

REQUEST FOR PROPOSAL
FOR
CARGO SERVICES
AT SOFIA INTERNATIONAL AIRPORT

Stage 1: Prequalification

October 1st, 2024

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DISCLAIMER

The information contained in this Request for Proposal document (the “RFP”) or subsequently provided to cargo service operators, participating as bidders in the present tender (the “Cargo Operator” or the “Bidder”), whether verbally or in documentary or any other form by or on behalf of SOF Connect AD (“SOF Connect” or the “Concessionaire”) or any of its shareholders, employees or advisors, is provided to Bidder(s) on the terms and conditions set out in this RFP and such other terms and conditions subject to which such information is provided.

The purpose of this RFP is to set out the requirements for the first stage of the tender procedure for selection of a Cargo Operator at Sofia Airport (the “Tender Procedure”) and provide interested parties with information that may be useful to them in complying with the eligibility and qualification requirements set forth in the Tender Procedure pursuant to this RFP by way of submitting their letter of interest (“Letter of Interest”).

SOF Connect may in its absolute discretion, but without being under any obligation to do so, wholly or partially update, amend, terminate, cancel, remove or supplement the terms, conditions, information, statements, assessments or projections contained in this RFP at any time regardless of whether this RFP is received, evaluated, negotiated or communicated by or with any Bidder.

The issue, delivery or receipt of this RFP does not imply that SOF Connect is bound to select or appoint a Bidder, as the case may be, for the Cargo Operations Agreement or otherwise; and SOF Connect reserves the right to reject all or any of the Letters of Interest or cancel the Tender Procedure, at any time, without assigning any reason whatsoever.

SOF Connect, its shareholders, employees and advisors make no representation or warranty and shall have no liability to any person, including any Bidder under any law, statute, rules or regulations or tort, principles of restitution or unjust enrichment or otherwise for any loss, damages, cost or expense which may arise from or be incurred or suffered on account of anything contained in this RFP or otherwise, including the accuracy, adequacy, correctness, completeness or reliability of the RFP and any assessment, projection, statement or information contained therein or deemed to form part of this RFP or arising in any way for participation in this Tender Procedure.

The Bidders shall bear all the costs associated with or relating to the preparation and submission of their Letters of Interest including but not limited to preparation, copying, postage, delivery fees, expenses, tender development costs, any kind of fees or consultancy expenses associated with any demonstrations or presentations which may be required by SOF Connect or any other costs incurred in connection with or relating to their Letters of Interest. All such costs and expenses will remain with the Bidders and SOF Connect shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Letters of Interest, regardless of the conduct or outcome of the Tender Procedure.

This RFP is a solicitation for expressing interest and prequalification only. SOF Connect is not obligated to accept any Letter of interest and is under no obligation to negotiate with any Bidder. SOF Connect reserves the right to reject any or all Letters of Interest or cancel or postpone the Tender Procedure in case of any inconformity without cause or liability to SOF Connect including the tender or development cost of the Bidder.

If more than three (3) Bidders meet the eligibility and qualification criteria, SOF Connect may, in its sole discretion, invite only the top three (3) Bidders who have demonstrated the highest professional, technical and financial capacity pursuant to Part C: Instructions to Bidders, section 5, to submit proposals in the second stage of the Tender Procedure ("Proposal").

PART A: LETTER OF INVITATION

LETTER OF INVITATION
FOR
SELECTION OF CARGO SERVICES OPERATOR
AT SOFIA INTERNATIONAL AIRPORT

Dear Sir/Madam,

As part of its main mission to transform Sofia International Airport into a modern and competitive European airport, recognized as a five-star regional airport, and to make it an engine and impetus for social, economic, environmental, and inclusive growth for Sofia, its region and Bulgaria, SOF Connect AD is triggering an initiative for major redevelopment of the cargo warehousing services provided at the airport.

SOF Connect now invites companies with demonstrated experience in developing, constructing, managing and operating cargo facilities in leading European and International airports to express interest in becoming Cargo Operator for a contractual period of 10 years at Sofia International Airport.

This is an invitation to an open two-stage Tender Procedure. Only Bidders who meet the eligibility and qualification criteria described in PART C: Instruction to Bidders (Stage 1) will be invited to submit Proposals (Stage 2).

This RFP includes the following documents:

- A. Letter of Invitation**
- B. General Information**
- C. Instructions to Bidders**
- D. Declarations and other templates**

Details on the Letter of Interest's submission date, time and address are provided in Sections 7 and 8 of Part C: Instruction to Bidders of this RFP.

Yours sincerely,

Dimitar Bikov

Chief Marketing and Business Development Officer

SOF Connect AD

PART B: GENERAL INFORMATION

1. GENERAL DESCRIPTION

1.1. Background

Sofia International Airport (IATA: SOF, ICAO: LBSF) (*Bulgarian: Летище София, romanized: Letishte Sofiya*) is the main international airport of Bulgaria, located 10 km (6.2 mi) east of the center of the capital Sofia. In 2019 the airport surpassed seven million passengers for the first time. Sofia International Airport has a well-developed network of year-round air routes and excellent aviation infrastructure.

