



**Bulgarian
Energy
Holding**

DISCLAIMER

Certain statements in the following presentation regarding BEH's business operations may constitute "forward looking statements." Such forward-looking statements include, but are not limited to, those related to future earnings, growth and financial and operating performance. Forward-looking statements are not intended to be a guarantee of future results, but instead constitute BEH's current expectations based on reasonable assumptions. Forecasted financial information is based on certain material assumptions. These assumptions include, but are not limited to continued normal levels of operating performance and electricity consistent with historical levels, as well as achievements of planned productivity improvements and incremental growth from investments at investment levels and rates of return consistent with prior experience. Actual results could differ materially from those projected in our forward-looking statements due to risks, uncertainties and other factors. BEH undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

In preparation of this document we used certain publicly available data. While the sources we used are generally regarded as reliable we did not verify their content. BEH does not accept any responsibility for using any such information.

Company overview



BEH Group`s structure

BEH is the sole government agent in the energy sector and strictly implements the energy policy of the state



Strategic State Entity (100% Ownership)

- BEH subsidiaries are **critical** to Bulgaria's energy infrastructure
- Impairment would affect public functions and welfare



Strong operational linkage with the State

- BEH acts as the **Ministry of Energy's instrument for energy policy**
- BEH develops strategic projects like natural gas route diversification and electricity network expansion



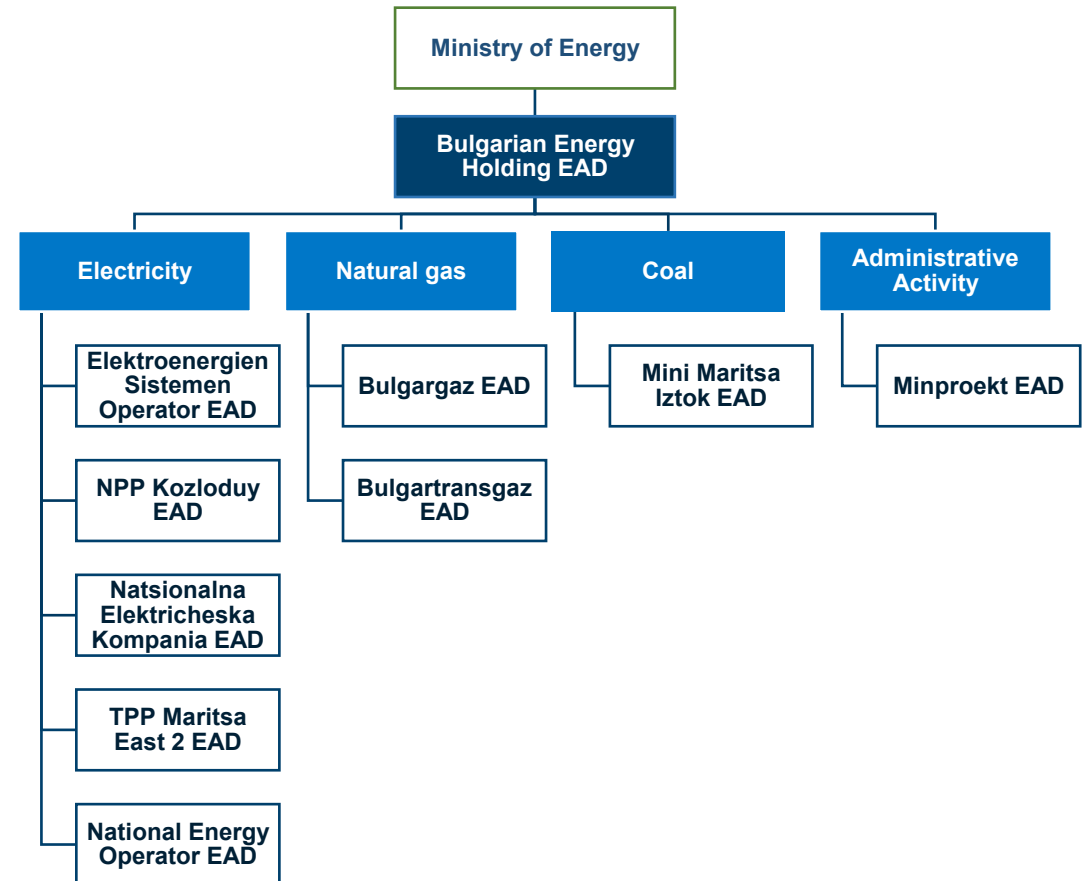
Privatization restrictions

- BEH is on the "**banned for privatization**" list



Access to state guarantees and state loans

- Government support to BEH ensures stability
- BEH can **access state financial support** through guarantees and loans with simplified procedures



Bulgarian Energy Holding at a glance

Overview

- Successor of a company founded in **1973**, BEH owns and operates critical **electricity** and **natural gas infrastructure** including:
 - Electricity generation, transmission and supply
 - Natural gas transit, transmission, supply and storage
 - Lignite coal excavation
- **100% owned** by the **Republic of Bulgaria**
- The largest state-owned Bulgarian holding company with **assets of BGN 30.1bn (EUR 15.4bn)** as of Dec'24
- Contributed c. **4.4%** of the **country's GDP** in 2024
- **19,066 employees** as of Dec'24

Electricity Generation

6,359 MW
Installed capacity

33 Power Plants
Nuclear (1), Thermal (1), Hydro (31)

Mining

35mm tons p.a.
Extraction capacity

c. 1.8bn tons
Total reserves

Electricity Transmission

16,152 km
High voltage transmission grid

32.8 TWh
Electricity transmitted in 2024

Gas Transmission

c. 27.9 TWh
Natural gas transported in Bulgaria

c. 174.9 TWh
Natural gas transited to neighboring countries

Electricity Public Supply

c. 15.1 TWh
Electricity sold in 2024

c. 88%
Sold on regulated market in 2024

Gas Public Supply

17.9 TWh
Natural gas sold in 2024

17.7 TWh
Imports in 2024

2024 key financials

Revenues:
BGN 8,841mm

€4,521mm

EBITDA:
BGN 1,389mm

€711mm

Net Profit:
BGN 246mm

€126mm

Total Liquidity:
BGN 3,700mm

€1,892mm

Credit ratings

Moody's Ba1 / Stable

Fitch BB+ / Stable

Existing issue ratings

Moody's Ba2

Fitch BB+

Business strategy overview

BEH Group`s long-term strategy aims to guarantee security of energy supply and sustainable development of the power sector

ELECTRICITY



- Ensure **secure electricity supply** with low or zero carbon emissions
- **Upgrade and digitize transmission networks**, expanding capacity
- **Balance generation** through facility investments
- **Construction of new** low carbon generation and storage capacities and **extending the life** of existing facilities
- Establish a **liberalised, sustainable, and transparent electricity market**

NATURAL GAS



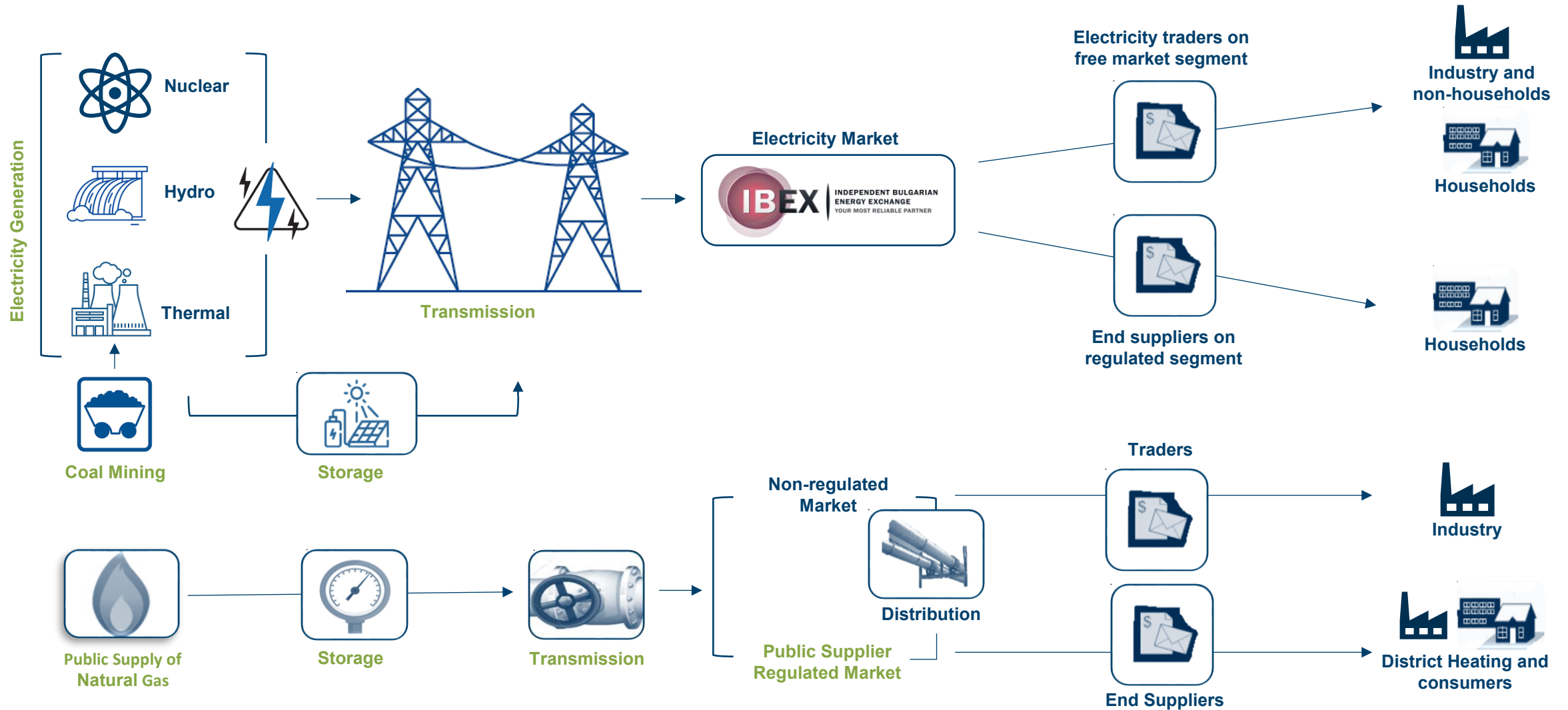
- Ensure **secure, reliable and uninterrupted supply of natural gas**
- **Modernize and expand transmission networks**
- **Expand storage facility and increase interconnection capacities.**
- **Diversify gas routes and supply sources**
- **Strengthen position as a strategic regional gas player**

MINING



- Ensure **secure lignite coal supply**
- Facilitate a **fair and smooth transition to a low-carbon energy sector**
- **Enhance open-pit mining efficiency**
- Conduct **reclamation in coal regions**, adhering to top ecological standards

Business activities of the Group (marked in green)



Credit Ratings

As a debt Issuer on international capital markets BEH`s and NEK`s credit rating are regularly reviewed

MOODY'S

BEH`s credit rating

Ba1 with a stable outlook
(last updated November 2024)

The rating affirmation reflects BEH's current financial flexibility and low leverage. BEH's rating is further supported by (1) the group's low-carbon power generation mix (around 75% of output from nuclear and hydropower plants); and (2) its ownership of strategic parts of the domestic energy infrastructure.

