

**PUBLIC TENDER FOR COLLECTION OF BINDING BIDS
FOR THE PURCHASE OF SHARES**

Družba za upravljanje terjatev bank, d.d. (the Bank Asset Management Company/BAMC, hereinafter: the Seller) hereby publishes a public tender for collection of binding bids for the purchase of 104,504 ordinary shares with the CICG ticker symbol, issued by CINKARNA Celje, d.d., which are directly owned by the Seller.

1. Subject of the sale

The subject of the sale comprises 104,504 ordinary (common) shares with the CICG ticker symbol, issued by CINKARNA Metalurško-kemična industrija Celje, d.d., Kidričeva ulica 26, 3000 Celje, registration No. 5042801000, (hereinafter: the Company), which are entered in the central register of book-entry securities at KDD, ISIN code SI0031103805 and represent a 12.83% interest in the Company's share capital or 13.35% of voting rights (hereinafter: the Shares). The Shares are listed on the regulated market of the Ljubljana Stock Exchange.

The Seller came into possession of the Shares through acquisition of shares that were pledged in the Seller's favour in the bankruptcy proceedings of ZVON ENA HOLDING d.d. – undergoing bankruptcy proceedings (hereinafter: **the Debtor**), acquiring 117,965 Company shares on 8 January 2016. The Seller obtained the claim against the Debtor and the accompanying financial collateral on the Company shares within measures aiming to strengthen the stability of banks in accordance with the Act Regulating Measures of the Republic of Slovenia to Strengthen the Stability of Banks. In 2018, the Seller sold part of the shares via the regulated market, and thus now owns 104,504 Company shares, representing a 12.83% interest in share capital.

The Shares are freely transferable and are only being **sold as a whole**.

2. Collection of binding bids

The sale procedure shall be conducted by the Seller. Domestic and foreign natural persons and legal entities who, in accordance with the conditions set out below, pay the bid bond on time and submit a written bid to purchase the Shares on time, and who are entitled to acquire the Shares in accordance with the applicable legislation of the Republic of Slovenia, may participate in the procedure for the sale of the Shares.

2.1. Deadline for submitting binding bids and bid bond payment

The Seller will accept binding bids for the purchase of the Shares sent by registered post in a sealed envelope or wrapper to the following address: Družba za upravljanje terjatev bank, d.d., Davčna ulica 1, 1000 Ljubljana, with the following note: "NE ODPIRAJ – PONUDBA ZA ODKUP DELNIC CINKARNA" ("DO NOT OPEN – BID FOR PURCHASE OF CINKARNA SHARES").

The following shall be written on the back of the envelope: the full name and address or the company name and registered office of the bidder. The deadline for the submission of binding bids is 6 April 2022, including this date. A bid shall be deemed to have been received on time if it arrives at the Seller's address by 12 noon on the above-stated date and if the bidder pays the bid bond by the stated deadline in the amount of EUR 500,000.00 (hereinafter: the **Bid Bond**), to the DUTB d.d. bank account No.: SI 56 2900 0005 1319 162 open at UniCredit banka d.d., whereby IBAN and SWIFT BACXSI22 data shall be used for transfers from abroad.

The payment of the Bid Bond shall only be valid if the bidder:

- transfers the funds from its bank account at a bank that is not established in a high-risk third country,
- makes the transfer from an account open at a commercial bank that is not established in a high-risk third country.

Any derogations from the provisions of the above paragraph shall be previously approved by the Seller, whereby the Seller may refuse the payment of the Bid Bond if it is carried out contrary to the previous paragraph.

If the bidder does not pay the Bid Bond within the submission deadline or if no deposit can be seen on the Seller's bank account indicated above, that bidder's bid will be excluded from further proceedings and the sales process.

The Bid Bond shall be included in the purchase consideration and deemed to be a down payment following the conclusion of the Agreement on the Sale of the Shares. The bidder shall also provide the Seller with data regarding the bank account (which shall not be open at a bank established in a high-risk third country) to which the Bid Bond will be returned without interest if the bidder's bid for the purchase of the Shares proves unsuccessful.

