

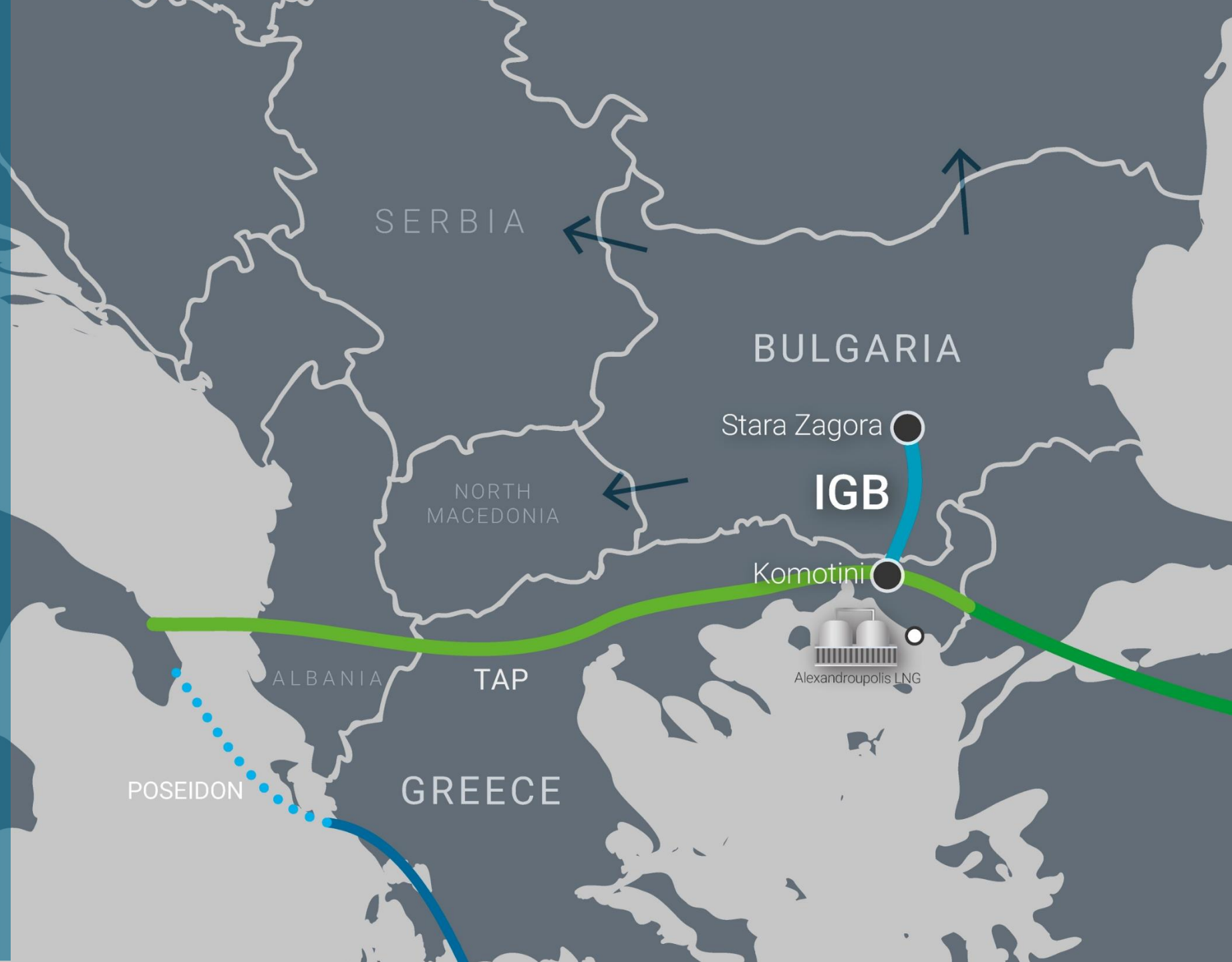


IGB

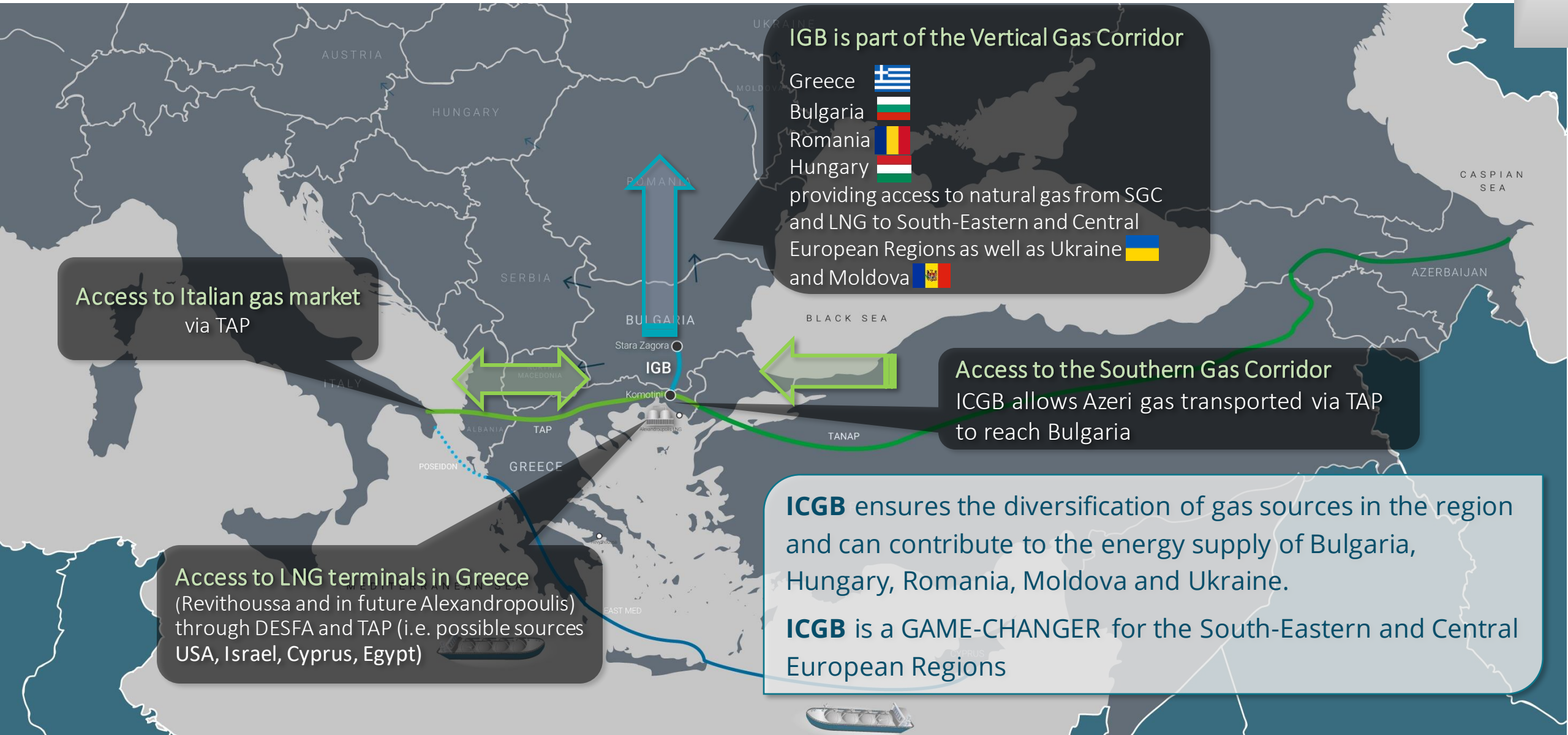
GAS INTERCONNECTOR
GREECE - BULGARIA

ITALY
CHANGING THE ENERGY GAME
FOR CENTRAL AND EASTERN
EUROPE

THE INTERCONNECTOR
GREECE - BULGARIA



STRATEGIC ROLE: DIVERSIFICATION OF GAS SOURCES



SHAREHOLDERS' STRUCTURE

THE PROJECT

Managed by
the Project Company **ICGB AD**
with shareholders:

- Bulgarian Energy Holding EAD (50%)
&
- IGI Poseidon SA (50%).

