefinery Gothenburg AB, who is building a renewable diesel production plant in connection with the refinery. For its part, Scastone AB will ensure the availability of tall oil-based raw material at the bio refinery. In February, St1 Oy and Valio Oy in Finland founded a joint venture operating under the name Suomen Lantakaasu Oy. The purpose of the joint venture is to produce renewable biogas from manure and side streams from farms to be used as fuel for traffic.

In 2022 the company carried through a directed purchase of own shares. A total on 145.885 shares were purchased. Reasons for the purchase were planning of an incentive program, simplification of ownership structure as well as offering the possibility to sell for interested shareholders.

Chart of the group's main companies



Associated companies



Company shares

	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018
Share capital	100,000	100,000	100,000	100,000	100,000
A-shares	38,737,118	38,737,118	38,737,118	38,737,118	38,737,118
B-shares					4,912,285

Investments

The group's largest investment in 2022 was focused on the construction of the renewable diesel plant in Gothenburg. The plant is estimated to be in production in the late 2023.

In January 2022, St1 Nordic Oy acquired the entire share capital of Brocklesby Ltd. The company is located in Hull, UK, and is an expert in recycling waste from the food industry, and the company is also one of the country's leading raw material refineries in this sector.

In the Retail business, the investments were focused on selected growth targets, business development and maintenance. In the biogas business, investments focused on the maintenance of existing production facilities and distribution network as well as in the construction of a new biogas upgrading and liquefaction refinery in Borås, Sweden, as decided in August. Other investments were directed at developing and maintaining current operations.

The group's investments in intangible and tangible assets and daughter company and associated company shares amounted to MEUR 284.6. Of this, investments in renewable energy amounted to MEUR 113.8. In addition, subsidiary St1 Sverige AB acquired 14.5% of the share capital of Scandinavian Biogas AB at the end of 2022.

Technological initialization expenditure includes development projects aimed at developing methods for producing ethanol, methanol and other bio refinery products to be used as advanced traffic fuel and other biorefining products from softwood sawdust and starch production process residues as well as enzyme production technology for decomposing sawdust pulp.

The said expenditure fulfills requirements set for capitalization by the Ministry of Trade and Industry. The capitalized development expenses are shown as a separate item and depreciated over their economic lifetime, however, as a maximum of 10 years. Depreciation starts when the projects are in production. Should an investment decision not be made, the development expenses would be written off.

Research and development expenses

The research and development expenses of St1 Nordic group were MEUR 39.3 in 2022 (MEUR 83.3 in 2021). Research and development expenses comprise the expenses for development of new production technologies and production methods for fuels from solid biomass, biogas, and synthetic fuels, as well as expenses for the development of geothermal energy.

Assessment of the most significant risks and uncertainties

Risk management policy and risk management arrangement

In the St1 Nordic group, risk management refers to a systematic and proactive approach to analyze and manage the threats and opportunities for the operations, rather than solely eliminating the risks. For this purpose, the group's risk management is based on an awareness of the key threats, including strategic, operational and financial risks that can prevent the group from achieving its objectives.

The Board of Directors is responsible for the company's and group's risk management policy and for monitoring its implementation. The Board of Directors approved the updated risk management principles in June 2022. The CEO is responsible for the appropriate organization of risk management measures. Risk management has been integrated into the daily business operations and decision-making of business units and the group's support functions. Thus, each employee shares in the responsibility for identifying risks that might threaten the achievement of the group's objectives and to report them.

Strategic and operational risks

The group has defined a number of risks that can affect its future profitability and development:

- The ongoing war in Ukraine has a heavy impact on the energy industry. There are significant changes to established delivery chains, which can impact both the price and availability of fuel.
- Prolonged fierce competition in the traffic fuel retail market may reduce profitability also in the future.
- Insufficient refining margins on petroleum products to cover the refining costs.
- Considerable costs due to environmental legislation and regulations, affecting the group's financial performance.
- Political, financial and legislative changes may affect the group's result and demand for products.
- Risks related to the branch, sustainability and climate change may affect the group's result and demand for products in the long-term.

The price risks of petroleum products and refining margins can be managed with derivatives.

In accordance with the nature of the group's business operations, the largest balance sheet items consist of trade receivables and inventories. The credit loss risk of sales receivables is managed through a uniform credit policy and efficient debt-collection. Principles used for the measurement of trade receivables and inventories in the financial statements are consistent with and based on the principle of prudence.

The continuity of the group's business operations is based on functional and reliable information systems. The group seeks to manage the risks of information systems through measures such as duplicating critical information systems and data communications links, paying attention to the selection of partners and standardizing the workstation models and information security practices used in the group. The group continuously takes various measures aiming to protect it from cyber risks. This includes both preventive and continuous monitoring work. External resources are also regularly used to assess cyber risks. The personnel's awareness of cyber security issues is enhanced by regular training.

The group's core competencies are related to business processes comprising oil refining, sales and procurement as well as the requisite support functions, such as information management, finance, human resources, real estate services, logistics, marketing and communications. In addition, the personnel gains significant technical knowledge in renewable energy projects.

Unexpected and significant weakening of the group's core competencies is an identified risk. The group continuously seeks to improve the core competencies and other significant competencies of its personnel by offering opportunities for in-work learning and training, as well as by recruiting competent new employees, as needed.

The most significant portion of the group's revenue consists of retail and wholesale trade of liquid fuels as well as exports. Taking the group's line of business and products into account, factors that may affect the group's revenue include decisions by the government or authorities on how different forms of energy are combined, subsidized or taxed, general economic trends, and, in the case of heating oil, regionally prevailing temperatures.

The war in Ukraine has had a significant impact on the energy industry. This has led to notable volatility on the energy markets, which shows that the group's operations may be subject to surprising and significant impacts.

To eliminate the risk of human casualties or oil spills and the related costs, attention must be paid to safe and environmentally sound operating methods in the group's operations. St1 has systematically evaluated and monitored its environmental obligations, as well as the obligations arising at group operating sites. The group's environmental protection obligations have been defined by legislation and the quality programs applied by the company. The financial statements include a provision for environmental liabilities, that is reviewed for each financial period.

The group seeks to protect itself from significant risks to its assets by regularly reviewing its insurance policies as part of the overall risk management process. The company strives to insure itself against all risks that are financially or otherwise reasonable. The group's insurance coverage is subject to regular reviews.

There are no pending trials or any other legal risks that the Board is aware of, which would materially affect the results of the group's operations.