FitchRatings

BEH`s credit rating

BB+ with a stable outlook
(last updated March 2025)

Fitch expects BEH's business profile to gradually improve thanks to growing earnings from regulated networks and the rising profitability of its clean generation business, supported by the liberalization of the Bulgarian energy market. The revision of the outlook from positive to stable reflects the expected leverage increase and the large CAPEX plan for the construction of the new nuclear units.

S&P Global Ratings

NEK`s credit rating

BB with a stable outlook
(last updated August 2025)

S&P affirmed the NEK's rating at BB and revised the outlook from positive to stable due to BEH's higher leverage. According to S&P the postponement of the retail electricity market's liberalization to an indefinite date and the lowering of the price caps applied to generators' earnings raises uncertainties about the future revenue and EBITDA of BEH. S&P considered NEK as a highly strategic subsidiary of BEH, given NEK's very important role as a hydropower producer.

Sovereign credit rating of Bulgaria



Baa1 with a stable outlook
(last updated January 2025)



BBB+ with a stable outlook
(last updated July 2025)



BBB+ with a stable outlook
(last updated July 2025)

Strategic Importance and ESG Considerations



Strategic importance of BEH Group

BEH Group owns and operates energy infrastructure that is strategic for the national security:



- **Backbone of Bulgaria's power sector infrastructure** with **6.4 GW** installed electricity generation capacity (circa **40%** of total production capacity in the country)



- **Public Supplier** of natural gas



- **Owner and operator** of electricity and gas transmission assets (natural monopolies)



- Executor of **strategic state-supported projects** given Bulgaria's geographic location as a strategic hub on the energy map of Europe



- BEH generation facilities are the **main providers of balancing and ancillary services**, thus guaranteeing security and integrity of the electricity system in the country

The State Budget Act for 2025 envisages **state support** to BEH Group in the form of state guarantees and capital increase:

EUR 1.5bn	EUR 1.4bn	EUR 320mm
to NPPK: state guarantee for the construction of new nuclear units in Kozloduy	capital increase of BEH for financing of key projects in the Energy sector	to BTG: state guarantee for Vertical Gas Corridor project
EUR 208mm	EUR 79mm	EUR 38mm
to BTG: state guarantee for expanding the capacity of UGS Chiren	to NEK: state guarantee for rehabilitation of Chaira PSHPP	to NEK: state guarantee for Yadenitsa dam project

Historically, the State provided equity injections to BEH, **government loans and state guarantees** to support strategic projects in the energy sector. Recent examples include:

EUR 110mm	EUR 601mm	EUR 409mm
state guarantee provided in 2019 to BEH for the construction of IGB project	state loan provided to NEK with regard to the arbitration case with Atomstroyexport for the termination of the construction of NPP Belene (fully repaid in 2022)	state loan provided in 2022 to Bulgargaz for the purchase of quantities of natural gas and for the provision of working capital

Leading market positioning

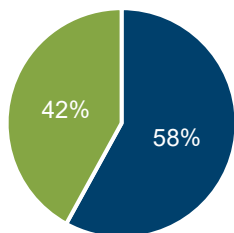
BEH holds a leading position in all of its respective markets. Steady and reliable revenue generation due to large portion of activities under regulated/long-term contracted prices

BEH

Other

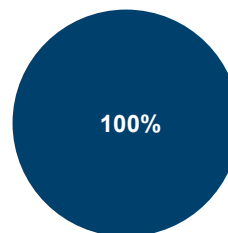
Top position in electricity generation

% of country's gross generation



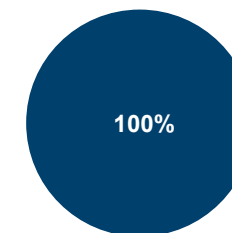
Regulated monopoly in electricity transmission

% of country's electricity transmission



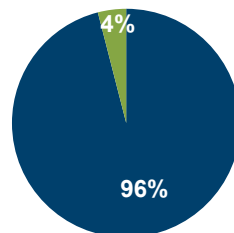
Sole Public Supplier of electricity (until 30.06.2025)

% of country's public supply



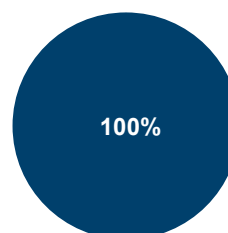
Leading position in coal fuel supply

% of country's coal used in generation



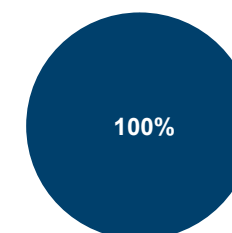
Regulated monopoly in gas transmission

% of country's gas transmission



Sole Public Supplier of natural gas

% of country's public supply



Environmental, social and governance (ESG)

Corporate social responsibility focused on transparent corporate governance, sustainable development and guaranteed quality and safety of employees

EMPLOYEES



- BEH values employees as its **most valuable asset**
- **~19,000 employees**
- **4,200+ trainings, qualifications and seminars** conducted
- Ensures **job security, fair pay, and good relationships**
- **No discrimination** tolerated

MANAGEMENT



- BEH is **state-owned** via the Minister of Energy
- Owns **100% of subsidiaries**
- **1,277 managers**; c. **20% women**

BOARD OF DIRECTORS



- Non-ITO: **One-tier board with 5 members**; of which **2 independent**
- ITO (Bulgartransgaz, ESO): **two-tier board; 5 Supervisory, 3 Management**
- **Internal control** for corruption /conflict of interest

POLICY AND INITIATIVES



- **Health and safety** are priorities
- Regulations **monitored and complied**
- **Annual risk assessment**
- **Policies:** Sanctions, Anti-bribery, Code of Ethics, Anti-Money Laundering, Conduct and remuneration rules
- **BEH's Decarbonization Plan:** EIB's April 2025 agreement with BEH
 - ✓ Align with Paris Agreement standards
 - ✓ Prepare for EU sustainability reporting
 - ✓ Boost financing opportunities

ESG Rating

As a socially responsible company BEH Group takes into consideration environmental, social, and governance (ESG) aspects of its business activities

ESG Risk Rating

35.3

Last Full Update Nov 29, 2024

+2.3

Momentum

High Risk



BEH Group's ESG commitments

Environmental

- Sustainable development
- Environmental protection
- Constant monitoring of ecological impact of its business activities
- Strict compliance with European and national environmental legislation

Social

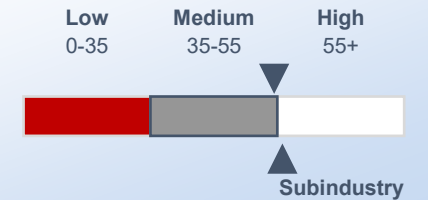
- Improvement of local communities' wellbeing and support social prosperity
- Constant improvement of labor skills through education and training
- Compliance with non-discrimination policies and ethical codes in place

Governance

- Transparent corporate governance
- Strict compliance with anti-bribery and corruption policies implemented
- Whistleblower programs and policies in place

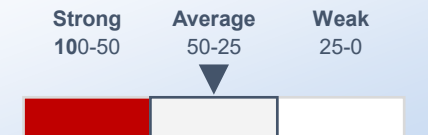
ESG Risk Exposure

53.8 **-0.8**
Medium Momentum
 Beta=0.93



ESG Risk Management

36.8 **-5.4**
Average Momentum



Electricity Segment Overview

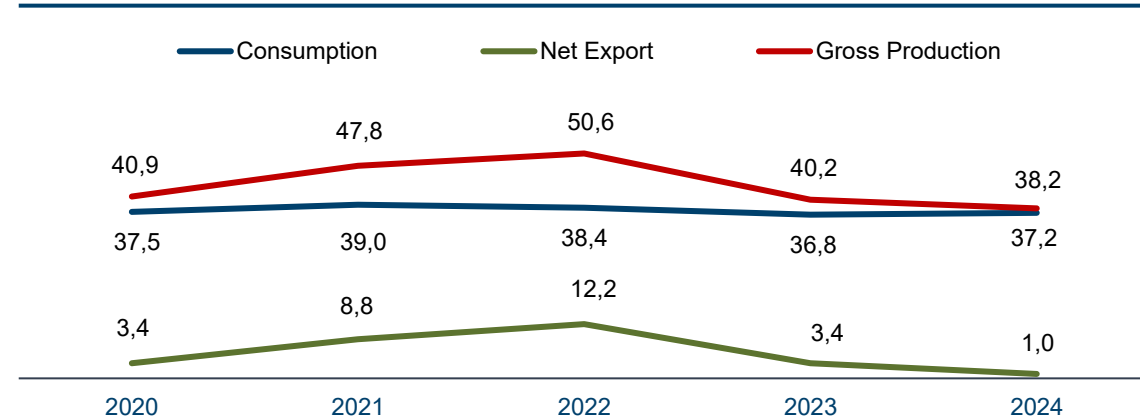


Electricity prices, production and demand

In 2024, lower electricity export, increased RES generation and volatile prices

- 1 Production Decline:**
 - Gross electricity production **down 5% YoY**
 - Driven by **lower export** and structural factors
- 2 TPPs Activity:**
 - High-cost generators (incl. CO₂ allowances) **reduced activity**
 - TPPs production 19% lower YoY
- 3 RES Growth:**
 - RES production from wind, solar and biomass **up 32% YoY**
 - RES constitutes one-fourth of total generation

Country's overall production & consumption of electricity (TWh)



Electricity prices commentary

- **IBEX avg DAM price 2024:** EUR 102.4/MWh (-1.6% YoY)
- **Main electricity price developments and drivers:**
 - ✓ Market interventions at EU level
 - ✓ Mild winter season in the beginning of 2024
 - ✓ Significantly higher prices in H2'24 due to extreme temperatures in the summer and supply shortage in the region caused by increased demand by Ukraine
 - ✓ Fast RES-project deployment
 - ✓ Overall higher prices in SEE compared to other European parts due to fragmented infrastructure and regulatory inconsistencies

