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THIS ANNOUNCEMENT IS AN ADVERTISEMENT FOR THE PURPOSES OF THE SLOVENIAN MARKET IN FINANCIAL INSTRUMENTS ACT (ZAKON O TRGU FINANČNIH INSTRUMENTOV (ZTFI)) AND THE PROSPECTUS RULES OF THE UK FINANCIAL CONDUCT AUTHORITY AND NOT A PROSPECTUS AND NOT AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION, INCLUDING IN OR INTO THE UNITED STATES, AUSTRALIA, CANADA OR JAPAN.

Neither this announcement, nor anything contained herein, nor anything contained in the registration document referred to herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors should not subscribe for or purchase any securities referred to in this announcement or the registration document except on the basis of information contained in a prospectus in its final form (the "**Prospectus**") that may be published by Nova Ljubljanska banka d.d., Ljubljana (the "**Company**" or "NLB") in due course in connection with (1) the admission of its ordinary shares ("**Shares**") to trading on the Prime Market sub-segment of the Ljubljana Stock Exchange (the "**LJSE**"); and (2) (i) the admission of global depository receipts ("**GDRs**") which represent Shares to be admitted to listing on the official list (the "**Official List**") of the United Kingdom Financial Conduct Authority (the "**FCA**") and (ii) the admission to trading of the GDRs on the London Stock Exchange plc (the "**LSE**")'s main market for listed securities. A copy of any Prospectus published by the Company will, if published, be available on the Company's website at www.nlb.si/public-offering-of-shares

Ljubljana, 15 October 2018

Nova Ljubljanska banka d.d., Ljubljana

SDH and NLB announce intention to proceed with an offering to the public and listing of NLB's ordinary shares on the Ljubljana Stock Exchange and of the global depository receipts representing NLB's ordinary shares on the London Stock Exchange

Following the announcement by the Company on 8 October 2018 regarding the publication of a registration document, the Republic of Slovenia (the "**Selling Shareholder**"), acting through its sovereign holding company Slovenski državni holding d.d. ("**SDH**") and NLB and, together with its consolidated subsidiaries, associates and joint ventures at the time of Admission (as defined below), the "**NLB Group**" or the "**Group**" are today announcing their intention to proceed with a public offer of at least 50% of the Company's existing Shares plus one Share and up to 75% of the Company's existing Shares less one Share currently owned by the Selling Shareholder in (i) an institutional offering of Shares to be listed on the Ljubljana Stock Exchange ("**LJSE**") and GDRs representing Shares to be listed on the London Stock Exchange ("**LSE**"), and (ii) a public offering of Shares and GDRs in Slovenia (together, the "**Offer**").

The Company intends to apply to (1) the LJSE for admission of the Shares to trading on the Prime Market sub-segment of the LJSE; and (2) (i) the FCA for the GDRs to be admitted to listing on the Official List and (ii) the LSE for admission to trading of the GDRs on the LSE's main market for listed securities (together, "**Admission**").

Blaž Brodnjak, President of the Management Board of NLB, stated:

"NLB Group is sustainably profitable and client-oriented provider of universal financial services, the largest in Slovenia and with leading positions in selected markets of Southeastern Europe. During the last years, it has achieved a successful turnaround, resulting in a solid recurring financial and operational performance. We now look forward to addressing newly arising opportunities and challenges in a new era of our operations after privatization, during which we will continue creating value for our esteemed clients and other stakeholders. That is why today's announcement is such an

important milestone. On the behalf of all employees, I would like to thank everyone who has supported us throughout the ongoing process, which will take NLB Group to the next level as an international public company.”

Lidia Glavina, President of the Management Board of SDH, stated:

“Pursuant to the State Assets Management Strategy of the Republic of Slovenia, SDH is pleased to re-commence the privatisation process of NLB. NLB has showcased a strong track record of performance in the past years and is expected it will continue to demonstrate strong value creation for its stakeholders in its next stage as a privatized company.”

