

Pursuant to the full text of the Memorandum of Association of 30 September 2019 and the Decision by the Company Board, Class: ZGH-01-19-1031, Ref.no.: 01-01-02-19-02, of 26 September 2019 and the Decision by the Company Assembly; Class: ZGH-02-19-83, Ref.no.: 01-08-01/5-19-07 of 30 September 2019, the Board of the company Zagrebački holding d.o.o. carries out the following:

PUBLIC TENDER IN RESPECT OF THE REAL ESTATE SALE

1 TENDER SUBJECT

The tender is being carried out for the sales of a part of the land, marked as a cadastral plot number 10/15 in the cadastral municipality of Savudrija, with an area of 713 m² (outside of the Veli Jože complex), entered in the land registry sheet 852 in the cadastral municipality of Savudrija (hereinafter: the Real Estate).

NOTE:

The starting price is HRK 708,000.00 (in words: sevenhundredandeightthousand kunas), in accordance with the evaluation of an authorized expert witness.

2 STARTING TENDERING PRICE AND CURRENCY

The starting price is expressed in net amount, and it does not include tax (VAT / Real Estate Sales Tax). Taxes and fees shall be paid by the buyer.

The price offered by the tenderer shall be higher than the starting price and expressed in kunas (HRK).

3 WAY OF REAL ESTATE SALE AND RISK EVALUATION PROCEDURE

The real estate is being sold in the current state of the land registry documentation, on the "where is, as is" basis, in accordance with the provisions of the Public tender.

The tenderers shall do their own inquiry into the existing land registers and the cadastral state, as well as into the existing spacial and planning rules for the real estate which is the subject of this Public tender, and shall assess the possible risks.

By tendering, the tenderers explicitly state that they are aware of the existing spacial and planing documents, as well as with the land registers and the cadastral state of the real estate which is the Tender subject, and that they explicitly accept everything that is mentioned and give up any receivables, lowering the purchase and sale price or right to refute the Seller's Sale Contract for the real estate's material and legal defects.

The Seller's contact for viewing the property is Mr. Ivan Papac, mobile phone number: +385 (0)91 3540710.

A few days after receiving requests for viewing the property, the Seller shall organise a tour of the real estate for the people interested in tendering.

4 USE OF DATA, RIGHT TO TENDER, LANGUAGE OF THE TENDER AND NOTIFYING THE TENDERERS

Legal entities and natural persons who tender agree that the company ZAGREBAČKI HOLDING d.o.o., Ulica grada Vukovara br 41 and the company ZAGREBAČKI HOLDING d.o.o. – Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb, without their further approval or agreement,

collects, uses and processes data provided in the tender for the purpose of collecting tenders, in accordance with the regulations on personal data protection.

All natural persons who are citizens of the Republic of Croatia, citizens of member states of the European Union and those countries with which the Republic of Croatia signed the Reciprocity Agreement for acquiring real estate property ownership on the territory of the Republic of Croatia, as well as legal entities registered in the Republic of Croatia, in the European Union and in those countries with which the Republic of Croatia signed the Reciprocity Agreement for acquiring real estate property ownership on the territory of the Republic of Croatia, have the right to tender in written form.

The tender, with all of the correspondence and documentation related to the tender, and conducted between the tenderer and the seller shall be written in Croatian language.

All of the correspondence between the tenderer and the seller shall be conducted in written form via registered mail or direct delivery to the reception office of the Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb.

The company Zagrebački holding d.o.o. shall deliver all written documentation, including the decision on contract award, the decision on the complaint, the invitation to sign the contract, etc. to the addresses of tenderers or the persons appointed for receiving written documentation, who were named in the delivered tender, and the tenderers shall deliver all written documentation related to this public tender to the address ZAGREBAČKI HOLDING d.o.o., Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb.

In case the tenderer changes their address, they shall notify the company Zagrebački holding d.o.o. – Vladimir Nazor subsidiary in written form on their new address for receiving written documentation no later than three days.

The tenderer who is a foreign legal entity or natural person shall appoint a person in the Republic of Croatia for receiving written documentation.

5 SECURITY

Along with the tender, it is necessary to annex the evidence of a security payment for the seriousness of tender in the 10% amount (ten percent) of the starting price stated in this Public tender; the payment shall be into the account of the company Zagrebački holding d.o.o. – Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb, IBAN HR8623400091410257140, Privredna banka Zagreb d.d., with a reference: "NATJEČAJ ZA PRODAJU NEKRETNINE (in English: Public tender in respect to the real estate sale) – (it is also necessary to state the real estate for which the tender is submitted)".

After the tendering procedure, the paid security shall be included in the purchase and sale price, and to the tenderers whose tenders were declined, the securities shall be paid back in the period of 60 days, starting from the date when the decision on contract award was made final, without the right on default interest for the period between the amount credited and the amount debited to an account.

6 CONTENT OF THE TENDER AND DOCUMENTATION AFFIXED TO THE TENDER

The tenders shall be in the form available to the public, which the tenderer shall download from the web page www.zgh.hr.

