

## ANNOUNCEMENT

25 November 2024

**BONDS SUBSCRIPTION PUBLIC CALL  
to subscribe the Sustainability-Linked Bonds  
of the company JADRAN - GALENSKI LABORATORIJ d. d.  
("Public Call")**

### I. GENERAL INFORMATION

**JADRAN - GALENSKI LABORATORIJ d. d.**, having its registered seat in Rijeka (City of Rijeka), Svilno 20, registered with the Court Registry of the Commercial Court in Rijeka under registration number (MBS): 040004561, PIN: 20950636972 ("**Issuer**") intends to issue sustainability-linked bonds on domestic capital market in the intended total nominal amount of EUR 60,000,000.00, with the possibility of increasing such amount depending on the results of subscription of the Bonds by investors, fixed annual interest rate and semi-annual interest payments and one-off maturity of the principal 5 (five) years after the issuance date, with the ticker: JDGL-O-29CA and the international securities identification number (ISIN): HRJDGLO29CA5 ("**Bonds**").

The Issuer intends, immediately after the issuance, to submit an application for listing the Bonds on the Official Market of the Zagreb Stock Exchange Inc., Zagreb ("**ZSE**").

The Joint Lead Managers of the Bonds issue are: ERSTE&STEIERMÄRKISCHE BANK d. d. and Privredna banka Zagreb d.d. ("**Joint Lead Managers**").

The Bonds shall be issued on the basis of the decision of the Issuer's Board of Directors dated 22 October 2024.

On 11 November 2024, the Issuer published on its websites the Prospectus of the Public Offering and Listing of Sustainability-Linked Bonds dated 8 November 2024 ("**Prospectus**"). The Prospectus was approved by the Croatian Financial Services Supervisory Agency ("**HANFA**") based on the decision dated 8 November 2024, class: UP/1996-02/24-01/01, ref. no.: 326-01-60-62-24-13.

Prospectus is available on: <https://www.jgl.eu/about-jgl/corporate-documents>, under the document named "*JGL Prospekt izdanja javnom ponudom i uvrštenja obveznica povezanih s održivošću*". Capitalized terms in this Public Call have the same meaning as defined in the Prospectus, unless otherwise defined herein.

Only the information contained in the Prospectus is relevant for making a decision on investing in Bonds. The approval of the Prospectus by the Croatian Financial Services Supervisory Agency is not deemed approval of the Bonds or the recommendation for investing in Bonds. Potential investors are advised to read the Prospectus before making an investment decision in order to fully understand the potential risks and benefits associated with a decision to invest in Bonds.

Issuance of Bonds is carried out as public offering to retail investors and qualified investors, as each of these terms is defined by the Capital Market Act (Official Gazette of the Republic of Croatia, nos. 65/2018, 17/2020, 83/2021, 151/2022, 85/2024).

Holders of existing bonds, ticker: JDGL-O-24X, ISIN: HRJDGLO24XA2, in the nominal amount of HRK 130,000,000.00 HRK (which amounts to EUR 17,253,965.09, calculated by applying the fixed conversion rate<sup>1</sup>), with the final maturity on 18 December 2024 ("**Existing Bonds**"), have the possibility to swap the Existing Bonds for the Bonds on the Bonds issue date ("**Issue Date**"), for the complete swap price of the Existing Bonds of 100%, increased for the full amount of accrued interest for the period from, and including, 18 June 2024 until, but not including, the Issue Date.

The minimal subscription amount for Bonds in the Bonds offering period ("**Offering Period**") that can be subscribed by retail investors is EUR 100,000.00 per investor for each individual offer. The minimum nominal amount of Bonds that can be subscribed by a qualified investor for each individual offer has not been determined. The maximum amount that can be subscribed by investors, whether retail investors or qualified investors, has not been determined.

During the Bonds Offering Period, interested investors shall indicate in the subscription form nominal amount of Bonds they are willing to subscribe and pay for and, if applicable, the nominal amount of the Existing Bonds to be swapped for the Bonds. Receipt of the subscription forms shall be carried out by the Joint Lead Managers in a way described below in section VI. – *Terms and Conditions for Subscription of Bonds*.