BUSINESS HIGHLIGHTS

- The NLB Group is a financial and banking institution based in Slovenia with a network of 349 branches as at 30 June 2018, of which 108 branches are located in Slovenia and 241 in Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia (together with Slovenia, "Southeastern Europe").
- NLB is the NLB Group's largest operating entity with total assets representing 66 per cent. of the total assets of the NLB Group as at 30 June 2018 and is the leading bank in the Slovenian market with a market share of 23.2 per cent. by total assets (based on data from the Bank of Slovenia as of 30 June 2018), with the largest client base in Slovenia, consisting of more than 46 thousand corporate and nearly 740 thousand retail clients as at 30 June 2018.
- In addition to its Slovenian operations, NLB operates through six subsidiary banks in Bosnia and Herzegovina, Kosovo, Macedonia, Montenegro and Serbia. Three of NLB's subsidiary banks in the region are ranked third or above in their respective markets by total assets as at 30 June 2018, while all of NLB's subsidiary banks have been consistently profitable during 2015, 2016 and 2017.
- For the six months ended 30 June 2018 and for the year 2017 the NLB Group recorded a net profit attributable to shareholders equal to EUR 104.8 million and EUR 225.1 million, respectively.
- As at 30 June 2018 and 31 December 2017, the NLB Group had EUR 7,059 million (in accordance with IFRS 9) and EUR 6,994 million of loans and advances to customers (net) (in accordance with IFRS 8), respectively, EUR 10,018 million and EUR 9,879 million in customer deposits, respectively, and EUR 1,797 million and EUR 1,654 million in shareholders' equity, respectively.
- Since 2012, the NLB Group has taken an active approach to the management of its NPL stock with dedicated internal units focused on NPL restructurings, collections and workout. The NPL ratio as at 30 June 2018 decreased to 8.3 per cent. from a peak of 28.2 per cent. as at 31 December 2012, while the coverage ratio (impairments on the entire loan portfolio divided by gross non-performing loan portfolio) increased from 59.3 per cent. to 73.7 per cent. over the same period.
- The NLB Group is a strongly capitalised business with a Common Equity Tier 1 ratio as at 30 June 2018 of 18.7 per cent., providing a significant safety buffer above the minimum regulatory capital requirements set by the ECB.
- The NLB Group's strong retail franchise provides a stable and price-insensitive deposits base, corresponding to 73 per cent. and 71 per cent. of total funding as at 30 June 2018 and 31 December 2017, respectively.

INVESTMENT HIGHLIGHTS

The largest banking and financial group in Slovenia, with a track record of innovation

NLB is the largest banking and financial group in Slovenia with a 20.8 per cent. market share in loans to the non-banking sector and 24.6 per cent. in deposits from the non-banking sector as at 30 June 2018.

As at 30 June 2018, NLB in Slovenia had 108 branches, five business centres for small business clients, five regional centres for mid-sized companies and two centres for large and institutional clients. As such, NLB served over 688 thousand active clients across its retail and corporate banking operations.

NLB is one of the largest players in asset management and private banking in Slovenia, with growing life and non-life insurance offerings, with gross premiums written of EUR 74 million (including EUR 6.3 million of non-life insurance premiums) in 2017 and EUR 40.7 million (including EUR 3.6 million of non-life insurance premiums) in the six months ended 30 June 2018.

NLB's mobile banking apps are the top ranked financial apps in Slovenia (based on user ratings in the Apple App Store and Google Play, each as of 22 August 2018), offering clients new functionalities as the first and only in the market (e.g., chat and video call functionality, Express loan). In addition, NLB has been the first bank to introduce new capabilities in the Slovenian market (e.g., contactless ATMs, 24/7 support via phone through its contact centre and via chat or video call through its online and mobile banking apps).

Leading position in selected Southeastern European markets with increasing contribution to group profit

The NLB Group is the largest banking and financial group in Southeastern Europe with an exclusive focus on and headquarters in this region. The NLB Group's core international markets include Macedonia, Bosnia and Herzegovina, Montenegro, Kosovo and Serbia, where the NLB Group operates through its banking subsidiaries.

NLB's management believes that Southeastern European markets outside of Slovenia present attractive opportunities to capture superior growth and take advantage of the experience that it has accumulated in the region.