The Bid Bond shall bear no interest. Bid Bonds will be returned to the losing bidders without interest within five (5) working days of concluding the Agreement on the Sale of the Shares with the winning bidder, or within five (5) working days from the date of the Seller's written declaration that it does not accept any of the bids received or that it is terminating the sales procedure. The Bid Bond will be returned within the above deadline provided the bidder submits a written statement containing data regarding its bank account (which shall not be open at a bank established in a high-risk third country) to which the Bid Bond is to be returned without interest. If a bidder subsequently submits the aforementioned statement, the Bid Bond shall be returned without interest on the fifth working day following the submission of the written statement indicating the bank account (which shall not be open at a bank established in a high-risk third country) to which the Bid Bond is to be returned. If a bidder does not submit the statement, the Bid Bond shall be returned to the account from which it was paid, on the seventh working day following the conclusion of the agreement with the chosen bidder. In this case, the Bid Bond shall not have the nature of a down payment, and bidders that are not selected shall not be entitled to request the repayment of double the amount of the Bid Bond or to file a claim for potential damages arising from not being selected.

2.2. Content of binding bid

During the sale process, the Seller will take into account the binding bids received on time, signed by the bidder's legal representative and including the following content:

A. Buyer's details:

- I. Bidder's name and tax number;
- II. Contact details for the bidder's responsible person;
- III. Presentation of the bidder (brief description of the bidder's activity, including the scope of operations, experience/knowledge of the Company's area of activity, identity of the bidder's ultimate owner, presentation of basic financial information [balance sheet and income statement for the last three years or the entire period of the bidder's operations]);
- IV. Declaration that no wind-down, bankruptcy, compulsory composition, other insolvency or restructuring proceedings have been initiated against the bidder;
- V. Description of the purpose of the purchase of the Shares;
- VI. Description of the method and circumstances of financing the intended acquisition of the Shares, including evidence or a reliable explanation that the bidder has or will have at its disposal sufficient financial means in an amount that is at least equal to the price stated in that party's binding bid (e.g., a statement issued by a bank regarding funds deposited by the bidder or a statement issued by a bank confirming the purpose of financing, etc.), where the bidder must also specifically state the actual source of funds for the acquisition of the Shares (including the level of financing from own funds and funds acquired from third parties). The bidder must also provide information about the bank account from which it intends to transfer the purchase consideration, and which shall not be open at a bank established in a high-risk third country. If the purchase consideration is financed by a third party or a bank, the buyer shall provide the details and bank account information of the third party or the bank that will deposit the purchase consideration. The registered office of the bank in which the third party has an account from which the purchase consideration will be deposited, or the registered office of the bank which will deposit the purchase consideration shall not be located in a high-risk third country;
- VII. Declaration that the bidder is acting on its own behalf and for its own account;
- VIII. Declaration by the bidder of any debts (existing or potential) to the Seller, in which the bidder describes whether it has any current or potential debts/liabilities vis-à-vis the Seller;
- IX. Declaration that the bidder has all the internal and other authorisations for the submission of a binding bid, with the bidder also being required to present in the declaration other authorisations that it potentially requires for the purchase of the Shares.
- X. Declaration that there are no legal impediments regarding the conclusion of an agreement on the sale of the shares in accordance with Article 13 of the ZUKSB (*Uradni list Republike Slovenije*, Nos. 105/2012, 63/2013, 23/2014 and 104/2015), in particular that the bidder is not:
 - a person deemed to be affiliated with the Debtor pursuant to the act governing companies;
 - a legal entity in which a person referred to in the preceding indent (i) is a shareholder, or in which a member of its management or holder of procuration is a person that was a member of the Debtor's management or Debtor's holder of procuration, within a period of three years before the Claims arose, except for a person affiliated with the person referred to in indent one of this

paragraph such that the Republic of Slovenia shall be the controlling company pursuant to the act governing takeovers;

