

**Question:** According to the Tender Documents, each participant has to prove its financial capacity, and in relation to the Consortium, the total net worth of all members of the Consortium is at least (and for each of the last 3 years) equal to 300,000,000 (three hundred million) , in which case this requirement is satisfied by the cumulative experience of all members of the consortium.

If the members of the Consortium are specifically established project companies, is it feasible to demonstrate the financial possibilities through the capabilities of the respective shareholders / indirect owners of the members of the Consortium?

**Answer:** Yes, this is possible. Please consider that direct or indirect parent companies are considered as third parties in accordance with Art. 63 of the Concessions Act and Clause 6.2 of the Tender Documents shall apply and for the third parties will be applied the whole articles of Concessions act and the Tender Documents concerning the third parties.

**Question:** The following annexes are cited in the Concession Agreement but are not posted on the official concession page or the National Concession Register page:

- Appendix 1 (Airport Description), p. 19 of the Concession Agreement
- Appendix 3 (Concession Value), p. 24 of the Concession Agreement
- Appendix 7 (Object of the Concession), p.163 of the Tender Documentation
- Appendix 8 (Movable Assets), p. 16 of the Concession Agreement
- Appendix 9 (Intellectual Property Rights), p. 77 of the Concession Agreement
- Appendix10 (Articles of Association) - page 36 of the Concession Agreement
- Appendix 16 a, b, c - page 20 of the Concession Agreement
- Appendix17 (Employees at the Effective Date), p. 47 of the Concession Agreement

When and where will they be published?

**Answer:** Appendix 1 (Description of Airport) and Appendix 7 (Concession Site) are covered by Schedule 2 Part 1 of the Tender Documents (Description of the Concession Site), where:

- section I contains a general description of the Airport (corresponding to Appendix 1 of the Concession Agreement) and
- section II – a detailed description of the Concession Site (corresponding to Appendix 7 of the Concession Agreement).

Appendix 3 is referring to the Offer of the Concessionaire, not the Concession Value, and is to be inserted at the Effective Date of the Concession Agreement.

Appendix 8 (Movable Assets), is to be found at VDR, app. 5.9.

Appendix 9 (Intellectual Property Rights), is to be found at VDR, app. 9.

Appendix 10 (Articles of Association) will be the Articles of Association of the Concessionaire, which shall be provided by the Concessionaire as of the Effective Date or prior to the CP Long

Stop Date at the latest (please see the definition of “Articles of Association”, as well as Appendix 5 (Conditions Precedent) of the draft Concession Agreement).

Appendix 16:

- Appendix 16a would include a list of all contracts between the Current Operator and third parties that are relevant to the Concession Operations and effective as of the date of signing of the Concession Agreement (the Effective Date); and
- During the Transition Period the Parties shall review in detail and decide which of the Transferring Contracts shall be transferred to the Concessionaire, which will result in a list of contracts as of the Concession Commencement Date (Appendix 16b).

Appendix 16c does not exist and the draft Concession Agreement does not contain references to such Appendix.

Appendix 17 (Employees at the Effective Date) - will be enclosed as part of the Concession Agreement at the Effective Date, as the name of the Appendix suggests.

**Question:** According to the Concession Agreement, "The Concessionaire shall pay to the International Finance Corporation (IFC) the Award Fee within 15 calendar days from the Effective Date and the payment of the Award Fee shall be a Condition Precedent."

Should the procedure be terminated during the transitional period for reasons beyond the control of the Concessionaire, is this Remuneration returned to the Concessionaire?

**Answer:** The Award Fee shall not be returned to the Concessionaire in the described scenario.

**Question:** According to the documentation for the concession, the participants in the concession should make a proposal for the amount of the annual concession remuneration corresponding to a percentage of the total amount of the accepted for basic income from all activities - BGN 150,000,000. The base revenue amount, according to the documentation, corresponds to the revenue realized by the incumbent operator for the last reporting year 2017.