In particular, growth is likely to be driven by (i) favourable economic trends in the Southeastern Europe markets outside Slovenia that are strategic to NLB, with 3.5 per cent. weighted average real GDP growth expected by the IMF between 2018 and 2020, as compared to 2.0 per cent. in the Eurozone, (ii) favourable demographic trends and decreasing unemployment rate in core countries (according to IMF World Economic Outlook Database, except Kosovo and Montenegro which data is derived from national statistical offices), with a 17.9 per cent. weighted average rate in 2017 as compared to 23.5 per cent. in 2014, and (iii) a low simple average household indebtedness of approximately 22.4 per cent. of GDP as of 31 December 2017 as compared to 58.0 per cent. in the Eurozone as of 31 December 2017 (source: the last publicly available data from national statistical offices and central banks are used for the NLB Group's core international markets, while data from the Bank for International Settlements (BIS) is used for the Eurozone; for the NLB Group's core international markets and for the Eurozone the latest available data is available as of December 2017).

As at 30 June 2018, the NLB Group operated 241 branches in the region (in addition to 108 branches in Slovenia), covering a population of approximately 15 million. NLB's subsidiaries serve retail, SME and corporate clients offering a full range of banking products services. NLB's subsidiary banks in Macedonia, Republika Srpska (one of the two constituent entities of Bosnia and Herzegovina, along with the Federation of Bosnia and Herzegovina) and Kosovo are ranked third or above in their respective markets by total assets and benefit from strong brand recognition.

Return to sustainable profitability following a successful business transformation

The NLB Group's management believes its restructuring efforts have been reflected in its profitability, as the NLB Group has recorded 18 consecutive profitable quarters since the fourth quarter of 2013, with total assets having increased by EUR 695 million between 31 December 2015 and 30 June 2018, and a decrease in the NPL ratio from 19.3 to 8.3 per cent. Furthermore, restructuring efforts in international businesses resulted in all core bank subsidiaries being profitable in 2015, 2016 and 2017, mostly with significant year-on-year increases.

Furthermore, implementation of Group-wide initiatives while pursuing a strategy of locally anchored organic growth strategy has resulted in all Core NLB Group Members being profitable since 2015, mostly with significant year-on-year increases.

In particular, the NLB Group is focusing on its core banking business in core markets while winding down non-core operations, which represented 3% of total assets as at 30 June 2018. The NLB Group has also downsized its branch network and headcount in Slovenia, increased operating efficiency, comprehensively restructured its risk management function and implemented measures to enhance corporate governance and corporate culture.

Self-funded, and well-capitalised business with growth potential, supporting attractive future dividend payout

The NLB Group is a strongly capitalised business with a Common Equity Tier 1 ("CET1") ratio of 18.7 per cent. as at 30 June 2018, providing a significant safety buffer above the minimum regulatory capital requirements set by the ECB for 2018, which requires NLB to maintain an overall capital requirement (including the Pillar I requirement, the Pillar II requirement and the combined buffer requirement) of 13.375 per cent. on a consolidated level, allowing inclusion of up to 2 per cent. of Tier 2 instruments and 1.5 per cent. of Additional Tier 1 instruments.

NLB's capital base consisted of only CET1 capital at a NLB Group level standing at EUR 1,623.1 million as at 30 June 2018. Any future rebalancing of the capital structure towards Tier 2 could result in both capital distributions to shareholders and an improvement in return on equity (provided that return on equity is above debt costs).

The NLB Group's strong retail franchise provides a stable and price-insensitive deposits base, corresponding to 73 per cent. and 71 per cent. of total funding as at 30 June 2018 and 31 December 2017.

Liquidity risk profile of the NLB Group remains conservative due to a low loan-to-deposit ratio and a strong liquidity buffer that can provide funding for future core growth.

The NLB Group banking members are self-funded with a loan-to-deposit ratio below 100 per cent, as their funding structure is primarily deposit driven and non-banking sector deposits have proved to be stable in recent years.

