

# Fintoil Q2-2022 Bondholder Report

## General Market information

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

As a result of the war in Ukraine, the prices of products, particularly in the energy sector, have risen. Of Fintoil's products, this is particularly reflected in the CFA and TOP.

According to our estimates and analysis, refining margins have remained healthy, even though prices have lived relatively strongly.

## Hamina Construction project

During Quarter 2 the project has been proceeding worse than scheduled. There has been cost increase mainly related to subcontracting part of the project. The amount of work in combination with the tight planned time schedule has had a negative impact on both time schedule and cost. The target is to start up production at the site during week 33.

At the end of Quarter 2 practically all purchases have been completed. Some minor items still open. Most of the orders have reached the site. Some cabling and instrumentation related items are still open. Biggest part of open issues are relating to finalization of piping work, electrification, instrumentation and insulation.

At the end of June, the completion rate is 92% compared to 96% planned completion rate. The cumulative actual committed cost at the end of June is 88,9 M€. The forecast prepared by the EPCM partner at the end of June is 92,5 M€ which is 11,4 M€ or 14,2% above the original Budget for the project.

## General proceedings

The organization is continuing to grow. During Q2 15 new employees joined the organization and at the end of Q2 Fintoil had 27 fulltime employees. Training for the employees is ongoing according to plan. 6 additional employment contracts have already been signed and Fintoil will reach the planned staff of approximately 35 persons during Q3.

Negotiations with raw material suppliers are ongoing. Deliveries by the first supplier have continued throughout the year 2022 and deliveries from a second supplier has also started. There will be 2-3 more suppliers delivering raw-material during Q3-Q4 of 2022.

Negotiations with customer candidates for all major products have been proceeding well. Contracts have been signed in all Fintoil product segments.

All required product certifications and registrations are now in place.



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

ISIN: FI4000508007

### Information to Noteholders

Reporting period: June 30, 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 92,5m EUR 11,4m (14,2%) 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) There has been an equity contribution of 10 M€ Paid in full in June 2022	<div style="text-align: center;">Equity / (Equity + Interestbearing Debt)</div> 46,25 / (46,25+70,0) 39,8 %															
(vi)	The amount of Incurred Construction Costs and Remaining Construction Costs	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">- Incurred Construction Costs ( Committed cost, NES reporting)</td> <td style="width: 10%; text-align: right;">88,9 M€</td> <td style="width: 10%;"></td> </tr> <tr> <td>- Remaining Construction Costs</td> <td style="text-align: right;">3,6 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;">92,5 M€</td> <td></td> </tr> <tr> <td>- Estimated Cost overrun</td> <td style="text-align: right;">11,4 M€</td> <td style="text-align: right;">14,2 %</td> </tr> </table>	- Incurred Construction Costs ( Committed cost, NES reporting)	88,9 M€		- Remaining Construction Costs	3,6 M€		- Original Budget	81,1 M€		- Latest Estimate	92,5 M€		- Estimated Cost overrun	11,4 M€	14,2 %
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