

ELECTROGAS MALTA AND REGANOSA ARE ALLIED AT MALTA'S REGASIFICATION PLANT

- **ElectroGas Malta Ltd. entrusts Reganosa with the maintenance and operation of its Delimara LNG Regasification plant**
- **The plant is part of a project that will support the modernization of the energy sector promoted by the Maltese Government**
- **After operating in 2016 on four continents, Reganosa promotes its presence in the global market**

Delimara (Malta), January 16, 2017.- ElectroGas Malta (EGM) awarded to Reganosa the operation and maintenance of the Delimara regasification plant, part of a project that is the pillar on which the energy sector in Malta will be modernized, the contract signed is a key milestone for both parties.

With this alliance, EGM shall enter commercial operation of the project with Reganosa, itself a competent European TSO, for the operation and maintenance of the plant. Reganosa, on the other hand, promotes its activity in the global market from its experience as promoter and operator of infrastructures in the Spanish gas sector and in line with its strategy.

Last year, EGM, whose shareholders are Siemens PV GmbH, Socar S.A. and GEM Ltd., invited Reganosa to participate in the selection process to award the operation of the Delimara regasification plant, in the southeast of the Maltese Island. This process ended with the signature of the operation and maintenance contract between EGM and Reganosa's Maltese subsidiary, called Reganosa Malta, at the end of 2016.

Until now, Malta's main energy sources are heavy hydrocarbons, used in electricity generation, and light hydrocarbons, used both in power generation and in automotive. More than 98% of the electricity consumed in the country comes from fuels derived from petroleum, with the environmental disadvantages that this entails. To this end, the Government of Malta designed an environmental improvement plan for the Maltese energy sector with a more competitive energy natural gas. The project includes the Delimara regasification plant, a liquefied natural gas (LNG) storage vessel, the LNG Armada Mediterranea, with 125,000 cubic meters of capacity and a combined cycle plant of 215 megawatts. The regasification plant shall also supply Enemalta, the state owned electricity generation and distribution company, with natural gas to fuel an eight-engine power plant of approximately 150MWs. The new terminal,

which received its first LNG shipment on Wednesday 11th January 2017, is one of the only two in the world with FSU (Floating Storage Unit) technology, which consists in storing fuel on a ship docked at the terminal, instead of tanks on land. This is a key project for Malta's energy transformation and its integration into the European gas system.

ELECTROGAS MALTA

EGM is a private limited company with three shareholders of equal shareholding; Siemens Project Ventures GmbH 33.33%, SOCAR Trading SA 33.33%, and GEM Holdings Limited 33.34%.

Siemens Project Ventures GmbH invests in promising infrastructure projects worldwide, focusing on the Energy, Industry and Infrastructure amongst others. Its investments primarily focus on projects in which Siemens plays a key technological role in construction, operation or maintenance usually as a general contractor or supplier of core components. Siemens are providers of the power plant technology and EPC contractors for the CCGT plant for EGM.

SOCAR Trading is the trading arm of SOCAR (State Oil Company of the Azerbaijan Republic), involved in exploring oil and gas fields, producing, processing, and transporting oil, gas, and gas condensate, marketing petroleum and petrochemical products in domestic and international markets, and supplying natural gas to global markets and the public in Azerbaijan. Socar will also be the supplier of LNG pursuant to a sale and purchase agreement executed between Socar and EGM.

GEM Holdings Limited is constituted by three local Maltese businesses with an established track record in bringing large projects to fruition. These are established entrepreneurs including the Gasan Group Limited, Tumas Group of Companies Limited and Associated Drug Limited. With a long history of successful project development, GEM has an important role in ensuring that the project construction and company operation is sensitive to local needs and expectations.

REGANOSA

Reganosa is a company dedicated to the development and operation of natural gas infrastructures that is designated as transport network manager (TSO). The company established in 2015 *Reganosa Servicios*, to contribute its knowledge and experience in studies, project design, consultancy, engineering and management of gas infrastructure. With this new company, in 2016 it has already taken part in projects developed in four continents, participating in all phases of the projects, from its feasibility study to its management in the commercial operation phase and in all types of gas infrastructure.