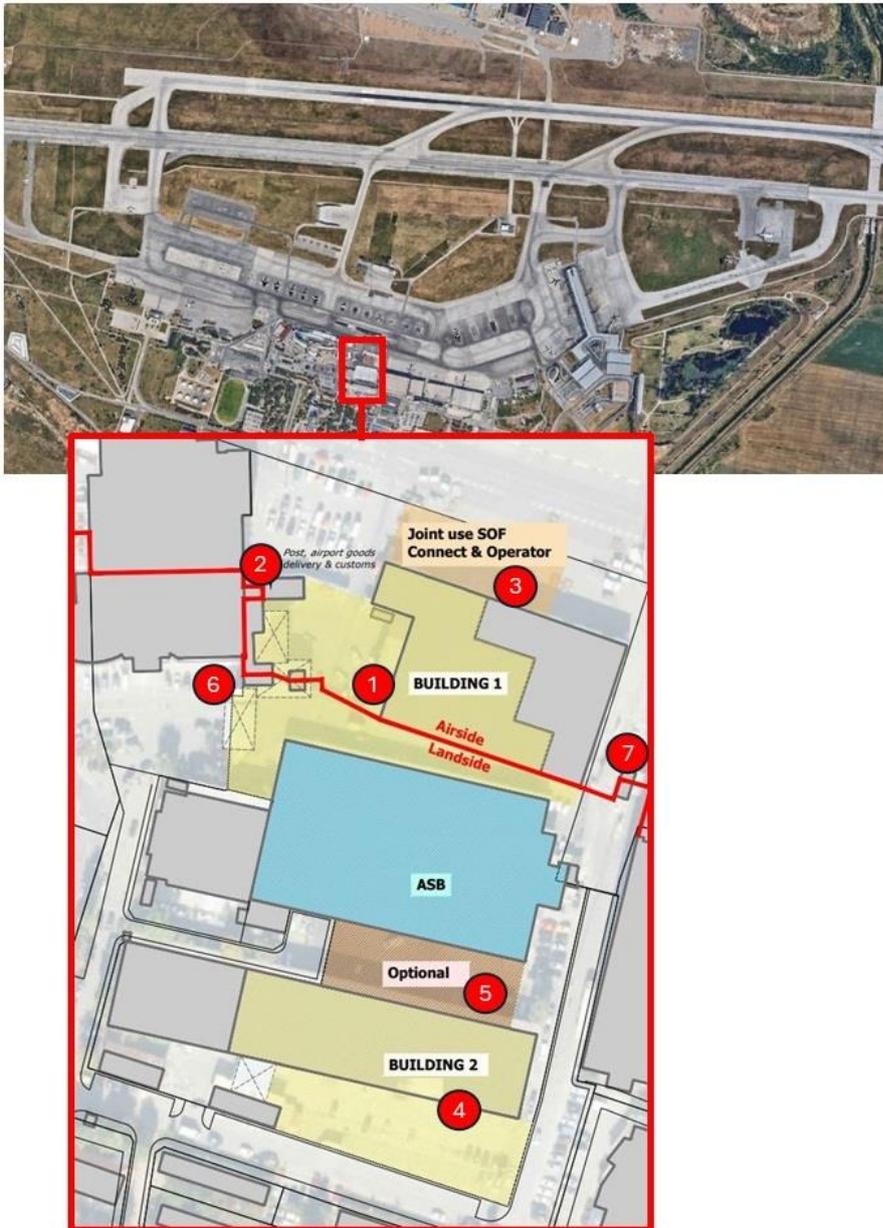
In April 2021, SOF Connect, a company of the French investor Meridiam, in cooperation with Munich Airport, has taken over the full responsibilities and business activities related to the operation of Bulgaria's capital airport Sofia International Airport.

SOF Connect is committed to investing at least 624 mil. EUR over the life of the concession and build a new Terminal 3 for the airport within the first 10 years of the concession.

The mission of SOF Connect is to transform Sofia International Airport into a modern and competitive European capital airport, and to make it an engine and impetus for social, economic, environmental and inclusive growth for Sofia, its region and Bulgaria.

1.2. Cargo at Sofia Airport – Overview

The cargo area is located to the east of the Arrivals area of Terminal 1 and west of the Lufthansa Technik hangars. It comprises two zones. **Building 1** comprises the main airside cargo warehouse. **Building 2** is an additional landside warehouse. The Bidders are expected to bid for Building 1 and Building 2 combined.



Building 1 has a direct connection to the airfield, and currently falls entirely within the Airside area. It comprises a 2,700 sqm warehouse and an open-air square to the west **(1)** for manoeuvring storage and other activities, shared with the post, airport goods delivery and customs, which have small offices on the other side of the square **(2)** To the north, another area **(3)** is provided for storage and manoeuvring, SOF Connect remains the right to have limited operations in this area.

