



PRESS RELEASE

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European Energy Exchange AG - Selected Strategic Partner of GET Baltic

Following the integration of Baltic States and Finnish markets into common EU gas market last year and aiming at further development of gas exchange services, in a result of public international tender European Energy Exchange AG (EEX) is selected as a strategic partner of the regional gas exchange GET Baltic operating in the Baltic States and Finland.

The purpose of selecting a strategic partner is to increase the choice and quality of the services and products offered for the region by GET Baltic, with more intensive trading and a larger number of market participants leading to greater competition, liquidity and lower gas prices.

After completing the public tender procedures, the decision to offer for General Meeting of Shareholders of Amber Grid to vote on the signing of relevant agreements with the winner of the public tender - EEX, to sell 66% of the shares of GET Baltic, was taken by the Board of Amber Grid on Thursday. The General Meeting of Shareholders will be convened on 7 April. The transaction will be finalised during May or June, after signature of the necessary agreements and carrying out of other formal closing steps.

The value of the proposed acquisition of 66% of the shares of GET Baltic amounts to EUR 6.5 million offered by EEX. The price reflects the strong performance of GET Baltic in the year 2022 with a revenue of EUR 1.61 million and an EBITDA of EUR 0.93 million. The strategic partner met all set requirements of the public tender and offered the highest price for the shares of GET Baltic. The remaining 34% of the shares may be sold at a later stage to the same investor by means of an option, subject to fulfilment of the contractual obligations of investor that will provide benefits for the Baltic and Finnish market.

“The fact that EEX, a well-known energy exchange on the global commodity market, has become a strategic partner of GET Baltic is a significant change for the entire region of Baltic States and Finland. The presence of such investor will provide the gas market participants with a wider choice of the exchange products, ensure the participants' access to the latest technological solutions, i.e. trading and clearing systems, and will increase integration into the pan-European gas trading markets. Competitive pricing of services, faster liquidity growth and trading in attractive conditions will be the goal,” said Nemunas Biknius, CEO of Amber Grid.

Peter Reitz, CEO of EEX, comments: “The gas markets of GET Baltic are a valuable addition to the existing gas offering and clearing services of EEX Group. Together with GET Baltic, we want to strengthen the gas markets in the Baltic Sea Region and further integrate the European gas markets. Our expertise in the development and operation of the European gas markets forms an optimal basis for this. Therefore, we are very pleased to have been awarded the contract for the acquisition of the majority shares in GET Baltic.”

In the upcoming years, together with the selected strategic partner of GET Baltic, it is planned to offer to the regional gas market participants a harmonised and advanced solutions-based gas trading platform that includes both short-term and long-term products and clearing services in line with the best market practices. Such need was confirmed by the clients' expectations to upgrade the trading system, introduce improved functionalities and offer new trading opportunities identified in the surveys of the customers of the exchange.

Tender on selection of a strategic partner organised by Amber Grid was open to companies with at least 3 years of experience in organising gas trading for short-term and long-term gas products in the European Union, and operating in an advanced gas market. The tender was organised in several stages. Last year, applications were received, this stage was followed by consultations on the essential terms and conditions of the transaction with the selected tenderers, submission and evaluation of the initial and then final bids.

GET Baltic is a licensed natural gas market operator with the Registered Reporting Entity (RRM) status granted by ACER. The company operates an electronic trading system for the trading of short-term and long-term natural gas products with physical delivery at trading sites located in Lithuania and at common trading sites in Latvia, Estonia and Finland. The development of customised solutions for natural gas trading is aimed at increasing liquidity, competitiveness and transparency in the Baltic and Finnish wholesale gas market. Current and the sole owner of GET Baltic is Amber Grid.

The successful performance of the GET Baltic exchange in 2022 is due to the consistent development of the activities of the exchange, the growing community of participants of the exchange and infrastructure projects implemented in the region. The performance of the exchange was affected by the GIPL pipeline connecting the Lithuanian and Polish systems since May 2022, the increased capacity of the Lithuanian-Latvian gas interconnection in November, by implementing ELLI project in Lithuania, and the LNG terminal in Finland, which will secure gas supplies and increase energy security in the countries. These significant developments in the region encouraged new participants to register and actively trade on the exchange, and the trading performance of GET Baltic reflected the increasing liquidity and competition on the exchange.

In the last year and this year, 15 new participants from Poland, Germany, the Netherlands, Denmark, Bulgaria, the Czech Republic, Latvia and Lithuania have been registered in the exchange. Despite the significant decline of natural gas consumption in the region and whole Europe, due to higher activity of existing and new customers, GET Baltic's market share increased to 17% of the total gas consumed in the Baltic and Finnish market in 2022 (12% in 2021). In 2022, 7 TWh of natural gas was traded on the GET Baltic exchange.

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