ICGB

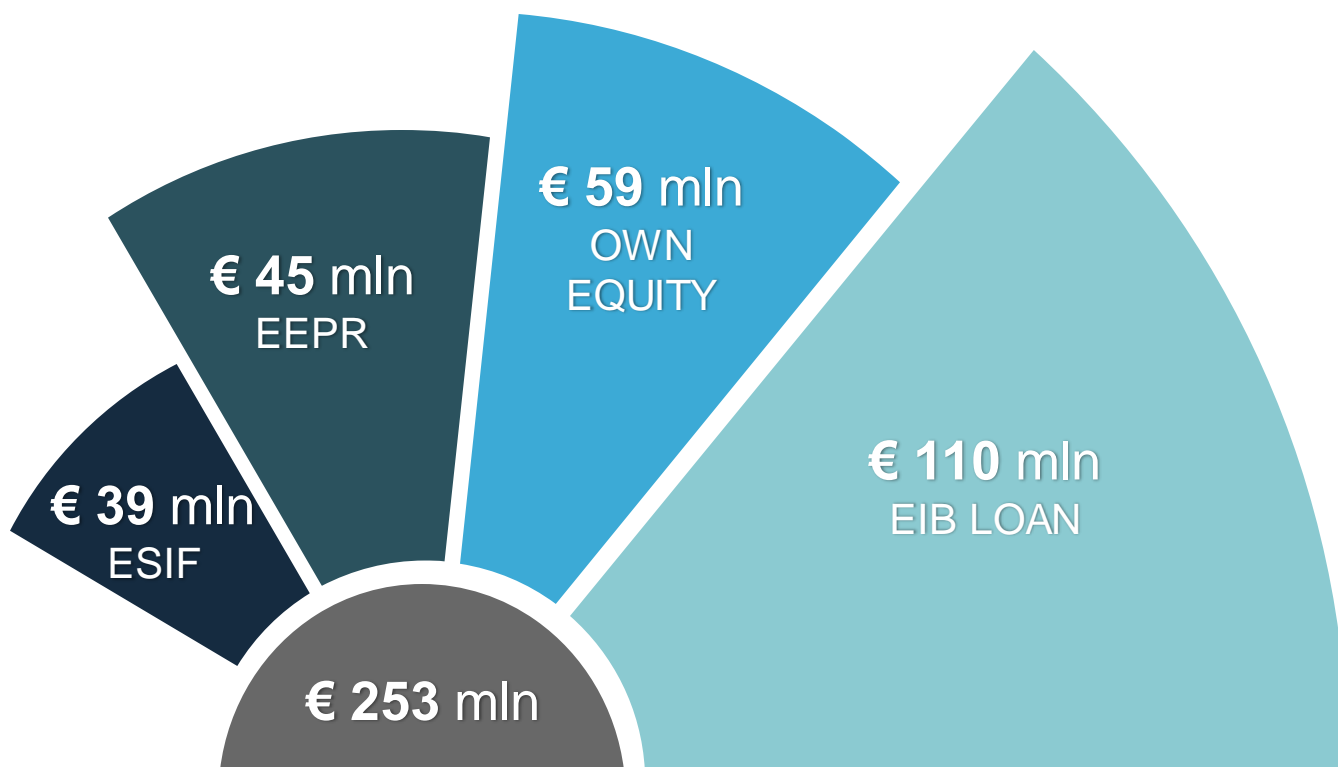
Operates the pipeline under an
“exempted” framework –
Ownership Unbundling,
Regulated Tariff and Third-Party
Access.



On 8th of August 2018 a
FINAL JOINT DECISION on the
Exemption of IGB Pipeline is
adopted by the National
Regulatory Authorities.