48 per cent. of the NLB Group's net profit for 2015 were paid out in August 2016 and 58 per cent. of the NLB Group's net profit for 2016 were paid out in April 2017. In October 2018 a dividend in the amount of EUR 270.6 million (which consists of 100 per cent. of net income for the fiscal year 2017 in the amount of EUR 189.1 million and EUR 81.5 million of retained profit of NLB from previous years) will be paid to the Selling Shareholder.

Diversified credit portfolio with important progress in asset quality

Although the NLB Group is concentrated in Southeastern Europe, the NLB Group's credit portfolio of EUR 9,090 million as at 30 June 2018 is well diversified without any large concentration in any specific industry or client segment. Geographically, loans in Slovenia account for 53.6 per cent. of the total portfolio and 82.2 per cent. is denominated in euro as at 30 June 2018.

The NLB Group has taken an active approach to the management of its NPL stock with dedicated internal units focused on NPL restructurings, collections and workout. The NPL ratio as at 30 June 2018 decreased to 8.3 per cent. (5.8 per cent. in terms of NPE ratio by EBA methodology) from a peak of 28.2 per cent. as at 31 December 2012, while the coverage ratio (impairments on the entire loan portfolio divided by gross non-performing loan portfolio) increased from 59.3 per cent. to 73.7 per cent. over the same period.

An important strength of the NLB Group is its coverage ratio (impairments on the entire loan portfolio divided by gross non-performing loan portfolio), which remains at 73.7 per cent as at 30 June 2018. Furthermore, the NLB Group's NPL coverage ratio (impairments on the NPL loan portfolio divided by gross non-performing loan portfolio) amounted to 64.0 per cent. as at 30 June 2018, which is above the EU average published by EBA (46.3 per cent. for the first quarter of 2018), and which should enable further reduction of NPLs without significant influence on cost of risk in the coming years.

GROUP STRATEGY

The NLB Group has successfully undertaken restructuring measures over the last three years, thereby stabilising its business and returning to profit in all of its core markets. Furthermore, after years of turmoil, the NLB Group is facing more benign macroeconomic conditions across Southeastern European markets and improving banking sector performance. Nevertheless, the NLB Group is fully conscious of future challenges to sustain its profitability and achieve growth.

Strategy of the NLB Group through 2020

The NLB Group's strategy, which was approved by Supervisory Board of NLB on 26 August 2016, includes a collection of strategic initiatives with short- and medium-term impact that aims to modernise and improve the NLB Group's operations, enhance revenues, reduce costs and improve its growth prospects. Key priorities of the NLB Group's strategy are as follows:

Innovation for customers

- An omni-channel product distribution initiative aims to focus on customer activities enabled across multiple digital and traditional channels in order to enhance customer experience and reduce costs by encouraging migration to lower cost and remote channels available 24/7.
- Partnership programmes are intended to be implemented in order to establish impactful and long-standing partnerships that aim to strengthen customer relationships by creating additional products and services for customers.
- End-to-end customer solutions aim to differentiate NLB from competition by increasing cross selling potential and transforming NLB from a stand-alone product provider to a partner offering comprehensive solution within an ecosystem of services.

Optimise product offering

- A pricing optimisation initiative aims to align list price levels with product value and competition, differentiate pricing levels in line with market position and demand and improve price realisation.
- Improvements to the NLB Group's customer value proposition and approach to sales, aim to develop, bundle and combine products and services to increase sales across all segments.
- Enhance support to large corporate clients requiring financial services across Southeastern Europe.
- Increased focus on fee-based products through the exploitation of investment and insurance product sales potential within the NLB Group.

Simplicity champion

- Redesigning of end-to-end processes and reductions in manual workload through the automation of back-office activities aim to simplify and appropriately scale the NLB Group's operations and reductions of the NLB Group's workforce.
- Stricter procurement strategy, efficiency improvements in facility management and other cost measures aim to optimise the operations of the NLB Group.
- Transformation and modernisation of the NLB Group's IT operations to more effectively support business initiatives of the NLB Group's overall strategy.

