

# Fintoil Q3-2022 Bondholder Report

## General Market information

The development of the market situation has continued mainly the same way as in the previous quarters. As a result of the war in Ukraine, energy prices have risen, which is reflected not only in the price of the raw material, but also in the price of finished products, especially for TOP. Fintoil's entry into the market has also tightened the raw material market. As a result, it can be estimated that refining margins are likely to have narrowed somewhat. Demand for finished products has remained at a high level.

## Hamina Construction project

During Quarter 3 finalization of the project is getting closer to the goal. There has been a lot of open issues with electrification, caballing and instrumentation issues. Some areas needed extra overtime input to achieve the starting deadline of September 14:th, which has led to considerable cost increase.

The mill started operations on September 14:th with intake of CTO at low but steady level. Quite a bit of minor corrections and changes in piping, valves etc had to be done. No major problems and within first couple of days offtake of all products done. Quality has been good, and all quality measurements are according to plan.

There are still some minor not critical construction issues ongoing at the mill site. During the month of September the production mode has been testing and ramp-up of the different product offtakes. There will be a maintenance shutdown in week 41 when the boiler will be changed so that it can use both gas and oil. During the shutdown, a number of other minor changes at the mill will also be corrected, in order to get the mill usability improved.

## General proceedings

During Q3 the organization has grown into full scale. At the end of September Fintoil had 32 employees and one working contract signed, starting 1:st of October. No further open working positions at the moment. The production staff has been fully trained and during the end of September 24 hour 3-shift operation mode is in force.

Negotiations with raw material suppliers for year 2023 supplies are ongoing. Deliveries from the first supplier has continued as agreed and there has also been a contract signed with supplier no 2.

Samples for all products have been delivered to potential customers for testing and quality check. First acceptances also received and full-scale container and shiploads will start during the month of October.

All modules of the new ERP-system are in place and working. As production-mode will be achieved during October all assets will be taken into account and depreciations will begin.



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

ISIN: FI4000508007

### Information to Noteholders

Reporting period: September 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 97,3m EUR 16,2m (20,0%) above the approved EPCM budget of EUR 81.065m Equity Cure through Equity input of additional 15 m€ during 2022	Confirmed																								
(v) Information required for the calculation of the Equity Ratio (as applicable prior to the Long Stop Date) There has been two equity contributions: - 10 M€ Paid in full in June 2022 - 5 M€ Paid in full in September 2022	Equity / (Equity + Interestbearing Debt) 51,25 / (51,25+70,0) 42,3 %																								
(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;">94,9 M€</td> <td></td> </tr> <tr> <td>- Remaining Construction Costs</td> <td style="text-align: right;">2,4 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;">97,3 M€</td> <td></td> </tr> <tr> <td>- Estimated Cost overrun</td> <td style="text-align: right;">16,2 M€</td> <td style="text-align: right;">20,0 %</td> </tr> <tr> <td>- Equity Cure</td> <td style="text-align: right;">15,0 M€</td> <td></td> </tr> <tr> <td>- Respective Latest Estimate</td> <td style="text-align: right;">82,3 M€</td> <td></td> </tr> <tr> <td>- Estimated respective Cost overrun</td> <td style="text-align: right;">1,2 M€</td> <td style="text-align: right;">1,5 %</td> </tr> </table>	- Incurred Construction Costs ( Committed cost, NES reporting)	94,9 M€		- Remaining Construction Costs	2,4 M€		- Original Budget	81,1 M€		- Latest Estimate	97,3 M€		- Estimated Cost overrun	16,2 M€	20,0 %	- Equity Cure	15,0 M€		- Respective Latest Estimate	82,3 M€		- Estimated respective Cost overrun	1,2 M€	1,5 %
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