FINANCIAL STRUCTURE

EEPR, ESIF and SOVEREIGN GUARANTEE by the Republic of Bulgaria



● EUR 39 mln

grant financing under the Operational Program “Innovations and competitiveness”

(European Structural Inv. Funds allocated to Bulgaria),
OPIC, extended eligibility period – 31/12/2022

● EUR 45 mln

EEPR grant financing

(eligibility period – 31/12/2021)

● SHAREHOLDERS’

Equity EUR 59 mln

● EUR 110 mln

EIB long term loan financing secured by a Sovereign Guarantee by Bulgaria;

The loan will be provided to BEH (Bulgarian Shareholder) and transferred to ICGB via on-lending agreement – tenor 25 years, concluded on 10 October 2019

PROJECT COMPLETION



METERING STATION - STARA ZAGORA



METERING STATION - KOMOTINI

In Summer 2022, ICGB completed the transportation system construction and obtained the following permits:

- Permit to use in Bulgaria
- Operational permit in Greece
- ITO Certification in Greece and Bulgaria and approved by the European Commission
- Gas transportation licenses in Greece and Bulgaria
- IGB's Network Code has been approved by Bulgarian and Greek national regulatory authorities

THE INTERCONNECTOR GREECE - BULGARIA

THE TRANSPORTATIONS SYSTEM

INTERCONNECTION POINTS:

- **KOMOTINI:** where ICGB interconnects to TAP (and in near future DESFA)
- **STARA ZAGORA:** where ICGB connects to the Bulgarian gas transmission system of Bulgartransgaz