Financial risks

Management of financial risks: The parent company manages the financing operations for the whole group. In order to secure liquidity, the group has adequate bank overdraft facilities. The Board of Directors approved the financial risk management policy, updated in 2022.

Interest rate risk: At the end of the financial year, the group had approximately EUR 49 million of interest rate-sensitive loans (appr. EUR 25 million). Derivative agreements can be used to help in the management of interest rate risks. Interest rate derivates were not in use at the end of the financial year.

Currency risk: The group's operative currency risk is mainly driven by crude oil purchases and inventory denominated in USD. In addition, the group is exposed to currency risk through the foreign currency denominated equity items of Swedish and Norwegian subsidiaries as well as eventual currency receivables from and liabilities with these companies. Currency risks can be managed through forward agreements.

An estimate of probable future development

From the group management's perspective, the business environment will remain challenging and volatile. In the traffic fuels trade, competition in the group's home market remains over emphazised. The group aims to further improve its competitiveness by rationalizing systems and business processes, taking measures to improve the average sales of retail stations as well as making carefully targeted investments. When feasible, refining margin, utilities and end products are price hedged. The group's financing position is strong per se, and the group believes that its liquidity will remain good.

Significant events after the end of the financial period

After the end of the financial period, there have not been any significant events in the group. We continue to monitor the impact of the war in Ukraine on the energy markets.

In particular, the large price fluctuations of crude oil and energy products are expected to bring uncertainty to the operating environment.

Personnel

Key figures describing the group's personnel

	2022	2021	2020	2019	2018
Average number of personnel during the financial period	1,057	970	880	793	774
Wages and salaries during the financial period, MEUR	80.4	72.5	60.0	58.4	53.1

Organisation

The company's Board of Directors comprises Mika Anttonen (chair), Mikko Koskimies, Kim Wiio and Kati Ihamäki. Henrikki Talvitie is the company's Chief Executive Officer.

The company's auditor is PricewaterhouseCoopers Oy and Authorized Public Accountant Janne Rajalahti is the Auditor in charge.

Disclosure of non-financial information

The vision of St1 is to be a leading producer and seller of CO_2-aware energy, thereby enabling positive societal impact through our operations. We work constantly toward enabling a more sustainable value chain. We believe that we will achieve this vision by running a responsible and profitable business where economic performance, social responsibility, and environmental sustainability are balanced. Achieving the results is important, but just as important is the way we reach our goals. We have committed to United Nations Global Compact and its ten principles, which is one step toward making our responsible business principles and sustainability targets more transparent in our daily operations. The corporate management, the Board of Directors, and the personnel shall respect and follow these principles that have been approved by the Board of Directors, in addition to relevant national legislation and other regulation concerning the business operations. Our approach to human rights is based on the United Nations Guiding Principles on Business and Human Rights (UNGP) which states the governments' duty is to protect human rights and the businesses' responsibility is to respect them and offer appropriate and effective remedies if breached. In addition, we are committed to developing our operations in accordance with the OECD's guidelines. We respect the rights laid down in the International Bill of Human Rights as well as the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work. We expect all our partners, and their respective business partners, to commit to these ethical and sustainable principles within their business operations, and to support their use within their sphere of influence and decision-making.

In 2022, the St1 group's sustainability themes focused heavily on developing and ensuring the sustainability of our delivery chain and implementing measures required by due diligence. Our focus for the year was to develop the company's sustainability risk management and assessment and to increase measures to guarantee transparency alongside the development of continuous impact assessment on our value chain. In addition, we updated the entire organisation's materiality analysis by engaging stakeholder groups. As part of this development work, we will publish our first due diligence report in the spring 2023.

We continue our development endeavors together in strong collaboration with our associated company North European Oil Trade Oy, and other respective partners within our value chain.

St1 Nordic publishes its integrated corporate responsibility report on the company's website www.st1.com on April 30, 2023, at the latest. The report complies, as appropriate, with the Global Reporting Initiative Standards and contains the non-financial information material of St1 as required by the Accounting Act. Our oil refinery in Gothenburg also complies with the ISO 14001 environmental management system requirements.

Proposal for profit distribution

The Board of Directors proposes to the general meeting that the company will pay a dividend of 38,591,233 euros and transfer the remaining financial year's profit to the Retained earnings account.

There have been no significant changes in the company's financial position after the closure of the financial year. The company's liquidity is good, and the proposed distribution does not, in the board's opinion, put the company's liquidity at risk.

Consolidated income statement

In thousand euros	Notes	1.1.–31.12.2022	1.1.–31.12.2021
NET SALES	1.	10,474,845	6,381,515
Manufacturing for own use		0	2
Other operating income	2.	133,995	138,164
Materials and services			
Materials, supplies and products			
Purchases during the period		-9,873,952	-5,877,041
Change in inventories		110,604	59,547
External services		-10,143	-9,069
		-9,773,491	-5,826,563
Personnel expenses			
Wages and salaries		-80,375	-72,481
Social security costs			
Pension costs*		-17,433	-11,927
Other social security costs*		-13,745	-12,322
		-111,553	-96,729
Depreciation and amortisation			
Depreciation and amortisation according to plan	5.	-84,723	-76,928
Amortisation of goodwill	5.	-20,724	-14,383
Reduction in value of noncurrent assets	5.	-31,002	-69,902
		-136,449	-161,212
Other operating expenses	6.	-302,920	-253,754

In thousand euros	Notes	1.1.–31.12.2022	1.1.–31.12.2021
OPERATING PROFIT		284,429	181,423
Finance income and costs			
Income from other investments of non-current assets			
Share of profit of investments using the equity method	7.	12,698	4,710
Other interest and finance income	7.	6,808	3,455
Exchange rate gain	7.	92	2,948
Interest expenses and other finance costs			
To others	7.	-5,592	-4,909
		14,006	6,204
PROFIT BEFORE APPROPRIATIONS AND TAX		298,436	187,627
Current income tax	9.	-53,974	-42,182
Deferred tax	9.	-9,879	3,408
		-63,852	-38,774
PROFIT FOR THE PERIOD BEFORE MINORITY INTEREST		234,584	148,853
Minority interest		-23	-96
PROFIT FOR THE PERIOD		**234,561**	**148,756**

* The comparison year figure has been adjusted.