The mandatory minimum refurbishment will be requested from the chosen Cargo operator and it consists of:

- Internal refurbishment of the cargo facilities to improve the functional links;
- Internal reconstruction of office space and bathroom for optimal distribution;
- Procedure for the removal of asbestos materials and their replacement with modern and safe construction technologies;
- Fire safety passive measures according to legislation;
- Installation of certain equipment for cargo handling and storage (e.g. racks and others)

Building 2 is located in the south end of the regulated plot. It comprises a 2,900 sqm landside warehouse (out of which 2,066 sqm part of the present tender) internally split into three distinct areas. An architectural survey is being completed by SOF Connect. It also comprises a manoeuvring/parking area south **(4)** of the building. Optionally, the manoeuvring area north **(5)** can also be included in the Cargo Services Agreement, if they wish to make use of it.

Adjacent to the Building 1 plaza is a goods delivery point **(6)** for the airport. At present, SOF Connect cargo is delivered through one x-ray scanner, while airport goods pass through a secondary and smaller x-ray scanner.

A vehicle airside access point (checkpoint #3) **(7)** is located to the east of the Building 1 warehouse. This checkpoint is main vehicle entry check point of the airport and is used for entry to the airside.

1.3. Cargo traffic, volumes and transfer of contracts

For 2023 the air cargo volume, incl. mail, at Sofia Airport (excl. RFS air trucks) is 19.591 tons of which 24% are belly-hold cargo and the rest are scheduled courier cargo and ad-hoc cargo flights. It is assumed that there are additional approx. 10.000 tons of RFS air trucks from the major legacy carriers.

For the last 12 rolling months (September 2023 - August 2024), SOF Connect handled in its Cargo warehouse in total approximately 3.800 tons of cargo as follows:

- 1.800 tons cargo (excl. mail) – full warehouse handling, including screening/import/export/storage/etc., out of which 1.650 tons belly-hold air cargo (incl. ad-hoc charters) and 150 tons of RFS air truck cargo
- 2.000 tons UPS shipments cargo (based on a special agreement for security screening and partial handling services with UPS)

SOF Connect has appointed the international company AERTEC Solutions, specialising in aerospace technology to develop comprehensive study of the cargo sector at Sofia Airport and to develop forecast for the future development of the market. The report prepared by AERTEC Solutions will be provided to the prequalified Bidders.

1.4. Cargo Operation initiative overview

SOF Connect operates the only fully airside cargo facility with direct access to the apron and has prepared a concept design for the refurbishment of the facility into a warehouse compliant with international standards which performs all the functions expected in an effective manner.

SOF Connect is seeking world class competitive Proposals from Bidders with demonstrated experience in developing, constructing, marketing and operating cargo warehousing facilities at major airports.

SOF Connect is looking for a specialized operating company for the facility to execute the refurbishment project, bring in additional specialized equipment and systems, improve the offered services, and thereby facilitate the cargo overhaul growth at Sofia Airport. The contract for operations of the Cargo facility is for 10 years.

Therefore, the successful Bidder must demonstrate operating cargo terminals at a highly efficient and customer friendly level and growing their business.

The primary goals set by SOF Connect for the Cargo Operator are:

- Enhance the overall cargo processing experience for the customers,
- Deliver a world-class cargo infrastructure facility,
- Increase the efficiency of the operational environment,

- Provide global air cargo connectivity with other cargo hubs to contribute to the cargo volume growth and connectivity,
- Work together with airlines flying to the airport, as well as the local cargo community to facilitate cargo volume growth,
- Work with the latest technology to guarantee the best practices in cargo handling,
- Facilitate the latest trends in air cargo transport including e-commerce and pharma growth,
- Work together with the relevant authorities and stakeholders to support the efficient processing of the cargo,
- Reducing carbon footprint and the environmental impact,
- Contribute to the social and economic development of the airport community,
- Ensure transparent governance.

1.5. Tender Procedure

To find the most suitable operator for the cargo facility at Sofia Airport, a two-stage open Tender Procedure is launched. In the prequalification stage, the Bidders shall demonstrate their compliance with the eligibility and qualification criteria. The Bidders who successfully pass the prequalification stage will be invited to submit Proposals.

SOF Connect is meanwhile preparing a design for the refurbishment project of the Cargo warehouse, Building 1. A design contract for „*Overhaul and internal reconstruction of the cargo terminal at Sofia airport*” has been assigned and currently the concept design phase has been completed. A detailed design will be prepared subsequently to obtain a construction permit in Q1 2025.

The Bidders shall submit Letter of Interest accompanied by information about their compliance with the eligibility and qualification criteria in October 2024, and the prequalified ones will be invited to submit Proposals in January 2025. The contract award is expected by April 2025. The 10-year contract is then expected to commence in September 2025.

The facilities comprise an airside warehouse of 2,700 sqm with direct apron access (Building 1), and a separate 2,066 sqm landside warehouse (Building 2). The Bidders are expected to bid for both facilities only. The Bidders are furthermore expected to detail the business they want to develop in each of the facilities in a concept of operations plan. The Bidders are also expected to detail a marketing and business plan to showcase how they intend to develop and promote the cargo overhaul business in both facilities. In addition to the mandatory refurbishment project, the Bidders are expected to submit detailed plans of additional investment in equipment, furnishing, and systems.

Further details about the requirements for the Proposals shall be provided to the prequalified Bidders.

