

Eastern European Electric Company B.V., owner of Electrohold and part of Eurohold, announces issuance of its debut bond in the aggregate principal amount of EUR 500 million

The bonds were allocated to over 60 investors from 17 countries

Sofia, 15 May 2025 - Eastern European Electric Company B.V. (“EEEC” or the “Company”), Eurohold Bulgaria AD’s energy subholding and owner of Electrohold Group, is pleased to announce the successful completion of its debut EUR 500 million bond issuance, marking a significant milestone for the company and the Bulgarian energy sector.

The 5-year guaranteed secured notes (the “Notes”), issued in Reg S/144A format, priced on 8 May 2025 and carry a coupon of 6.500% per annum. The transaction represents the first international benchmark bond issuance by a Bulgarian private corporation, underscoring EEEEC’s pioneering role in the country’s financial markets. The successful execution of this deal highlights the company’s strategic vision and commitment to expanding its presence in the international debt capital markets. During the course of the transaction EEEEC also achieved a debut credit rating, Ba2 (stable outlook) by Moody’s and BB (stable outlook) by Fitch.

The bond was priced after a three-day marketing campaign with a large, diverse, and high-quality investor base which achieved the Company’s pricing and sizing objectives. The investor base was predominantly composed of asset managers, banks, and hedge funds, with significant participation from the UK, Europe, and the US, and a smaller representation from the Middle East. The strong demand resulted in final books exceeding EUR 1.4 billion, representing a 2.8x oversubscription. EEEEC allocated the bonds to over 60 investors from 17 countries, underscoring the Company’s robust credit profile and appeal to a wide investor base, which was quickly converted into a meaningful orderbook.

The notes were priced at a yield of 6.500%, reflecting a compression of 25-50 basis points from the initial price talk (IPTs) of 6.750% - 7.000%. This favourable pricing outcome underscores EEEEC’s strong market positioning and its appeal to a wide investor base, highlighting its successful navigation of market conditions. The proceeds from the bond issuance will be used to repay an existing senior syndicated facility and related expenses in full, for general corporate purposes, and to make certain payments as dividends in connection with scheduled and early prepayments of a portion of a facility agreement at holding company level.

“This debut bond issuance is a landmark event for us, showcasing the successful track record we have built since acquiring the asset. The strong investor interest and oversubscription highlight the appeal of EEEEC’s credit profile and the strategic positioning we have achieved in the market.” said Assen Christov, Chairman of the Supervisory Board of Eurohold. *“This bond issuance reflects the solid foundation we have built and the investor confidence we have earned.”* said Kiril Boshov, Chairman of the Management Board and Executive Director of Eurohold. *“Our strategic milestones with EEEEC are highlighted by this bond issuance, underscoring the robust credit profile we have developed and our ability to attract diverse investors.”* said Vasil Stefanov, Head of Investment Banking and M&A at Eurohold.

The Notes have been issued under the following terms:

- Aggregate principal amount: EUR 500,000,000
- Format: Reg S/ 144A
- Issue price: 100% of the principal amount of the Notes
- Maturity date: 15 May 2030
- Coupon: 6.500% per annum
- The Notes are expected to be listed on the Euro MTF Market of the Luxembourg Stock Exchange

The allocation of the Notes took place on 8 May 2025 and the Notes settled on 15 May 2025.

J.P. Morgan acted as the Sole Bookrunner and Lead Manager in connection with the issuance of the Notes. Additionally, J.P. Morgan acted as a ratings advisor to EEEEC.

About Eurohold Bulgaria AD

Eurohold Bulgaria AD is a leading energy and financial group operating in Central, Eastern and Southeastern Europe. It is listed on the Bulgarian and Warsaw Stock Exchange. Eurohold owns Electrohold, the leading energy group in Bulgaria and owner of the largest electricity distributor, the largest electricity supplier and one of the leading electricity traders in the country, which has over 3000 employees and serves more than 3 million consumers. Eurohold also owns Euroins Insurance Group AD (EIG), one of the largest insurance groups in the region. EIG provides a full range of insurance products, operates in 12 countries and has over 2000 employees.

www.eurohold.bg; www.eig.bg; www.electrohold.bg

About Electrohold

Electrohold Group is the leading energy group in Bulgaria, owned by Eastern European Electric Company B.V. (EEEC), part of Eurohold Bulgaria AD. The Group includes: Electrodistribution Grid West EAD (EDG West), the largest electricity distributor in Bulgaria, Electrohold Sales EAD, the largest electricity supplier to households, Electrohold Trade EAD, one of the leading electricity traders with industrial and corporate clients as well as the following units: Electrohold Bulgaria EOOD, which coordinates, manages and supports activities for all companies within Electrohold Group; Electrohold ICT EAD which provides complex services in the field of information and communication technologies; Free Energy Project Oreshets, specialized in the production, construction and operation of energy systems and parks related to renewable energy sources; Electrohold EPC EOOD, focused on engineering, procurement and construction as well as in Electrocharge, a network of charging stations for electric vehicles with capacities up to 180 kW.

www.electrohold.bg

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