



*Summary of Information related to the Purchase
Transaction of 100% Shares of
Croatia banka d.d.
(“Summary of Information related to the Planned
Transaction”)*

July 2020

Dear Sir or Madam,

This document and the Summary of Information related to Croatia Bank d.d. ("**Teaser Document**"), having its registered seat in Zagreb (Republic of Croatia), Roberta Frangeša Mihanovića 9, PIN: 32247795989 ("**Bank**"), constitute an integral part of the released Invitation by which the State Agency for Deposit Insurance and Bank Resolution, having its registered seat in Zagreb (Republic of Croatia), Jurišićeva 1, PIN: 94819327944 ("**Seller**"), as a sole owner of Bank's shares, invites interested investors for expression of interest for the purchase of 100% shares of the Bank ("**Invitation for Expression of Interest**"). All three documents are available on the respective websites of the Seller (www.dab.hr/en/news) and the Bank (www.croatiabanka.hr/prodaja).

The purpose of this document is to present to interested investors the main elements of the planned transaction ("**Planned Transaction**").

I. THE SUBJECT OF THE PLANNED TRANSACTION

The subject of the Planned Transaction is the sale and purchase of 4,746,000 series A shares, each having nominal value of HRK 100.00 ("**Shares**"), which represents 100% of the Bank's share capital. Depending on the determined interest of potential investors for the sale and purchase of the Shares, the intention of the Seller is to select one buyer for the sale and purchase and transfer of 100% Shares after the entire procedure has been carried out, in accordance with the below described structure of the Planned Transaction.

II. THE STRUCTURE OF THE PLANNED TRANSACTION

The Planned Transaction begins with the Invitation for Expressions of Interest, this document and the Teaser Document being published and ends with signing of the Share Transfer Agreement ("**STA**").

Components of the Planned Transaction are elaborated further in this document – *see under III. Indicative Timeline of the Planned transaction.*

III. INDICATIVE TIMELINE OF THE PLANNED TRANSACTION

July 6, 2020 - September 4, 2020

release of the Invitation for Expression of Interest, Summary of Information related to the Planned Transaction and of the Teaser Document → collection of expressions of interest from interested investors

the first delivered expression of interest - September 16, 2020

short-listing interested investors for the performance of due diligence of the Bank and the submission of binding offers* → entering into a Non-Disclosure Agreement ("**NDA**") with selected investors → informing selected investors about the rules of due diligence and the manner of submitting binding offers, with emphasis on the content of the binding offer

** The Seller shall, within 7 (seven) days from the receipt of each individual expression of interest, decide whether to invite the interested investor to perform due diligence of the Bank and submit a binding offer, and in case of selection / positive decision, within 5 (five) days, and subject to the conclusion of the NDA, signing of the Virtual Data Room ("**VDR**") Rules and the Seller's receipt of the VDR user list by the interested investor, allow entry into the VDR to conduct due diligence. Entry into*

the VDR will in any case be available to all selected candidates starting by September 17, 2020, but only and exclusively subject to the conclusion of the NDA, signing of the VDR Rules and the Seller's receipt of the VDR user list by the interested investor. All interested investors whose expression of interest is not taken into account will be notified by e-mail indicated in the corresponding expression of interest.

August 3, 2020 - October 9, 2020

due diligence of the Bank, which shall include: access to the VDR, asking questions by the interested investors and answering them (Q&A), delivery of a draft of the Share Purchase Agreement ("SPA"), at least one meeting with the Management Board of the Bank (Management Meeting)

October 12, 2020 - October 23, 2020

collection of binding offers

October 26, 2020 - November 6, 2020

examination of binding offers and selection of the best offer(s)

November 9, 2020 - November 20, 2020

finalization of the SPA

until December 31, 2020

obtaining the approval from the Croatian National Bank (CNB) for the acquisition of the Shares → signing of the STA

IV. THE CRITERIA FOR THE SELECTION OF CANDIDATES WHICH WILL BE INVITED FOR DUE DILIGENCE OF THE BANK AND FOR SUBMISSION OF A BINDING OFFER

Mandatory requirements and Preferable requirements, as specified in the Invitation for Expression of Interest, represent criteria for the selection of candidates which would, following their expression of interest, be invited to perform due diligence of the Bank and submit their binding offers. Together with the invitation, the selected candidates will receive a draft of the NDA. After entering into the NDA with the Seller, the selected candidates will be notified in more detail about the rules of due diligence and the submission of the binding offer, with emphasis on the content of the binding offer.

V. THE SPA

A draft of the SPA will be made available to participating investors via the VDR as soon as practicable after enabling entrance to the VDR.

Interested investors are invited to submit a mark-up on the draft version of the SPA simultaneously with or before submitting their binding offers. The nature and significance of the draft of the mark-up will be taken into consideration during the examination of the received binding offers.

VI. CRITERIA FOR SELECTION OF THE BEST BIDDER / BEST BIDDERS

In considering the binding offers, the Seller will take into account, among other things, offered purchase price for the Shares, mark-up of the SPA, the speed and certainty of execution of the Planned Transaction and any risks relating to achieving completion of the Planned Transaction.

Based on the received binding offers, the Seller may select one or more preferred investors with whom to continue the discussions with respect to the SPA, with the aim of concluding the Planned Transaction.

For the avoidance of doubt, the binding offer must be irrevocable and binding on the investor. The SPA comes into existence only if it is accepted by the Seller.

* * *

Should you have any further questions or in case you need any clarifications, please do not hesitate to contact the Committee for Conducting the Sale Procedure of Shares via e-mail: povjerenstvo.croba@dab.hr.

Yours sincerely,

State Agency for Deposit Insurance and Bank Resolution

DISCLAIMERS

The Seller has prepared this document with the purpose of informing interested investors and therefore it is intended for informational purposes only. Neither the Seller nor any of his advisors, undertake any duty to provide any additional information. The Seller reserves the right to amend this document. It shall not be deemed that the Seller made any declarations (either expressed or implied), or in any other manner made any representation or warrant to the accuracy and completeness of this document. Neither the Seller nor any of his advisors undertake any duty to update, modify, correct or supplement this document or to notify the reader in any other manner that anything else stated herein, including, but not limited to any opinion, projection, prediction or estimation, has been modified or has subsequently become inaccurate.

This document does not constitute an investment advice. It has been prepared regardless of individual financial circumstances and objectives of the persons to whom the document is transmitted. Interested investors shall autonomously and at their own discretion assess specific investments and strategies. Suitability of a certain investment or a strategy will depend on the investors' individual circumstances and objectives. Interested investors shall execute their own evaluations and due diligence, including among others, those of financial and legal kind, before performing any action or refraining from it.

Release of this document shall not constitute an obligation of the Seller to sell the Shares, nor shall it constitute the basis for any right or request of the interested investor to/for fulfilment on any basis. The Seller reserves the right to modify, terminate or discontinue the Planned Transaction at any

moment, without any explanation and/or to exclude any interested investor from the Planned Transaction and without obligation to reimburse the costs and/or losses to the interested investor. This document does not constitute an offer for the purchase of the Shares and/or assets of the Bank, but its sole purpose is to provide initial information about the Bank and on the subject and the course of the Planned Transaction, in order to determine the existence of interest for the purchase of the Shares.