Smart banking

- Pricing incentives, improvements to the client's digital experience and a focus on advisory rather than transaction services by branches aim to promote the migration of standardized routine transactions to digital channels.
- Effective steering of sales tasks, revisions to incentives and profitability targets for sales staff and staff-wide trainings and knowledge sharing programs aim to improve sales processes of the NLB Group.
- Extracting value-creating insights from customer data to enable more targeted and client relevant cross-selling, up-selling and customer acquisition.

Measured risk taking

- Improvements to risk governance, risk modelling, collection efficiency and credit processes to accelerate and enhance decision-making in risk taking thereby improving customer experience.

Engaged employees

- Fostering a cooperative and engaging working environment to better motivate our staff and increase their participation in the NLB Group's evolution.
- Promotion of initiatives to improve skills and capabilities of our staff.
- Promotion of a culture of cooperation and performance across the NLB Group.

The above selected strategic initiatives are allocated to three categories depending on time and complexity of implementation:

- Revenue or cost initiatives that impact results in a short time horizon and allow the funding of larger projects, including implementation of risk transformation program, pricing excellence for retail and small business, sales force excellence for retail and small business and non-personnel cost reduction program.
- Initiatives that take longer to execute and realise their full benefits but are essential elements of a better competitive position, including development and implementation of products/offers for retail, small business, mid-corporate and key-accounts, implementation of operational excellence through rightsizing front-and back-offices, and streamlining support functions, implementation of omni-channel user experiences, based on improved customer insight.
- Initiatives that focus on building new capabilities and establish models of cooperation to accelerate the implementation of change processes, including improvement of the NLB Group's deployment of end-to-end lean process improvements and lean governance as well as enhancing employee engagement and corporate culture.

GROUP OBJECTIVES

The NLB Group's management has set the following medium-term financial targets as part of its five-year plan for the years 2019 to 2023, which was approved by the Supervisory Board in September 2018 and updated certain of the NLB Group's "Strategy 2020" targets approved by the Supervisory Board in August 2016:

- net interest margin above 2.7 per cent.;
- loans to deposits ratio below 95 per cent.;
- total capital ratio at approximately 17 per cent.;
- cost-income ratio at approximately 50 per cent.;
- cost of risk less than 90 bps;
- non-performing exposure "NPE" ratio (as calculated in line with guidance published by the European Banking Authority ("**EBA**")) between 3 and 4 per cent.;
- return on equity at approximately 12 per cent.; and
- dividend payout (as a percentage of Group profits) at approximately 70 per cent.

(together, the "**Targets**").

The Targets are only targets and not a profit forecast. Investors should not place any reliance on such targets in deciding whether to invest in NLB. None of the NLB independent auditor, nor any other independent accountants, have applied, examined or performed any procedures with respect to the Targets, nor have they expressed any opinion or any other form of assurance on the Targets or their achievability. The Targets constitute forward looking-statements and are not guarantees of future financial performance. NLB's result of operations or financial conditions could differ materially from those expressed or implied by these forward-looking statements as a result of many factors. The existence of the Targets should not be interpreted as an assurance or guarantee that Targets can or will be met by NLB. While presented with numerical specificity, these financial targets are based upon a number of assumptions (including the success of NLB's business strategy), estimates, regulatory,

financial conditions, and projections regarding the NLB's future business and the environment in which NLB expects to operate, which are inherently subject to significant business, operational, economic and other risks, many of which are outside NLB's control. The Targets reflect NLB's subjective judgements in many respects and thus are susceptible to multiple interpretations and periodic revisions based on actual experience and business, economic, regulatory, financial and other developments. Accordingly, such assumptions may change or may not materialise at all. In addition, unanticipated events may materially or adversely affect NLB's actual results or operations and financial performance in future periods, whether or not NLB's assumptions relating to future periods prove to be correct. As a result, the actual results may vary from the Targets as currently targeted and the variations may be material. Accordingly, the Targets must not be considered as either a commitment by NLB or a forecast of the future results or returns from investing in the Shares or GDRs.