Consolidated balance sheet

In thousand euros	Notes	31.12.2022	31.12.2021
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Capitalised development expenditure	10.	886	1,175
Intangible rights	10.	33,963	34,819
Goodwill	10.	357	1,459
Goodwill on consolidation	10.	210,025	178,938
Other capitalised long-term expenditure	10.	941	1,026
		246,172	217,417
Tangible assets			
Land and water areas	11.	207,359	210,392
Buildings and structures	11.	149,797	149,751
Machinery and equipment	11.	406,394	410,455
Other tangible assets	11.	8,135	37,248
Advance payments and construction in progress	11.	260,166	194,515
		1,031,851	1,002,361
Investments			
Investments in associated companies	13.	104,750	23,834
Other shares and holdings	13.	13,776	2,415
Other receivables	13.	356	357
		118,882	26,605

In thousand euros	Notes	31.12.2022	31.12.2021
CURRENT ASSETS			
Inventories			
Materials and supplies		339,589	228,985
Receivables			
Non-current receivables			
Trade receivables		1,249	1,447
Deferred tax assets	17.	12,603	13,509
Loan receivables		16,935	4,225
Other receivables		3,771	6,129
		34,559	25,310
Current receivables			
Trade receivables		641,744	497,337
Other receivables		6,890	6,561
Prepayments and accrued income	19.	88,821	65,036
		737,455	568,933
Cash and cash equivalents		46,008	26,521
		2,554,515	**2,096,132**

In thousand euros	Notes	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15.	100	100
Revaluation reserve	12.,15.	38,118	40,093
		38,218	40,193
Reserve for invested unrestricted equity	15.	54,232	54,232
Retained earnings	15.	981,185	884,283
Profit (loss) for the period	15.	234,561	148,756
		1,269,977	1,087,271
Total equity		1,308,195	1,127,464
MINORITY SHARE		1,325	1,532
PROVISIONS			
Other provisions	16.	59,790	53,289
		59,790	53,289

In thousand euros	Notes	31.12.2022	31.12.2021
LIABILITIES			
Non-current			
Loans from financial institutions		8,092	9,756
Deferred tax liabilities	17.	35,242	35,509
Other liabilities		45	45
Accruals and deferred income		7,474	8,242
		50,853	53,551
Current			
Loans from financial institutions		41,339	15,288
Commercial paper		79,500	72,000
Advance payments		1,147	666
Trade payables		291,084	126,850
Deferred tax liabilities	17.	68,088	58,312
Liabilities to associated companies			
Trade payables		299,600	291,297
Other liabilities		41,149	
Other liabilities		181,406	199,027
Accruals and deferred income	20.	131,040	96,854
		1,134,352	860,295
		2,554,515	**2,096,132**

Consolidated cash flow statement

In thousand euros	1.1.–31.12.2022	1.1.–31.12.2021
Cash flow from operating activities:		
Profit (loss) before appropriations and income tax	298,436	187,627
Adjustments:		
Depreciation and amortisation according to plan	105,447	91,310
Other income and expenses with non-cash transactions	-24,097	-9,004
Other finance income and costs	-855	-1,494
Impairment of investments in non-current assets	31,002	69,902
Cash flow before change in working capital	409,932	338,341
Change in working capital:		
Increase (-)/decrease (+) in current non-interest bearing receivables	-210,396	-184,804
Increase (-)/decrease (+) in inventories	-105,929	-59,547
Increase (+)/decrease (-) in current non-interest bearing payables	188,225	190,335
Cash flow from (used in) operating activities before financial items and taxes	281,831	284,325
Interest paid and charges on other finance costs	-3,935	-3,130
Interest received	4,008	1,911
Taxes paid	-55,392	-49,361
Net cash generated from operating activities (A)	226,513	233,745

In thousand euros	1.1.–31.12.2022	1.1.–31.12.2021
Cash flow from investing activities:		
Purchase of tangible and intangible assets	-206,189	-197,529
Acquisitions deducted by acquired cash and cash aquivalents	-66,598	-81,646
Proceeds from sale of tangible and intangible assets	5,954	26,528
Proceeds from sale of subsidiaries	29,649	0
Investments in associated companies	-11,803	-661
Proceeds from sale of associated companies	0	4,753
Purchase of other investments	-11,816	0
Dividends received	2,763	1,453
Net cash used in investing activities (B)	-258,038	-247,100
Cash flow from financing activities:		
Acquisition of own shares	-4,254	0
Proceeds from current loans	87,404	26,051
Repayment of current loans	-15,288	0
Repayment of non-current loans	-899	0
Dividends paid and other profit distribution	-15,951	-15,604
Net cash used in financing activities (C)	51,013	10,448
Net increase (+)/decrease (-) in cash and cash equivalents (A+B+C)	19,488	-2,908
Cash and cash equivalents at beginning of period	26,521	29,429
Cash and cash equivalents at end of period	46,008	26,521

Parent company income statement

In euros	Notes	1.1.–31.12.2022	1.1.–31.12.2021
NET SALES	1.	35,437,497.31	30,861,012.00
Other operating income	2.	1,592,943.96	1,585,416.37
Raw materials and services			
Raw materials and consumables			
Purchases during the financial year		0.00	-346,080.00
Variation in stocks		-735.41	346,080.00
		-735.41	0.00
Personnel expenses			
Wages and salaries		-8,802,734.94	-6,834,115.71
Social security costs			
Pension costs		-1,405,038.35	-1,033,698.32
Other social security costs		-513,548.17	-359,685.03
		-10,721,321.46	-8,227,499.06
Depreciation according to plan	5.	-8,602,992.08	-7,471,131.91
Other operating expenses	6.	-24,379,518.77	-20,409,416.61

In euros	Notes	1.1.–31.12.2022	1.1.–31.12.2021
OPERATING PROFIT (-LOSS)		-6,674,126.45	-3,661,619,21
Finance income and costs			
Income from shares in group companies	7.	16,312,398.73	74,353,534.19
Income from shares in associated companies	7.	2,763,267.55	4,604,197.81
Other interest and finance income			
From group companies	7.	3,607,180.96	3,589,712.41
From others	7.	1,474,770.09	2,290,246.88
Interest expenses and other finance costs			
To group companies	7.	-5,270,968.86	-1,598,785.30
To others	7.	-1,894,589.49	-1,249,125.29
		16,992,058.98	81,989,780.70
PROFIT BEFORE APPROPRIATIONS AND INCOME TAX		10,317,932.53	78,328,161.49
Appropriations			
Change in cumulative accelerated depreciation	8.	0.00	0.00
		0.00	0.00
Income taxes	9.	0.00	1,681.63
PROFIT FOR THE PERIOD		**10,317,932.53**	**78,329,843.12**

