

PUBLIC TENDER FOR COLLECTION OF BINDING BIDS

**FOR THE PURCHASE OF THE COMPANY "DUTB Crna Gora" doo Podgorica, register nr.: 50930716
registration nr.: 03314391, Slobode 74/II, Podgorica,**

Družba za upravljanje terjatev bank, d.d. (Bank Asset Management Company, hereinafter: the "Seller") hereby publishes this call for binding bids for the purchase of claims from the company **"DUTB CRNA GORA" DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU PODGORICA, register nr.: 50930716 registration nr.: 03314391, Slobode 74/II, Podgorica,** and for the purchase of

100% Participating Interest in the company **"DUTB CRNA GORA" DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU PODGORICA, register nr. 50930716 registration nr.: 03314391, Slobode 74/II, Podgorica,** which is owned by the Seller.

1. Subject of the sale

The subject of sale is:

(i) 100% Participating Interest in the company **"DUTB CRNA GORA" DRUŠTVO SA OGRANIČENOM ODGOVORNOŠĆU PODGORICA, register nr. 50930716 registration nr.: 03314391, Slobode 74/II, Podgorica,** (hereinafter: the "Company"), was founded in Montenegro and is entered in the Central Register of Economic Subjects in Montenegro (hereinafter: "Participating Interest").

And

(ii) all of the Seller's claims against the Company, which together with appertaining amounts and ancillary rights amounted to EUR 2,179,863.13 as at 25 October 2021 (hereinafter: the Claim or Claims). With the purchase of the Claims, the Buyer shall enter into a full contractual relationship with the Company relating to the Claims and the associated collateral.

The Company's sole asset is vacant land on the peninsula of Luštica in Montenegro measuring 46,153 m², k.o. Zabrđe, parcel numbers 1002, 1004, 1005, 1006, 1007, 1008, 1009, 1037, 1038, 1039 1040 and 1041.

The Claims and Participating Interest shall only be sold jointly. The Participating Interest, which is the subject of a joint sale with the Receivables, shall only be sold in its entirety (i.e. 100% of Company's share capital). In all cases, the purchase of the entire Receivables shall be deemed to be a condition for the purchase of the Participating Interest.

2. Collection of binding bids

The sale shall be conducted by the Seller. Domestic and foreign natural persons and legal entities who submit a written bid to purchase the Participating Interest and Claims in accordance with the conditions set out below and who are entitled to acquire the Participating Interest and Claims in accordance with the applicable laws of the Republic of Montenegro may participate in the procedure for the sale of the Participating Interest.

2.1. Deadline for submitting binding offers and Security payment

The Seller shall accept bids for the purchase of the Participating Interest and Claims sent by registered post in a sealed envelope or wrapper to the following address: DUTB, d.d., Davčna ulica 1, SI-1000

Ljubljana, Slovenia, marked: "DO NOT OPEN – BID FOR PURCHASE OF CLAIMS AND PARTICIPATING INTEREST – DUTB MONTENEGRO".

The following must be printed on the back of the envelope: the full name and address or the company name and registered office of the bidder. The deadline for the submission of binding bids is 25 November 2021. An offer shall be deemed to have been received on time if it arrives at the Seller's address by 4 pm on Thursday 25 November 2021.

2.2. Content of binding offer

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

A. Presentation of the buyer:

- I. Bidder's name and tax number;
- II. Contact details for the bidder's responsible person;
- III. Presentation of the bidder (brief description of the bidder's activity, including the scope of operations, experience/knowledge of the company's area of activity, identity of the bidder's ultimate owner, presentation of basic financial information (balance sheet and income statement for the last three years or the entire period of the bidder's operations);
- IV. Declaration that no wind-down, bankruptcy, compulsory composition, other insolvency or restructuring proceedings have been initiated against the bidder;
- V. Description of the purpose of purchasing the Seller's Participating Interest and Claims, and a description of further development of the Company by the bidder,
- VI. Description of the method and circumstances of financing the intended acquisition of the Seller's Participating Interest and Claims, including evidence of or a reliable explanation that the bidder has or will have at its disposal sufficient financial means in an amount that is at least equal to the price stated in that party's binding bid (e.g. a statement issued by a bank regarding funds deposited by the bidder or a statement issued by a bank confirming the purpose of financing), where the bidder must also specifically state the actual source of funds for the acquisition of the Seller's Participating Interest and Claims (including the level of financing from own funds and funds acquired from third parties). The bidder must also provide information about the bank account from which it intends to deposit the purchase price.
In the event that the purchase price will be financed by a third party or a bank, the buyer must provide details and bank account information of the third party or the bank that will deposit the purchase price. The registered office of the bank in which the third party has an account from which the purchase price will be deposited, or the registered office of the bank which will deposit the purchase price must not be located in a high-risk third country;
- VII. Declaration that the bidder is acting on its own behalf and for its own account;
- VIII. Declaration by the bidder of any debts (existing or potential) to the Seller, in which the bidder describes whether it has any current or potential debts/liabilities vis-à-vis the Seller;
- IX. Declaration that the bidder has all the internal and other authorisations for the submission of a binding bid, with the bidder being required to also present in the declaration other authorisations that it potentially requires for the purchase of the Seller's Participating Interest and Claims.
- X. Declaration that there are no legal impediments regarding the conclusion of an agreement on the sale of the Participating Interest in accordance with Article 13 of the Government Measures to Strengthen the Stability of Banks Act (the "ZUKSB"; Official Gazette of the

