



**REPUBLIC OF CROATIA
RESTRUCTURING AND SALES CENTRE**

**Invitation for expressing interest and submission of binding offers for the purchase
of company shares HTP OREBIĆ d.d., Orebić
owned by Republic of Croatia**

Based on the Law on the management and disposal of assets owned by the Republic of Croatia (Official Gazette 94/13, 18/16 and 89/17 - Decision and Decision Constitutional Court of the Republic of Croatia - hereinafter: Law), the Regulation on the modality of selling shares and business interest (Official Gazette 129/13 and 66/14) and the Decision of the Management Board of the Restructuring and Sale Centre (hereinafter: RSC) from March 28, 2018, Class: 024-04/18-03/2, Reference number: 360-00/02-2018-2, RSC is inviting investors to express interest and submit binding offers to purchase shares of the company HTP OREBIĆ d.d., Orebić (hereinafter: Company).

1. Subject of sale

RSC, as the legal representative of Republic of Croatia intends to offer for sale 110,609 common shares of the Company of total nominal value of HRK 11,060,900.00 which makes 23.25% of the founding equity.

The subject of the sale is the amount of at least 27,650 shares comprising 5,81% of the founding equity, of designation HTPO per buyer. Based on the provision of Article 351 Paragraph 1 Item 3 of Capital Market Act, the sale shall take place without a previous prospectus announcement; offers not meeting the requirement of the said provision of Capital Market Act shall be considered invalid.

The offered price per share must be at least HRK 76.00; offers not meeting this condition shall be considered invalid.

2. Bidders

This invitation is intended for all domestic and foreign, legal and natural persons who are represented by the investment company that is a member of Zagreb Stock Exchange (Zagrebačka burza d.d.) in accordance with the regulations of the Republic of Croatia.

3. The modality of selling the Company shares

After the selection of the most favourable bids, the transaction shall be executed at the Zagreb Stock Exchange as a block-transaction, in accordance with the Regulations of the Zagreb Stock Exchange and the Trading manual (at least HRK 2,000,000.00).

In the bid, the bidder must state:

I. The number of shares that it intends to buy and the purchase price per share expressed exclusively in HRK, that must be equal or larger than the minimum price of Item 1 of this public invitation.

or

II. That it intends to purchase an entire package (110,609) of shares, with the note that the offer is according to the 'fill or kill' (FOK) principle or that the bidder agrees that it be allocated only that part of the shares according to which its bid is among the most favourable ones.

In and for the account of the bidder, the bid is submitted to the authorised investment company representing the bidder. The deadline for submitting binding offers: **May 03 2018 until 12.00**. The day of receipt of binding offers at RSC is considered as the day of submitting binding offers. The binding offers submitted outside of the said term are not valid and shall not be considered.

The received bid compels the bidder to make the purchase according to the conditions of the bid after it was received by RSC. Several bids may be submitted for the account of one bidder, of which each must be on a separate Bid Form and in each of them the condition of the minimum amount of shares that may be the subject of the purchase defined in Item 1 of this invitation must be met. All bids for one buyer must be submitted by means of the same investment company; otherwise, only that offer/offers will be taken into account that are submitted by the investment company by which the first bid was submitted. The investment company representing the bidder is responsible for the identification of the bidder and for establishing all the information necessary for participation in the sale process. By signing the Bid Form, the investment company representing the bidder confirms that, pursuant to internal procedures, it received the purchase order by the bidder and identified the bidder, i.e. confirms that it acts in its own name and for its own account and/or the account of the client portfolio.

The obligatory content of the bid is prescribed by Item 5 of this invitation and any bid that does not contain all the prescribed elements shall be considered invalid. The content and the attachments of the submitted bids may not be subsequently supplemented or amended.

Upon the expiration of the deadline for the submission of offers, RSC will establish the order of the bids according to how favourable they are and draft a written Report on the received offers that will be forwarded to the Management Board of RSC in order to make the final decision on the sale through a block-transaction/transactions on the Zagreb Stock Exchange. The order of the eligible bids shall be established by RSC upon the expiration of the deadline for the submission of bids and upon having reviewed the validity of the same.