Parent company balance sheet

In euros	Notes	31.12.2022	31.12.2021
ASSETS			
NON-CURRENT ASSETS			
Intangible assets			
Intangible rights	10.	33,467,627.82	34,215,653.68
Advance payments and construction in progress	10.	5,972,979.08	3,363,040.82
Other capitalised long-term expenses	10.	131,296.36	191,894.59
		39,571,903.26	37,770,589.09
Property, plant and equipment			
Machinery and equipment	11.	331,451.75	519,696.89
Advance payments and construction in progress	11.	0.00	0.00
		331,451.75	519,696.89
Investments			
Shares in group companies	13.	523,588,956.76	456,270,198.67
Receivables from group companies	14.	1,340,000.00	1,340,000.00
Investments in associated companies	13.	23,476,917.03	23,476,917.03
Other shares and holdings	13.	20,765.69	20,765.69
		548,426,639.48	481,107,881.39

In euros	Notes	31.12.2022	31.12.2021
CURRENT ASSETS			
Inventories			
Materials and supplies		345,344.59	346,080.00
		345,344.59	346,080.00
Receivables			
Non-current receivables			
Receivables from group companies	14.	101,318,960.27	101,495,447.50
		101,318,960.27	101,495,447.50
Current receivables			
Receivables from group companies	14.	45,968,223.12	104,816,612.85
Trade receivables		87,121.79	605,202.15
Other receivables		819,813.96	879,204.00
Prepaid expenses and accrued income	19.	4,212,433.02	5,747,399.04
		51,087,591.89	112,048,418.04
Cash and cash equivalents		28,786,931.88	2,885.71
		769,868,823.12	**733,290,998.62**

In euros	Notes	31.12.2022	31.12.2021
EQUITY AND LIABILITIES			
EQUITY			
Share capital	15.	100,000.00	100,000.00
Reserve for invested unrestricted equity	15.	54,231,561.66	54,231,561.66
Retained earnings	15.	517,258,090.81	459,064,355.97
Profit for the period		10,317,932.53	78,329,843.12
		581,807,585.00	591,625,760.75
TOTAL EQUITY		581,907,585.00	591,725,760.75

In euros	Notes	31.12.2022	31.12.2021
LIABILITIES			
Current			
Loans from financial institutions		0.00	15,287,554.17
Commercial paper		79,500,000.00	72,000,000.00
Trade payables		3,970,303.37	2,951,105.14
Liabilities to group companies	18.	99,931,352.73	47,685,967.00
Other liabilities		236,023.99	149,050.17
Accruals and deferred income	20.	4,323,558.03	3,491,561.39
		187,961,238.12	141,565,237.87
TOTAL LIABILITIES		187,961,238.12	141,565,237.87
		769,868,823.12	**733,290,998.62**

Parent company cash flow statement

In euros	1.1.–31.12.2022	1.1.–31.12.2021
Cash flow from operating activities:		
Profit (loss) before appropriations and income tax	10,317,932.53	78,328,161.49
Adjustments:		
Depreciation and amortisation according to plan	8,602,992.08	7,471,131.91
Finance income and costs	-16,974,791.25	-80,926,406.26
Other adjustments	-30,246.17	0.00
Cash flow before change in working capital	1,915,887.19	4,872,887.14
Change in working capital:		
Increase (-)/decrease (+) in inventories	735.41	-346,080.00
Increase (-)/decrease (+) in current non-interest bearing receivables	-4,511,967.27	-1,472,391.95
Increase (+)/decrease (-) in current non-interest bearing payables	6,733,508.91	2,973,564.77
Cash flow from operating activities before financial items and taxes	4,138,164.24	6,027,979.96
Interest paid and other financial expenses	-4,201,248.63	-1,788,901.97
Interest received from operating activities	2,971,607.84	570,460.05
Taxes paid (received)	2,896,489.92	-3,847,459.13
Net cash generated from operating activities (A)	5,805,013.37	962,078.91

In euros	1.1.–31.12.2022	1.1.–31.12.2021
Cash flow from investing activities:		
Purchase of property, plant and equipment and intangible assets	-10,276,489.94	-9,740,934.07
Proceeds from sale of property, plant and equipment and intangible assets	90,675.00	0.00
Investments in associated and subsidiary companies	-67,318,758.09	-16,500.00
Proceeds from sale of associated and subsidiary companies	0.00	4,753,200.00
Loans granted	0.00	-50,000.00
Dividends received	11,975,666.28	3,504,465.29
Net cash used in investing activities (B)	-65,528,906.75	-1,549,768.78
Cash flow from financing activities:		
Increase/decrease in short term receivables*	57,680,307.86	48,897,224.94
Proceeds from current loans	66,251,294.14	27,111,894.71
Repayment of current loans*	-15,287,554.17	-73,608,644.60
Acquisition of own shares	-4,253,889.90	0.00
Dividends paid and other profit distribution	-15,882,218.38	-15,494,847.20
Net cash used in financing activities (C)	88,507,939.55	-13,094,372.15
Net increase (+)/decrease (-) in cash and cash equivalents (A+B+C)	28,784,046.17	-13,682,062.02
Cash and cash equivalents at beginning of period	2,885.71	13,684,947.73
Cash and cash equivalents at end of period	28,786,931.88	2,885.71

* The comparison year figure has been adjusted.

Notes to the financial statements 31 December 2022

Accounting principles for the financial statements

Financial period

The company's financial period is from 1 January to 31 December.

Consolidated financial statements

Changes occurred in the group structure during the year 2022 due to acquisitions, establishment of new companies and disposals. St1 Nordic Oy acquired Brocklesby Ltd which operates in the UK in January 2022. In February 2022 St1 Sverige AB sold 50 % of Scastone AB to SCA Wood AB and 50 % of Gothenburg Biorefinery AB to Scastone AB. Furthermore, St1 Sverige AB acquired in February 2022 50 % of Biorefinery Östrand AB from SCA. St1 Oy established the joint venture company Suomen Lantakaasu Oy with Valio Oy in February 2022. In Norway, wind power development companies were rearranged in such a way that St1 Norge AS owns 100 % of St1 Sandfjellet Holding AS, St1 Davvi Holding AS and St1 Nordre Soroya Holding AS. These companies, respectively, own the windparks under development. St1 Oy acquired 23 % of Kiinteistö Oy Uusmarjala shares in December 2022 and now owns the company fully.

