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*A copy of any Prospectus together with its summary translated into Polish and Croatian will be published by the Company on the Company’s website (<https://www.studenacgroup.eu>) and on the website of the Luxembourg Stock Exchange ([www.luxse.com](http://www.luxse.com)).*

*Risk is inherent in each investment decision. Investing in Shares is connected with a number of risks including, but not limited to, the financial risk resulting from a decline in the price of Shares or the limitation of their liquidity. With all investment decisions it is necessary to define future profit and assess the risk connected with it. Investing in shares implies the risk of losing part or all the invested funds, and even the necessity of incurring additional costs.*

PRESS RELEASE

7 November 2024

## **Studenac Group S.A. announces its intention to carry out an initial public offering and list its shares on the Warsaw and Zagreb stock exchanges**

**Studenac Group S.A. (“Studenac” or the “Company”), one of the fastest growing food retailers in CEE, based in Croatia, announces its intention to carry out an initial public offering of the Company’s shares. The offering is expected to consist of the issuance of new shares and the sale of existing shares. The offering will be addressed to retail and institutional investors in Poland and Croatia, qualified institutional buyers in the United States and to selected international institutional investors in certain other jurisdictions. Studenac plans to seek admission and introduction of the Company’s shares to trading on the regulated market of the Warsaw Stock Exchange and admission to trading on the regulated market of the Zagreb Stock Exchange.**

Commenting on today's announcement, **Michał Seńczuk, CEO of Studenac**, said:

*“I am pleased to announce Studenac's intention to go public and list its shares on the Warsaw and Zagreb stock exchanges. I am confident that Studenac's proven business model, confirmed by strong financial performance with significant revenue growth and its achievements in recent years, should attract interest among potential investors. I believe that continuing its longstanding track record will make the brand one of the leading players in the proximity format in the region.*

*Since its acquisition by Enterprise Investors in 2018, Studenac has more than tripled the number of stores in its network, reaching over 1,400 locations by the end of September 2024. We have grown from a successful regional chain in Dalmatia to cover all of Croatia, becoming the largest food retailer in the country by number of stores, and this year we made the first step in our international expansion by entering neighboring Slovenia. A key driver of this growth has been our focus on the stores’ format, which allows us to be closer to our customers and meet their everyday shopping needs quickly and conveniently.*

*We believe that the IPO and subsequent listing on the Warsaw and Zagreb stock exchanges will facilitate further growth by enhancing the Company’s profile, brand recognition and credibility. Studenac intends to continue its organic growth by opening new stores and to pursue its proven strategy of market consolidation by acquiring other players in Croatia and Slovenia, to reach 3,400 stores by the end of 2028. We intend to use the proceeds from the issue of the new shares to finance this dynamic growth and to strengthen the Company’s financial profile. The management's target is to grow Group sales revenue by approximately*



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30% (on a pro forma basis<sup>1</sup>) in 2024 compared to 2023, and at a compound annual growth rate of 25-30% in the medium term.

*Croatian, Polish and international investors will gain exposure to one of the fastest growing companies in Croatia in terms of revenue, operating in an attractive market that offers both further dynamic scale growth and attractive levels of profitability.”*

## Offering Highlights

- The offering is expected to consist of the issuance of new shares by the Company and the sale of existing shares by certain of the Company's current shareholders, i.e., by Polish Enterprise Fund VIII (PEF VIII), managed by Enterprise Investors, one of the largest private equity firms in Central and Eastern Europe, which currently holds approximately 90.08% of the Company's shares, and by Beragua Capital Advisory S.L., Heunadel Retail Invest GmbH, Elisario Limited and Vladimir Bosiljevac (together the “Minority Selling Shareholders”) who together hold approximately 9.16% of the Company's shares. In addition, approximately 0.76% of the Company's shares are held by certain other shareholders, including Management Board members, who will not be selling shares in the offering (the “Minority Non-Selling Shareholders”).
- The Company intends to raise gross proceeds of approximately EUR 80 million from the issuance of new shares in connection with the offering to finance the further dynamic growth of the business including acquisitions and store network roll-out, as well as to reduce leverage as measured by the Adjusted Net Debt/EBITDA ratio.
- The offering will be addressed to retail and institutional investors in Poland and Croatia, in each case in accordance with Regulation S under the U.S. Securities Act, qualified institutional buyers in the United States of America pursuant to and in reliance on Rule 144A under the U.S. Securities Act, as well as to selected international institutional investors in certain other jurisdictions.
- Retail investors can be offered existing shares amounting to up to approximately 10% of the shares offered in the offering.
- The terms and conditions of the offering will be presented in the Prospectus, which, together with its summary translated into Polish and Croatian, will be published in accordance with relevant regulations after approval by the Luxembourg Financial Supervision Authority (*Commission de Surveillance du Secteur Financier, CSSF*) and passporting of the prospectus to Poland and Croatia.
- Studenac plans to seek admission and introduction of all of the Company's shares to trading on the regulated market of the Warsaw Stock Exchange and admission to trading on the regulated market of the Zagreb Stock Exchange.