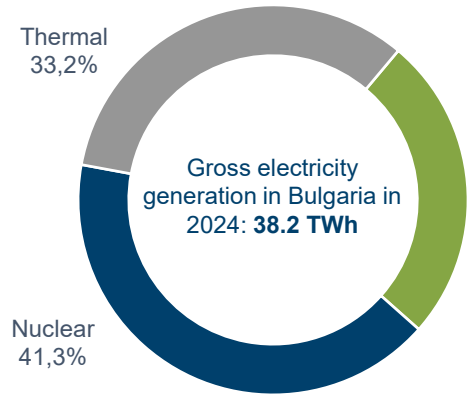
IBEX avg DAM electricity prices (EUR/MWh)



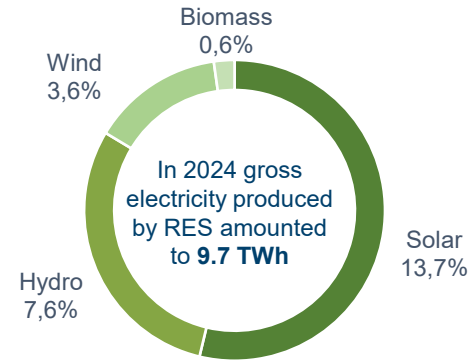
Electricity sector overview

BEH is the leader in total installed capacity (c. 40%) as well as electricity generation (c. 58%) in Bulgaria. Major base load electricity generator through its nuclear and thermal power production

Electricity generation mix



In 2024 TPP Maritsa East 2 (BEH subsidiary) generated 4.5 TWh of gross electricity which accounted for more than 1/3 of total thermal output in the country

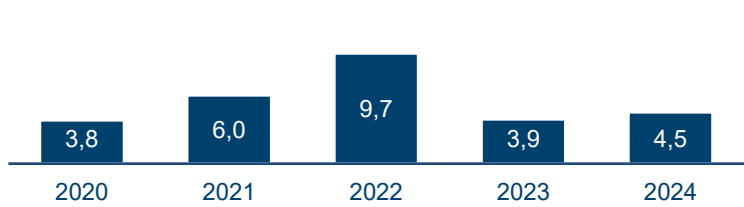


In 2024 electricity generation by solar power plants doubled YoY and amounted to 5.2 TWh

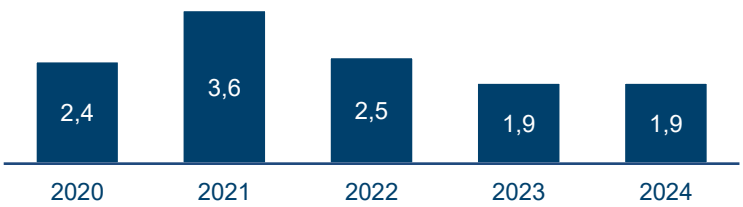
NPP Kozloduy (BEH subsidiary) is the only nuclear power plant in the country and generated 15.8 TWh of gross electricity in 2024

In 2024 HPPs of NEK (BEH subsidiary) generated 1.9 TWh of gross electricity

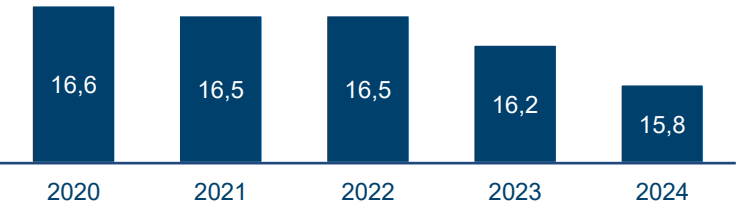
TPP Maritsa East 2 power generation, 2020-2024 (TWh)



NEK power generation, 2020-2024 (TWh)

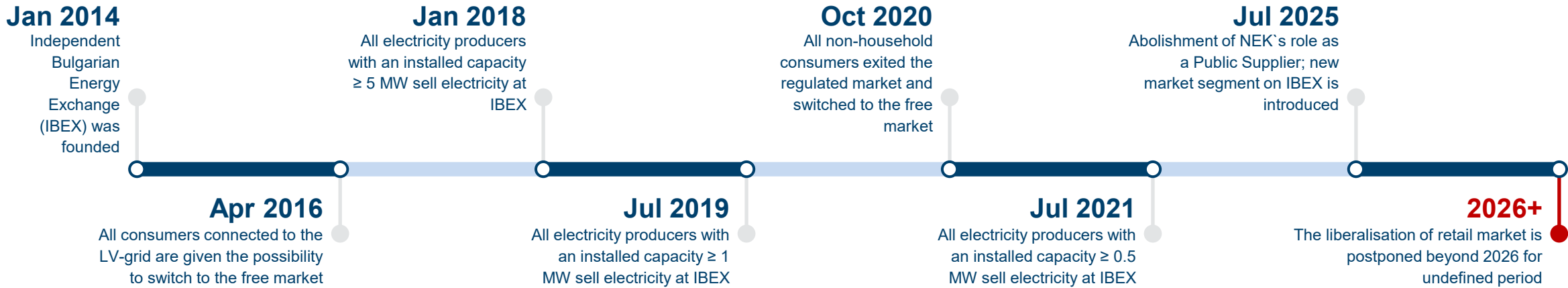


NPP Kozloduy power generation, 2020-2024 (TWh)







Liberalisation process of electricity market in the country

...series of steps are completed



Electricity Market Liberalisation Transition	<ul style="list-style-type: none"> ➤ The country is implementing the Electricity Directive (2019/944/EC) to liberalise the electricity market ➤ Focus is on protecting energy-poor and energy-vulnerable customers during the transition 	Balancing Group Coordination by NEK	<ul style="list-style-type: none"> ➤ NEK acts as a balancing group coordinator under the new market-based mechanism ➤ The Group consists of NEK, NPP Kozloduy and TPP Marista East 2
Wholesale and Retail Market	<ul style="list-style-type: none"> ➤ Wholesale electricity market is fully liberalised from 1 July 2025 ➤ Retail electricity market for household consumers continues to be regulated. No deadline date is set for its liberalisation 	Electricity Provision by BEH Subsidiaries	<ul style="list-style-type: none"> ➤ Generators within BEH Group ensure volumes for household consumption (in period July 2025-June 2026 100% of retail market needs – 13.6 TWh are covered by BEH) ➤ End suppliers have the opportunity to buy electricity on new mechanism
NEK's Role and New Market Mechanism	<ul style="list-style-type: none"> ➤ NEK's role as a Public Supplier is abolished ➤ A new segment on the Independent Bulgarian Energy Exchange (IBEX) is being created for household consumption, namely Bilateral Contracts – Auctions End Suppliers 	Price Regulation and Compensation	<ul style="list-style-type: none"> ➤ The Security of Electricity System Fund compensate End suppliers for the price difference between market and regulated prices ➤ The EWRC regulates prices (determines the base price of electricity for 1 MW and component of the final supplier's price)

Electricity segment overview

	NPP KOZLODUY	TPP MARITSA EAST 2	NEK	ESO
				
Core business	<ul style="list-style-type: none"> ➤ Electricity generation (nuclear) ➤ Electricity trade 	<ul style="list-style-type: none"> ➤ Electricity generation (thermal) ➤ Electricity trade 	<ul style="list-style-type: none"> ➤ Electricity generation (hydro) ➤ Public Supplier (until 30.06.2025) ➤ Supplier of last resort ➤ Electricity trade 	<ul style="list-style-type: none"> ➤ Electricity transmission (ITO)
Generation / Transmission licenses	<ul style="list-style-type: none"> ➤ License for generation until 2030 ➤ Unlimited exploitation licenses for both units 	<ul style="list-style-type: none"> ➤ Generation license expires in 2041 	<ul style="list-style-type: none"> ➤ Generation license expires in 2036 ➤ License for public supply expires 2039 	<ul style="list-style-type: none"> ➤ Electricity transmission license expires in 2048
Generation capacity	<ul style="list-style-type: none"> ➤ 2,000 MW 	<ul style="list-style-type: none"> ➤ 1,620 MW 	<ul style="list-style-type: none"> ➤ 2,739 MW 	<ul style="list-style-type: none"> ➤ 16,152 km
Key suppliers	<ul style="list-style-type: none"> ➤ Westinghouse, Tvel OAO 	<ul style="list-style-type: none"> ➤ MMI 	<ul style="list-style-type: none"> ➤ Electricity producers 	<ul style="list-style-type: none"> ➤ N/A
Market type¹	<ul style="list-style-type: none"> ➤ Regulated: 16% ➤ Unregulated: 84% 	<ul style="list-style-type: none"> ➤ Regulated: 82% ➤ Unregulated: 18% 	<ul style="list-style-type: none"> ➤ Regulated: 90% ➤ Unregulated: 10% 	<ul style="list-style-type: none"> ➤ Regulated: 87% ➤ Unregulated: 13%
Key customers	<ul style="list-style-type: none"> ➤ NEK ➤ Industrial companies and traders ➤ IBEX 	<ul style="list-style-type: none"> ➤ NEK ➤ Industrial companies and traders ➤ IBEX 	<ul style="list-style-type: none"> ➤ End suppliers ➤ End consumers (as supplier of last resort) ➤ IBEX 	<ul style="list-style-type: none"> ➤ Electricity distribution companies and electricity generators
Regulation	<ul style="list-style-type: none"> ➤ Energy and Water Regulatory Commission (EWRC) under governance by Bulgarian parliament ➤ License generation, transmission, distribution and trading 			

Performance of NPP Kozloduy

Stable financial performance in 2024, supported by the highest standards of safety, and efficient, competitive electricity production

Market Conditions

- Higher average **regulated** selling prices (+4% YoY), and lower average **market** selling prices (-14% YoY)
- Imposed price cap (as electricity generator)

Sales Overview

- **Regulated market:** 5,196 GWh (35% of total sales)
- **Free market:** 9,836 GWh (65% of total sales)

Production Share

- In 2024, NPP Kozloduy generated 15,777 GWh of gross electricity, accounting for approximately 41% of the country's total gross electricity production, making it the **largest electricity producer in Bulgaria**

Revenue

- In 2024 company's revenues from sales **amounted to BGN 2,047 mm** (-19% YoY):
 - Sales on **regulated** market: BGN 339 m (+32% YoY)
 - Sales on **free** market: BGN 1,708 m (-25% YoY)