Republic of Slovenia Nos. 105/2012, 63/2013, 23/2014 and 104/2015), in particular that the bidder is not:

- a person who is deemed affiliated with the Obligor in accordance with the law governing companies;
- a legal entity in which a person from the previous indent holds a participating interest, or whose management personnel or procurator is a person who served as a member of the Obligor's senior management or as the Company's procurator in the three years before the Claims arose, unless it is a person affiliated with one of the persons referred to in the first indent of this paragraph such that the Republic of Slovenia is the controlling company in accordance with the law governing acquisitions;
- a natural person who was a member of the Obligor's senior management or the Obligor's authorised signatory in the three years before the Claims arose;
- a natural person in a close relationship with the person referred to in the previous indent, as defined by the law governing insolvency proceedings;
- a person who is irrefutably presumed, in accordance with the law governing acquisitions, to function in concert with one of the persons referred to in the preceding two indents, unless it is a person associated with one of the persons referred to in the previous two indents of this paragraph, such that the Republic of Slovenia is the controlling company in accordance with the law governing acquisitions;
- a legal entity that performed an asset quality review and stress tests for the banking system in 2013 (data regarding such legal entities can be provided by the BAMC);
- a legal entity with capital links to another legal entity that performed an asset quality review and stress tests for the banking system in 2013; and
- a legal entity that receives business advice from another legal entity that performed an asset quality review and stress tests for the banking system in 2013, or that receives business advice from an individual who participated in an asset quality review and stress tests for the banking system in 2013 as an employee of those legal entities or a subcontractor for those companies.

B. "Know your client" (KYC) declarations

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

- Declaration regarding (non-)affiliation of business entities,
- Declaration regarding the beneficial owners of a potential investor,
- Declaration regarding the affiliation of a potential investor,
- Declaration regarding circumstances surrounding the purchase of claims, participating interests or real estate,
- Form: Presentation of potential investor – natural person; or Presentation of potential investor – legal entity,
- Declaration regarding associated persons. If the bidder is a legal entity, this declaration must be completed by all the bidder's statutory representatives,
- Declaration regarding actions that unfairly benefit an obligor (Article 13 ZUKSB).

C. Price tendered for the purchase of the Participating Interest and Claims and the deadline for payment

The bidder shall specify a price in euros for the purchase of the Participating Interest and Claims, rounded to two decimal places. The bidder shall offer a single price for the purchase of the Seller's Participating Interest and Claims, whereby the price shall be specified in such a way that the value of the Claims and the value of the Participating Interest are stated separately (example: the price for the purchase of the Claims is EUR 100.00 [in words: one hundred and 00/100 euros], the price for the purchase of the Participating Interest is EUR 100.00 [in words: one hundred and 00/100 euros]).

In their binding offer, bidders shall state the payment deadline in days, beginning from the conclusion of the agreement on the sale of the Seller's Participating Interest and Claims. If the final day of the payment deadline coincides with a date that is legally defined as a public holiday, the next business day shall be deemed the final day of the payment deadline.

To avoid doubt, the Participating Interest cannot be purchased without the Seller's Claims and vice versa.

Binding offers must be valid for at least 45 days.

D) Other

The bidder may state its expectations with regard to the further procedure for the sale of the Seller's Participating Interest and Claims (e.g. with regard to the content of the documentation that it would like to review as part of the due diligence review). The bidder may also make other suggestions regarding the sale of the Seller's Shares and Claims.

If the bidder is a foreign legal entity, a certified translation from the relevant register in which the bidder is entered as a legal entity shall be enclosed with the bid. That extract shall not be more than 90 days old.

When submitting a binding offer, and at any time at the request of the Seller, the bidder must prove by means of the appropriate documents that it is a suitable entity with integrity as defined by the Prevention of Money Laundering and Terrorist Financing Act – ZPPDFT-1 (Official Gazette RS, No. 68/2016) and secondary regulations issued on the basis of this Act. If this is not the case, the Seller can immediately eliminate the bidder from the procedure without stating grounds.