The written tender (Form) shall comprise:

1. The cadastral plot number of the subject for which the tender is submitted;
2. The tendering amount of the purchase and sale price is expressed in words and a whole number, which shall be higher than the starting purchase and sale price for the real estate

published in the Public tender; The tendering price is expressed in net amount in kunas (HRK), and it does not include taxes (VAT/Real estate sales tax); Tenders submitted in other currencies shall not be considered.

3. The tenderer's basic information (name and surname / name of the legal entity and the person authorized to represent it, PIN, address), the tenderer's contact information (email and phone number), as well as the person appointed for receiving written documentation of foreign natural persons and legal entities.
4. The tender, including all of the documentation for participating in the tendering, shall be numbered in a way that each tender and documentation page is numbered (e.g. 1/5, 2/5, 3/5, 4/5, 5/5) and shall be bound into an integral document so that the tender, along with all of the documentation, is threaded and connected with a string (e.g. security cord). The tenders submitted, but not bound and numbered as described, shall be deemed invalid and shall not be considered.

Along with the written tender, the following is necessary:

1. The original or certified copy of the documentation that comprises the tenderer's basic information, such as the name and registered address, the person appointed for representation and the PIN of the legal entity (the decision or the excerpt from the court register or other appropriate register not older than 30 days);
2. Domestic natural persons shall annex a copy of a valid identity card, and foreign natural persons shall annex a copy of a valid passport or other valid identity document issued in their country of residence, translated by a court interpreter into Croatian language.
3. Domestic natural persons shall annex an excerpt from the court register or other appropriate register not older than 30 days, and foreign natural persons shall annex an excerpt from the appropriate register from their country of residence, along with a certified translation by a court interpreter into Croatian language not older than 30 days.
4. Foreign legal entities and natural persons shall annex an evidence of regulatory eligibility for ownership of real estates in the territory of the Republic of Croatia, either as an original or a certified copy.
5. Evidence of a security payment;
6. Statement by the tenderer, notarized by the notary public, in which they state that they fully accept the terms in the Public tender and that they shall, in case their tender is accepted, sign a purchase and sale contract at their expense and that their tender shall continue in full force and effect for 90 days from the day the decision on contract award was made final.
7. The original or certified copy of the Tax administration certificate by the Ministry of Finance on the tenderer's stock of tax debt, not older than 30 days.
8. The original or certified copy of the tenderer's tax clearance certificate on the basis of receivables by the City of Zagreb, issued by the City Executive of Finance, not older than 30 days.
9. Certificate by the company Zagrebački holding d.o.o. on the tenderer's stock of debt, not older than 30 days, issued in electronic form in accordance with the request sent to the email address: *financije.direkcija@zgh.hr*. For any further information call 01/6420-724;
10. Name of the Bank and the tenderer's account number (IBAN) into which the possible refund of a security payment shall be made, in accordance with the terms in the Public tender.
11. Statement on appointing a person in the Republic of Croatia for receiving written documentation (for foreign legal entities and natural persons), notarized by the notary public.

In case the tender is submitted by a foreign citizen or a legal entity with a registered address outside of the Republic of Croatia, and who is regulatory eligible for ownership of real estates in the territory of the Republic of Croatia, they shall submit the tender, along with the aforementioned annexes that represent documents of equal value, and that are issued by the competent court or administrative body in the country of the legal entity's registered address, i.e. the country of which the natural person who submits the tender is a citizen, and the documentation shall be translated by an authorised court interpreter into Croatian language.

7 PLACE, WAY AND PERIOD FOR SUBMITTING TENDERS

The written tenders shall be delivered no later than 60 days since the day the invitation to tender has been published, i.e. until 18 September 2020 at 3 p.m.

The tenders delivered directly to the reception office of the company Zagrebački holding d.o.o. – the Vladimir Nazor subsidiary, or sent via registered mail after the period for submitting tenders has ended, shall be deemed late and shall not be taken into consideration.

The tender, along with evidence on meeting the terms of the Public tender, shall be submitted in a sealed envelope with a reference “**JAVNI NATJEČAJ ZA PRODAJU NEKRETNINE (state the name of the real estate) - NE OTVARATI**” (in English: Public tender in respect to the real estate sale (state the name of the real estate) - do not open) via registered mail to the address ZAGREBAČKI HOLDING d.o.o., Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb, or directly delivered to the reception office at the same address. The back of the envelope shall comprise the name, surname and address if the tenderer is a natural person, i.e. name of the company and registered address if the tenderer is a legal entity, as well as the person appointed for receiving written documentation, if that person is appointed.

8 TENDERING PROCEDURE AND PUBLIC OPENING OF THE TENDERS

The Public tender is conducted by the Committee for the conduct of the public tender (hereinafter: the Committee).

The public opening of the tenders shall be held on 24 September 2020 at 9 a.m. at ZAGREBAČKI HOLDING d.o.o., Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb.

The tenderers or their appointed representatives, with evidence of valid empowerment, can be present at the opening.