LENGTH: 182 Km

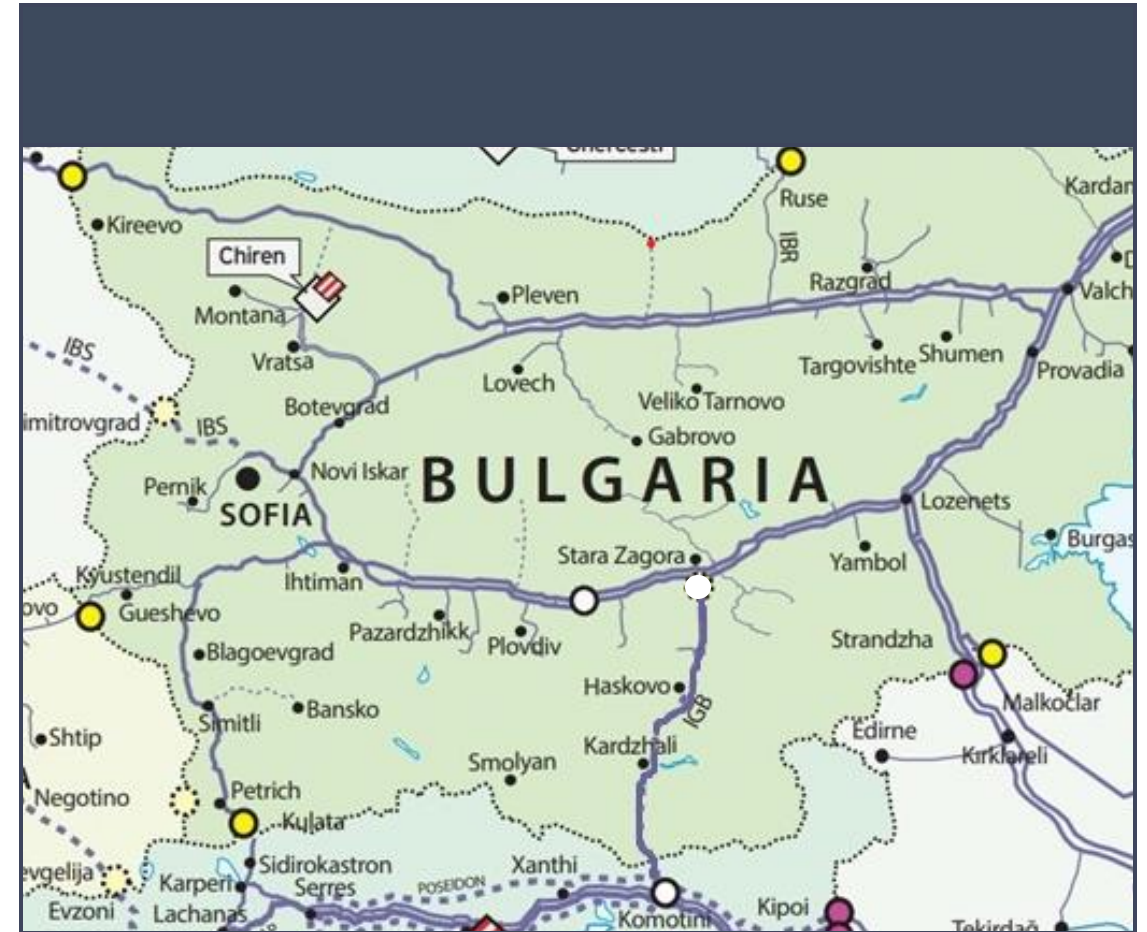
PIPELINE DIAMETER: 32 Inches

PIPELINE CAPACITY: 3 bcma, with the possibility to expand to 5 bcma

PHYSICAL DIRECTION: South to North, with the possibility to physically reverse the flow (subject to delivery and redelivery pressure levels)

METERING STATIONS:

- **GMS at Komotini** owned and operated by ICGB
- **GMS at Stara Zagora** owned and operated by ICGB



SUCCESSFUL START OF COMMERCIAL OPERATIONS

7:00 a.m. local time on 1 Oct 2022 marked the start of commercial operations for the gas interconnector Greece-Bulgaria.

In a ceremony held later that day in Sofia, Bulgaria, the President of the European Commission, a number of heads of State, and others welcomed the first delivery of natural gas through the IGB.

The landmark event was honored by the Prime Minister of Bulgaria Galab Donev, the President of the country Rumen Radev, the President of Azerbaijan Ilham Aliyev, the President of Serbia Aleksandar Vučić, the President of North Macedonia Stevo Pendarovski, the President of the European Commission Ursula von der Leyen, Prime Minister of Greece Kyriakos Mitsotakis and Prime Minister of Romania Nicolae Ciucă.