The subsidiaries St1 Oy, Lämpöpuisto Oy, St1 Lähienergia Oy, St1 Finance Oy, Tuulivoltti Oy, Kiinteistö Oy Uusmarjala, St1 Renewable Energy (Thailand) Ltd, St1 Sverige AB, St1 Refinery AB, St1 BioGas AB, Falkenbergs Biogas AB, Söderåsens Bioenergi AB, St1 Vind AB (former Wästgöta Wind AB), St1 Norge Group AS, St1 Norge AS, Shell Madla AS, Nemob AS, St1 Davvi Holding AS, St1 Sandfjellet Holding AS, St1 Nordre Soroya Holding AS Grenselandet AS, Gaissa AS as well as Brocklesby Ltd are consolidated in St1 Nordic group financial statements. Gothenburg Biorefinery AB has been consolidated as a joint company according to ownership (75 %). Neither owner has a controlling interest in the joint company. Joint governance of the joint company is based on the articles of association. Associated companies North European Oil Trade Oy, Brang Oy, Suomen Lantakaasu Oy, Aviation Fuelling Services Norway AS, Knapphus Energi Norge AS, Biogas Energi Aksdal AS, Scastone AB as well as Biorefinery Östrand AB are consolidated in the financial statements of St1 Nordic Oy using the equity method.

St1 Nordic Oy's parent company is Keele Oy, which prepares the consolidated financial statements in which St1 Nordic Oy group is included in. Copies of the consolidated financial statements are available at:
Keele Oy, Firdonkatu 2, 00520 Helsinki, Finland.

The group's inter-company transactions, margins, receivables and payables have been eliminated. Internal ownership has been eliminated using the acquisition method. Minority interest has been separated from consolidated equity and profit and it is shown as a separate line item in the consolidated income statement and balance sheet.

The income statements of foreign group companies have been converted into euros at the average foreign rate of exchange rates during the financial period. The balance sheet has been converted into the Finnish currency using the closing date exchange rate. Translation differences resulting from the currency conversions, as well as translation differences in foreign subsidiaries' equity arising from conversion, have been presented in 'retained earnings'.

Valuation of inventories

Liquid fuel inventories are valued at the last day's purchase price in the group companies. If inventory would be be valued using the FIFO method, the difference would not be material. Other inventories are valued according to the FIFO principle using cost of purchase, or cost of repurchase, or likely sale price, if lower.

Measurement of non-current assets

Intangible and tangible assets have been capitalised at cost. Depreciation and amortisation according to plan have been recognised on a straight-line basis during the economic life of the assets. Depreciation and amortisation starts in the month when the assets have been taken into use. A revaluation of land has been recognised in the consolidated financial statements based on the land's market value.

Depreciation and amortisation periods in the group

capitalised development expenditure	5–10 years
software programs	7 years
other long-term capitalised expenditure	5–7 years
trademarks	20 years
goodwill	5–20 years
buildings and structures	20–50 years
machinery and equipment	3–20 years
other tangible assets	10–30 years

Goodwill on consolidation

Goodwill on consolidation is amortised on straight-line basis over 10–20 years. In addition, additional amortisation is booked if there is a decrease in the future income expectations of the assets to which goodwill is allocated. Goodwill on consolidation has been compounded of strategically important acquisitions, the effect of which expands over 10–20 years.

Deferred tax assets and liabilities in the group

A deferred tax asset has been recognised for provisions and a deferred tax liability for appropriations for the part not yet deducted in taxation, by applying the following years' tax rate as confirmed on the closing date.

Foreign currency items in the group

Receivables and payables denominated in foreign currencies have been converted into the Finnish currency using the closing date exchange rate.

Notes to the income statement

1. Net sales

	Consolidated		Parent company	
MEUR	**2022**	**2021**	**2022**	**2021**
Fuels	10,379.5	6,347.7	0.0	0.0
Energy products and electricity	86.2	26.8	0.0	0.0
Other	9.1	7.0	35.4	30.9
	10,474.8	**6,381.5**	**35.4**	**30.9**
Domestic	2,257.9	1,545.8	14.0	12.5
Foreign	8,217.0	4,835.8	21.4	18.3
	10,474.8	**6,381.5**	**35.4**	**30.9**

2. Other operating income

	Consolidated		Parent company	
MEUR	**2022**	**2021**	**2022**	**2021**
Gains on sale of non-current assets and shares	1.9	16.0	0.0	0.0
Other operating income	132.1	122.2	1.6	1.6
	134.0	**138.2**	**1.6**	**1.6**

3. Average number of personnel

	Consolidated		Parent company	
	2022	**2021**	**2022**	**2021**
Personnel on average	1,057	970	83	66
	1,057	**970**	**83**	**66**

4. Management salaries and fees

Wages and salaries paid to the members of the board and the managing directors during the financial period amounted to EUR 2,852,816 (EUR 2,629,878 in 2021).

5. Depreciation, amortisation and impairment charges

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Depreciation and amortisation according to plan				
Intangible assets				
Capitalised development expenses	357	483	0	0
Intangible rights	8,613	7,563	8,381	7,240
Goodwill	953	970	0	0
Other long-term capitalised expenditure	405	400	61	61
Tangible assets				
Buildings and structures	13,327	12,890	0	0
Machinery and equipment	59,153	51,751	161	171
Other tangible assets	1,916	2,870	0	0
	84,723	**76,928**	**8,603**	**7,471**
Amortisation /recognition of goodwill on consolidation	20,724	14,383		
	20,724	**14,383**		
Impairment of investments to non-current assets				
Intangible rights	0	46	0	0
Other long-term capitalised expenditure	0	17	0	0
Consolidation goodwill	2,441	0	0	0
Buildings and structures	512	2,065	0	0
Land and water areas	601	88	0	0
Machinery and equipment	2,331	7,211	0	0
Other tangible assets	25,117	60,475	0	0
	31,002	69,902	0	0
Depreciation and amortisation according to plan, total	**136,449**	**161,212**	**8,603**	**7,471**

The subsidiary St1 Oy booked 2021 a write-off on Otaniemi geothermal pilot heat plant investment. During financial year 2022 write off was made for the rest of the investment. ESG technology has proven very challenging. St1 is offering the deep geothermical wells for use in research.

Financial year 2021 the company also made a write-off on the Hämeenlinna Bionolix plant which produces ethanol and biogas as the plant's productivity has remained very low.