LEADERSHIP AND GOVERNANCE

In accordance with applicable legislation, NLB employs a two-tier system of corporate governance, under which NLB is managed by the Management Board (*uprava*) and its operations are supervised by the Supervisory Board (*nadzorni svet*). The Management Board is responsible for the day-to-day operations and manages NLB's business operations. The Management Board of NLB comprises Mr Blaž Brodnjak (President & CEO, Slovenian), Mr. Archibald Kremser (CFO, Austrian), Mr. Andreas Burkhardt (CRO, German) and Mr László Pelle (COO, Hungarian).

The Supervisory Board is responsible, amongst other things, for the overall supervision of NLB's operations and for the appointment of the President of the Management Board and other members of the Management Board. The Supervisory Board of NLB consists of Mr. Primož Karpe (Chairman), Mr. Andreas Klingen (Deputy Chairman), Mr. David Eric Simon, Mr. Peter Groznik, Ms. Vida Šeme Hočevar, Ms. Simona Kozjek, Mr. Alexander Bayr and Mr. László Urbán.

SUMMARY OF THE OFFER

- Admission to trading of the Shares to the Prime Market sub-segment of the LJSE
- Listing of GDRs representing Shares (together with the Shares, the "Securities") on the Official List of the FCA and admission to trading of the GDRs on the LSE's main market for listed securities ("Admission").
- Secondary sell-down of Shares by the Selling Shareholder (in the form of Shares and GDRs) representing at least 50% of the issued share capital of the Company plus one Share. The Selling Shareholder reserves the right to offer up to a maximum of 75% of the issued share capital of the Company less one Share. The Selling Shareholder will receive the proceeds from the sale of all Securities sold in the Offer and will use the proceeds from the Offer in line with the Public Finance Act (*Zakon o javnih financah*) and the implementation of Slovenia's Budget for 2018 and 2019 Act (*Zakon o izvrševanju proračunov Republike Slovenije za leti 2018 in 2019*).
- Targeted offering to institutional investors outside the United States in reliance on Regulation S under the US Securities Act of 1933, as amended (the "**US Securities Act**") and in the United States to qualified institutional buyers, as defined in and in accordance with Rule 144A under the US Securities Act or another available exemption from the registration requirements of the US Securities Act.
- Ten per cent. of the Securities offered in the Offer (the "**Offer Securities**") will be offered to retail investors in Slovenia (the "**Retail Tranche**") and 90 per cent. of the Offer Securities will be offered to institutional investors (the "**Institutional Tranche**"). The Selling Shareholder, in consultation with the Joint Bookrunners, may re-allocate Securities from either the Institutional Tranche to the Retail Tranche or from the Retail Tranche to the Institutional Tranche depending on the level of subscription of each tranche.

- A prospectus including full details of the Offer is expected to be published on or around 26 October 2018.
- The Selling Shareholder has engaged Deutsche Bank AG, London Branch and J.P. Morgan Securities plc to act as Joint Global Coordinators and Joint Bookrunners, Citigroup Global Markets Limited to act as Joint Bookrunner and WOOD & Company Financial Services, a.s. to act as Co-Lead Manager and the Company in its capacity as the Domestic Co-Lead Manager (collectively, the "**Managers**") in the event the Offer proceeds.

MEDIA ENQUIRIES

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Disclaimer / Forward Looking Statements

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.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any State of the United States and the District of Columbia), Australia, Canada, Japan or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction. The distribution of this announcement may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restriction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This announcement does not constitute an offer to sell, or solicitation of an offer to buy, securities in any jurisdiction in which such offer or solicitation would be unlawful. The Securities have not been and will not be registered under the US Securities Act or with any securities regulatory authority of any State or other jurisdiction of the United States and the Company does not intend to undertake a public offering of its securities in the United States. The Securities may not be offered or sold in the United States absent registration under the US Securities Act, except to certain qualified institutional buyers ("**QIBs**") as defined in, and in accordance with, Rule 144A under the US Securities Act or another exemption from, or in transactions not subject to, the registration requirements of the US Securities Act. Neither the U.S. Securities and Exchange Commission nor any state securities commission in the United States nor any other U.S. regulatory authority has approved or disapproved of the accuracy or adequacy of the registration document referred to in this announcement. Any representation to the contrary is a criminal offense in the United States.