- a natural person who was a member of the Debtor's management or holder of procuration within the period of three years before the Claims occurred;
- a natural person who is closely related to the natural person referred to in the preceding indent, as laid down by the act governing insolvency proceedings;
- a person deemed beyond any doubt, in accordance with the act governing takeovers, to be acting in concert with a person referred to in the preceding two indents, except for a person affiliated with the person referred to in the previous two indents of this paragraph such that the Republic of Slovenia shall be the controlling company pursuant to the act governing takeovers;
- a legal entity that reviewed bank asset quality and implemented bank stress tests in 2013 (data regarding such legal entities can be provided by the BAMC);
- a legal entity belonging to the same company group as the legal entity that reviewed bank asset quality and implemented bank stress tests in 2013; and
- a legal entity provided with management consulting services by a legal entity that reviewed bank asset quality and implemented bank stress tests in 2013, or being advised by an individual who as an employee in those legal entities or as a subcontractor of those companies participated in a bank asset quality review and bank stress tests in 2013.

B. 'Know your client' (KYC) declarations

As part of the "know your client" procedure regarding the background of a potential investor, bidders must enclose with their binding bids the following completed declarations/forms, which are to be found on the Seller's website (http://www.dutb.eu/si/lastniske_nalozbe.aspx):

- Declaration on (non-)association of business entities,
- Declaration about the beneficial owners of the potential investor,
- Potential investor's declaration of relationship/Related party declaration,
- Declaration about the circumstances of financial purchase of claims/equity/real estate,
- Form: Potential investor information – individuals; or Potential investor's details – legal entity,
- Statement on related entities. If the bidder is a legal entity, this statement must be completed by all the bidder's statutory representatives,
- Statement on related entities,
- Declaration regarding acts leading to unjust enrichment of debtor – Article 13 of the ZUKSB.

C. Price tendered for the purchase of the Shares and the payment deadline

- The bidder must specify a precisely defined price in EUR, rounded to two decimal places (e.g.: The price for the purchase of all the offered Shares of CINKARNA is €100.00 (in words: one hundred and 00/100 euros).
- In their binding bid, bidders shall state the payment deadline in days, beginning from the conclusion of the Agreement on the Sale of the Shares. If the final day of the payment deadline coincides with a date that is legally defined as a public

holiday, the next working day shall be deemed the final day of the payment deadline.

D. Other:

Binding bids shall be valid until at least 6 July 2022.

If the bidder is a foreign legal entity, a certified translation from the relevant register in which the bidder is entered as a legal entity shall be enclosed with the bid. That extract shall not be more than 30 days old.

Bids shall be submitted in Slovene or English. Each bidder may submit only one bid. If a bidder submits more than one bid, all of its bids will be excluded.

When submitting a binding bid, and at any time thereafter at the request of the Seller, the bidder shall prove by means of appropriate documents that it is a suitable entity with integrity as defined by the Prevention of Money Laundering and Terrorist Financing Act – ZPPDFT-1 (*Uradni list Republike Slovenije*, No. 68/2016) and secondary regulations issued on the basis of this Act. Otherwise, the Seller can immediately eliminate the bidder from the procedure without stating grounds.

3. Due diligence

Due diligence is not envisaged. **The Shares shall be sold on an “as is” basis.**

4. Opening of binding bids

The opening of binding bids will not be public. The bidder will be selected based on the following criteria: price offered for the purchase of the Shares, payment deadline and the financing method. The Seller reserves the right to invite the bidders to improve their bids, or to continue individual negotiations with all or only certain bidders, depending on the price offered. In the event of an invitation to improve bids, such an invitation shall not be deemed a rejection of the bid pursuant to the second paragraph of Article 29 of the Obligations Code; in such a case, the bids already submitted will remain valid until the completion of the sales proceedings or until the submission of an improved bid, whereby the bidders expressly agree to this by entering in the public tender procedure. The Seller also reserves the right to not select the most favourable bidder and to reject all bids as unsuitable. The Seller reserves the right to not enter into an agreement with any of the bidders, whereby it shall not be obliged to reimburse the bidders any costs they have incurred with their bid, nor any other damages.

5. Conclusion of the agreement

Within a deadline of 4 weeks after the expiry of the deadline for the submission of binding bids, the Seller will, but shall not be bound to, select the bidder that submitted an appropriate and most favourable bid (hereinafter: **the Selected Bidder**) and conclude an Agreement on the Sale of the Shares with them (hereinafter: **the Agreement**).