However, according to the company's official results, the airport has generated revenues of BGN 147,452 thousand + additional pro forma revenues of BGN 46,886 thousand (the difference of all airport revenue and interest revenue to the amount of BGN 99,888 thousand and current maintenance costs in the amount of BGN 53,002 thousand, which are currently going directly to the budget and are not included in the company's revenues), which would increase the amount of the basic revenues to nearly BGN 200,000,000, which is more than 30% above the basic income according to the documentation.

This difference will also affect annual concession payments. For example, if the participant proposes BGN 17,000,000, which corresponds to 11.33% of the base revenues of BGN 150,000,000, as early as the second year without additional investments or tariff changes, the new concessionaire will be obliged to pay 11.33% of the 200,000,000 leva already. or nearly BGN 23 million. and this without any change in company revenue. Are we asking for clarification?

**Answer:** The Offered Annual Concession Fee Amount for the purposes of the Financial Proposals shall not be less than 15m BGN. This amount will serve as basis for evaluating the Financial Proposals. For the purposes of determining the Annual Concession Fee for the

duration of the Concession, the amount in the Financial Proposal of the Concessionaire will then be converted into % using BGN 150m as a reference amount for conversion of all Offers.

The aggregate revenues taken as a reference under section I of Part 3 of Appendix 4, i.e. Euro 76,693,782.18 (BGN 150,000,000) is only a reference amount for the purposes of calculating the Annual Concession Fee. The Grantor does not guarantee or warrant in any manner whatsoever that the Aggregate Concession Revenues accrued by the Concessionaire in any of the Concession Years will be lower, equal or higher than such reference amount being the Aggregate Concession Revenues fully responsibility of the Concessionaire and at the Concessionaire's risk.

The actual amount of the Annual Concession Fee to be paid by the Concessionaire for any given Concession Year shall be determined as described in schedule 4, part 2 (Financial Proposal) of the Tender Documents and in Clause 30.1.2 of the draft Concession Agreement, accordingly.

**Question:** According to Appendix 11a, the Initial Shareholders undertake to pay to the Concessionaire as a capital investment an amount in the amount of BGN 200,000,000. At what point exactly should this capital be paid? Should this capital be paid in full (recorded and paid) before the contract enters into force? Or does it have to be repaid on Day 1 of the Concession Term (ie Day 1 of the 35th) rather than the date of entry into force of the contract and / or during the transitional period?

**Answer:** The capital should be paid in full and evidenced as Condition Precedent to the Concession Commencement Date. It could be fulfilled as a last CP before the Concession Commencement Date.

**Question:** In accordance with Appendix 11a, Original Shareholders are expressly liable for the representations and warranties and for the commitments set out in Sections 3 and 4 of this Agreement and for the performance of the obligations set forth in Section 2 hereof, whether individually, jointly, separately from or together with the Concessionaire or otherwise, to the Concessionaire of the Concession Agreement in connection with any obligation under the Concession Agreement.

Please confirm that the owners / shareholders of Initial Investors (who may be Project Companies) are liable under this clause?

**Answer:** To the extent that Clause 6.2 of the Tender Documents applies to the Bidder, owners/shareholders of the Initial Shareholders will be jointly and severally liable on the grounds of Art.63 of the Concessions Act in case their resources are used for the purpose of meeting the respective qualification requirements (see response n. 1). Depending on the type of resources provided, Appendix 11b or Appendix 11c to the draft Concession Agreement will be applicable.

**Question:** According to the documentation, the participants must submit a time schedule for the "Concession Term" for the realization of the capital expenditures amounting to not less than 600 million Euros. The term of the concession is defined as "... thirty-five years, and may be extended as provided by this Treaty and in accordance with the Law" by an additional 11 and a half years.

Please confirm whether a timetable should be provided for the realization of capital expenditure amounting to at least EUR 600 million broken down by year for 35 years or for 35 + 11.5 years? Is the requirement for a minimum of EUR 600 million for the initial period of 35 years or for the entire potential duration of the 46.5 year concession?

**Answer:** The Capital Expenditure proposed should be for the initial term of the Concession Period, without factoring any potential (but not guaranteed) extensions, i.e. for 35 years.