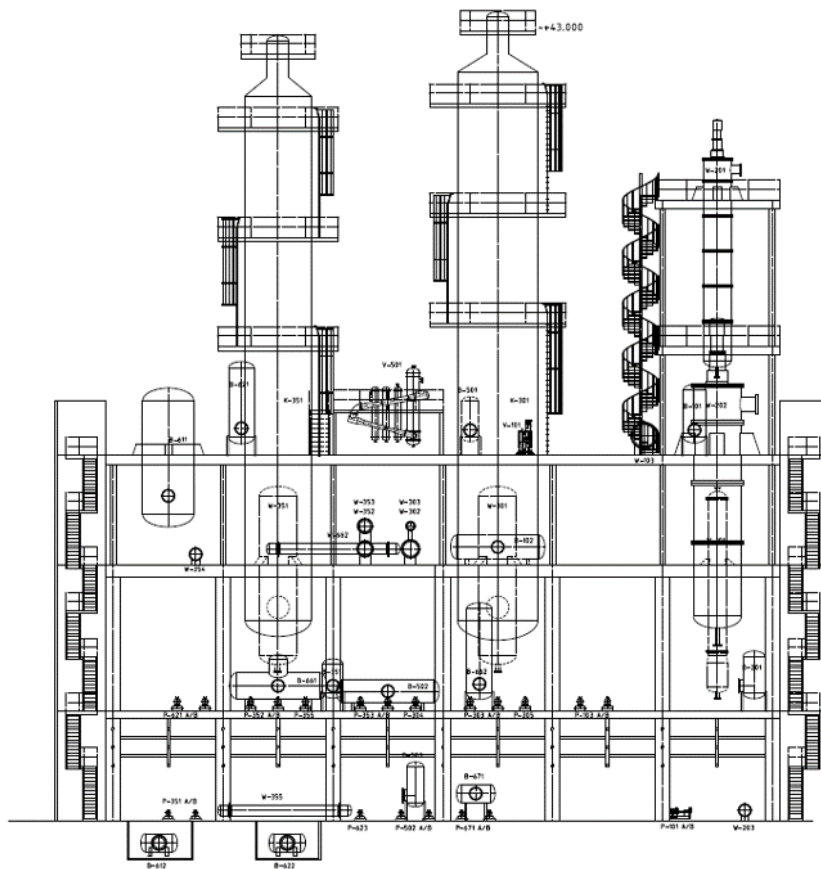


# Quarterly Financial statements

## Fintoil Hamina Oy

### 2023 - Q1



# Fintoil Hamina Oy

## Quarterly Financial Statements, 2023-Q1

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## **Management report**

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### **Market View**

General recession in the global market is evident and is also affecting Fintoil product areas. Raw material market is still tight, and price level continues to stay at a record high. The price differences between annual contract prices and spot lots are unusually large. However, there are indications that price development is reversing.

The demand for Tall Oil Rosin (TOR) based products has decreased, which started to appear already in Q4/22 and the situation has continued during Q1/2023. This is partly due to the end of sales to the Russian market, but now demand is also declining in the rest of the market. TOR demand has an impact on the running rates of the CTO refineries, resulting in a scarcity of Fatty Acid (FA) products, which in turn further has increased their price.

Demand for Tall Oil Pitch (TOP) products is high, and the market is tight with limited supply in the market.

Turpentine market is also affected by the market situations and demand is decreasing.

### **Operational View**

Fintoil manufacturing site in Hamina has been performing according to plan. Weaker end-product demand and lower end-product prices in a context of still high raw material prices have led to lower production rate than budgeted.

Short downtime in February due to unexpected piping leakage. During quarter one, Fintoil has delivered products to customers in Finland as well as in Europe, North America and Asia.

The organization is almost fully staffed, lacking only some positions that are to be fulfilled in the near future.