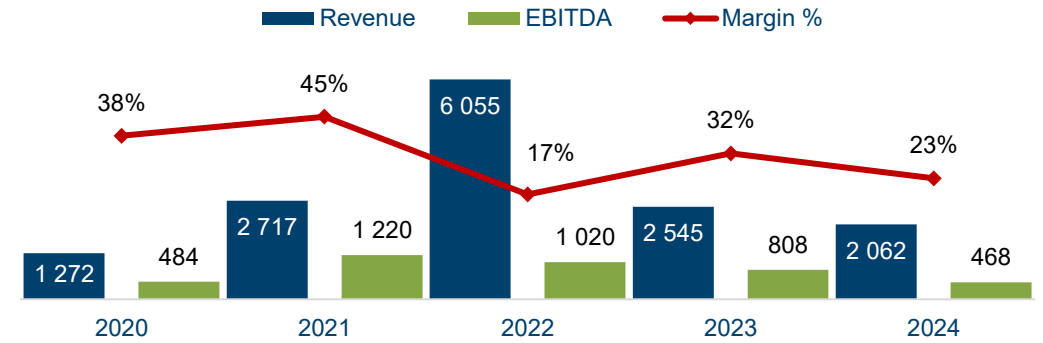
Financial Impact

- Lower average selling prices, lower price cap imposed and slightly lower electricity production were the main reason for YoY-decline in company's topline and EBITDA

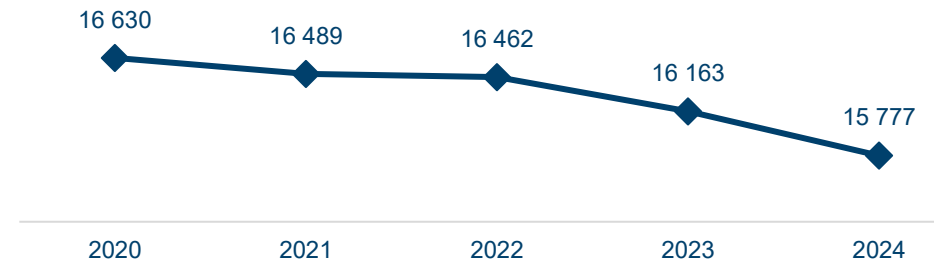
Compensation Mechanism

- NPP's **target contributions to SESF** amounted to BGN 389 mm (-33% YoY)

NPP's topline and EBITDA (BGN mm)








Gross electricity production (GWh)

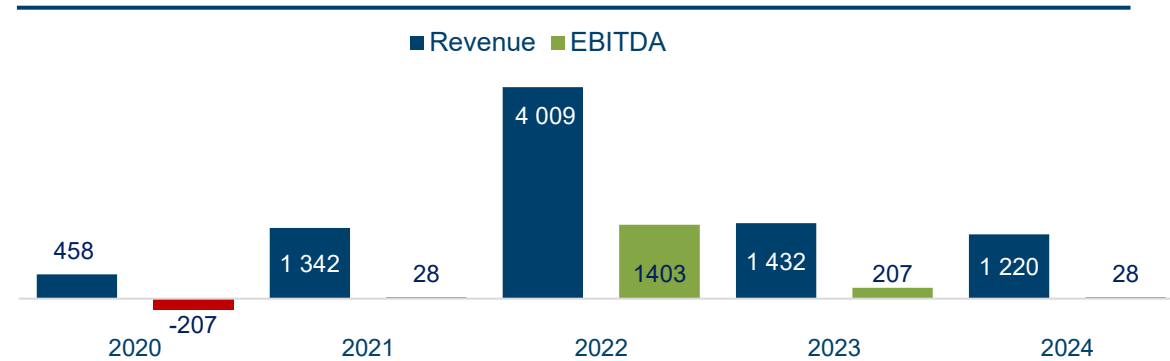


NPP Kozloduy is the sole operator of a nuclear installation in Bulgaria

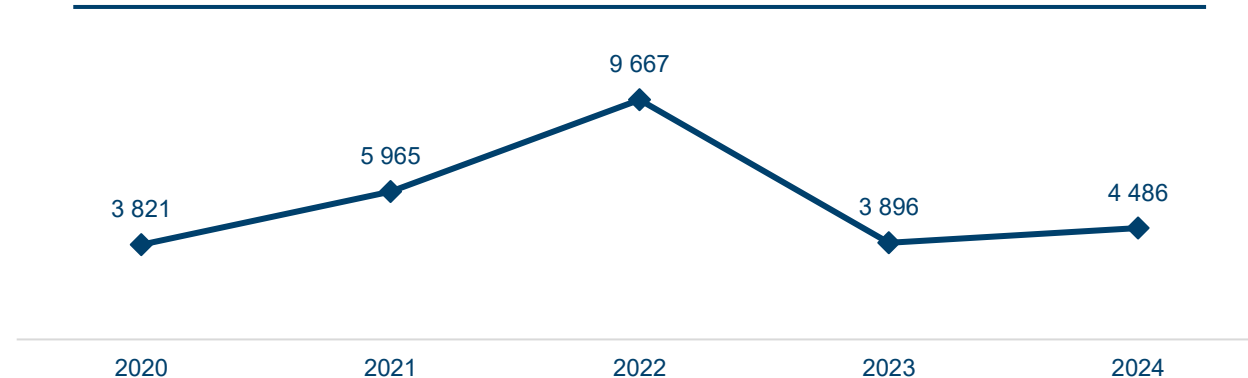
High competition between electricity generators and regulatory interventions affected TPP ME 2's activity

 <p>Market Conditions</p>	<ul style="list-style-type: none"> ➤ Lower average regulated selling prices (-8% YoY), and lower average market selling prices (-28% YoY) ➤ Imposed price cap (as electricity generator)
 <p>Sales Overview</p>	<ul style="list-style-type: none"> ➤ Regulated market: 3,233 GWh (86% of total sales) ➤ Free market: 605 GWh (14% of total sales)
 <p>Production Share</p>	<ul style="list-style-type: none"> ➤ TPP ME 2's gross generation: 4,486 GWh, equal to circa 12% of Bulgaria's total electricity generation
 <p>Quantities of electricity sold</p>	<ul style="list-style-type: none"> ➤ Volumes of electricity sold increased by 20% YoY, mainly as a result of higher domestic demand in the heating season and energy shortages in the region caused by the war in Ukraine
 <p>Financial Impact</p>	<ul style="list-style-type: none"> ➤ Total revenues decreased YoY by BGN 211 m mainly as a result of lower average selling prices (both, regulated and market prices) ➤ Reported positive EBITDA of BGN 28 m
 <p>Compensation Mechanism</p>	<ul style="list-style-type: none"> ➤ TPP's target contributions to SESF amounted to BGN 24 m (-66% YoY)

TPP ME 2's topline and EBITDA (BGN mm)









Gross electricity production (GWh)

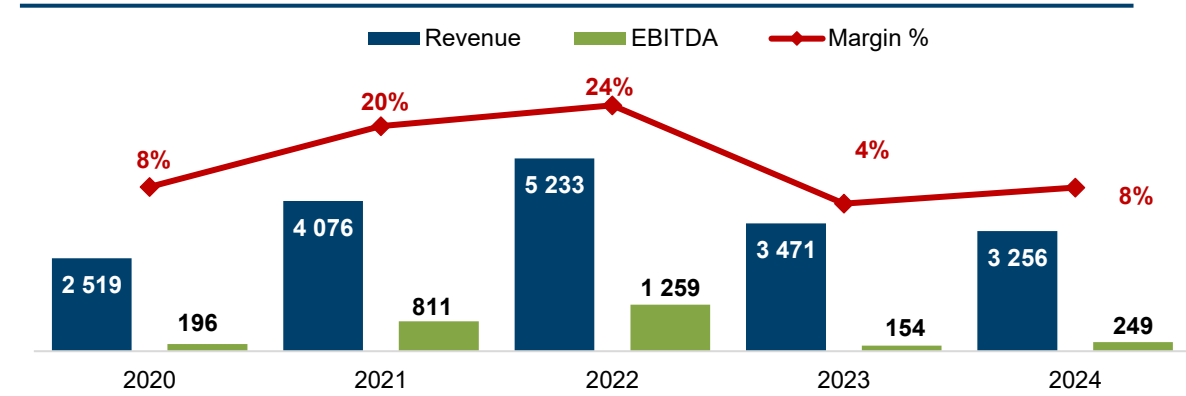


TPP ME 2 is the largest thermal power plant in Bulgaria and in the region

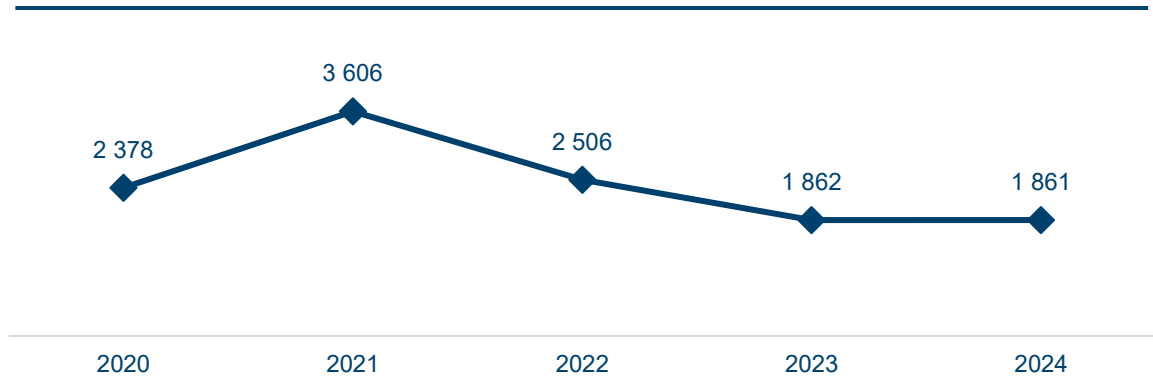
NEK financial performance is highly dependent on Regulator`s decisions and household electricity demand

 Market Conditions	<ul style="list-style-type: none"> ➤ Higher average regulated selling prices (+25% YoY), and lower average market selling prices (-7% YoY) ➤ Imposed price cap (as electricity generator and public supplier)
 Sales Overview	<ul style="list-style-type: none"> ➤ Regulated market: 13,241 GWh (88% of total sales) ➤ Free market: 1,855 GWh (12% of total sales)
 Production Share	<ul style="list-style-type: none"> ➤ NEK`s own generation: 1,861 GWh (5% of county's power generation), typical for a very dry year
 Quantities of electricity sold	<ul style="list-style-type: none"> ➤ In 2024, NEK`s total electricity sales — including own generation and sales as a Public Supplier — amounted to 15,096 GWh (+6% YoY)
 Financial Impact	<ul style="list-style-type: none"> ➤ Total revenues decreased YoY by BGN 215 m due to lower revenues from the SEFS, which were partially offset by the growth in revenues from electricity sold ➤ EBITDA increased with BGN 94 m impacted by growing revenues from electricity and improved structure of the purchased electricity
 Compensation from SESF	<ul style="list-style-type: none"> ➤ Revenue from SESF (related to NEK`s obligation to purchase electricity from quota producers): BGN 1,119 m (-33% YoY)

