

10 June 2025

REQUEST FOR PROPOSALS FOR PROVISION OF CONSULTANCY SERVICES

1. PURPOSE AND INTENT

JSC Georgian Oil and Gas Corporation (**GOGC**) invites proposals from qualified consultants to provide advisory services in connection with the ownership and operation of the Western Route Export Pipeline (**WREP**). During the course of the engagement, the Consultant shall deliver: **Two** detailed written reports analyzing the subject matter, presentation materials for internal review and real-time advisory services to support decision-making process.

WREP is one of key strategic transportation assets in Georgia, comprised of the Georgian part of the Baku-Supsa pipeline and the Black Sea Crude Oil Terminal. It is fully owned by GOGC and is conferred to the international consortium under the long-term fiscal lease since 1996.

As we are nearing the expiration of this international agreement, **GOGC plans to obtain detailed analysis and consultancy support to make an informed decision on ways to proceed further.**

2. SCOPE OF CONSULTANCY SERVICES

Report No 1. – Preliminary Findings

The Consultant:

- will review available supporting documents and all of the relevant agreements: IGAs, HGAs and any other commercial contracts in relation to the Western Route Export Pipeline (WREP) and the Baku-Tbilisi-Ceyhan Main Export Pipeline (BTC).
- will review and analyze current transportation challenges of the region; examine flows thru the Southern Corridor (both pipeline and rail options), establish commercial profiles of the a) existing suppliers on the Caspian side; and b) buyers in the Black Sea basin; analyze data on the future supply streams and upcoming projects of regional interest;
- will review and analyze current technical condition of the WREP infrastructure on the territory of Georgia and Azerbaijan, identify needs for capacity enhancement, critical upgrades and scheduled maintenance. Note: This is a high-level desktop study only.
- Will suggest possible reduction of expenses and identify certain operations for elimination or comprehensive optimization with the ultimate goal of making the whole project more cost-effective.
- will test assumptions and expectations against interpretation of the collected materials and recent regional developments and processes to identify strategy for accomplishing the Government of Georgia's and GOGC's objectives: the increase in profitability/value of the Baku-Supsa transit route for the Georgian party.

Note:

Development of the above analysis will require a thorough knowledge of the alternatives available to the regional shippers over various time horizons as well as good knowledge of the market and of the key players in the corridor.

Report No 2. – Final Recommendations

In collaboration with GOGC and incorporating its feedback, **the Consultant shall:**

2.1 Scenario Development and Comparative Analysis

- Develop multiple strategic scenarios (more than one) for the proposed negotiation framework,
- Conduct a comparative analysis of the advantages, risks, and implications for the Georgian party.

2.2 Scenario Review and Strategy Formulation

- Present the finalized scenarios to GOGC and its Shareholder for review.
- Based on Shareholder feedback, refine and formalize an action framework.
- Collaborate with GOGC to establish priority negotiation strategies (preferred and fallback options) aligned with the Company's commercial objectives.
- Consider the 'fallout' scenario, when mutual agreement between parties is impossible to reach.

Strategies shall include a comprehensive risk assessment, evaluation of commercial, political, and market risks as identified by GOGC, external experts, or the Consultant itself.

Note:

GOGC expects to receive a detailed and substantial written memorandum summarizing Consultant's strategy advice and action guidelines as well as economic/business model to substantiate the a) new tariff/cost structure or b) the new model of operation of WREP.

3. QUALIFICATIONS AND EXPERIENCE

Consultant is expected to have significant expertise in all aspects of the work envisaged under the current engagement. Consultant shall be staffed adequately in the areas of midstream tariff policy, international commodity trade and business planning. Extensive knowledge of the Region is a must. Consultant shall identify the Project Lead who will be directly assigned for the purposes of the engagement as well as all personnel and/or consultants who are expected to support him (collectively, the "Team"). Any consecutive changes in the composition of the Team (after submitting of the Report No. 1) would need to be approved by the GOGC.

4. ASSUMPTIONS

Development of strategy and "action scenarios" as per the scope of this engagement, relies on set of inputs concerning the future operating costs/capital costs of the infrastructure, commodity market trends, future transit flows, etc. GOGC expects the Consultant to be able to gather all of these inputs for the qualified analysis on its own.

Anything on the company's end that would be required for the Consultant's analysis, such as: a) contract and historic data related to WREP; b) information on the financial standing of the Company (to evaluate, inter alia, options for raising the debt to finance the acquisition or the infrastructure and/or operation related expenses) - will be provided by GOGC upon request.

5. TIMELINE

It would be appreciated if the consultant shows flexibility and avails itself to proceed immediately after signing. The final date of submission of the Report No 1 is 15 business days down from the date of signing of the engagement.

The final date of submission of the Report No 2 is 25 business days from the date of signing of the engagement.

