

27.9.2023

Asiakirjalta on peitetty yksityiskohtaista liikesalaisuutta koskeva tieto julkisuuslain 24 §:n 1 momentin 20 kohdan nojalla.

To:
European Investment Bank

From:
Lahti Energy Ltd
PL 93
15141 Lahti, FINLAND

Subject: Amendment to the loan agreement

Contract Number: 85.325

Finance Contracts between the European Investment Bank (the "Bank") and Lahti Energy Ltd (the "Borrower") dated 9 June 2016 (the "subsequent Finance Contract")

Dear Sirs,

Application for amendment concerning Finance Contract Number 85.325

We are applying for an amendment to the Article 6.10 (financial covenants) of the Finance Contract. Based on the Finance Contract 6.10a the Borrower shall ensure that [REDACTED]

Russia's invasion of Ukraine in February 2022 has had wide-ranging effects on the energy and interest rate markets in Europe. These also have had an impact on Lahti Energy's operational activities and profitability as the prices of wood chips and recycled fuel have risen significantly. [REDACTED]

For this reason, we request that the Article 6.10a of the Finance Contract will be amended as follows:

The Borrower has implemented for example the following actions to correct the situation:

- To compensate for the increase in fuel prices, the price of district heating has been increased three times in 2022 and once in 2023. The effect of district heating price increases made in 2022-2023 on net sales is +20 M€ on an annual basis. [REDACTED]
- The price and availability risk of fuels has been reduced by opening new procurement channels abroad.
- The owner has made a decision to capitalize the company. However, the decision is not yet legally binding. The decision is expected to enter into force in 2024.

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We kindly ask you to consider the reasons that have led to the situation and actions to correct the situation.

The guarantor's approval for the amendment will be provided retrospectively. The guarantors are Municipality of Lahti and [REDACTED].

Yours faithfully

[REDACTED]

Jouni Haikarainen
CEO
Lahti Energy Ltd.

Copy to Guarantor:

City of Lahti
PL 202
15101 Lahti, FINLAND
For the attention of [REDACTED]

[REDACTED]