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<sup>1</sup> Including the results of operations of stores acquired during the relevant period (and thereafter in the case of pro forma information for the first eight months of 2024) as if such stores had been acquired on 1 January of such year. Note: the same explanation applies whenever pro forma results are referred to in this press release.



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- Studenac plans to seek registration of the offered shares in the National Depository for Securities (*Krajowy Depozyt Papierów Wartościowych S.A.*), as primary depository, and the Central Depository & Clearing Company Inc. (*Središnje klirinško depozitarno društvo*), as secondary depository.
- Erste Group Bank AG, Erste Securities Polska S.A., Erste&Steiermärkische Bank d.d., Jefferies GmbH, J.P. Morgan SE, Santander Bank Polska S.A. – Santander Biuro Maklerskie and Banco Santander, S.A. will act as the Joint Global Coordinators and Joint Bookrunners. Santander Bank Polska S.A. – Santander Biuro Maklerskie and Erste&Steiermärkische Bank d.d. will also act as Investment Firms for Poland and Croatia, respectively.
- Erste Group Bank AG will act as stabilising manager and will have the right to acquire the shares on the WSE and/or the ZSE in the total amount not exceeding 10% of the final number of shares offered in the offering in order to stabilise the price of the shares.
- Management Board members will undertake not to offer or sell the Company's shares, subject to customary exceptions, for a period of 540 days following the first listing of the Company's shares (lock-up). PEF VIII will undertake not to do so for a period of 180 days, while the Company, the Minority Selling Shareholders and the Minority Non-Selling Shareholders will undertake not to do so for a period of 360 days.

### **Key information regarding Studenac and its competitive advantages:**

- *#1 store network in Croatia with a proven business model distinguished by its unique proximity format*

Studenac is the fastest growing food retailer in Croatia in terms of revenue over the past five years. As of September 30, 2024, Studenac had 1,404 stores, including 1,372 locations in Croatia, making it the largest store network in the country, and 32 stores in Slovenia following its entry into that market in 2024 through the acquisition of Kea.

Studenac operates proximity stores, meaning that its outlets are strategically located close to customers and tailored to fit the specific needs of the surrounding community and local conditions (e.g. traffic patterns, tourism). Studenac's stores are typically located closer to consumers and in more convenient locations than those of its competitors. About 71% of Studenac's customers spent less than five minutes getting to its stores (much quicker than for competitors), with a large proportion arriving on foot.

Studenac's stores are centered around its "I sitno I bitno" ("both small and essential") consumer proposition, offering quick, quality shopping for all of its customers' daily needs.

Studenac has a unique single-format store portfolio, integrated and operating in general under one brand, with an average sales area of 111 square meters. Studenac offers a typical range of 2,000 to 4,000 branded and private label SKUs per store, an assortment of to-go products and certain additional services. It appeals to consumers through its offering of daily proximity shopping, with a comprehensive product range that meets their daily needs, including a selection of perishables. Unlike larger formats, it serves smaller shopping missions of locals and tourists that are summed up under a "food for today, food for tomorrow" concept.



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- *Attractive, high-growth food retail market in Croatia and Slovenia*

Studenac primarily operates in the Croatian grocery sector, which has a total addressable market of EUR 10.2 billion (as of 2023), grew at a CAGR of 5.5% from 2018 to 2023 and has a projected CAGR of 4.8% over the next five years according to an analysis by strategy consultancy OC&C.

The two fastest growing major segments of the Croatian grocery market in terms of revenue are smaller format stores such as Studenac's, and discounters. These segments are complementary to each other in terms of purchase mission, with customers buying in bulk at discounters while also visiting small format stores for convenience. The penetration of discounters in Croatia (approximately 15%) remains lower than in other CEE countries (e.g. Poland, Czech Republic, Romania, Hungary) and the impact of discounters on the overall market is therefore significantly lower.