6. Other operating expenses

In thousand euros	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Rents	39,212	36,715	1,227	1,204
Advertising and sales promotion	30,482	26,656	143	66
Operating and maintenance expenses	114,433	88,491	148	112
Other operating expenses	118,793	101,892	22,862	19,028
	302,920	**253,754**	**24,380**	**20,409**
Audit expenses				
Audit	726	685	110	101
Tax consultation	82	364	6	57
Other services	59	58	11	0
	867	**1,107**	**127**	**158**

7. Finance income and expenses

In thousand euros	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Income from investments in other non-current assets				
From group companies	0	0	16,312	74,354
From associated companies	12,698	4,710	2,763	4,604
	12,698	**4,710**	**19,076**	**78,958**
Other interest and finance income				
From group companies	0	0	3,607	3,590
From others	6,900	6,404	1,475	2,290
	6,900	**6,404**	**5,082**	**5,880**
Impairment of investments				
Impairment of investments to non-current assets	453	0	0	0
Impairment of investments to current assets	0	0	0	0
Interest costs and other finance costs				
To group companies	0	0	5,271	1,599
To others	5,138	4,909	1,895	1,249
	5,138	**4,909**	**7,166**	**2,848**
Finance income and expenses, total	**14,006**	**6,204**	**16,992**	**81,990**

8. Appropriations

In thousand euros	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Change in accelerated depreciation	0	0	0	0
Group contribution received/given	0	0	0	0
	0	**0**	**0**	**0**

9. Income taxes

In thousand euros	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Current tax on profits for the financial period	-53,974	-42,182	0	2
Change in deferred taxes	-9,879	3,408	0	0
	-63,852	**-38,774**	**0**	**2**

Notes to the balance sheet

Tangible and intangible assets

Capitalised development expenditure and intangible rights

Technological initialisation expenditure includes development projects aimed at developing methods for producing ethanol to be used as advanced traffic fuel as well as other biorefinery products from softwood sawdust and starch production process residues as well as entzyme production technology for decomposing sawdust pulp.

The said expenditure fulfills requirements set for capitalization by the Ministry of Trade and Industry. The capitalised development expenses are shown as a separate item and depreciated over their economic lifetime, however as a maximum in 10 years. Depreciation starts when the projects are in production.

Should investment decision not be made, the development expenses would be written off.

10. Intangible assets

In thousand euros	Intangible rights	Other long-term expenses	Advance payments and construction in progress	Total
Parent company				
Acquisition cost January 1, 2022	61,285	1,200	3,363	65,849
Additions	-1	0	10,244	10,243
Disposals	0	0	0	0
Transfers	7,634	0	-7,634	0
Acquisition cost December 31, 2022	68,919	1,200	5,973	76,092
Accumulated amortisation January 1, 2022	-27,070	-1,008	0	-28,078
Amortisation during the financial period	-8,381	-61	0	-8,442
Accumulated amortisation December 31, 2022	-35,451	-1,069	0	-36,520
Net book value December 31, 2022	33,468	131	5,973	39,572

In thousand euros	Goodwill	Development expenses	Intangible rights
Group			
Acquisition cost January 1, 2022	15,175	4,856	70,214
Additions	0	67	7,744
Disposals	0	0	0
Translation difference	-149	0	-9
Acquisition cost December 31, 2022	15,026	4,923	77,949
Accumulated amortisation January 1, 2022	-13,716	-3,681	-35,395
Amortisation during the financial period	-953	-357	-8,591
Accumulated amortisation December 31, 2022	-14,669	-4,037	-43,986
Net book value December 31, 2022	357	886	33,963

In thousand euros	Other long-term expenses	Goodwill on consolidation	Total
Group			
Acquisition cost January 1, 2022	16,288	258,573	365,106
Additions	341	54,415	62,567
Disposals	0	-2,441	-2,441
Translation difference	1	-164	-320
Acquisition cost December 31, 2022	16,631	310,383	424,912
Accumulated depreciation January 1, 2022	-15,262	-79,634	-147,688
Depreciation during the financial period	-427	-20,724	-31,052
Accumulated depreciation December 31, 2022	-15,690	-100,358	-178,740
Net book value December 31, 2022	941	210,025	246,172

11. Tangible assets

In thousand euros	Machinery and equipment	Advance payments and construction in progress	Total
Parent company			
Acquisition cost January 1, 2022	1,329	0	1,329
Additions	33	0	33
Disposals	-60	0	-60
Transfers	0	0	0
Acquisition cost December 31, 2022	1,302	0	1,302
Accumulated depreciation January 1, 2022	-809	0	-809
Depreciation during the financial period	-161	0	-161
Accumulated depreciation December 31, 2022	-970	0	-970
Net book value December 31, 2022	331	0	331

In thousand euros	Land	Buildings	Machinery and equipment
Group			
Acquisition cost January 1, 2022	140,746	297,250	806,367
Additions	1,861	18,814	79,323
Disposals	-144	-522	-2,606
Translation difference	-2,174	-4,920	-21,700
Acquisition cost December 31, 2022	140,289	310,623	861,384
Accumulated depreciation January 1, 2022	0	-169,558	-419,705
Depreciation during the financial period	0	-13,327	-59,153
Accumulated depreciation December 31, 2022	0	-182,885	-478,858
Revaluations January 1, 2022	69,646	22,059	23,793
Additions	0	0	75
Disposals	-2,577	0	0
Revaluations December 31, 2022	67,069	22,059	23,868
Net book value December 31, 2022	207,359	149,797	406,394

In thousand euros	Other tangible assets	Advance payments and construction in progress	Total
Group			
Acquisition cost January 1, 2022	71,544	194,515	1,510,422
Additions	1,452	138,471	239,921
Disposals	-28,318	-63,354	-94,944
Translation difference	-332	-9,465	-38,590
Acquisition cost December 31, 2022	44,347	260,166	1,616,809
Accumulated depreciation January 1, 2022	-36,940	0	-626,203
Depreciation during the financial period	-1,916	0	-74,395
Accumulated depreciation December 31, 2022	-38,855	0	-700,598
Revaluation January 1, 2022	2,644	0	118,142
Additions	0	0	75
Disposals	0	0	-2,577
Revaluation December 31, 2022	2,644	0	115,641
Net book value December 31, 2022	8,135	260,166	1,031,851

Disposals include 28,560,869 EUR reduction in value of tangible assets and 2,440,840 EUR reduction in intangible assets.

12. Revaluations

The revaluation is based on discounted cash flow calculation made by the company, income value and in some cases on building rights which are supported by an independent third-party expert's valuation on the likely sale price of the land.