Tenders that were submitted late, incomplete or that do not meet the terms of the Public tender shall not be taken into consideration.

9 DECISION ON THE CHOSEN TENDER AND CHOOSING CRITERIA

The contract award shall be given to the tenderer who submitted the highest purchase and sale price and who meets all of the terms of the Public tender.

In case the same tenderer submits more than one tender for the same real estate, the valid tender shall be exclusively the one in which the highest price was offered.

In case two or more tenderers submit the same highest purchase and sale price, and both meet the terms of the Public tender, the Committee shall invite these tenderers to submit a new purchase and sale price in written form in a sealed envelope, no later than 24 hours.

If the tenderer who is given the contract award withdraws their tender, i.e. decides not to sign the purchase and sale contract, the Committee suggests to the Board of the company Zagrebački holding d.o.o. the second highest tenderer, and the highest tenderer who withdrew their tender loses the right to security refund.

Pursuant to the proposal by the Committee, the Board of the company Zagrebački holding d.o.o. shall issue the decision on the contract award for the sale subject. The decision shall be delivered to all of the Public tender participants (who tender for the subject real estate), and a complaint may be filed no later than 8 days from the delivery of the decision. The complaint shall be filed to the Committee, and the Board of the company Zagrebački holding d.o.o. shall decide on it. The decision on the complaint is final.

The final decision on choosing the highest tenderer shall not oblige the company Zagrebački holding d.o.o. to sign the purchase and sale contract.

In case the competent body, for any reason, does not issue a positive Decision on the sale of the sale subject, they shall inform the highest tenderer about it.

In case of such decision, the highest tenderer, to whom the final Decision on choosing the highest tenderer was delivered, has no right to any kind of compensation, besides the security payment refund without the right on default interest for the period between the amount credited and the amount debited to an account.

10 SELLER'S RIGHT TO DECLINE ALL TENDERS AND TO WITHDRAW THE SALE

The company Zagrebački holding d.o.o. reserves the right to not accept any submitted tenders or to cancel the public tender at any time without further explanation, on which they shall inform the tenderers. In that case, the Public tender participants have no right to any kind of compensation, besides the security payment refund without the right on default interest for the period between the amount credited and the amount debited to an account.

The company Zagrebački holding d.o.o. reserves the right to withdraw the sale of the subject real estates at any time before signing the purchase and sale contract, on which they shall immediately inform the chosen tenderers. In case of such decision, the chosen tenderer has no right to any kind of compensation, besides the security payment refund without the right on default interest for the period between the amount credited and the amount debited to an account.

In case the company Zagrebački holding d.o.o. decides to act on the aforementioned right, they shall provide the refund to the tenderer no later than 60 days from the delivery of the decision to the tenderer.

11 TENDERER'S OBLIGATIONS AND RESPONSIBILITIES

It shall be considered that the tenderers are familiar with all of the applicable regulations in the Republic of Croatia that are related to their business activities, and especially those related to their obligation to pay taxes, fees and other duties, and that on that basis they shall not request a change of the contract price.

12 SIGNING THE CONTRACT AND PAYING THE PURCHASE AND SALE PRICE

All rights and obligations between the buyer and the seller shall be defined in detail in the purchase and sale contract.

After the Competent body of the company Zagrebački holding d.o.o. issues the decision on the sale, the chosen tenderer shall be invited to sign the purchase and sale contract. If the tenderer who was given the contract award shall not sign the purchase and sale contract and shall not excuse their absence no later than 8 days from the invitation to signing, it shall be considered that they decided not to buy the purchase and sale subject, and the amount of the security payment shall be kept by the seller.

In case the highest tenderer excuses their absence, they shall be given a new appropriate period that shall not be longer than 30 days. In case the tenderer shall not comply with the invitation even

during the additional period, it shall be considered that they decided not to buy the purchase and sale subject. The amount of the security payment shall be kept in its entirety by the seller.

The chosen tenderers shall make a one-off payment of the full amount of the submitted purchase and sale price to the seller, into the account of the company Zagrebački holding d.o.o. – Vladimir Nazor subsidiary, Maksimirska 51A, 10000 Zagreb, IBAN HR8623400091410257140, Privredna banka Zagreb d.d., no later than 30 days from signing the purchase and sale contract.

If the chosen tenderer, after signing the purchase and sale contract, does not pay the purchase and sale price in the agreed period, or if the contract is terminated after signing it due to non-fulfilment of tenderer's obligations, the tenderer/buyer shall lose the right to security payment refund, as well as the right to default rates on the paid purchase and sale price, for the period between the amount of the purchase and sale price credited and the amount of the purchase and sale price debited.

The purchase and sale contract shall be concluded in written form, with signatures of both contracting parties notarized by the notary public.

All of the expenses made by signing of the purchase and sale contract shall be paid by the Buyer. The expenses related to the realization of the contract, real estate sales tax, other taxes and possible duties, entering in the land and other public registers, notary public fees and other possible expenses shall be paid in full by the Buyer.