NEK`s topline and EBITDA (BGN mm)



Gross electricity production (GWh)



NEK with its HPPs and PSHPs is the largest renewable energy producer in Bulgaria

Improved financial performance due to a new higher tariffs set by ERWC and lower costs related to electricity price

ESO Overview:



- Sole electricity Transmission System Operator in Bulgaria
- Activities: electricity transmission

2024 Financial Highlights:



EBITDA BGN 410 mm (+6.6% YoY)	Net Profit BGN 265 mm (+5.9% YoY)
---	---

2024 Performance:



- Electricity transmitted: 32,791 GWh (+2% YoY)
- Electricity from producers, excluding wind and solar energy products – 28,226 GWh (-10% YoY)
- Electricity from wind and solar energy products – 6,522 GWh (+34% YoY)

Revenue Growth Drivers:



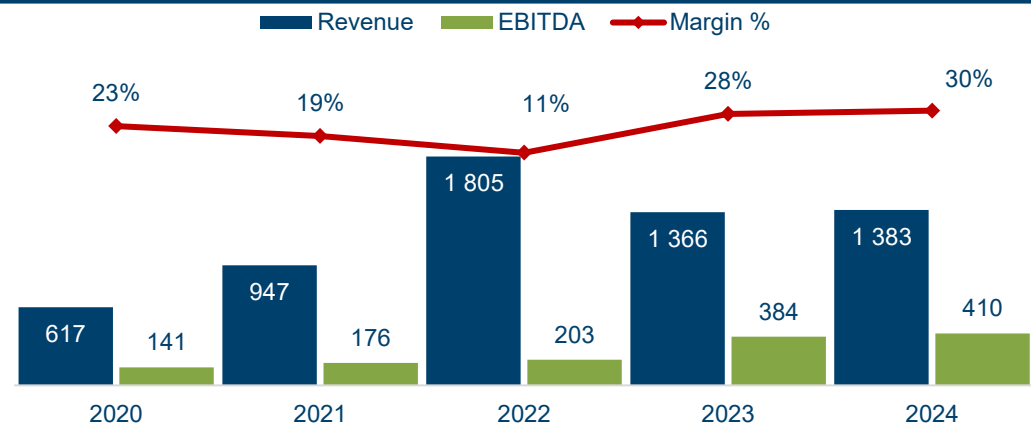
- Higher tariffs set by ERWC for regulatory period July 2024 – June 2025, compared to regulatory period July 2023 – June 2024
- Higher income from the activities access to the transmission network (+33% YoY)
- Lower technological costs

Strategic Projects:

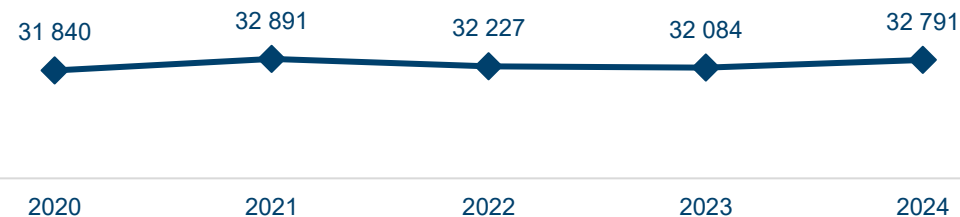


- Digital transformation of ESO's grid
- Project Carmen
- Project Greenabler

ESO's topline and EBITDA (BGN mm)



Electricity Transmitted (GWh)



Natural Gas Segment Overview



Natural gas and mining segment overview

	BULGARGAZ	BULGARTRANGAZ	Maritsa East Mines
			
Core business	<ul style="list-style-type: none"> ➤ Public Supplier of natural gas 	<ul style="list-style-type: none"> ➤ Natural gas transmission system operator ➤ Owner and operator of Natural gas storage facility (Chiren UGS) 	<ul style="list-style-type: none"> ➤ Open pit lignite coal mining
Licences	<ul style="list-style-type: none"> ➤ Public Supplier licence expires 2041 	<ul style="list-style-type: none"> ➤ Natural gas transmission and storage licenses both expire in 2041 	<ul style="list-style-type: none"> ➤ Concession expires 2043
Volumes (2024)	<ul style="list-style-type: none"> ➤ Purchases: 17,659 GWh ➤ Sales: 17,861 GWh 	<ul style="list-style-type: none"> ➤ Transmission: 27,851 GWh ➤ Transit: 174,925 GWh 	<ul style="list-style-type: none"> ➤ ~1.8bn tonnes reserves
Key suppliers (2024)	<ul style="list-style-type: none"> ➤ Azerbaijan/LNG suppliers 	<ul style="list-style-type: none"> ➤ N/A 	<ul style="list-style-type: none"> ➤ N/A
Market type	<ul style="list-style-type: none"> ➤ Purchases – unregulated ➤ Sales – regulated and unregulated 	<ul style="list-style-type: none"> ➤ Transmission – regulated ➤ Transit – regulated tariffs, entry/exit point 	<ul style="list-style-type: none"> ➤ Long-term contracts with administratively set price at 87.35 BGN/tonnes
Key customers	<ul style="list-style-type: none"> ➤ Natural gas distribution companies; Entities possessing license for production and transmission of thermal energy (district heating companies); Other industrial consumers 	<ul style="list-style-type: none"> ➤ Transmission – domestic gas consumers connected to the transmission system ➤ Transit – predominantly Gazprom 	<ul style="list-style-type: none"> ➤ TPP Maritsa East 2 ➤ TPP AES Galabovo ➤ TPP Brikel ➤ TPP Maritsa 3
Key contract terms	<ul style="list-style-type: none"> ➤ Azerbaijan gas supply company – equal daily deliveries and ‘take or pay’ clause 	<ul style="list-style-type: none"> ➤ Ship-or-pay (90/10) until 2039 	<ul style="list-style-type: none"> ➤ N/A
Regulation	<ul style="list-style-type: none"> ➤ Energy and Water Regulatory Commission (EWRC) under governance by Bulgarian parliament 	<ul style="list-style-type: none"> ➤ Energy and Water Regulatory Commission (EWRC) under governance by Bulgarian parliament ➤ License transmission, storage, trading 	<ul style="list-style-type: none"> ➤ N/A

Performance of TSO Bulgartransgaz

Developing and commissioning of strategic investment projects boosted company`s performance



BTG Overview:

- Sole natural gas Transmission System Operator in Bulgaria
- Activities: transmission, transit, storage



2024 Financial Highlights:

EBITDA BGN 668mm (+12% YoY)	Net Profit BGN 307mm (+46% YoY)
---------------------------------------	---



2024 Performance:

- Natural gas transmitted within BG: 27,851 GWh (+6% YoY)
- Transited volumes changes YoY: Serbia +19,567 GWh (+22%), Greece +13,884 (+59%), Romania -4,294 GWh (-15%)



Revenue Growth Drivers:

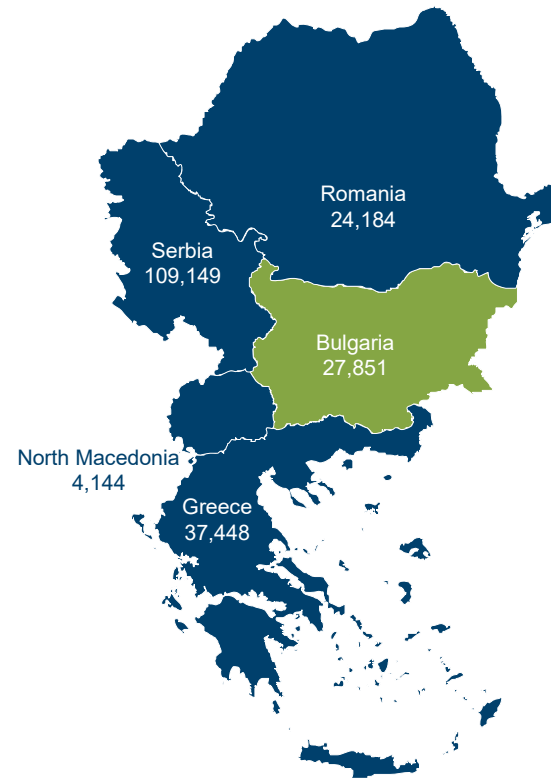
- Driven by licensing activities and interconnection projects with Greece and Serbia
- Infrastructure expansion at Bulgarian-Turkish and Bulgarian-Serbian borders



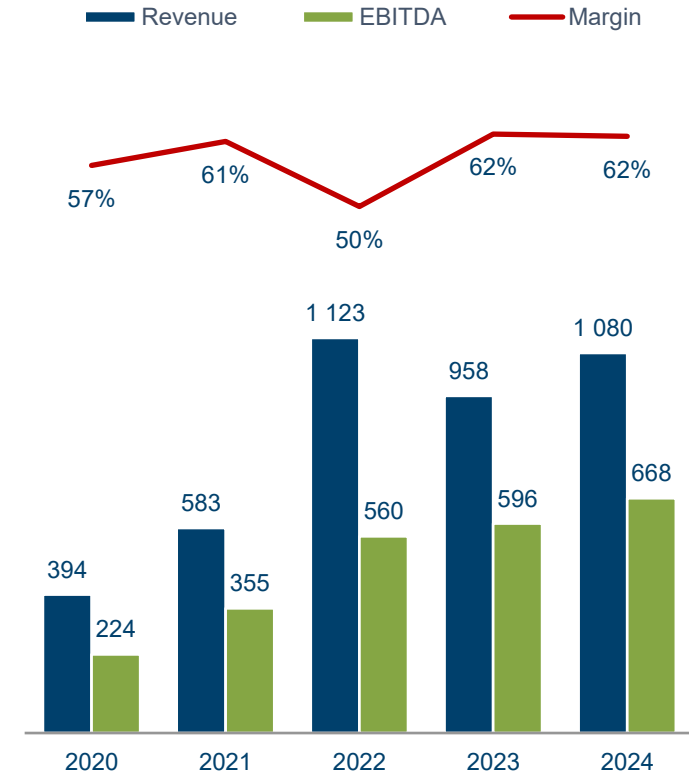
Strategic Projects:

- **Balkan Stream:** Operational since Jan'21
- **Interconnector Bulgaria-Serbia (IBS):** Operational since Dec'23
- **LNG terminal in Alexandroupolis, Greece:** Operational since Oct'24 (BTG owns 20%)

Transported volumes of natural gas by BTG, 2024




BTG's topline and EBITDA (BGN mm)

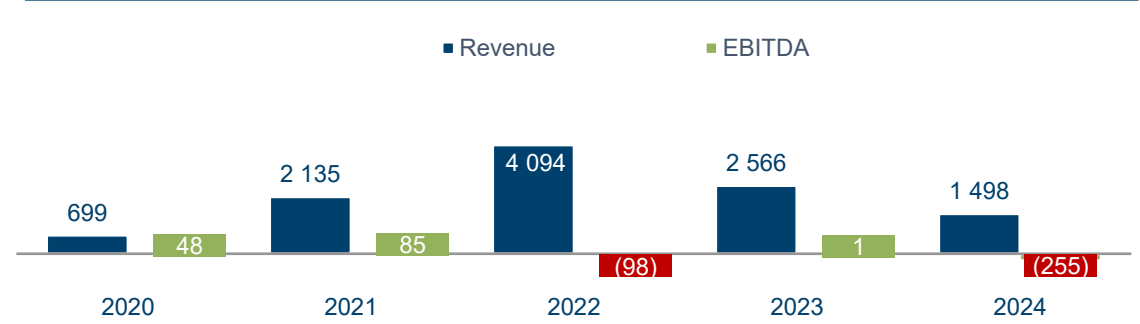


Performance of Bulgargaz

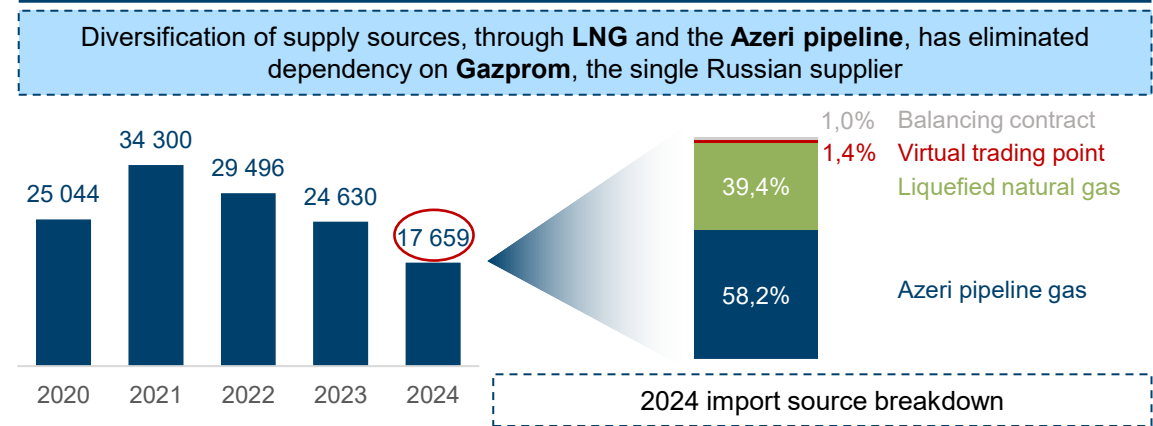
Unfavourable market and regulatory conditions affected company's performance

 <p>Market Conditions</p>	<ul style="list-style-type: none"> ➤ Unfavorable market and regulatory conditions impacted performance
 <p>Sales Overview</p>	<ul style="list-style-type: none"> ➤ Public Supplier: Sells at regulated prices to end suppliers and to entities which have an issued license for production and transmission of heat energy ➤ Freely negotiated prices: 4,948 GWh (28% of total realised volumes)
 <p>Consumption & Market Share</p>	<ul style="list-style-type: none"> ➤ Average annual domestic consumption : ~30,000 GWh ➤ Bulgargaz's market share: 64% in FY'2024
 <p>Purchasing Details</p>	<ul style="list-style-type: none"> ➤ Pipeline gas: 10,274 GWh (-2% YoY) ➤ LNG: 6,961 GWh (+77% YoY) from Greece and Turkey ➤ Purchased via Virtual Trading Point: 243 GWh (-98% YoY)
 <p>Volume & Financial Impact</p>	<ul style="list-style-type: none"> ➤ Volumes sold: 27% lower YoY ➤ Regulatory framework and reduced demand affected financial results
 <p>Compensation Mechanism</p>	<ul style="list-style-type: none"> ➤ SESF contract: Compensation of BGN 157mm for storage facilities program

BGAZ's topline and EBITDA (BGN mm)



Natural gas sold by BGAZ (GWh)








Bulgargaz remains a Public Supplier, with the country under European derogation due to low household natural gas usage

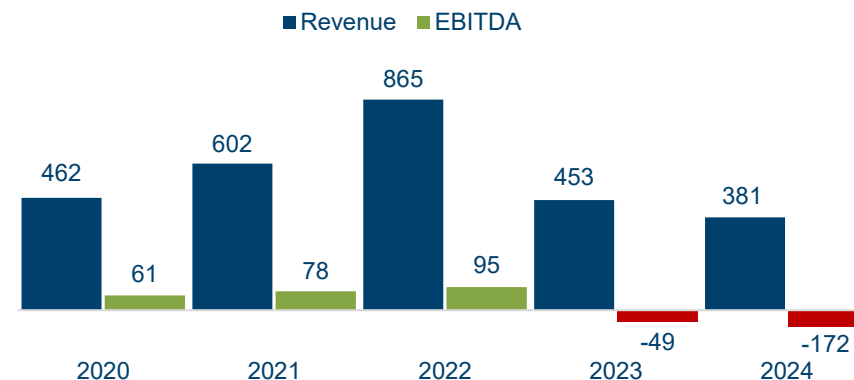
Mining Segment Overview



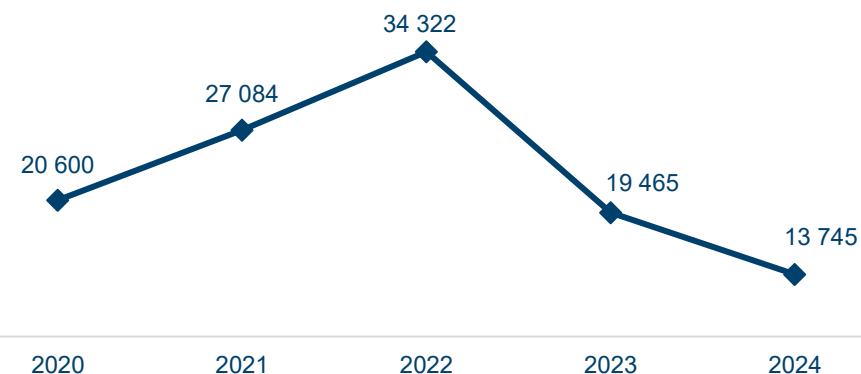
Limited coal demand hindered MMI's performance

 <p>Market Conditions</p>	<ul style="list-style-type: none"> MMI's performance was negatively affected by reduced lignite-fired electricity production and the expiration of a major power purchase agreement (PPA of ConturGlobal with NEK expired in February 2024)
 <p>Sales Overview</p>	<ul style="list-style-type: none"> Sells at fixed price determined by the Minister of Energy to BGN 87,35 per ton of conditional fuel (TCF) The largest clients: TPP Maritsa East 2 (share: 51%); TPP AES-3C Maritza Iztok-1 (share: 23%) and Brikel (share: 19%)
 <p>Market Share</p>	<ul style="list-style-type: none"> MMI's market share of coal extraction used in electricity generation in the country is >95%
 <p>Volume & Financial Impact</p>	<ul style="list-style-type: none"> In 2024 volumes of coal extracted amounted to 13,745 thousand tons (-29% YoY). Reduced coal demand adversely affected the company's financial performance.
 <p>Investment projects</p>	<ul style="list-style-type: none"> MMI's Investment projects (still at conceptual stage): <ul style="list-style-type: none"> Construction of an Industrial Zone for the development of low-emission and clean-technology industries; Development of the Maritsa Iztok Industrial Park to support the implementation of hydrogen-based value chains; PV plants for company's own needs with total installed capacity of up to 170 MWp and electricity storage systems with batteries up to 170 MWh.

MMI's topline and EBITDA (BGN mm)



MMI's coal extraction ('000 t)



Investment Projects



BEH Group`s CAPEX

As at 31.12 2024, the Group`s total CAPEX amounted to circa **BGN 1,153 m.**

Key investment projects

ESO/BTG: Rehabilitation and expansion of the electricity and gas transmission networks

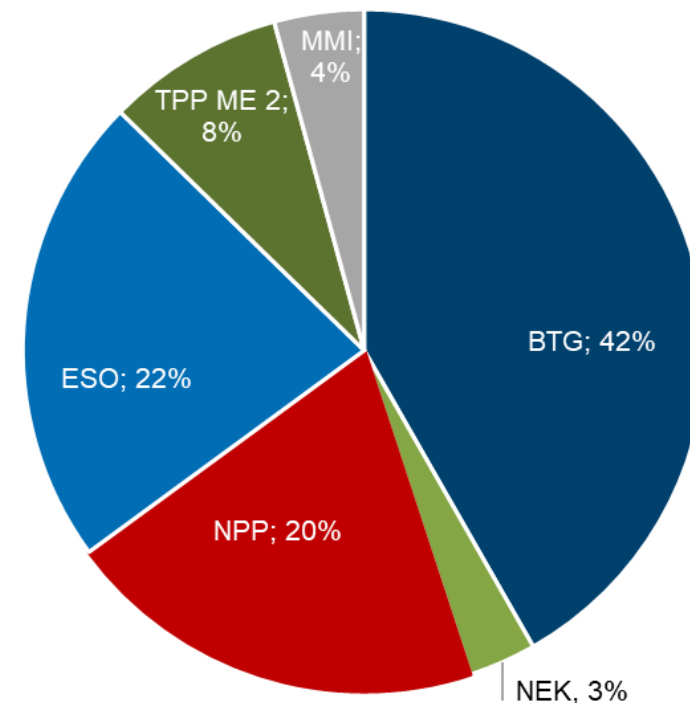
BTG: Capacity expansion of UGS Chiren

BTG: Construction of LNG terminal in Alexandroupoulos

NEK: Rehabilitation of hydroelectric facilities

NPP Kozloduy: Activities ensuring long-term safety operation of Unit 5 and 6.