In any member state of the European Economic Area ("**EEA**") outside of the United Kingdom (each, a "**Relevant Member State**") (except for Slovenia), this announcement and any offer if made subsequently is, and will be, directed only at persons who are "qualified investors" within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC and any amendments thereto, including Directive 2010/73/EU to the extent implemented by a Member State). In the United Kingdom, this announcement is for distribution only to persons who (i) are outside the United Kingdom, (ii) are persons falling within Article 49(2)(A) to (D) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**"), (iii) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of the any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). Any investment or investment activity to which this announcement relates is available only to Relevant Persons and outside of Slovenia will be engaged in only with Relevant Persons.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's

business, results of operations, financial position, liquidity, prospects, growth and strategies. Forward-looking statements speak only as of the date they are made.

The Company expressly disclaims any obligation or undertaking to update, review or revise any forward looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

This announcement was prepared and the analyses contained in it based, in part, on certain assumptions made by and information obtained from the Company, the Selling Shareholder and/or from other sources. None of the Managers, the Company or any of their respective affiliates, officers, employees, advisors or agents, makes any representation or warranty, express or implied, in relation to the fairness, reasonableness, adequacy, accuracy or completeness of the information, statements or opinions, whichever their source, contained in this announcement or any oral information provided in connection herewith, or any data it generates and accepts no responsibility, obligation or liability (whether direct or indirect, in contract or otherwise) in relation to any of such information. The information and opinions contained in this announcement are provided as at the date of this announcement, are subject to change without notice and do not purport to contain all information that may be required to evaluate the Company. The information in this announcement is in draft form and has not been independently verified. The Managers, the Company, the Selling Shareholder and their respective affiliates, officers, employees, advisors and agents expressly disclaim any and all liability which may be based on this announcement and any errors therein or omissions therefrom.

Any subscription or purchase of securities in the proposed Offer should be made solely on the basis of information contained in the Prospectus which may be issued by the Company in connection with the Offer. The information in this announcement is subject to change. Before subscribing for or purchasing any securities, persons viewing this announcement should ensure that they fully understand and accept the risks which will be set out in the Prospectus if published. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. Neither this announcement, nor anything contained in the registration document referred to herein, shall form the basis of or constitute any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any securities nor shall it (or any part of it) or the fact of its distribution, form the basis of, or be relied on in connection with, any contract therefor.

There is no guarantee that the proposed Offer will proceed or that Admission will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.

Persons considering making investments should consult an authorised person specialising in advising on such investments. Neither this announcement, nor the registration document referred to herein, constitutes a recommendation concerning the proposed Offer. The value of securities can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the proposed Offer for the person concerned.

None of the Managers, the Company, the Selling Shareholder or any of their respective affiliates, officers, employees, advisors or agents, makes any representation or warranty, express or implied, that any transaction has been or may be effected on the terms or in the manner stated in this announcement, or as to the achievement or reasonableness of future projections, management targets, estimates, prospects or returns, if any.

The Managers and their affiliates are acting exclusively for the Company and the Selling Shareholder and no-one else in connection with the Offer. They will not regard any other person as their respective clients in relation to the Offer and will not be responsible to anyone other than the Company and the

Selling Shareholder for providing the protections afforded to their respective clients, nor for providing advice in relation to the Offer, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the Offer, the Managers and any of their affiliates, acting as investors for their own accounts, may subscribe for or purchase Securities and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Securities and other securities of the Company or related investments in connection with the Offer or otherwise. Accordingly, references in the Prospectus, if published, to the Securities being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, such Managers and any of their affiliates acting as investors for their own accounts. The Managers do not intend to disclose the extent of any such investment or transactions otherwise 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 Offer Securities have been subject to a product approval process, which has determined that the Offer Securities 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 Offer Securities may decline and investors could lose all or part of their investment; the Offer Securities offer no guaranteed income and no capital protection; and an investment in the Offer Securities 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 Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only approach investors who meet the criteria of professional clients and eligible counterparties in Member States of the EEA other than the Republic of Slovenia.

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 Offer Securities.

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