All construction related work finalized during year 2022. All contract closings with sub-contractors finalized during 2022. NES (Neste Engineering Solutions) contract closed and finalized in February 2023. Minor maintenance and finalization work to be done during summer period 2023 (<1 m€)

## **Profit & Loss statement – Q1 2023**

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<b>Net Revenue</b>	<b>23 491</b>	
Other Operating Income	0	
Materials & Services	19 404	
Personnel expenses	723	
Depreciations and amortizations	1 559	
Other Operating expenses	603	
<b>Operating Profit ( - Loss)</b>	<b>1 202</b>	<b>5,1 %</b>
Financial Income	0	
Financial Expenses	1 548	
<b>Profit (loss ) before tax</b>	<b>-346</b>	<b>-1,5 %</b>
Income Tax	0	
<b>Profit (Loss) for the financial period</b>	<b>-346</b>	<b>-1,5 %</b>

## Balance sheet – 31.3.2023

<b>ASSETS</b>	<b>31.12.202</b>	<b>31.3.2023</b>
<b>Non-Current Assets</b>		
Property Plant and equipment	108 718	106 844
Goodwill	863	841
Other intangible assets	1 073	1 045
<b>Total Non-Current Assets</b>	<b>110 654</b>	<b>108 730</b>
<b>Current assets</b>		
Inventories	7 920	8 475
Trade and other receivables	13 991	12 708
Cash and Cash equivalents	13 906	5 498
<b>Total Current Assets</b>	<b>35 817</b>	<b>26 681</b>
<b>TOTAL ASSETS</b>	<b>146 471</b>	<b>135 411</b>

<b>EQUITY AND LIABILITIES</b>	<b>31.12.2022</b>	<b>31.3.2023</b>
<b>Equity</b>		
Share Capital	11 250	11 250
Capital Reserves	40 000	40 000
Profit/loss from previous period	-4 001	-4 906
Profit/loss from period	-906	-346
<b>Total Equity</b>	<b>46 343</b>	<b>45 998</b>
<b>Liabilities</b>		
Bond Loan	70 000	70 000
Revolving Credit Facility	10 000	9 000
Other short-term liabilities	20 128	10 413
<b>Total liabilities</b>	<b>100 128</b>	<b>89 413</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>146 471</b>	<b>135 411</b>

## Cashflow calculation – Q1 2023

<b>Cashflow from Operations</b>	<b>Q1/2023</b>
EBIT	1 202
Depreciations And Amortizations	1 277
Net Financing Items	-1 548
Taxes	0
<b>Cashflow from Operations</b>	<b>931</b>
<b>Change in Working Capital</b>	
Change in non-interest bearing receivables, incr.(-)/decr.(+)	1 282
Change in Inventories, incr.(-)/decr.(+)	-555
Change in non-interest bearing liabilities, incr.(+)/decr.(-)	-9 714
<b>Cha Change in Working Capital</b>	<b>-8 987</b>
<b>Cashflow from operations Total</b>	<b>-8 056</b>
<b>Investments</b>	
<b>Capital expenditures</b>	<b>646</b>
<b>Financing</b>	
Change in Share Capital & Capital Reserves	0
Change in interest-bearing receivables, incr.(-)/decr.(+)	0
Change in shortterm loans	0
Change in longterm loans	0
Dividends paid	0
Change in SSRCF	-1 000
<b>Cashflow from financing</b>	<b>-1 000</b>
<b>Change in cash during the period</b>	<b>-8 410</b>
Cash at the beginning of the period	13 906
Cash at the end of the period	5 496

## Financial Covenants – 31.3.2023

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### Fintoil Hamina Oy, 70 m€ Bondloan

#### 11.1 Maintenance test

	31.12.2022	31.3.2023
<b>Equity ratio</b>		
Minimum value	30,0 %	30,0 %
Equity Ratio      Total Equity to Total Assets	31,6 %	34,0 %

#### 11.4 Incurrence test

	31.12.2022	31.3.2023
<b>Leverage ratio</b>		
Minimum value      Net Interest bearing debt to EBITDA	< 2,5x	< 2,5x
NIBD (Interest bearing debt ./ Cash)	66,1	73,5
EBITDA 12 m		11,0
No event of default is continuing or would occur upon the incurrence of the relevant Financial indebtedness in respect of which the Incurrence test is made		<b>6,7</b>
		EBITDA Q1 *4

### Fintoil Hamina Oy, 10 M€ SSRCF

#### 22.2 Financial Condition

	31.12.2022	31.3.2023
<b>Leverage ratio</b>		
Minimum value	> 1	> 1
Super Senior Total debt	10	9
EBITDA 12 m		11,0
No event of default is continuing or would occur upon the incurrence of the relevant Financial indebtedness in respect of which the Incurrence test is made		1,22
		EBITDA Q1 *4