1.6. Roles and responsibilities

The Bidder will assume the responsibility for the execution and financing of the refurbishment project, as well as all cargo warehouse handling operational activities and the operation and maintenance (O&M) of the cargo facilities in the defined scope for the duration of the Cargo Operations Agreement. The roles and responsibilities in the project are as set out in the table below.

Area	SOF Connect	Cargo Operator	Third party	Comment
Building 1 refurbishment project detailed design and construction permit	X			To be finished before contract start.
Execution and financing of the		X		

Area	SOF Connect	Cargo Operator	Third party	Comment
Building 1 refurbishment project				
Any investment and upgrades to the Building 2 warehouse		X		
Fit out and equipment required		X		
Additional changes to the building interior		X		If desired - within building architectural structure and responsibility of any permissions etc. with the operator.
Maintenance of the warehouse(s) and general upkeep		X		
Maintenance of the outdoor plazas		X		
Existing asset condition		X		
Responsibility as "Regulated Agent" under security requirements		X		Cargo Operator to act as Regulated Agent for the security procedures

Area	SOF Connect	Cargo Operator	Third party	Comment
Cargo security screening, incl. staffing by SOF Connect	X			SOF Connect to be contracted by the Cargo Operator to perform security screening and staffing
Airport goods delivery screening (just for reference, not part of the tender package)	X			
Customs clearance			X	Customs
Storage of cargo before/after customs clearance		X		
Compliance with any applicable national standards and regulations	X	X	X	Each party is responsible for fully complying with all standards and regulations.
Transfer of existing airline client contracts	X	X		Joint responsibility. All existing contracts will be transferred to the Cargo Operator only with the consent

Area	SOF Connect	Cargo Operator	Third party	Comment
				of the respective airline client.
Client development and market share growth		X		
Cargo ramp-handling			X	Airline cargo ramp handling agents
Maintenance of on-site utilities		X		
Availability of existing Utilities to perform activities	X			
Asset condition at handback		X		
Environmental obligations		X		As per SOF Connect Concession Agreement and defined ESG strategy.
Damage to or destruction of the facilities recovery		X		
Facilitation of inspection of operation and		X		

Area	SOF Connect	Cargo Operator	Third party	Comment
facilities by SOF Connect or its assignee				
Performing cargo warehouse handling activities in compliance with SLAs and KPIs		X		
Review and Audit of KPIs & SLAs and compliance verification	X			

1.7. Security Setup

The Cargo Operator acknowledges the obligation as a result of the assignment of the Cargo Services to the Cargo Operator, and before start of operations, to obtain Regulated Agent status and approval from the Civil Aviation Administration.

SOF Connect will perform the security controls of cargo goods with its existing X-ray equipment and security personnel as a subcontractor. In accordance with point 6.3.1.1, paragraph (4) and 6.3.1.1b) of the Regulation (EU) 2015/1998 and National Civil Aviation Security Program the Regulated agent may subcontract any of the security controls referred to in point 6.3.2 of the Regulation (EU) 2015/1998 / National Civil Aviation Security Program to another entity, where the controls are carried out at the regulated agent's own site or at an airport, and are covered by the regulated agent's or airport security program.

The security controls shall be carried out by security screeners who are employees of SOF Connect. Security screeners and X-Ray equipment are certified by the Civil

Aviation Administration and shall be contracted to the New Cargo Operator to perform security control tasks on behalf of the Regulated Agent within the scope of a responsibility matrix to be presented to the prequalified Bidders.

For the security screening services the Cargo Operator will pay to SOF Connect a fixed monthly fee depending on the monthly volume of cargo. Prices will be disclosed to the prequalified Bidders.

1.8. Cargo Employees

The Cargo Operator acknowledges that as a result of the assignment of the Cargo Services to the Cargo Operator, the Employees of SOF Connect (as updated and agreed prior to the Commencement Date) shall be automatically transferred to the Cargo Operator on the Commencement Date without termination of the employment contracts pursuant to Art. 123, para. 1, item 7 of the Labor Code, whereupon all rights and obligations of SOF Connect stemming from the employment relations with the Employees of SOF Connect shall be transferred to the Cargo Operator by operation of law. Further details about the employees to be transferred to the Cargo Operator shall be provided to the prequalified Bidders.

1.9. Transfer of existing Cargo contracts

Current SOF Connect cargo warehouse operational revenue amounts to over 550.000 EUR annually (last 12-months rolling). Among the main customers are Bulgaria Air, British Airways, EL AL, UPS as well as number of specialized cargo companies for general and military cargo.

SOF Connect will ask all its contracted parties for cargo warehousing to contract and continue operations directly with the new Cargo Operator, but the final decision lies within the respective airline.

Further details about the airline contracts to be transferred to the Cargo Operator shall be provided to the prequalified Bidders.

PART C: INSTRUCTIONS TO BIDDERS

1. GENERAL INSTRUCTIONS

When submitting their Letter of Interest, Bidders must follow all instructions, forms, terms of reference, contract provisions and specifications contained in this RFP. Failure to submit a Proposal containing all the required information and documentation within the deadline specified may lead to the rejection of the Proposal.