Studenac has strength across both residential locations, which provide it with a stable revenue base across all seasons, and tourist-led sites, which allow it to capitalize on Croatia's status as a tourism destination. In 2023, Croatia welcomed around 21 million tourists (both domestic and foreign) with approximately 107 million overnights, according to the Croatian National Tourist Board – compared to a population of just under 4 million. The adoption of the euro and Croatia's entry into the Schengen zone at the beginning of 2023 are expected to result in an increase in the number of tourists, mostly from Germany and elsewhere in Western Europe.

According to OC&C, Studenac's market share in Croatia in 2023 was 6.6% based on total revenue, an increase of 4.1 percentage points from 2018.

The Management also believes that Studenac's store format is suitable for expansion into foreign markets. In 2024, it entered Slovenia through its acquisition of Kea, providing it with a foothold in the EUR 5.9 billion Slovenian grocery market (based on 2023 data included in the OC&C analysis).

Slovenia has similarly favorable market characteristics to Croatia. The country offers attractive macroeconomic and demographic fundamentals, including membership in the eurozone and the highest GDP per capita of the European Union's 11 CEE members (based on 2023 data by Eurostat).

According to the Management, Studenac's store format is well tailored to the Slovenian market, and Slovenian and Croatian consumers' tastes and habits are similar.

- *Accelerated expansion since 2018*

Studenac was established in 1991 in Omiš, southern Croatia. In August 2018, the Company was acquired by Polish Enterprise Fund VIII (PEF VIII), managed by Enterprise Investors, one of the largest private equity firms in Central and Eastern Europe. Enterprise Investors has unique experience and a proven track record of successful investments in the retail sector. This includes Dino Polska, one of the largest retailers in Poland, which successfully went public

on the Warsaw Stock Exchange in 2017, and Profi Rom Food, the largest supermarket chain in Romania, which was sold to another private equity firm in 2016.

At the time of its acquisition by PEF VIII, Studenac operated 385 stores. Following the acquisition, a new management team joined and Studenac commenced an accelerated expansion. The Company has been transformed from a family-owned business to a results-oriented professional organization.

With digitalization firmly embedded in its DNA, Studenac has become one of the fastest-growing players in the expanding Croatian grocery sector. It has been expanding rapidly, both organically and through acquisitions. From 2018 to 30 September 2024, Studenac opened 491 new stores and acquired 725 stores, buying Istarski Supermarketi, Sonik, Bure, Pemo, Lonia, Strahinjčica, Špar Trgovina, LA-VOR, Decentia in Croatia and Kea in Slovenia.

- *Strong financial performance with outsized sales growth*

Croatia-based Studenac is one of the fastest growing food retailers in CEE. It has dynamically grown its sales revenue through its organic roll-out of new stores and acquisitions, as well as through LFL growth.

Sales revenue increased from EUR 309.5 million in 2021 to EUR 668.1 million in 2023, representing a compound annual growth rate (CAGR) of 46.9%. Over the same period, Adjusted EBITDA<sup>2</sup> grew from EUR 31.3 million to EUR 65.9 million (CAGR of 45.1%). Pro forma sales revenue and pro forma Adjusted EBITDA for 2023<sup>3</sup> were EUR 702 million and EUR 70.7 million, respectively. Studenac's LFL growth in sales revenue was 5.6% in 2021, 18.0% in 2022 and 16.3% in 2023.

In the first eight months of 2024, Studenac generated consolidated sales revenue of EUR 556.5 million, up 19.7% year-on-year, with LFL growth of 13.1%. Over the same period, Adjusted EBITDA increased to EUR 66.9 million (+22.3% y/y). Pro forma sales revenue and pro forma Adjusted EBITDA for the first eight months of 2024 were EUR 608.8 million and EUR 72.1 million, respectively.

The management's target is to grow Group revenues at rate of approximately 30% (on a pro forma basis) in 2024 compared to 2023, and at a CAGR of 25-30% in the medium term.