Each bidder may submit only one bid. If a bidder submits more than one bid, all of its offers shall be excluded.

2.3. Opening of binding offers

The opening of bids shall not be public. The bidder shall be selected on the basis of the following criteria: highest final price offered for the purchase of the Seller's Participating Interest and Claims, and the financing method. The suitability of bids shall be assessed at the Seller's discretion. If several bidders offer the same price, negotiations shall be held with each bidder separately, using the same criteria as used for selection of the bid. The Seller reserves the right to call on bidders to improve their offers, or to continue individual negotiations with all or only certain bidders. The Seller also reserves the right to not select the most favourable bidder and to reject all bids as unsuitable.

3. Due diligence

Interested bidders shall have the possibility to conduct due diligence of the documentation regarding the Seller's Participating Interest and Claims that are the subject of the sale. The scope of due diligence

shall be at the sole discretion of the Seller. Due diligence may be performed every day from 26 October 2021 until 12 pm on 22 November 2021, inclusive. Due diligence is expected to be performed electronically via a virtual data room (hereinafter: VDR), 24 hours a day, except for the last day when the VDR closes at 12 pm.

The condition for accessing the VDR and performing due diligence shall be the signing of a non-disclosure agreement (NDA). Access to information in the VDR shall only be facilitated for the users indicated in the NDA.

The Seller reserves the right to refuse access to the VDR by an individual bidder, without providing a reason, or to not deliver to or prevent a bidder from reviewing certain documents and information. The Seller will include a draft of the Agreement on the sale of the Participating Interest and the Agreement on the sale of the Claims in the VDR, thereby enabling the bidders to comment on the agreements.

4. Conclusion of the agreement

Within a provisional deadline of 4 weeks after the expiry of the deadline for the submission of binding offers, the Seller is expected (but shall not be bound) to select the bidder that submitted an appropriate and most favourable bid (hereinafter: the Selected Bidder) and conclude an Agreement on the sale of the Participating Interest and an Agreement on the sale of the Claims (hereinafter for either one: Agreement) with them.

The Agreement with the Selected Bidder shall be concluded in Slovene and Montenegrin, or in English and Montenegrin if the buyer is a natural person or legal entity not resident in Slovenia or Montenegro.

The Agreement shall contain provisions, which are customary for transactions concerning the purchase/sale of participating interest/claims, including the “top up” clause, in accordance with which the buyer makes a commitment to the Seller to cover the difference between the price agreed in the Agreement and any potential higher price reached for the Seller’s Participating Interest/Claims in its transactions up to 12 months after the transfer of ownership of the Seller’s Participating Interest or Claims.

In addition to the “top up” clause, the Agreement shall also include a “re-sale” clause which binds the buyer and prohibits them from selling the Seller’s Participating Interest or Claims for five years after having acquired them, to parties related to the Debtor.

The Seller reserves the right to reveal the identity of the Buyer in the Agreement.

The Agreement will contain details of the Buyer’s bank account from which the Buyer will deposit the purchase price. In the event that the purchase price will be financed by a third party or a bank, the Agreement will contain the details and bank account information of the third party or the bank that will deposit the purchase price.

A condition for the conclusion of the Agreement is the disclosure of details about the buyer’s actual owners and details about the origin of the buyer’s assets. Non-disclosure of the above details shall constitute reasons for failure to conclude an Agreement, which come from the chosen buyer.

The timely settlement of the purchase price shall be an essential component of the Agreement. If the Buyer is in arrears in the settlement of the purchase price, the Agreement shall be deemed null and void.

The Seller's Shares and Claims shall be transferred in accordance with the Agreement following the full payment of the purchase price. All taxes, fees and costs, including notarial costs, shall be paid by the successful bidder (the Buyer). The Seller's Participating Interest and Claims shall be purchased on an "as is" basis.

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

5. Other

Bidders shall bear their own costs of participation in this procedure for the purchase of the Participating Interest and Claims, and any costs associated therewith, regardless of their success in the sale procedure.

The Seller reserves the right to amend the procedure and the terms of sale.

This call is published in Slovene. Tenders may be submitted in Slovene or English. By participating in the sales procedure, bidders shall be deemed to agree with the conditions of the procedure.

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

6. Right to suspension and exclusion of Seller's liability for damages

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

The Seller shall not be held liable for any damages whatsoever.

7. Additional information

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

- Ms. Mojca Perhanc, Equity Manager, tel. no.: +386 14 29 3862,
e-mail: mojca.perhanc@dutb.eu

8. Applicable law and jurisdiction

The law of the Republic of Slovenia shall apply to this public tender. In the event of any dispute, the court of competent jurisdiction in Ljubljana will have exclusive territorial jurisdiction.