



**Draft decisions of the Extraordinary General Meeting of shareholders of AB Klaipėdos nafta to be held on 27 November 2019**

The Board of AB Klaipėdos nafta, legal entity code 110648893, registered at Burių str. 19, Klaipėda, among others adopted the following decisions:

To approve the draft decisions under the approved agenda of the Extraordinary General Meeting of Shareholders, to be held on 27 November 2019 at 1:00 p. m.:

- 1. Regarding the approval of the decision of the Board of AB Klaipėdos nafta to cancel the pledge of all current and future amounts receivable (the LNG terminal security component) pledged to UAB Hoegh LNG Klaipėda and to pledge these current and future amounts receivable (the LNG terminal security component) by a senior pledge to the Ministry of Finance of the Republic of Lithuania for the state guarantee issued by the Republic of Lithuania:**

*“To approve of the following decision of the Board of AB Klaipėdos nafta:*

*To cancel the pledge of all current and future amounts receivable (the LNG terminal security component) pledged to UAB Hoegh LNG Klaipėda, legal entity code 302719517, address: Lvovo St. 25, Vilnius, and to pledge these current and future amounts receivable (the LNG terminal security component) by a senior pledge to the Ministry of Finance of the Republic of Lithuania for the period until 31 December 2044 for the state guarantee of the Republic of Lithuania, to be issued for the agreement with the Nordic Investment Bank for granting of the loan, borrowing up to EUR 135.5 million (one hundred and thirty-five million five hundred thousand euros) for a period of up to 26 (twenty-six) years, with the purpose to finance the rent payable by AB Klaipėdos nafta under the Time Charter Party of 2 March 2012 (including any and all related amendments and supplemental agreements and other documents), signed between AB Klaipėdos nafta and UAB Hoegh LNG Klaipėda (previously, Höegh LNG Limited), for reduction of the security additional component to the natural gas transmission price.”*

- 2. Regarding the approval of the decision of the Board of AB Klaipėdos nafta to obtain and present up to EUR 20,000,000 (twenty million euros) annual bank guarantee to Höegh LNG Ltd and UAB Hoegh LNG Klaipėda as a security for obligations of AB Klaipėdos nafta under the Time Charter Party of 2 March 2012 (including any and all related amendments and supplemental agreements and other documents), signed between AB Klaipėdos nafta and UAB Hoegh LNG Klaipėda (previously, Höegh LNG Limited), extending this bank guarantee each year until 2024:**

*“To approve of the following decision of the Board of AB Klaipėdos nafta:*

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*To obtain and present up to EUR 20,000,000 (twenty million euros) annual bank guarantee, which may be non-secured or secured with up to 100% cash equivalent (cash, treasury bonds, deposit), to Höegh LNG Ltd, code 38061, address Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda, and to UAB Hoegh LNG Klaipeda, legal entity code 302719517, address Lvovo St. 25, Vilnius, as a security for obligations of AB Klaipėdos nafta under the Time Charter Party of 2 March 2012 (including any and all related amendments and supplemental agreements and other documents), signed between AB Klaipėdos nafta and UAB Hoegh LNG Klaipeda (previously, Höegh LNG Limited), extending this bank guarantee each year until 2024.”*

**3. Regarding the approval of the decision of the Board of AB Klaipėdos nafta to mortgage the Subačius oil terminal for obligations of AB Klaipėdos nafta according to the state guarantee granted by the Republic of Lithuania:**

*“To approve of the following decision of the Board of AB Klaipėdos nafta:*

*To mortgage the Subačius oil terminal at Kunčiai village, Subačius local area, Kupiškis district municipality, as a property complex to the Ministry of Finance of the Republic of Lithuania by a senior mortgage for the period until 31 December 2044, in order to secure the obligations of AB Klaipėdos nafta under the state guarantee granted by the Republic of Lithuania, issued to secure the agreement with the Nordic Investment Bank for granting of the loan, borrowing up to EUR 135.5 million (one hundred and thirty-five million five hundred thousand euros) for a period of up to 26 (twenty-six) years.”*

**4. Regarding the approval of the decision of the Board of AB Klaipėdos nafta to make an agreement for granting of a loan with the Nordic Investment Bank (hereinafter referred to as the NIB), borrowing from the NIB up to EUR 135.5 million (one hundred and thirty-five million five hundred thousand euros) for a period of up to 26 (twenty-six) years:**

*“4.1. To approve of the following decision of the Board of AB Klaipėdos nafta:*

*To make an agreement for granting of a loan with the Nordic Investment Bank (hereinafter referred to as the NIB) on behalf of AB Klaipėdos nafta, borrowing from the NIB up to EUR 135.5 million (one hundred and thirty-five million five hundred thousand euros) for a period up to 26 (twenty-six) years (hereinafter referred to as the Loan for Stage I) with the purpose to finance the rent payable by AB Klaipėdos nafta under the Time Charter Party of 2 March 2012 (including any and all related amendments and supplemental agreements and other documents), signed between AB Klaipėdos nafta and UAB Hoegh LNG Klaipeda (previously, Höegh LNG Limited), for reduction of the LNG terminal security additional component to the natural gas transmission price (hereinafter referred to as the Security Component), and to approve the following main commercial terms of the agreement:*

- 3/6 MEURIBOR + 50 bp (margin) or fixed interest of no more than 2%;*
- administrative fee of 10 bp;*
- commitment fee of 7 bp;*
- preferential loan non-repayment period until 2024.*



*4.2. To authorise (with the power to redelegate the authority) the General Manager of AB Klaipėdos nafta to sign the agreement with the NIB according to the terms indicated in paragraph 4.1 of this decision and to decide on the conditions of the borrowing, which will be provided in the payment offers of NIB, including but not limited to:*

*4.2.1. to decide to borrow at fixed or variable interest;*

*4.2.2. to decide on the amount of credit requested to be disbursed.*

*4.3. To determine that the Loan for Stage I provided for in paragraph 4 can be taken and used after (i) the Ministry of Finance of the Republic of Lithuania issues a permission to AB Klaipėdos nafta to assume new obligations, as provided for in paragraph 13(7) of Article 3 of the Law of the Republic of Lithuania on State Debt and (ii) signature and coming into force of the state guarantee as a security for the Loan for Stage I.”*

**5. Regarding the amendment of the 22/08/2016 decision “Regarding the approval of the decision of AB Klaipėdos nafta Board to implement II stage of AB Klaipėdos nafta oil terminal expansion (supplementary railway track and trestle, expansion of light oil product tanks) investment project” item No. 1:**

*“To approve the decision of AB Klaipėdos nafta’s Board and respectively amend the 22/08/2016 decision of AB Klaipėdos nafta’s general meeting of the shareholders “Regarding the approval of the decision of AB Klaipėdos nafta Board to implement II stage of AB Klaipėdos nafta oil terminal expansion (supplementary railway track and trestle, expansion of light oil product tanks) investment project” item No. 1:*

*To amend the 29/07/2016 AB Klaipėdos nafta’s Board decision “Regarding the investment into oil terminal expansion stage II“ item No. 1 to the following:*

*1. To implement II stage of oil terminal expansion (supplementary railway track and trestle, expansion of light oil product tanks) investment project of AB Klaipėdos nafta, for the price not exceeding 51,5 mln. EUR (without VAT), and the reserve of 10 percent, which can be used only on extraordinary circumstances“*