The Agreement with the Selected Bidder will be concluded in Slovene or English, if the buyer is a foreign natural person or legal entity. The Agreement will contain provisions that are customary for transactions concerning the purchase/sale of securities, including the **“top up” clause**, in accordance with which the buyer makes a commitment to the Seller to cover the difference between the price agreed in the Agreement and any potential higher price reached for the Seller’s securities in its transactions up to 12 months after the conclusion of the Agreement. In addition to the “top up” clause, the Agreement will include a **“re-sale” clause** which binds the buyer and prohibits it from selling the Shares for five years after having acquired them, to parties related to the Debtor.

In the Agreement, the Seller reserves the right to reveal the identity of the buyer.

The Agreement will contain details of the buyer’s bank account from which the buyer will deposit the purchase consideration and the Bid Bond (later down payment). If the Bid Bond (later down payment)/purchase consideration is financed by a third party or a bank, the Agreement will contain the details and bank account information of the third party or the bank that will deposit the Bid Bond (later down payment)/purchase consideration.

The disclosure of details about the buyer’s actual owners and details about the origin of the buyer’s assets shall be a condition for the conclusion of the Agreement. Non-disclosure of the above details shall constitute grounds for failure to conclude the Agreement, which arose from the chosen buyer.

A timely settlement of the purchase consideration will be an essential component of the Agreement. If the buyer is late in settling the rest of the purchase consideration, the Agreement shall be deemed null and void.

If the bidder selected by the Seller fails to enter into the Agreement, the Seller shall be entitled to retain the Bid Bond (i.e., the Bid Bond shall not be returned to the selected bidder). In this case, the Seller shall have the right (but shall not be obliged) to enter into an Agreement with the bidder who submitted the second or next most favourable binding bid, without repeating the collection of bids for the purchase of the Shares.

The Shares will be transferred in accordance with the Agreement following the full payment of the purchase consideration. All taxes, fees and costs in connection with the transfer of the subject of the sale and the deletion of the lien will be paid by the selected bidder – the buyer. The Shares shall be sold on an “as is” basis.

The Seller reserves the right not to select any bidder in the procedure, and shall not be obliged to conclude an Agreement with any bidder.

6. Other

Bidders shall bear the costs of their participation in this public tender procedure for the purchase of the Shares, as well as any associated costs, regardless of the outcome of the public tender. The Seller reserves the right to amend the procedure and the terms of the sale of the Shares.

By participating in this public tender procedure, bidders shall be deemed to agree with the conditions of that procedure.

If an application (e.g., bid) under this invitation is subject to a time limit, it shall be deemed to have been submitted on time if it arrives at the Seller's address before the deadline expires. If the last day of the deadline is a Saturday, Sunday or public holiday or other non-working day as laid down by the act governing public holidays, the deadline shall expire at the end of the next working day.

The Seller recognises the possibility of errors in the text of the published call.

7. Right to cancellation and exclusion of Seller's liability for damages

The Seller reserves the right to change the planned course, steps or other elements of the procedure at any time and without explanation, and may also discontinue the bid collection process, sales or negotiations procedures, and shall bear no liability whatsoever in this regard. Bidders may not file any claims against the Seller as a result of the aforementioned actions. The Seller shall also be committed to adhering to potential legal or other pre-emptive rights.

The Seller cannot be held liable for any damages whatsoever.

8. Additional information

Potential bidders may obtain additional information from the Seller's representative:

- Ms Tjaša Logar, Tel. No.: +386 1 42 93 852; Email: tjasa.logar@dutb.eu
- Ms Andreja Kranjc, Tel. No.: +386 1 42 93 858, Email: andreja.kranjc@dutb.eu

9. Applicable law and jurisdiction

This public tender, the announcement thereof and procedures associated with this tender, the collection of bids and the Agreement on the Sale of the Shares are subject to Slovenian law. In the event of any dispute, the court in Ljubljana shall have exclusive subject-matter jurisdiction.

This tender shall be published in Slovene.

Družba za upravljanje terjatev bank, d.d.