13. Investments

Group companies	Group ownership	Parent ownership
St1 Oy	100.00%	100.00%
St1 Lähienergia Oy	100.00%	100.00%
St1 Sverige AB	100.00%	100.00%
St1 Refinery AB	100.00%	0.00%
St1 Vind AB	100.00%	0.00%
St1 BioGas AB	100.00%	0.00%
Falkenbergs Biogas AB	65.00%	0.00%
Söderåsens Bioenergi AB	63.25%	0.00%
St1 Norge AS	100.00%	0.00%
St1 Norge Group AS	100.00%	100.00%
Lämpöpuisto Oy	100.00%	0.00%
St1 Finance Oy	100.00%	100.00%
Kiinteistö Oy Uusmarjala	100.00%	0.00%
Tuulivoltti Oy	100.00%	100.00%
Shell Madla AS	100.00%	0.00%
Gaissa AS	60.72%	0.00%
Grenselandet AS	100.00%	0.00%
Nemob AS	100.00%	0.00%
St1 Sandfjellet Holding AS	100.00%	0.00%
St1 Davvi Holding AS	100.00%	0.00%
St1 Nordre Soroya Holding AS	100.00%	0.00%
Brocklesby Ltd	100.00%	100.00%
St1 Renewable Energy (Thailand) Ltd	100.00%	0.00%

Associated companies	Group ownership	Parent ownership
North European Oil Trade Oy -Group, Helsinki Equity EUR 53,784,683.81 and profit for the period EUR 26,758,930.59	49%	49%
Brang Oy, Turku Equity EUR 212,502.16 and profit for the period EUR 53,807.89	25%	0%
Aviation Fuelling Services Norway AS Equity EUR 15,851,303.21 and profit for the period EUR 7,760,172.51, remaining goodwill on consolidation EUR 3,755,623,11	50%	50%
Biogass Energi Aksdal AS Equity EUR 103,313.16 and profit for the period EUR 0, remaining goodwill on consolidation EUR 496,187,08	33.3%	0%
Knapphus Energi Norge AS Equity EUR 37,309.03 and profit for the period EUR -28,699.80	49%	0%
Suomen Lantakaasu Oy Equity EUR 1,958,244.10 and profit for the period EUR -41,755.90	50%	0%
Scastone AB Equity EUR 112,602,348.70 and profit for the period EUR 201,002.01	50%	0%
Gothenburg Biorefinery AB Equity EUR 116,611,939 and profit for the period EUR -1,786,840	75%	0%
Biorefinery Östrand AB Equity EUR 15,174,001.31 and profit for the period EUR -501,346.35, remaining goodwill on consolidation EUR 1,549,859.75	50%	0%

Investments, parent company

	Shares			
In thousand euros	**Group companies**	**Associated companies**	**Others**	**Total**
Acquisition cost January 1, 2022	456,270	23,477	21	479,768
Additions	67,319	0	0	67,319
Disposals	0	0	0	0
Acquisition cost December 31, 2022	523,589	23,477	21	547,086
Net book value December 31, 2022	523,589	23,477	21	547,086

Investments in the group

	Shares		Receivables	
In thousand euros	**Associated companies**	**Others**	**Others**	**Total**
Acquisition cost January 1, 2022	23,834	2,416	263	26,513
Additions	80,916	11,815	93	92,824
Disposals	0	-454	0	-454
Acquisition cost December 31, 2022	104,750	13,776	356	118,882
Net book value December 31, 2022	104,750	13,776	356	118,882

14. Receivables from group companies

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Current				
Trade receivables	0	0	4,191	3,435
Other receivables	0	0	63	63
Equity loans	0	0	1,340	1,340
Loan receivables	0	0	41,714	101,319
	0	**0**	**47,308**	**106,157**
Non-current				
Loan receivables	0	0	101,319	101,495

15. Equity

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Share capital January 1	100	100	100	100
Increase in the share capital				
Share capital December 31	100	100	100	100
Revaluation reserve January 1	40,093	40,093	0	0
Change	-1,975	0	0	0
Revaluation reserve December 31	38,118	40,093	0	0
Reserve for invested unrestricted equity January 1	54,232	54,232	54,232	54,232
Change	0	0	0	0
Reserve for invested unrestricted equity December 31	54,232	54,232	54,232	54,232
Retained earnings January 1	1,033,039	902,145	537,394	474,559
Dividend distribution	-15,882	-15,495	-15,882	-15,495
Acquisition of own shares	-4,254	0	-4,254	0
Changes in Group stucture	29,513	0	0	0
Changes in accounting principles	5,269	0	0	0
Adjustment to prior period taxes	-4,116	0	0	0
Translation differences of foreign subsidiaries	-62,383	-2,367	0	0
Retained earnings December 31	981,185	884,283	517,258	459,064
Profit for the period	234,561	148,756	10,318	78,330
	1,269,977	1,087,271	581,808	591,626
Capitalized development expenditure	-886	-1,175	0	0
Distributable earnings December 31	1,269,091	1,086,095	581,808	591,626
Equity total	1,308,195	1,127,464	581,908	591,726

The company's share capital by type of shares	31.12.2022	31.12.2021
Shares, amount	38,737,118 (100%)	38,737,118 (100%)
Shares outstanding, amount	38,591,233	38,737,118

In 2022 the company carried through a directed share purchase in which 145,885 shares were acquired. Background to the share purchase was the planning of an incentive program, simplification of ownership structure as well as offering possibility to sell shares for those shareholders who were interested. The Board of Directors proposes to the general meeting that the company pays a dividend on the previous financial year's profit of EUR 38,591,233 (1,00 EUR/share) and transfers the profit for the financial period to account "retained earnings". Dividend will not be paid to shares company owns. There has been no material change in the company's financial position after the end of the financial period. The company's liquidity is good and it is the board's opinion that the proposed dividend distribution does not put the company's liquidity at risk.

16. Provisions

	Consolidated	
In thousand euros	**2022**	**2021**
Certain retirement pensions for which company is liable	33,968	34,353
Other provisions	953	648
Expected environmental obligations	24,869	18,289
Total provisions	**59,790**	**53,289**

Environmental obligations: The total liability cannot be reliably determined. A provision has been recognised for known liabilities, for which the company is likely to be responsible for in the near future. These liabilities relate mainly to the environmental obligations concerning soil decontamination. Change in the provision has been recognised in other operating expenses against actual costs.

Pension provision is mainly composed of pension provisions in St1 Sverige AB and St1 Refinery AB as well as pension provision in St1 Oy.