When submitting their Letter of Interest, Bidders should not include any personal data beyond the information required in this RFP.

Bidders should read, review and understand this RFP carefully, along with all exhibits and attachments, the General Information section (Part B), Instructions (Part C) providing relevant data and information to demonstrate their eligibility and qualification.

Each Bidder should submit a Letter of Interest in accordance with the instructions provided in this RFP.

Information, documents and templates related to the second stage of the Tender Procedure, such as required content of the Proposals, evaluation criteria and contract awarding process, performance guarantee, cargo facilities overview, expected CAPEX commitment of the Cargo Operator, draft Cargo Operations Agreement, etc., shall be provided only to the prequalified Bidders.

2. NATURE OF TENDER

The Tender Procedure is a two-stage open procedure. Without prejudice to the other requirements set forth herein, any entity may submit a Letter of Interest in response to this RFP containing the information set out in Section 3 and Section 4 below by providing the information for prequalification that is requested hereby. Only prequalified Bidders will be invited to submit Proposals in Stage 2 of the Tender Procedure.

3. ELIGIBILITY REQUIREMENTS

- a) Participation in the pre-qualification stage of the Tender Procedure is open to any interested Bidders, whereas Proposal may be submitted only by Bidders who have met the eligibility and qualification requirements.

- b) Subcontracting for the execution of the core cargo handling services is not allowed. Subcontracting may only be allowed for secondary services, and subject to the prior written approval of SOF Connect.
- c) The Bidders are not allowed to modify the structure of their Letter of Interest or to include additional partners in the form of joint venture, consortiums or any other temporary association of undertakings in order to enhance their professional, technical and/or financial capacity.
- d) Grounds for exclusion:

A single entity will not be eligible to submit a Proposal if:

- (i) it or any of its shareholders, directly or indirectly, originates from the countries that are under sanctions of the UN Security Council; or
- (ii) it or any of its shareholders is on the European Union's Listing of list of persons, groups and entities subject to EU financial sanctions at the time of submission of the Letter of Interest; or
- (iii) it is affected by any of the circumstances set forth in Exhibit 3;
- (iv) it or any of its shareholders is affected directly or indirectly by the Magnitsky Act; or
- (v) it or any of its shareholders authorize or permit any of their officers, directors, authorized employees, affiliates, agents or representatives to, engage in any IFC Sanctionable Practice in relation to the contracting or any transactions contemplated therein; or
- (vi) there are grounds for exclusion of the Bidder pursuant to Article 60 of the Concessions Act; or
- (vii) if, contrary to the specifications in this RFP, a Bidder acts as an individual Bidder and additionally submits a Letter of Interest as part of a bidding consortium;
- (viii) if, at the time of the Letter of Interest submission the Bidder has any unsettled financial obligations towards SOF Connect AD which are overdue with more than

two (2) months.¹

For the purposes of confirming that a Bidder is eligible to participate in the Tender Procedure, each Bidder has to deliver, as part of the Proposal (as described below), declarations using the forms set out in EXHIBIT 3 (*Declaration of Eligibility*), EXHIBIT 4 (*Declaration for the absence of grounds for exclusion under Art. 60 of the Concessions Act*) and EXHIBIT 5 (Environmental and social check list).

4. REQUIREMENTS ON THE PROFESSIONAL, ECONOMICAL AND TECHNICAL CAPACITY OF THE BIDDER

The Bidders will be requested to prove their Professional, Economical and Technical Capacity to execute the Cargo Operations Agreement and provide the Cargo Service at the airport facilities. Thus, the Bidder must submit Declaration for Professional, Economical and Technical Capacity (EXHIBIT 2), together with supporting documentary evidence (e.g. references, presentations, brochures, financial statements, certificates, and other documents as the Bidder deems fit) providing the following information:

4.1. Technical Requirements

4.1.1. Experience and Track Record

- **Minimum Years of Experience:** At least 10 (ten) years of experience in handling cargo warehousing operations at major international airports. The Bidders shall be required at least to describe (for example, in a declaration) their earlier experience in order to demonstrate compliance with the 10-year requirement.
- **Project References:** Provide a minimum of 3 (three) references from major international airports (major airport is considered airport with traffic over 5

¹ *Applicable for companies that are in contractual relations with SOF connect under other Agreements, at the time of the tender submission and have unsettled payments which are in overdue of more than two months.*

million pax per year for a single year within the last 7 years) where similar cargo warehousing operations (annual airport cargo volume above 20.000 tons per year) have been managed in the past 5 (five) years.

4.1.2. Technology and Equipment

- **Advanced Cargo Handling Systems:** Proven deployment and operational use of advanced cargo handling systems (e.g., automated storage and retrieval systems, real-time tracking systems).
- **IT Systems:** Use of integrated IT systems for cargo management, tracking, and customer service, with demonstrated capability in handling volumes of data securely and efficiently.
- **Infrastructure Capability:** Evidence of existing infrastructure or capability to rapidly deploy necessary infrastructure to support high-volume cargo operations (over 20.000 tons of cargo per year at a single location). The Bidder shall present historical evidence of implementation of similar scale projects.