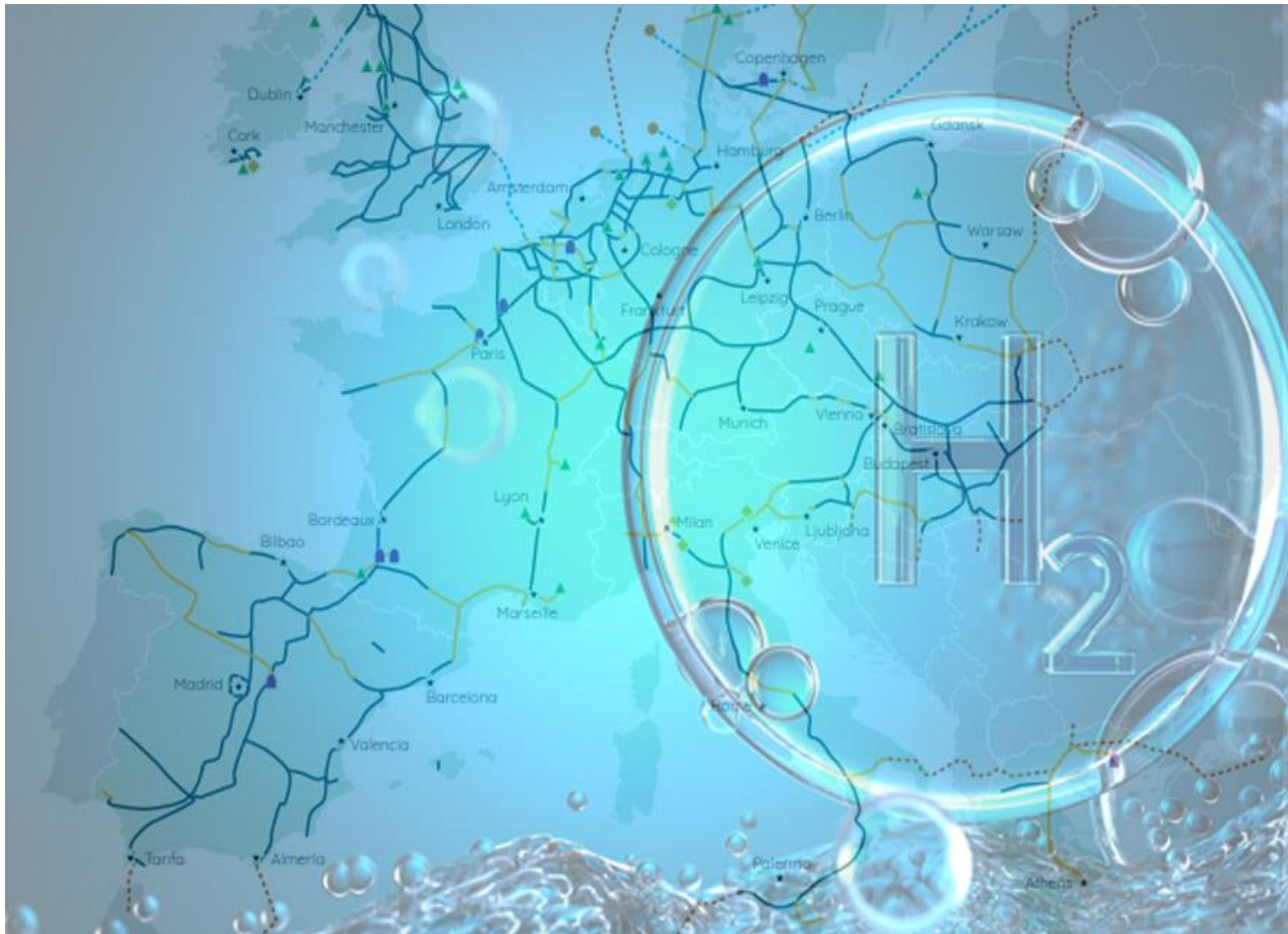
A KEY MILESTONE: THE ENTSOG MEMBERSHIP



- As an independent transmission operator, ICGB has now joined ENTSOG, the European Network of Transmission System Operators for Gas.
- ICGB's membership application was unanimously approved at ENTSOG's latest General Assembly. The organization's members are 43 transmission operators from member states of the European Union.



POTENTIAL FOR HYDROGEN TRANSPORT



- European gas transmission system operators are collaborating on a hydrogen initiative to create a hydrogen network across Europe, and the inclusion of IGB in this network can contribute to its success.
- The IGB pipeline is being assessed for its potential to transport hydrogen, which will enable the flow of low-carbon gases in the region.
- Initial estimates suggest that blends of up to 2% hydrogen are acceptable for the system, but further assessment is needed to determine the full potential of hydrogen blending.



COMMERCIALISATION OF CAPACITY

REGULAR AUCTIONS ON PRISMA and RBP platforms

➤ ICGB is currently offering its non-exempted capacity via auctions according to the CAM NC - Commission Regulation (EU) 2017/459 of 16 March 2017 in alignment with the ENTSOG Auction Calendar.

➤ The following products are made available to the Network Users:

- Firm Forward Capacity (Entry Capacity at Komotini and Exit Capacity at Stara Zagora)
- Interruptible Forward Capacity (Entry Capacity at Komotini and Exit Capacity at Stara Zagora)
- Interruptible Reverse Capacity (Entry Capacity at Stara Zagora and Exit Capacity at Komotini)

Capacity type	Current Available Capacity
Firm Forward Capacity	52 GWh/day
Interruptible Forward Capacity	Sold only if Firm Forward Capacity is sold out
Interruptible Reverse Capacity	96 GWh/day

➤ Capacity products are offered through **Yearly, Quarterly, Monthly, Day ahead auctions**

➤ **Entry Point in Greece**

- IP Komotini: ICGB - TAP
- Available capacity offered on PRISMA

➤ **Exit Point in Bulgaria**

- IP Stara Zagora: ICGB - Bulgartransgaz
- Available capacity offered on RBP



PROVIDING FULL TRANSPARENCY TO THE MARKET

ICGB consistently provides public information about the quantities of natural gas transported through the pipeline as part of its commitment to complete transparency.