17. Deferred tax assets and liabilities

	Consolidated	
In thousand euros	**2022**	**2021**
Deferred tax assets		
From provisions	12,603	13,509
	12,603	**13,509**
Deferred tax liabilities		
From appropriations	68,088	58,312
From revaluations and goodwill allocations	35,242	35,509
From consolidation	0	0
	103,330	**93,821**

18. Liabilities to group companies

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Non-current loans	0	0	0	0
Current loans:				
Trade payables	0	0	419	534
Other liabilities	0	0	98,803	47,151
Accruals and deferred income	0	0	709	0
	0	**0**	**99,931**	**47,686**

19. Adjusting entries for assets/Receivables carried forward

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Financing cost allocations	276	90	276	90
Tax receivables	1,958	6,877	0	2,896
Other adjusting entries	86,587	58,069	3,937	2,761
	88,821	**65,036**	**4,212**	**5,747**

20. Accrued expenses

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Personnel cost accruals	35 490	33 991	3 748	2 630
Interest accruals	61	85	0	0
Tax accruals	20 128	25 935	0	0
Other accrued expenses	75 361	36 842	576	862
	131 040	**96 854**	**4 324**	**3 492**

21. Financial instruments

Commercial paper program

St1 Nordic launched a Commercial paper program in November 2016. Maximum size of the program is 200 MEUR and it is used for short-term working capital purposes. Outstanding amount at the end of the year was 79,5 MEUR (72 MEUR in 2021 financial period).

Revolving Facility Agreement

St1 renewed in 2022 its 200 million euro revolving credit facility agreement for a new 3-year term. The facility also includes two option years. The agreement includes sustainability covenants.

Green Loan Facility Agreement

Subsidiary St1 Refinery AB signed in March 2020 a EUR 150 million financing agreement for the financing of the Gothenburg renewable diesel plant. The facility also includes two option years the use of which has already been decided upon. The agreement includes a green loan element.

Oil financing facility

St1 Sverige AB has a 100 million dollar oil financing facility. The facility was not drawn at year-end.

Recourse factoring

St1 Sverige AB has 600 MSEK factoring-limit. Outstanding amount at the end of the year was 459 MSEK.

22. Commitments and contingencies

The group has not given business mortgages, real estate mortgages or shares as collateral.

Guarantees	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Bank guarantees	7,226	7,937	0	0
Guarantees on behalf of group companies				
Other guarantees	367,813	155,540	367,159	154,877

Oil has been pledged as against the oil financing facility (EUR 183,864,283) and oil (EUR 191,786,972) and oil products receivables (EUR 141,937,597) have been pledged against account payables of oil. The oil financing facility was not in use at year end. In addition, a guarantee was given for the associated company North European Oil Trade Oy's accounts payable amounting to EUR 58,822,888,10 derivatives liabilities EUR 55,901, L/C liabilities EUR 79,702,301 and Financial liabilities 25,000,000 on 31 December 2022.

	Consolidated		Parent company	
In thousand euros	**2022**	**2021**	**2022**	**2021**
Rent liabilities				
No later than one year	26,431	25,955	1,380	1,230
Later than one year	155,244	164,547	8,317	9,038

In thousand euros	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Future leasing payments:				
No later than one year	2,294	2,006	393	381
Later than one year	2,721	1,943	361	287
Total	**5,015**	**3,949**	**754**	**668**
Residual value liability				
	41	50	8	7

In addition, guarantees have been given for lease agreements of the subsidiaries. The subsidiaries may also have environmental liabilities which materialize over the long-run and the amount of which can not be calculated in a reliable way. These are not included on the balance sheet.

Derivatives

Price hedging of compulsory storage obligation

The group can use long-term commodity derivatives to hedge against price risk associated with inventory kept for the compulsory storage obligation in Sweden. Price of compulsory storage obligation inventory is in such case fixed with a commodity hedge. The hedge has been assessed efficient. The hedged part of compulsory storage obligation inventory and the commodity derivatives hedging it would be handled with the net practice according to KILA 1912/2014 opinion. There were no open price hedges at the closing date.

In addition, and in accordance with its risk management policies, the group may hedge the variations in inventory levels of operating activities with short-term commodity derivatives in different oil products. The changes in the value of the short-term commodity derivatives are reconciled daily against the counterparty, and they are recognised as income or expense in the income statement.

Refinery margin hedges

Part of the future refining margins consisting of the price difference between refined end products and crude oil price have been hedged for 2023. There are contracts with several counterparties. Fair values at the closing date are presented in the table.

Gas, propane and electricity price hedges

The price of gas, propane and electricity have an impact on the group's margin. Part of price risk has been hedged for year 2023 and 2024.

Commodity derivatives	Consolidated 2022	Consolidated 2021	Parent company 2022	Parent company 2021
Refinery margin, volume, mill. bbl	0,3	3,5	0,0	0,0
Gas and propane, volume, GWh	296	0	0	0
Electricity, volume, GWh	42	0	0	0
Fair value, thousand euro	-19,851	522	0	0
Foreign exchange derivatives				
Volume, mill. Eur	145	182	18	85
Fair value, thousand euro	152	-58	7	-247

Unrealized positive fair value changes are not booked to the income statement.

Signatures to the financial statements and the report on operations

Helsinki, 28 March 2023

Mika Anttonen
Chairman of the board

Kim Wiio
member of the board

Mikko Koskimies
member of the board

Kati Ihamäki
member of the board

Henrikki Talvitie
CEO

Auditor's Note
Our auditor's report has been issued today.

PricewaterhouseCoopers Oy
Authorised Public Accountants

Janne Rajalahti
Authorised Public Accountant (KHT)

Auditor’s Report
(Translation of the Finnish Original)

To the Annual General Meeting of St1 Nordic Oy

Report on the Audit of the Financial Statements

Opinion
In our opinion, the financial statements give a true and fair view of the group’s and the company’s financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

What we have audited
We have audited the financial statements of St1 Nordic Oy (business identity code 2082259-7) for the financial period 1.1–31.12.2022. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

Basis for Opinion
We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor’s Responsibilities for the Audit of Financial Statements section of our report.

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

Independence
We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements
The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company’s and the group’s ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or to cease operations, or there is no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information that we have obtained prior to the date of this auditor's report is the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 29 March 2023

PricewaterhouseCoopers Oy
Authorised Public Accountants

Janne Rajalahti
Authorised Public Accountant (KHT)

St1 Nordic Oy

Interested in CO_2-aware energy?
Read more at st1.com

St1 Nordic Oy is an energy group
whose vision is to be the leading producer
and seller of CO_2-aware energy