4.2. Operational Requirements

4.2.1. OPERATIONAL CAPACITY

- **Volume Handling:** Demonstrated evidence of handling a minimum of 150,000 (one hundred fifty thousand) tons of cargo per year globally.
- **Workforce:** A workforce of at least 200 (two hundred) employees dedicated to cargo warehouse handling operations worldwide, with certifications and training in cargo security, dangerous goods handling, and equipment operation.
- **Operational Certifications:** Demonstrable ability, by previous experience, to obtain certification from relevant aviation authorities, including IATA's ISAGO certification, at Sofia Airport.

4.3. GLOBAL PRESENCE

- **Network:** A global operational network with cargo warehouse facilities in at

least 3 (three) countries.

- **Client Base:** Existing contracts with at least 20 (twenty) major airlines for cargo warehouse handling services (major airline is considered such with an aircraft fleet of over 10 aircraft as of 30th September 2024).

4.4. FINANCIAL REQUIREMENTS

4.4.1. FINANCIAL STABILITY

- **Revenue:** Minimum annual revenue of USD 30 (thirty) million specifically from worldwide cargo handling operations.
- **Financial Statements:** Submission of audited financial statements for the last 5 (five) years demonstrating consistent profitability and financial health.
- **Insurance Coverage:** Comprehensive insurance coverage, including cargo liability insurance with a minimum coverage limit of USD 50 (fifty) million.

4.4.2. INVESTMENT CAPABILITY

- **Capital Investment:** Demonstrable experience investing in cargo terminal for a minimum value of 3 (three) million euros in the past 10 (ten) years.

4.5. COMPLIANCE AND QUALITY STANDARDS REQUIREMENTS

4.5.1. ESG, H&S, AND QUALITY MANAGEMENT SYSTEMS

- **Quality Standards:** ISO 9001 certification for quality management systems.
- **Environmental Standards:** ISO 14001 certification for environmental management, demonstrating commitment to sustainable operations.
- **H&S Standards:** ISO 45001 certification for occupational H&S management.

4.5.2. SAFETY AND SECURITY STANDARDS

- **Safety Audits:** Regular safety audits and a proven track record of compliance

with safety standards, with no major incidents or violations in the past 5 (five) years.

4.6. ADDITIONAL REQUIREMENTS

- **Innovation Programs:** Evidence of ongoing innovation programs aimed at improving efficiency, reducing operational costs, and enhancing customer service.
- **Continuous Improvement:** Implementation of continuous improvement methodologies such as Six Sigma or Lean management.

5. LIMITING THE NUMBER OF BIDDERS INVITED TO SUBMIT A PROPOSAL

If more than three (3) Bidders meet the eligibility and qualification criteria, SOF Connect may, in its sole discretion, reduce the number of candidates to which invitations to submit Proposal is sent to the top three (3) Bidders by applying the following rules:

No	Criteria for assessment	Formula
1.	Project References:	<p>The assessment under indicator Project References (PR) shall be carried out through calculation of the ratio between the total number of project references provided by the nth Bidder, and the greatest total number of project references provided by one of the Bidders, multiplied by coefficient 30 according to the following formula:</p> $PR_n = \frac{PRN_n}{PRN_{max}} \times 30, \quad \text{where:}$ <p>PR_n is the assessment of the nth Bidder under indicator PR;</p> <p>PRN_n is the total number of project references provided by the nth Bidder;</p> <p>PRN_{max} is the greatest total number of project references provided by one of the Bidders.</p> <p>The coefficient 30 reflects the relative weighting of the indicator in the final assessment.</p>
2.	Volume Handling	<p>The assessment under indicator Volume Handling (VH) shall be carried out through calculation of the ratio between the total annual volume of cargo in</p>

No	Criteria for assessment	Formula
		<p>tons handled by the nth Bidder globally, and the highest total annual volume of cargo in tons handled by one of the Bidders globally, multiplied by coefficient 50 according to the following formula:</p> $VH_n = \frac{VHT_n}{VHT_{max}} \times 50, \quad \text{where:}$ <p>VHT_n is the assessment of the nth Bidder under indicator VH;</p> <p>VHT_n is the total annual volume of cargo in tons handled by the nth Bidder globally;</p> <p>VHT_{max} is the highest total annual volume of cargo in tons handled by one of the Bidders.</p> <p>The coefficient 50 reflects the relative weighting of the indicator in the final assessment.</p>
3.	Revenue	<p>The assessment under indicator Revenue (R) shall be carried out through calculation of the ratio between the total annual revenue from worldwide cargo handling operations generated by the nth Bidder, and the highest total annual revenue from worldwide cargo handling operations generated by</p>

No	Criteria for assessment	Formula
		<p>one of the Bidders, multiplied by coefficient 20 according to the following formula:</p> $R_n = \frac{CR_n}{CR_{max}} \times 20, \quad \text{where:}$ <p>R_n is the assessment of the nth Bidder under indicator R;</p> <p>CR_n is the total annual revenue from worldwide cargo handling operations generated by the nth Bidder;</p> <p>CR_{max} is the highest total annual revenue from worldwide cargo handling operations generated by one of the Bidders.</p> <p>The coefficient 20 reflects the relative weighting of the indicator in the final assessment.</p>

The number of points received by each Bidder for each of the three (3) indicators shall be added according to the following formula:

$$E_n = PR_n + VH_n + R_n$$

The maximum number of points in the final assessment which a Bidder can receive is 100.