6. CONFLICT OF INTEREST

When submitting a proposal, Consultant shall confirm that a) it does not face any conflicts of interest related to this project and b) its previous or current works in the wider geographical region will not prevent it from representing GOGC, should there be a need for its continued engagement.

7. CONFIDENTIALITY AND APPLICABLE REGULATION

All reports, materials and data produced under this engagement will become exclusive property of GOGC. Consultant agrees to keep 'strictly confidential' all information and/or documents made subsequently available to it or to any of its Team members and associated partners.

An agreement for consultancy services to be signed between GOGC and the Consultant will become subject to all necessary governmental approvals and applicable requirements of the State procurement legislation of Georgia.

8. COMMUNICATION AND POTENTIAL FOR FURTHER COLLABORATION

Additional information and details pertinent to the scope of work can be obtained upon request via email defined in paragraph 9 of the RFP.

The possible decision to extend this short-term consultancy contract will be made solely by GOGC and will be contingent upon a thorough evaluation of the submitted deliverables and the outcome of GOGC's consultations with its shareholder.

9. PROPOSALS SUBMISSION

The Bidders are requested to submit their written proposals by no later than 6:00 PM, Georgian time, June 17th, 2025. Proposals shall be submitted only via e-mail to the following email address: procurement@gogc.ge to the attention of Mr. Giorgi Chikovani, General Director. Time is of essence and it would be much appreciated if the proposal is provided to us no later than the defined deadline.

All questions or inquiries regarding the RFP process shall be made by June 13th, 2025 only via email (procurement@gogc.ge).

All costs and charges related to submission of proposals as well as questions and inquiries shall be at the respective Bidder's cost.

10. REQUIRED COMPONENTS OF THE PROPOSAL

Please limit your proposal to maximum of 20 pages. GOGC expects to see the following items in the proposal:

- (a) A Cover Letter: Clearly state the services for which the firm is applying for. Describe background and expertise of the firm addressing respective requirements defined in paragraph 3 of the RFP.
- (b) Confirmation on absence of conflict of interest defined in Paragraph 6 of the RFP. GOGC reserves the right to: a) disqualify any firm or reject any proposal at any time solely on the grounds that a real or perceived legal or policy conflict of interest is presented; b) require the firm to take any action or supply information necessary to remove the conflict; or c) terminate any contract arising from this RFP if any such relationship would constitute or have potential to create a real or perceived conflict of interest that cannot be resolved to GOGC's satisfaction.
- (c) Proposed compensation: Please indicate the proposed compensation (**the Compensation**) as follows:
 - The proposal shall include a total fixed lump-sum price for the services defined in the RFP. The proposal for the services outlined in the RFP shall include all associated travel costs.

The Compensation shall be indicated inclusive of all applicable taxes (Including Georgian non-resident's income tax (if applicable), which shall be withheld and paid by GOGC to the State budget. The firm shall indicate whether the Georgian non-resident's income tax is applicable) except Georgian VAT. The firm is solely responsible for the identification and assessment of the taxes applicable to provision of the services described in this RFP including identification of any relevant double taxation avoidance treaties and/or other instruments under which the firm might be exempted from the payment of Georgian taxes. To the extent, any provisions in such double taxation avoidance treaties or other relevant instruments exempt the firm from the payment of Georgian taxes, the firm is required to provide GOGC with the copy of its own tax resident certificate upon execution of the respective agreement/engagement letter. **The Compensation** shall be expressed in US Dollars.

11. SELECTION AND AWARD

GOGC plans to communicate and negotiate with interested firm(s) directly. GOGC expects to sign the consultancy agreement not later than June 23, 2025.

GOGC should enter into an engagement with the qualified Bidder offering the lowest **Compensation** total price.

GOGC also reserves the right to award the contract based upon the initial proposals. Accordingly, each initial proposal should be submitted on the most favorable terms. GOGC intends to review the qualifications of the firms, which will submit their respective proposals in response to this RFP, and select the winner from the qualified respondents to this RFP. Notwithstanding anything to the contrary in this RFP, it does not commit GOGC to award a contract, to pay any costs incurred in the preparation of the contract in response to this request, or to procure or contract for services, but seeks the submissions of proposals that may form the basis for negotiation of the respective agreement.

GOGC expressly reserves the rights (i) to reject, based on its sole discretion, any and all proposals and/or to solicit additional proposals if that is determined to be financially advantageous to the GOGC or otherwise in its best interest, (ii) to waive any irregularity or information in any proposal, and/or (iii) to be the sole judge of the responsibility of any proposer and of the suitability of the proposals, (iv) at any time following its entry into engagement not to order, order in full or discontinue the services described in this RFP. GOGC reserves the right to withdraw its announcement for proposals at any time without prior notice and/or any liability arising out of such withdrawal.

12. PROPOSAL AS PUBLIC INFORMATION

The information submitted in the proposals may be subject to public disclosure pursuant to the laws of Georgia.