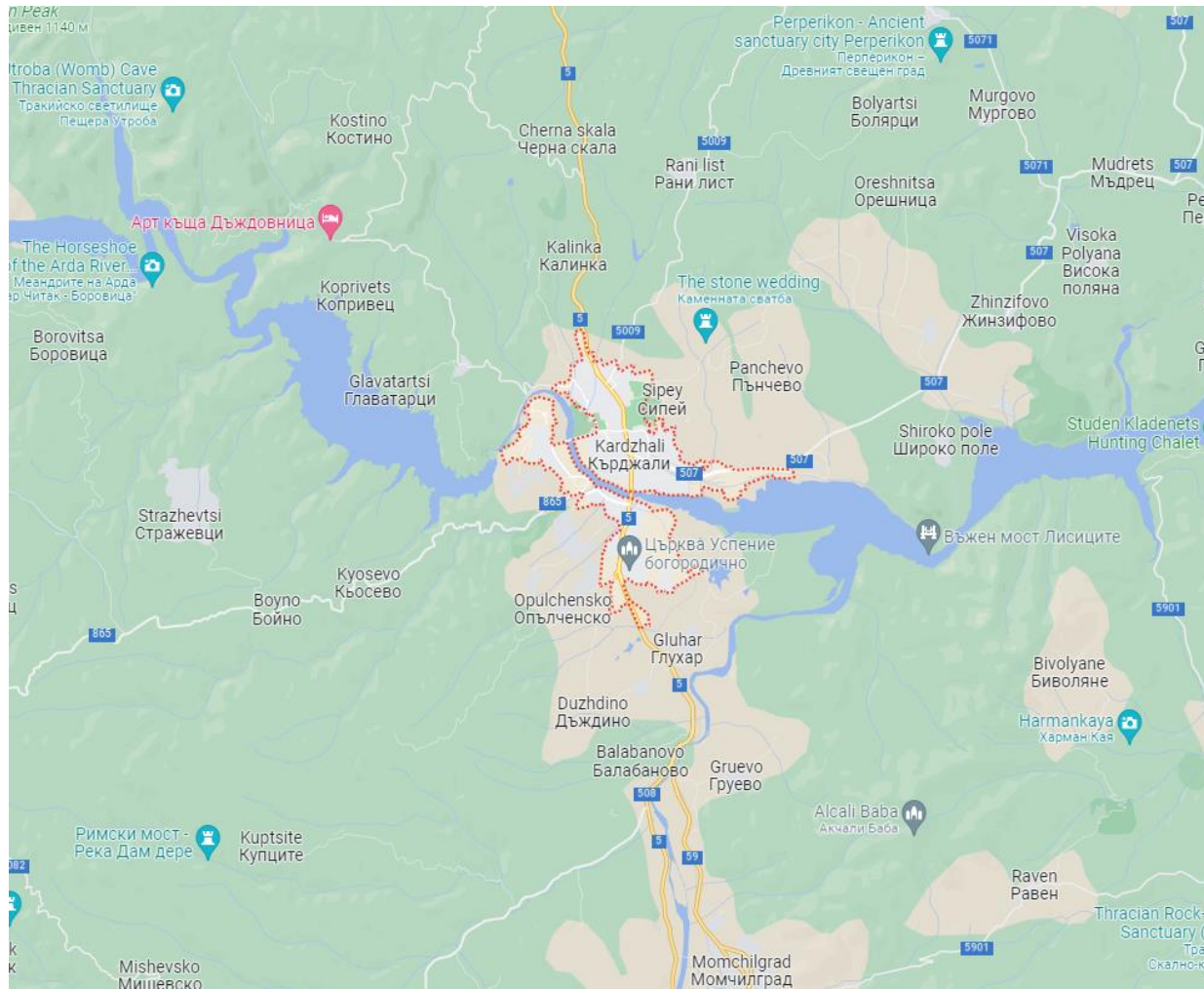
Regularly, the relevant information is published on:

- ENTSOG's transparency platform
- ICGB's corporate website

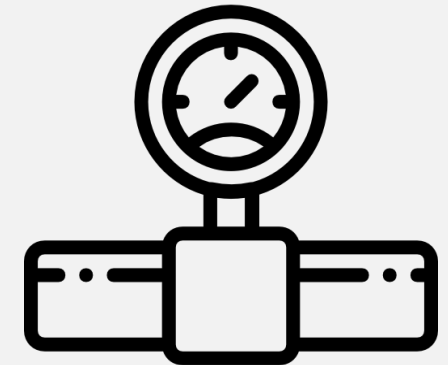
The screenshot displays the ICGB transparency platform interface. At the top, there is a navigation bar with icons for POINTS, ZONES, OPERATORS, CALENDAR, UMM, SUBSCRIBE, HELP, and LOGIN. Below this, the specific point 'Komotini - TAP / IGB' is selected. A secondary navigation bar includes buttons for Points, Transport data, CMP data, Tariff data, Point information, and Export wizard. The main content is a table with the following columns: Point, Operator, TSO Point Identifier, Direction, Period, Indicator, Value, Status, and Last date of value update. The table contains seven rows of data, all for the 'Komotini - TAP / IGB' point, operated by ICGB, with a TSO Point Identifier of 21Z000000000472E and an 'entry' direction. The data shows gas allocation values ranging from 28,670,675 kWh/d to 35,670,675 kWh/d over various periods in November 2022.

Point	Operator	TSO Point Identifier	Direction	Period	Indicator	Value	Status	Last date of value update
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	07/11/2022 06:00 - 08/11/2022 06:00	Allocation	35,670,675 kWh/d	●	08/11/2022 08:40
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	06/11/2022 06:00 - 07/11/2022 06:00	Allocation	35,670,675 kWh/d	●	07/11/2022 15:58
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	05/11/2022 06:00 - 06/11/2022 06:00	Allocation	28,670,675 kWh/d	●	06/11/2022 08:38
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	04/11/2022 06:00 - 05/11/2022 06:00	Allocation	35,670,675 kWh/d	●	05/11/2022 11:43
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	03/11/2022 06:00 - 04/11/2022 06:00	Allocation	28,670,675 kWh/d	●	04/11/2022 10:36
Komotini - TAP / IGB	ICGB	21Z000000000472E	entry	02/11/2022 06:00 - 03/11/2022 06:00	Allocation	28,670,675 kWh/d	●	03/11/2022 10:00

DIRECT CONNECTION TO DISTRIBUTION NETWORKS



- On 13 March 2023 ICGB successfully started the delivery of gas to the distribution network located in the area of Kardzhali in Bulgaria
- ICGB brings a cleaner energy source providing access to the commercial and domestic consumers of the region to another source of supply.
- The pipeline increases security of supply and reduce the dependency from more polluting fuels



STRATEGIC ROLE: ENSURING SECURITY OF SUPPLY AND DIVERSIFICATION FOR BULGARIA AND THE REGION

Currently through IGB, Network Users ensure the coverage of more than 1/3 of the domestic gas demand of Bulgaria

IGB significantly reduces the dependency from a single gas source allowing LNG and Azeri gas to reach Bulgaria, increasing the liquidity of the Bulgarian Gas Market

Since its first month of operation (October 2022), ICGB became the first import route for Bulgaria

ICGB adds a new reliable route for the gas supply to Bulgaria, providing key contribution to the security of supply and diversification of gas sources in the SEE Region

IGB enables use of gas as energy source and contributes to the reduction of CO2 emissions

IGB is designed to be expanded to 5 bcm/y further enhancing the security and diversification of supply routes

IGB could transport hydrogen blend and be repurposed for hydrogen transportation in the future, contributing to the green transition

SINCE START OF COMMERCIAL OPERATIONS ICGB TRANSPORTED FROM KOMOTINI TO STARA ZAGORA MORE THAN

892 million Nm3



Natural Gas Interconnector Greece-Bulgaria



IGB

GAS INTERCONNECTOR
GREECE - BULGARIA

A GAME-CHANGER ON THE ENERGY MAP