The Bidders shall be ranked in descending order according to the number of points received in the final assessment. Invitations for submission of Proposals shall be sent

to the three (3) highest scoring Bidders. In case that two or more Bidders among those with the highest number of points have received equal number of points, invitations shall be sent to all of the said Bidders.

6. AWARD CRITERIA

SOF Connect shall base the award of the Cargo Operations Agreement on the most economically advantageous tender. The most economically advantageous tender shall be identified on the basis of the best price-quality ratio. The criteria for the assessment of the best price-quality ratio will be disclosed to the prequalified Bidders.

7. TENDER SCHEDULE

Activity	Dates:
Publication of RFP Documents for Stage 1: Prequalification/Letter of Invitation	01.10.2024
Q&A Process	01.10.2024- 11.10.2024
Submission of Letter of Interest, incl. Exhibits 1-5	25.10.2024
Review of Proposals (pre-selection)	26.10.2024- 08.11.2024
Release of RFP Documents for Stage 2: Selection and Contract Award/Invitation for Proposals	15.11.2024
Site Visits	21.11.2024- 20.12.2024
Q&A Process	21.11.2024- 31.12.2024
Proposal Submission Deadline	31.01.2025
Review/Evaluation Proposals	01.02.2025- 28.02.2025
Presentation of Proposals by the Bidders / Start of Negotiations	17.03.2025- 28.03.2025
Final of negotiations	31.03.2025- 18.04.2025
Announcement of preferred Bidder	30.04.2025

Activity	Dates:
Obtaining of "No-objection" by Lenders	01.05.2025-30.06.2025
Approval by the Minister of Transport	01.07.-31.07.2025
Contract signing	01.08.-10.08.2025
Hand-over of cargo facilities	31.08.2025
Start of Cargo Operations	01.09.2025

8. CONTENT OF THE LETTERS OF INTEREST

The Bidder must submit a Letter of Interest in accordance with Sections 8 and 10 below.

8.1. Letter of Interest

The form necessary for completing the Letter of Interest is contained in EXHIBIT 1.

The required administrative information should be provided in full in the Letter of Interest form.

8.2. Evidence of lack of grounds for exclusion of the Bidder

The Bidders must provide the following declarations:

- a) Declaration of Eligibility under Section 3 (EXHIBIT 3); and
- b) Declaration for the absence of grounds for exclusion under Art. 60 of the Concessions Act (EXHIBIT 4).

8.3. Evidence of Bidder's qualification

- a) Declaration for Professional, Economical and Technical Capacity (EXHIBIT 2); and

- b) Supporting documentary evidence of Bidder's professional, economic and technical capacity (e.g. references, presentations, brochures, financial statements, certificates, and other documents as the Bidder deems fit).

9. REQUESTS FOR CLARIFICATION

Bidders may submit questions **by the deadline specified in section 7 above** exclusively in writing and transmitted by e-mail to the following e-mail address:

m.kanurkova@sof-connect.com

Questions submitted by any other means or after the deadline will not be considered and will not be provided with a response.

SOF Connect will publish its replies to all eligible questions for clarification after the questions submission deadline in section 7 above.

Bidders must not attempt to contact members of SOF Connect's staff to discuss or ask questions about the contents of the RFP, other than in writing as provided above. Any Bidder seeking to arrange individual meetings with the members of the Boards of Directors or Supervisory Board and/or other staff of SOF Connect AD concerning this RFP during the tender period may be disqualified from the Tender Procedure.

Each Bidder is obliged to use the given Q&A template (EXHIBIT 6) for submitting questions related to the RFP Stage 1 process.

Responses to all written questions, corrections and clarifications to the RFP will be made in writing and made available to prospective Bidders in the form of an RFP addendum.

Bidders may only rely upon written information provided by SOF Connect. Bidders shall not rely upon, and SOF Connect shall not be responsible for, any oral information or instructions provided in reference to the RFP.

No general information meeting is foreseen.

10. SUBMISSION INSTRUCTIONS

The Bidders must follow strictly the submission instructions indicated in this section 10.

Letters of Interest submitted by any other means will not be considered. Any infringement of these rules constitutes an irregularity which will lead to disqualification of the Bidder.

10.1. Packaging and labeling

Each Bidder must submit its Letter of Interest in an envelope containing:

1. **“Letter of Interest”**, Exhibit 1 – one original hard copy and one digital copy;
2. **Filled in Exhibits 2-5** – one original hard copy and one digital copy.

The envelope containing the documents set forth above must be sealed and clearly marked as follows:

LETTER OF INTEREST FOR CARGO SERVICES AT SOFIA INTERNATIONAL AIRPORT

Addressed to:

Mr. Dimitar Bikov

Chief Marketing and Business Development Officer

SOF Connect AD

1 Christopher Columbus Blvd., Sofia Airport, 1540 Sofia, Bulgaria

The company name and address of the Bidder must be indicated on the envelope.