CAPEX breakdown by companies as of 31.12.2024



Vertical Gas Corridor

The project will allow additional gas quantities from reliable sources to be transported from south to north direction via LNG terminals in Greece and Türkiye



Network upgrades will be undertaken by nine TSOs from the participating countries



Bulgarian TSO (BTG) will implement the following projects

- Increasing the natural gas transmission capacity from **Greece to Bulgaria** at the interconnection point Kulata/Sidirokastro (from 102 GWh/d to 171 GWh/d) and **from Bulgaria to Romania** at the interconnection point Negru Voda/Kardam (from 157.8 GWh/d to 295 GWh/d)
- High-pressure gas transmission infrastructure in the East Maritsa region



CAPEX & funding

Total CAPEX of BGN 825mm:

- BGN 200mm BEH increased the share capital of BTG in Q2 2024;
- BGN 625mm bank loans (state guarantee for the same amount is included in the State budget Act for 2025)



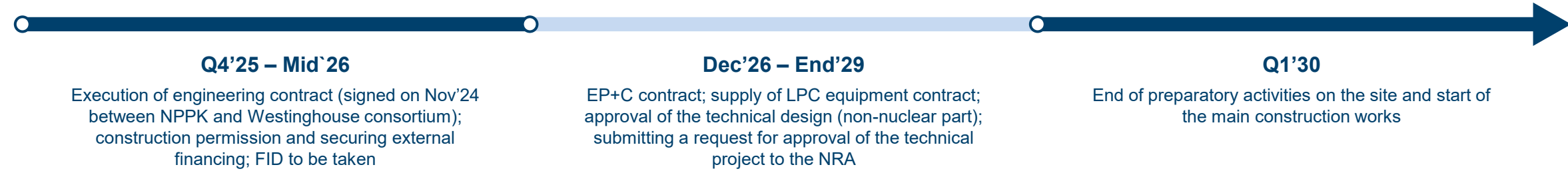
Expected commissioning

- Step by step in the period **2026-2029**

Construction of two nuclear units (7th and 8th) at NPP Kozloduy's site

The biggest energy project in Bulgaria, which will strengthen country's energy independence

Project Execution	Executed by NPP Kozloduy – New Builds
Timeline	Construction starts in early 2030; expected commissioning 2035-2038
Capital Injection	BGN 1.8bn injected (BEH 1.5bn and NPP Kozloduy 0.3bn)
Preliminary Funding	Funding for engineering, design, and planning
State Support	EUR 1.5bn state guarantee included in the State Budget Act for 2025
Capacity	Up to 1,200 MW per unit



Electricity System Operator (ESO) projects

BEH's goal is to boost renewable energy integration to reduce fossil fuel reliance and enhance sustainability

1 Digital transformation of ESO's grid

Main goals and benefits

- Modernise planning, management, and maintenance of Bulgaria's electricity transmission grid for flexibility, security, and fast response in a low-carbon environment

Activities

- Deploy **modern digital tools**: automated substation control, cybersecurity, display systems, dynamic monitoring, and virtual working environments

CAPEX

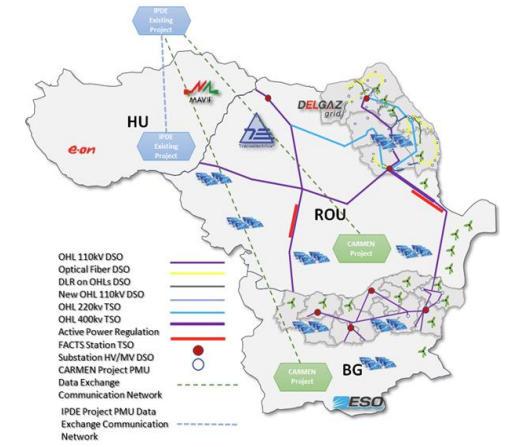
- Part of the **National Recovery and Resilience Plan**
- **Planned CAPEX: BGN 611mm** (BGN 370mm from recovery mechanism and BGN 241mm co-financed by ESO)

Deadline

- **Implementation until 2026**, when 171 grid **substations** will be remotely **controlled** from a base station

2 Project Carmen

- **Modernises electricity infrastructure in Romania and Bulgaria** with Smart Grid standards, budgeted at EUR 502mm, running from 2024 to 2030
- **ESO activities**: Build new 400/110 kV substations, modernise legacy ones from 220/110 kV to 400/110 kV, and develop smart 400 kV OHL



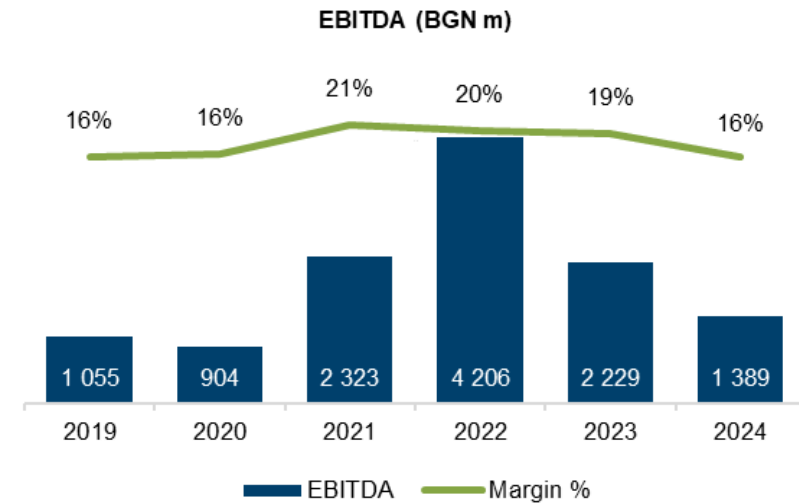
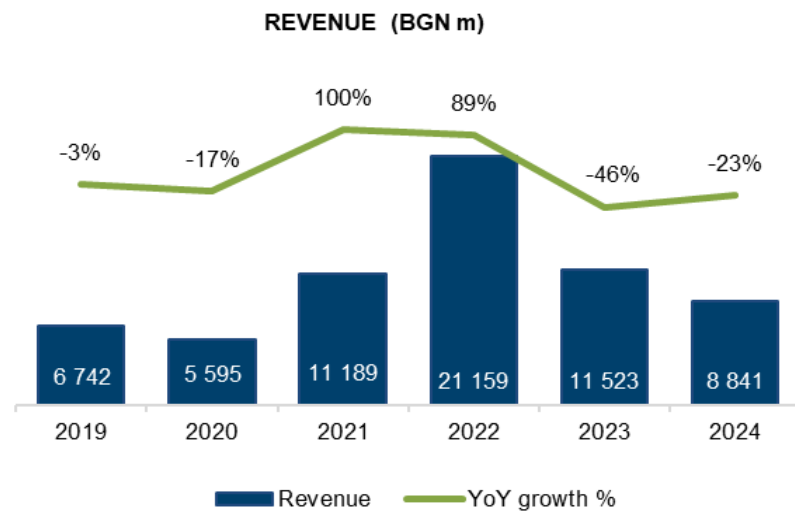
3 Project Greenabler

- **Group 1: Infrastructure upgrade**: Involves reconstructing 720 km of power lines and upgrading voltage from 220 kV to 400 kV, with a budget of EUR 631mm
- **Group 2: Network expansion**: Focuses on reconstructing the Hemus-Stara Planina power line and reinforcing 92 km of 110 kV lines, with a budget of EUR 225mm
- **Completion by 2030** under the Modernisation Fund, with the RePowerEU deadline set for the end of 2026
- **Total budget**: The combined budget for both groups is EUR 857mm, with grant funding of EUR 771mm and own funding of EUR 86mm

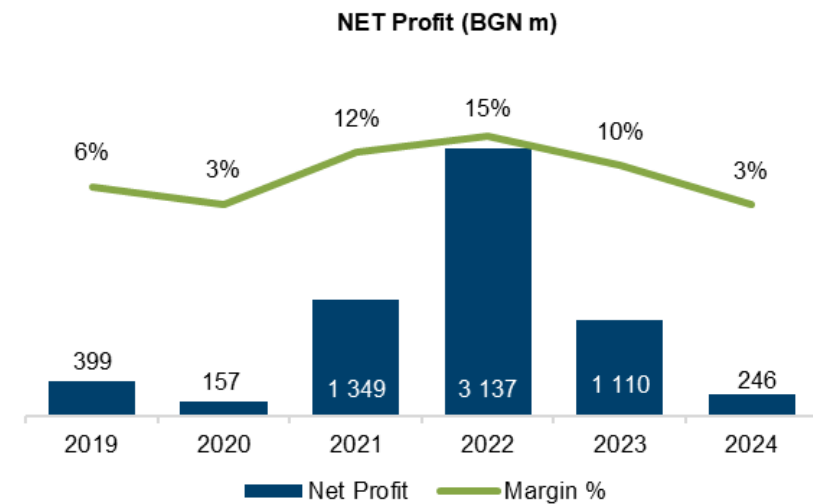
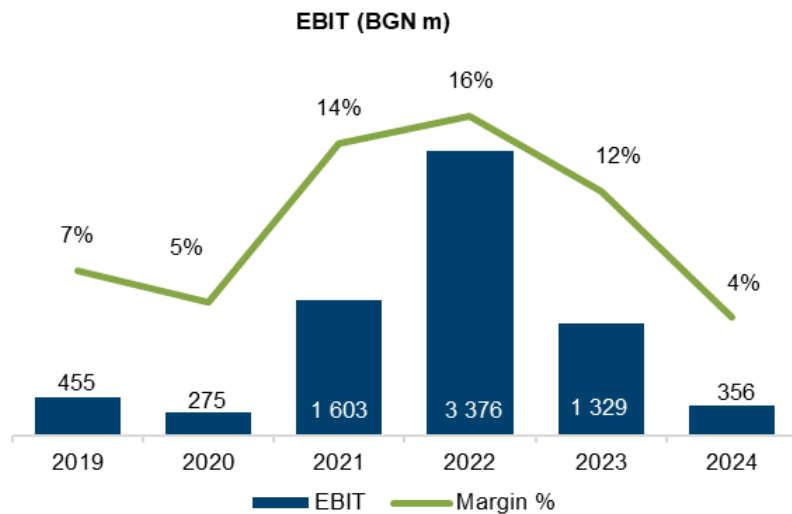
Financial Overview