- *Further growth in Croatia and international expansion with a target of 3,400 stores by end-2028*

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<sup>2</sup> Post-IFRS 16 Adjusted EBITDA for a given period is defined as Post-IFRS 16 EBITDA adjusted for events not related to Studenac's main activity, such as (i) expenses related to due diligence processes (including expenses related to commercial, financial, tax and legal vendor due diligence services and discretionary bonuses paid to employees engaged in the due diligence process) and (ii) mergers and acquisitions and post-merger integration expenses (including external employee bonuses, costs related to the integration process of acquired companies and legal, financial and other advisor costs incurred as part of completed acquisitions). Wherever Adjusted EBITDA is referred to in this press release, this means Post-IFRS 16 Adjusted EBITDA.

<sup>3</sup> Including the results of operations of stores acquired during the relevant period (and thereafter in the case of pro forma information for the first eight months of 2024) as if such stores had been acquired on 1 January of such year. Note: the same explanation applies whenever pro forma results are referred to in this press release.



The Company's Management believes that Studenac is well positioned for further growth in Croatia, and that its store format is suitable for expansion into foreign markets. In 2024 Studenac entered neighboring Slovenia.

Studenac's strategy is built around several growth levers, including developing scale and flexibility, LFL growth, improving the value proposition and enhancing the customer experience.

Studenac intends to continue its organic growth through store openings in Croatia and Slovenia. The Company is aiming to reach approximately 140 stores opened in the full year 2024, and the Management expects the number of new stores to grow each year, capitalizing on the white space opportunity in Croatia and Slovenia. Strategy consultancy OC&C estimates that there are 3,200 white space locations suitable for the Studenac format across Croatia and an additional 700 white space locations across Slovenia.

Studenac also intends to continue pursuing its proven strategy of consolidating the market by acquiring other players. The Croatian retail market's fragmentation makes it attractive for a consolidator such as Studenac, and the increasing importance of proximity shopping in Croatia is conducive to Studenac's business model. The Company has proven experience in acquiring and successfully integrating other retail networks around the country.

In total, by opening new stores and by acquiring other players in Croatia and Slovenia, Studenac aims to reach 3,400 stores by the end of 2028.

- *Digitalization and innovation firmly embedded across the organization*

Studenac is focused on driving efficiency and profitability, including through digital tools used across strategic areas of the business. Digitalization and innovation are firmly embedded across the organization, supported by an in-house Center of Excellence, Studenac Digital. The Company's Management believes that new solutions, such as advanced analytics tools in the areas of pricing and promotions, provide a competitive advantage in the local market.

Studenac has a data-driven approval process for new locations supported by a sophisticated location assessment tool, which makes automated recommendations for site evaluation and uses machine learning to better identify suitable new locations. This tool makes the roll-out of new stores much quicker and more efficient for Studenac. Very few stores opened after 2018 have subsequently been closed by Studenac.

Studenac intends to continue developing its logistics and supply chain to enhance the quality of fresh products and on-shelf availability, as well as reducing the lead time for deliveries to stores. Improving the quality of fresh products is a key enabler of Studenac's strategy of increasing the proportion of perishables in its sales mix. This is important not only for margin improvement but also as a driver of LFL growth.

Studenac is in the process of transforming and centralizing its logistics structure to support growth and improve profitability. The Company plans to double the share of centralized deliveries from 33% in 2023 to 65% in 2028, driving efficiencies and profitability, including through the ability to negotiate better terms with suppliers.

- Studenac's commitment to ESG

Studenac is an environmentally conscious organization focused on limiting its carbon footprint through energy-saving initiatives and the use of renewable energy. Since 2021, Studenac has held the ZelEn (green energy) certificate. 90% of the energy it uses comes from renewable sources purchased from the national electricity company, HEP Group.

Studenac's biodiversity initiatives include its "One Step Closer to Nature" project, which was introduced in 2020. The focus is on cleaning the sea on the Adriatic coast and on urban biodiversity. Studenac has also introduced an underground water protection initiative as part of the project.

Studenac's social initiatives are focused on local community projects, support for non-governmental organizations and diversity and inclusion. Studenac introduced its "One Step Closer to Community" project in 2021. The focus of the project is on supporting NGOs, socially disadvantaged, vulnerable groups and children and on promoting health topics.

Studenac is also committed to maintaining high standards of corporate governance. In particular, it will comply with the Corporate Governance Code of the WSE (WSE Best Practices) and the Corporate Governance Code of the ZSE. Three members of the Company's Supervisory Board meet the independence criteria described in the WSE Best Practices.