10.2. Submission of Letters of Interest

The Letters of Interest must be submitted by hand or courier to:

SOF Connect AD, 1540 Sofia, 1 Christopher Columbus Blvd., Sofia Airport, Terminal 1, Registry room

To the attention of: Dimitar Bikov, Chief Marketing and Business Development Officer
by 16:00 EET on the Letter of Interest Submission Deadline specified in Section 7 above (25.10.2024).

A delivery receipt will be provided for all Letters of Interest.

Bidders submitting Letter of Interest by way of postal delivery must ensure their Letters of Interest reach the above address no later than the Letters of Interest Submission Deadline. Proof of posting of Letters of Interest will not be accepted as evidence of delivery.

Postage must be pre-paid on all Letters of Interest sent via post or courier. Letters of Interest forwarded by facsimile, telex or e-mail are not acceptable and the respective Bidders will be disqualified.

If a Letter of Interest is submitted incorrectly or opened before the Letter of Interest Submission Deadline because of incorrect or unclear addressing of the envelope, the Letter of Interest will be returned to the Bidder.

10.3. Amending or withdrawing Letters of Interest

Bidders may amend or withdraw their Letters of Interest by written notification prior to the Letters of Interest Submission Deadline. Letters of Interest may not be amended after the Letters of Interest Submission Deadline.

Any such notification of amendment or withdrawal must be prepared and submitted in accordance with this section 10.

The amended copies of the Letters of Interest must be marked 'Amendment' or 'Withdrawal' as appropriate.

10.4. Language of the procedure

Letters of Interest, all correspondence and documents related to the Tender Procedure exchanged by the Bidders and SOF Connect must be written in English.

Supporting documents and literature furnished by the Bidder may be in Bulgarian language, provided they are **accompanied by a translation² into the language of the Tender Procedure**. For the purposes of interpreting the Letters of Interest, the language of the Tender Procedure has precedence.

² *Non-certified translation will be accepted.*

10.5. Confidentiality

The entire qualitative selection process is confidential. Apart from the Bidders being notified of their compliance with the eligibility and qualification criteria, the Bidders are not entitled to obtain, and SOF Connect has no obligation to disseminate any information and/or justification related to the qualitative selection.

10.6. Ethics clauses / Corruptive practices

Any attempt by a Bidder to obtain confidential information, enter into unlawful agreements with competitors or influence SOF Connect during the Tender Procedure will lead to the disqualification of such Bidder.

The Bidder must not be affected by any conflict of interest and must have no equivalent relation in that respect with other Bidders or parties involved in the current Tender Procedure.

SOF Connect reserves the right to suspend or cancel the Tender Procedure, if corrupt practices of any kind are discovered at any stage or during the execution of the Cargo Operations Agreement. For the purposes of this provision, 'corrupt practices' are the offer of a bribe, gift, gratuity or commission to any person as an inducement or reward for performing or refraining from any act relating to the award of a contract.

SOF Connect reserves the right to suspend or cancel the Tender Procedure, where the procedure proves to have been subject to substantial errors, irregularities or fraud. If substantial errors, irregularities or fraud are discovered after the award of the Cargo Operations Agreement, SOF Connect may refrain from concluding the Cargo Operations Agreement.

11. CANCELLATION OF THE TENDER PROCEDURE

In the event of cancellation of the Tender Procedure, SOF Connect will notify the Bidders of such cancellation. If the Tender Procedure is cancelled before the outer envelope of any tender has been opened, the unopened and sealed envelopes will be returned to the Bidders.

Cancellation may occur, for example, where:

- the Tender Procedure has been unsuccessful, i.e., no eligible or qualitatively acceptable Bidder has submitted a Letter of Interest or there is no valid response at all;
- there are fundamental changes to the economic or technical data of the project;
- exceptional circumstances or force majeure render normal performance of the contract impossible;
- there have been substantial errors, irregularities or frauds in the procedure, in particular if they have prevented fair competition;
- the award is not in compliance with sound financial management, i.e. does not respect the principles of economy, efficiency and effectiveness (e.g. the price proposed by the Bidder to whom the contract is to be awarded is objectively disproportionate with regard to the price of the market).

In no event shall SOF Connect be liable for any damages whatsoever including, without limitation, damages for loss of profits, in any way connected with the cancellation of a Tender Procedure, even if SOF Connect has been advised of the possibility of damages. The notice on successful prequalification does not commit SOF Connect to send an Invitation for Proposal or to continue the Tender Procedure.

12. OTHER TERMS AND GENERAL CONDITIONS

12.1. Costs for preparing Letter of Interest

No costs incurred by the Bidders in preparing and submitting their Letters of Interest are reimbursable. All such costs must be borne by the Bidders.

12.2. Ownership of Letters of Interest

SOF Connect retains ownership of all Letters of Interest received under this Tender Procedure. Consequently, Bidders do not have the right to have their Letters of Interest returned back, nor to receive any compensation or any other payment for the Letters of Interest.

PART D: DECLARATIONS AND OTHER TEMPLATES

(Refer to the enclosed attachments)