The basic principle of share allocation is reaching the maximum price for entire share package (110,609).

The selected bidders purchase shares at a price stated in their bids for which the Management Board of RSC made a decision that they are the most favourable.

The most favourable bid is the one in which the highest price has been offered for the object of sale and which has no formal flaws in accordance with the conditions from this invitation. When defining the order of the favourable bids, one will take into account only the formally correct bids and bids with a higher price shall have advantage.

The shares will be sold to the provider of the most favourable and every following bid according to how favourable the bid is (according to the order established in accordance with this invitation and at the price that was stated by an individual bidder in its bid that has been accepted), as long as the total amount of 110,609 shares is allocated in this way.

Should several bids have the same price, with regard to the total amount of the shares that are the object of this invitation, it will not be possible to sell the shares to any such bidder; rather, a bid with an earlier time of receipt will have advantage. Should such bids also have the same time of receipt, the share allocation by buyers will be made proportionally with regard to the requested amount, under the condition that the provisions of Article 351 Paragraph 1 Item 3 of Capital Market Act are respected (otherwise, the bids shall not be accepted).

The bidders explicitly accept that they are allocated a smaller amount of shares than the one stated in their offer, not only in the case of the previous paragraph but also in case when with regard to the total amount of 110,609 shares it is not possible to allocate the amount of shares stated in the bid to the bidder, under the condition that the provision of

Article 351 Paragraph 1 Item 3 of Capital Market Act is respected (otherwise, the bids will not be accepted).

In cases mentioned in the previous two paragraphs, for the sake of respecting the provisions of Market manual (at least HRK 2,000,000.00), it will not be possible, except if a more favourable bid of the bidder was previously accepted, whereby only one block-transaction shall be performed with regard to all the accepted bids of the same bidder and whereby the total amount of the block-transaction shall represent the sum of the values of each accepted offer (i.e. the part in which the same was accepted) at the price of the shares stated in the relevant offer.

A bidder purchasing the entire package of 110,609 shares, according to the 'fill or kill' (FOK) principle, shall have advantage not only in case of the largest offered price per share, but also in case when such price was not the highest offered but is higher than the average price per share that one would get in case that this offer is not accepted according to the order of its eligibility as well as when without such an offer one could not sell all the shares that are the subject of the invitation.

After the Management Board of RSC makes the decision, RSC shall inform bidders on the acceptance of their offers and on the date when block-transactions shall be concluded, i.e. inform the other bidders that their bids have not been accepted.

RSC retains the right not to accept any of the received binding bids and not to start concluding a block-transaction / transactions on the Zagreb Stock Exchange.

4. Transaction settlement

The transaction settlement shall be performed according to the model of 'contractual reposting with payment' of shares that are the object of the sale, in accordance with the valid Central Depository & Clearing Company Inc. Regulations, within an individual settlement. The delivery of the shares to the settlement account, under the condition of a previous payment of the entire financial amount necessary for the purchase, shall be performed on the settlement date **May 16, 2018**.

5. Content of the bid

The bid must contain:

- The Bid Form with filled in information relating to the type of the bidder;
- The offered purchase price expressed in the modality defined by this invitation;
- The bidder's account number at Central Depository & Clearing Company Inc., i.e. instructions for the settlement of the bidder's custodian in terms of the Law on the capital markets, whereby the account at Central Depository & Clearing Company Inc. must have the 'permitted business' status, or, in case of a custodian account, the same must be registered on a name;
- Contact information (phone number, fax number, e-mail address) of the investment company representing the bidder, for the sake of receiving notifications in accordance with this invitation.

All information on the sale procedure may be obtained at the phone number: 01/63 46 228, from 08.00 to 16.00 hours on work days.

You may find the bid form on the RSC website, www.cerp.hr