## Financial Highlights

(EUR million)	2021	2022	2023	8M 2023	8M 2024	8M 2024 pro forma <sup>4</sup>
Sales revenue	309.5	502.5	668.1	465.1	556.5	608.8
Sales revenue growth	15.1%	62.4%	33.0%	-	19.7%	-
LFL sales growth	5.6%	18.0%	16.3%	15.1%	13.1%	-
Gross profit from retail and wholesale	92.7	145.9	203.3	145.2	179.1	-
Gross profit margin from retail and wholesale	32.0%	30.8%	32.7%	33.6%	34.9%	-
Adjusted EBITDA <sup>5</sup>	31.3	43.6	65.9	54.7	66.9	72.1
Adjusted EBITDA margin	10.1%	8.7%	9.9%	11.8%	12.0%	11.8%

<sup>4</sup> Including the results of operations of stores acquired during the relevant period (and thereafter in the case of pro forma information for the first eight months of 2024) as if such stores had been acquired on 1 January of such year.

<sup>5</sup> Post-IFRS 16 Adjusted EBITDA for a given period is defined as Post-IFRS 16 EBITDA adjusted for events not related to Studenac's main activity, such as (i) expenses related to due diligence processes (including expenses related to commercial, financial, tax and legal vendor due diligence services and discretionary bonuses paid to employees engaged in the due diligence process) and (ii) mergers and acquisitions and post-merger integration expenses (including external employee bonuses, costs related to the integration process of acquired companies and legal, financial and other advisor costs incurred as part of completed acquisitions).





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Adjusted Net Debt <sup>6</sup> / Adjusted EBITDA	3.8x	4.4x	4.2x	4.5x	3.9x	3.1x
Net profit/(loss)	0.0	(0.1)	1.3	10.1	16.3	20.3

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<sup>6</sup> Post-IFRS 16 Adjusted Net Debt is defined as the sum of current loans and borrowings, non-current loans and borrowings, non-current lease liabilities and current lease liabilities less cash and cash equivalents and receivables from credit card companies.



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The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change.

Investors should not subscribe for or purchase any shares referred to in this announcement except on the basis of information in the Prospectus which may be published by the Company in due course in connection with the Offering and Admission. Before subscribing for or purchasing any Shares, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus when published.

The Offering timetable, including date of Admission, may be influenced by a range of circumstances such as market conditions. There is no guarantee that Admission will occur and persons viewing this announcement should not base their financial decisions on Company's intentions in relation to Admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all or part of the amount invested. Persons considering making such investments should consult an authorized person specializing in advising on such investments. This announcement does not constitute a recommendation concerning the Offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the Offering for the person concerned.

Statements contained herein may constitute "forward-looking statements". Forward-looking statements are generally identifiable by the use of certain words, including but not limited to: "may", "will", "should", "plan", "expect", "anticipate", "estimate", "believe", "intend", "project", "goal" or "target" or the negative of these words or other variations on these words or comparable terminology.

Forward-looking statements are based on current expectations and involve a number of known and unknown risks, uncertainties and other factors that could cause the Company's or its industry's actual financial condition, results of operations or performance to be materially different from any future financial condition, results of operations or performance expressed or implied by such forward-looking statements. Persons viewing this announcement should not place undue reliance on forward-looking statements and except otherwise required by law, the Company does not undertake to publicly update or revise any forward-looking statements that may be made herein, whether as a result of new information, future events or otherwise.

Unless otherwise indicated, market, industry and competitive position data are estimates (and accordingly, approximate) and should be treated with caution. Such information has not been audited or independently verified, and the Company has not ascertained the underlying economic assumptions relied upon therein.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, shares or any other securities into the United States, Australia, Canada, Japan, Switzerland, Dubai International Financial Centre or South Africa or in any jurisdiction in which such an offer or solicitation is unlawful. The securities referred to herein have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**US Securities Act**"), and may not be offered or sold in the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. The offer and sale of securities referred to herein will not be registered under the applicable securities laws of Australia, Canada, Japan, Switzerland, Dubai International Financial Centre, South Africa or in any jurisdiction in which such an offer or solicitation is



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unlawful. Subject to certain exceptions, the shares may not be offered or sold in Australia, Canada, Japan, Switzerland, Dubai International Financial Centre, South Africa or in any jurisdiction in which this is unlawful or to, of for the account or benefit of any national, resident or citizen of Australia, Canada, Japan, Switzerland, Dubai International Financial Centre, South Africa or any jurisdiction in which this is unlawful. There will be no public offering of the securities described herein in the United States, Australia, Canada, Japan, Switzerland, Dubai International Financial Centre, South Africa or in any jurisdiction in which this is unlawful.

