

# Fintoil Q1-2022 Bondholder Report

## General Market information

The development of the market situation has continued in the same way as in the previous three quarters. Prices of both raw materials and finished products rose by about 10-15% compared to the previous quarter.

At the general level, the energy market reacted strongly to the situation in Ukraine, which was partly reflected in the tall oil industry as well. In tall oil industry, pricing is typically based on quarterly or even longer-term prices and sudden uncertainties do not pass on to prices so strongly and quickly.

Despite the increase in the price level of the raw material, Crude Tall Oil, the refining margin has remained stable.

## Hamina Construction project

During Quarter 1 the project has been proceeding mostly according to schedule. Slight delay in timetable and some cost increase has though occurred. Winter conditions, with a lot of snow and ice, have been more difficult than normal. The project has largely concentrated on steel construction work, piping installation and other equipment installation.

During Quarter 1 2022 Purchase Orders were issued in the amount of 3,3 M€. Orders were mostly placed for electrification work, purchases of instrumentation equipment, purchases of valves and minor production related equipment.

At the end of march the completion rate is 79% compared to 85% planned completion rate. The cumulative actual committed cost at the end of march is 79,5 M€. The forecast prepared by the EPCM partner at the end of march is 87,3 M€ which is 6,2 M€ or 7,6% above the original Budget for the project.

## General proceedings

The organization is growing according to plan. During Q1 3 new employees joined the organization and ad at the end of Q1 Fintoil had 12 employees. Recruiting of the production related staff proceeded well and during March most of the employment contracts were signed. Approximately 15 employees will start in late April / early May. The remaining 5-10 positions will be hired during Q2-Q3

Negotiations with raw material suppliers are ongoing. Deliveries by the first supplier have started already at the beginning of January and continued according to plan.

Negotiations with customer candidates for all major products are ongoing and proceeding well. More contracts have been signed for Rosin and Sterol customerships and final contracts to be signed within the near future

ISCC certificates received on March 30.



## Fintoil Hamina Oy 7.500 per cent. Senior Secured Notes

ISIN: FI4000508007

### Information to Noteholders

Reporting period: March 31, 2022

### Construction report

		Confirmation															
(i)	Confirmation that the construction of the refinery is progressing in accordance with the EPCM Contract	Confirmed															
(ii)	Confirmation of any adjustments or alterations that have been made that may cause delays or curtailment of construction of the Refinery	None															
(iii)	Confirmation that the Completion Date will occur prior to the Long Stop Date	Confirmed															
(iv)	Confirmation that no Cost Overrun Event is continuing and the amount of any Cost Overrun (if any) as at the relevant Quarter Date The EPCM contractor estimates the final forecast cost at EUR 87.264m, EUR 6.199m (7,6%) above the approved EPCM budget of EUR 81.065m	Confirmed															
(v)	Information required for the calculation of the Equity Ratio (as applicable prior to the Long Stop Date)  Pre completion Equity to the aggregate of Pre Completion Equity and the aggregate of the amounts paid to the issuer from the Escrow Account pursuant to clause 4 and other interest bearing debt of the issuer	Equity / (Equity + Interestbearing Debt) 36,25 / (36,25+70,0) 34,1 %															
(vi)	The amount of Incurred Construction Costs and Remaining Construction Costs	<table border="0"> <tr> <td>- Incurred Construction Costs ( Committed cost, NES reporting)</td> <td style="text-align: right;">79,5 M€</td> <td></td> </tr> <tr> <td>- Remaining Construction Costs</td> <td style="text-align: right;">7,7 M€</td> <td></td> </tr> <tr> <td>- Original Budget</td> <td style="text-align: right;">81,1 M€</td> <td></td> </tr> <tr> <td>- Latest Estimate</td> <td style="text-align: right;">87,3 M€</td> <td></td> </tr> <tr> <td>- Estimated Cost overrun</td> <td style="text-align: right;">6,2 M€</td> <td style="text-align: right;">7,6 %</td> </tr> </table>	- Incurred Construction Costs ( Committed cost, NES reporting)	79,5 M€		- Remaining Construction Costs	7,7 M€		- Original Budget	81,1 M€		- Latest Estimate	87,3 M€		- Estimated Cost overrun	6,2 M€	7,6 %
- Incurred Construction Costs ( Committed cost, NES reporting)	79,5 M€																
- Remaining Construction Costs	7,7 M€																
- Original Budget	81,1 M€																
- Latest Estimate	87,3 M€																
- Estimated Cost overrun	6,2 M€	7,6 %															