BEH Group's financial performance

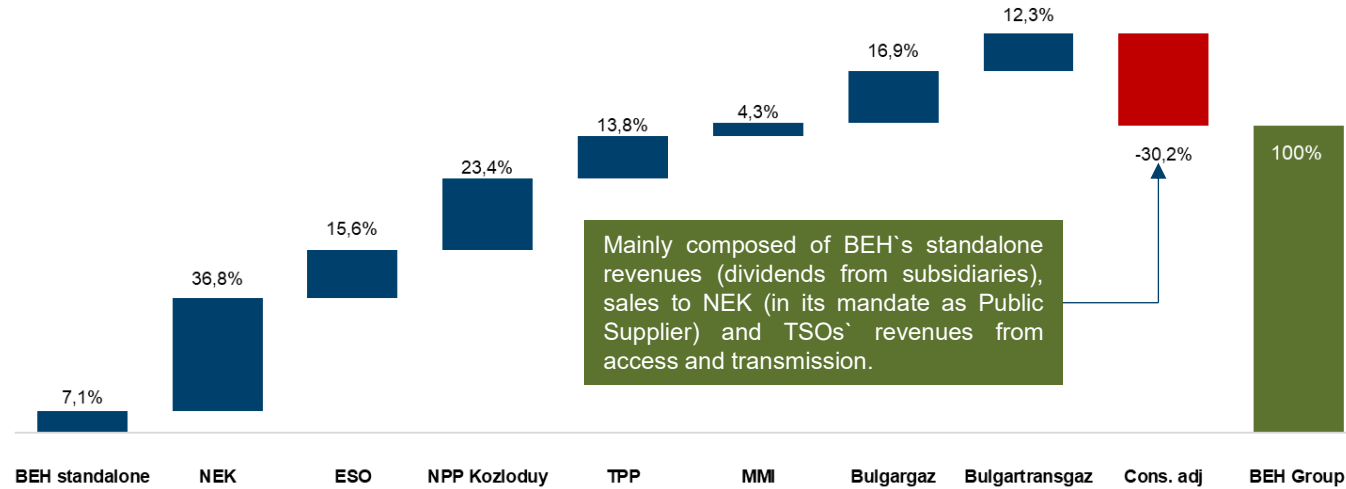


Positive results in FY 2024 despite the challenges



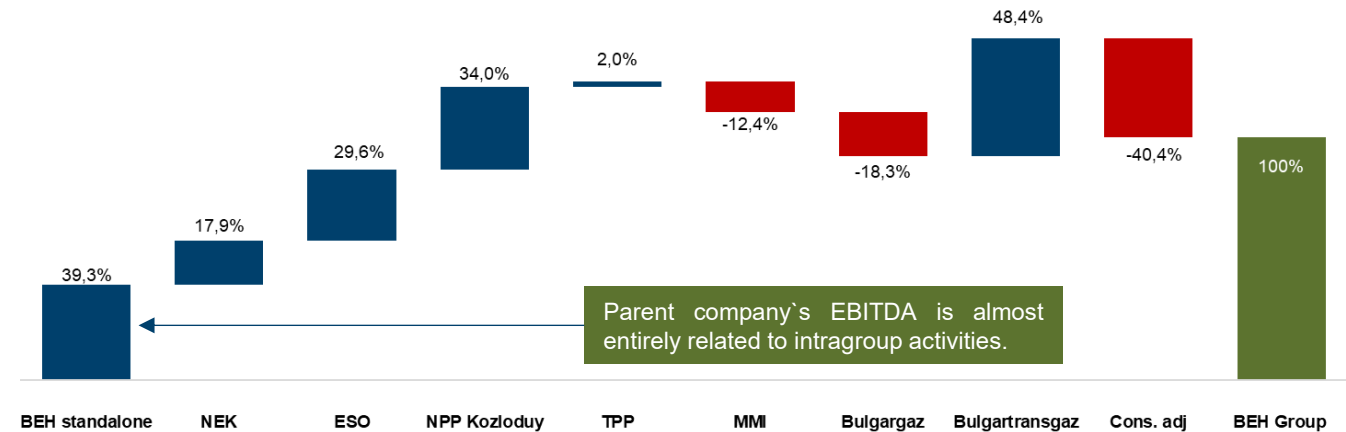
Allocation of revenues and EBITDA

BEH Group's revenues, allocation



Public Suppliers and traders of electricity (NEK) and natural gas (Bulgargaz), together with NPP Kozloduy were the biggest contributors to Group's topline.

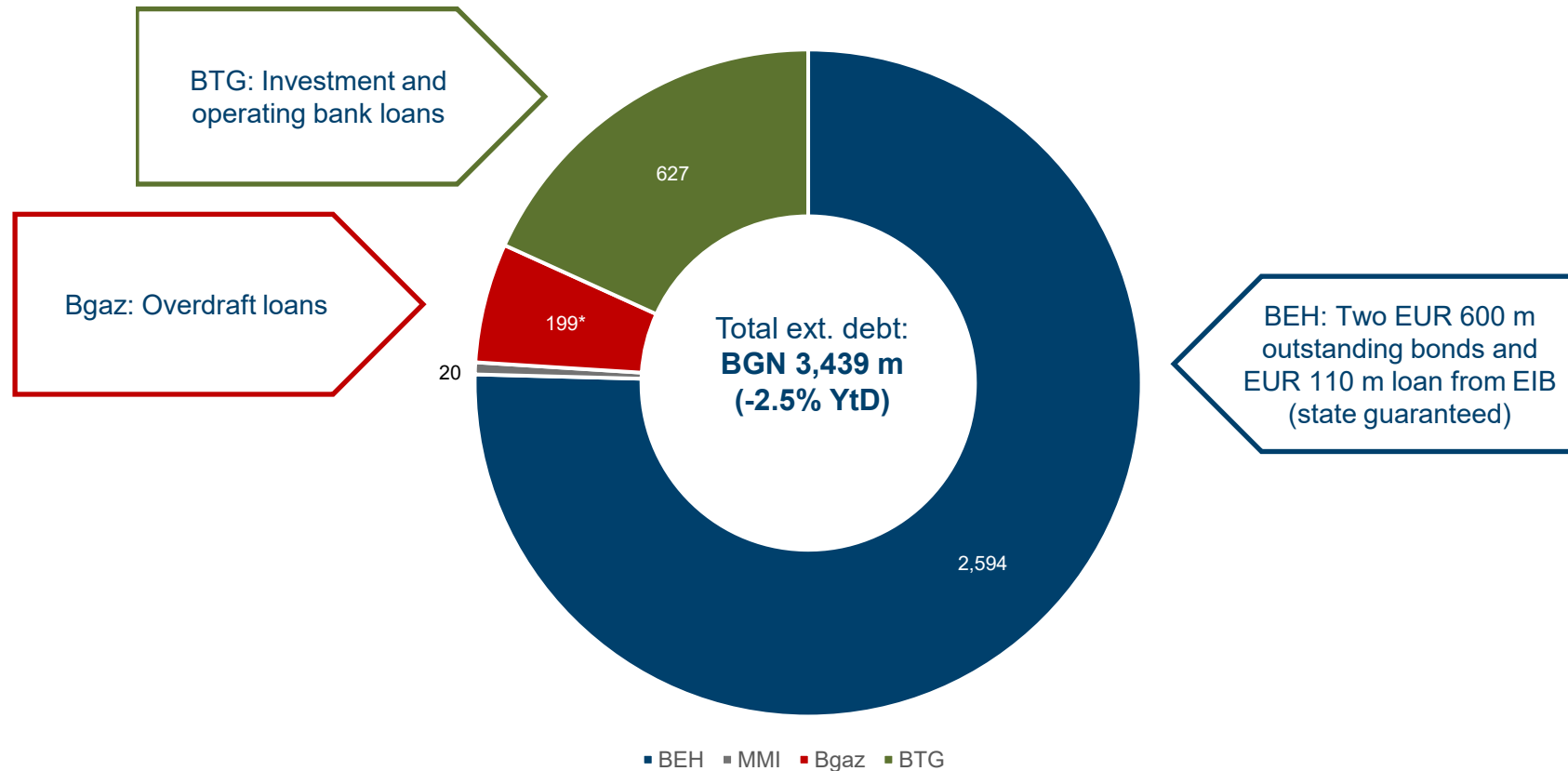
BEH Group's EBITDA, allocation



In 2024, the Group's performance was underpinned by regulated network activities, with BTG, NPP and ESO representing the primary contributors to consolidated EBITDA.

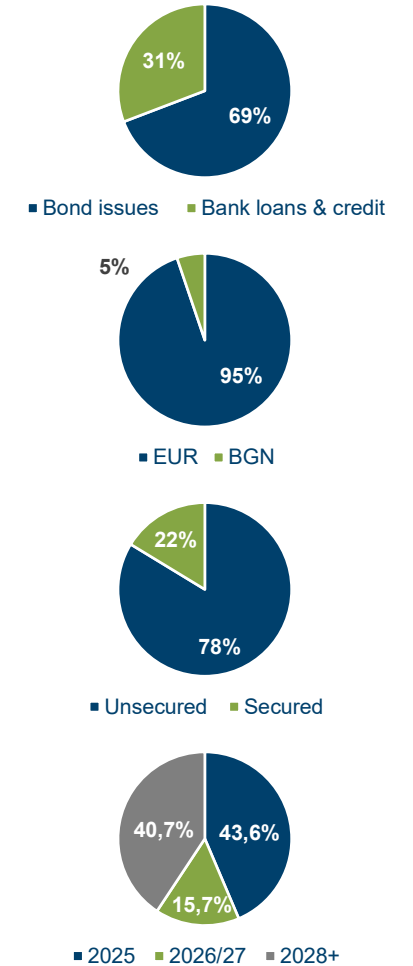
Consolidated debt breakdown

BEH Group`s external debt in BGN m, 2024



* The state loan of BGN 800 million provided to Bulgargaz is not included, as it is a related party transaction.

Debt Breakdown¹



Financial Ratios

Group`s financial positions are characterised by strong liquidity and low leverage ratios



Covenants	Profitability ratios	Liquidity ratios	Leverage ratios
8.44 EBITDA Coverage ratio > 4.0	15.7% EBITDA margin	1.68x Current ratio	0.11x Debt to Assets
(0.18) Cons. Leverage ratio < 4.5	5.2% EBIT margin	1.39x Quick ratio	0.17x Debt to Equity
	2.8% Net Profit margin	0.76x Cash ratio	2.5x Debt to EBITDA
	17.9% Cash Flow margin	0.33x Operating Cash Flow ratio	
	0.8% ROA		
	1.2% ROE		

THANK YOU!

For questions or additional information, please contact us:

Bulgarian Energy Holding Investor Relations: investorrelations@bgenh.com