No offer or invitation to acquire securities of the Company is being made by means of or in connection with this release. Any such offer will be made solely by means of the Prospectus once (i) it has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg, the Luxembourg Financial Supervision Authority and passported to Poland and Croatia; and (ii) published, together with the prospectus summary translated into Polish and Croatian, in accordance with the applicable laws in connection with a public offering in Croatia and/or Poland (each as supplemented or amended) to, in each case, the persons entitled to receive and rely upon such documents in accordance with their respective terms.

This announcement is only addressed to and directed at (i) persons in Poland, who are natural persons (individuals), corporate entities (legal persons) and non-corporate entities other than individuals (an organizational unit without legal personality) (Polish Retail Investors) and institutional investors (Polish Institutional Investors) in each case in accordance with Regulation S under the US Securities Act of 1933, as amended, (ii) persons in Croatia, who are natural persons (individuals), corporate entities (legal persons) and non-corporate entities other than individuals (an organizational unit without legal personality) (Croatian Retail Investors) and institutional investors (Croatian Institutional Investors) in each case in accordance with Regulation S under the US Securities Act of 1933, as amended, (iii) qualified institutional buyers in the United States of America as defined in, and in reliance on, Rule 144A under the U.S. Securities Act and (iv) certain institutional investors outside of the United States of America, Poland and Croatia in accordance with Regulation S and pursuant to an exemption from the obligation to publish a prospectus under the Prospectus Regulation.

In the United Kingdom this communication is being distributed and is directed only at “qualified investors” within the meaning of the UK version of the EU Prospectus Regulation (2017/1129/ EU) which is part of UK law by virtue of the European Union (Withdrawal) Act 2018 who: (i) have professional experience in matters relating to investments and who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); or (ii) are high net worth entities and other persons to whom such communication may otherwise lawfully be made falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as the “**Relevant Persons**”). This communication must not be acted on or relied on by persons who are not the Relevant Persons. Any investment or investment activity to which this communication relates is available only to the Relevant Persons and will be engaged in only with the Relevant Persons. Persons distributing this communication must satisfy themselves that it is lawful to do so. The securities will be available only to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be only with, Relevant Persons.

In connection with the Offering, Erste Group Bank AG as stabilising manager (the “**Stabilising Manager**”) will have the right to acquire the Shares on the WSE and/or the ZSE in the total amount not exceeding 10% of the final number of Shares offered in the Offering in order to stabilise the price of the Shares. The acquisition of the Shares for the purposes of the stabilisation will be subject to the provisions of applicable laws and regulations, in particular Regulation (EU) 596/2014 of 16 April 2014 and Commission (EU) Delegated Regulation 2016/1052 of 8 March 2016. The purchase transactions related to the Shares will be effected during a period not longer than 30 days following the date of listing



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on the WSE and the ZSE (at a price not higher than the final price of the offer Shares for institutional investors).

None of the Joint Global Coordinators or any of their respective affiliates or any of their or their affiliates' directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for/ or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of the announcement or its contents or otherwise arising in connection therewith. Accordingly, the Joint Global Coordinators disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this announcement and/or any such statement.

The Joint Global Coordinators are acting exclusively for the Company and the selling shareholders, and no one else in connection with the Offering, and each of the Joint Global Coordinators will not regard any other person as its client in relation to the Offering and will not be responsible to anyone other than the Company and the selling shareholders for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offering, the Joint Global Coordinators and their respective affiliates may take up a portion of the shares offered in the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such shares and other securities of the Company or related investments in connection with the Offering or otherwise. Accordingly, references in the Prospectus, once published, to the shares being offered, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or acquisition, placing or dealing by, the Joint Global Coordinators and their respective affiliates acting in such capacity. In addition, the Joint Global Coordinators and their respective affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which the Joint Global Coordinators and their respective affiliates may from time to time acquire, hold or dispose of shares of the Company. The Joint Global Coordinators do not intend to disclose the extent of any such investment or transactions, other than in accordance with any legal or regulatory obligations to do so.

### **Information to Distributors**

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market



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Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.