In terms of the rules of civil obligations law, this Public Call is not deemed to be an offer, but exclusively an invitation to make an offer under the published terms and conditions. The submission by the investor of a duly signed and correctly and completely filled subscription form in all mandatory parts, properly during the Offering Period and the fulfilment of other terms and conditions specified in section VI. hereto - *Terms and Conditions for Subscription of Bonds*.

## II. BASIC TERMS AND CONDITIONS OF THE BONDS ISSUE

Basic terms and conditions of the Bonds issue:	
<b>Issuer:</b>	JADRAN - GALENSKI LABORATORIJ d. d.
<b>Country of Offering:</b>	Republic of Croatia
<b>Type of Bonds:</b>	Unsubordinated and unsecured Sustainability-Linked Bond
<b>The expected nominal amount of the issue:</b>	EUR 60,000,000.00, with the possibility of increasing the amount depending on the results of the subscription of Bonds by the investor
<b>Nominal amount of single Bond:</b>	EUR 1.00

<sup>1</sup> Irrevocably fixed rate of conversion between EUR and HRK, which is EUR 1.00 for HRK 7.53450, and which is determined by Council Regulation (EU) 2022/1208 of 12 July 2022 amending Regulation (EC) No 2866/98 as regards the conversion rate to the euro for Croatia.

<b>Minimum subscription amount in the Offering Period:</b>	EUR 100,000.00 for retail investors. The minimum subscription amount of Bonds by qualified investors has not been determined.
<b>Settlement Currency:</b>	EUR
<b>Ticker:</b>	JDGL-O-29CA
<b>ISIN:</b>	HRJDGLO29CA5
<b>Issue Date:</b>	3 December 2024
<b>Principal Maturity Date:</b>	3 December 2029
<b>Settlement Date:</b>	3 December 2024
<b>Repayment of Principal:</b>	One-off, at maturity
<b>Type of the Interest rate:</b>	Fixed
<b>Regular Interest Payments</b>	Semi-annual
<b>Issue Price:</b>	The Issue Price will be determined based on the determined Yield and the Fixed Interest Rate, no later than one Business Day after the expiry of the Offering Period.
<b>Yield:</b>	The Reference Interest Rate increased by the Risk Premium of the Issuer.
<b>Fixed Interest Rate:</b>	The Fixed Interest Rate will be determined based on the Yield until maturity.
<b>Reference Interest Rate:</b>	Reference interest rate of the Bonds will be determined after the end of the Offering Period on the basis of Bloomberg Generic purchase yields retrieved from the Bloomberg information terminal on Eurobonds of the Ministry of Finance of the Republic of Croatia, international identification codes (ISIN) XS1843434876, with the maturity on 27 January 2030 interpolated to a maturity of 5 years.
<b>Risk Premium:</b>	between 140 and 170 bps
<b>Paying agent during the public offering and issue of Bonds:</b>	ERSTE&STEIERMÄRKISCHE BANK d.d. and Privredna banka Zagreb d.d.
<b>Depository and paying agent after the public offering and issue of Bonds:</b>	Central Depository & Clearing Company Inc. ("CDCC")
<b>Segment of the regulated market:</b>	Official Market of the ZSE
<b>Joint Lead Managers:</b>	ERSTE&STEIERMÄRKISCHE BANK d.d. and Privredna banka Zagreb d.d.
<b>Method of placing an order:</b>	Pot Orderbook in relation to investors who are not retail investors (natural persons). The order of such individual

	investor delivered to any of the Joint Lead Manager will be visible to all Joint Lead Managers and to the Issuer.
<b>Conditions for the swap of the Existing Bonds:</b>	
<b>Complete Swap Price of the Existing Bonds:</b>	100.00%
<b>Accrued Interest on the Existing Bonds:</b>	Accrued interest for the period from, and including, 18 July 2024, until, but excluding, the Issue Date (3 December 2024) i.e., 0,803278728%.
<b>Final Swap Price of the Existing Bonds:</b>	Complete Swap Price increased for Accrued Interest, i.e., 100,803278728%

Aspect of Bonds linked to the sustainability is, in summary, defined in section 5.4.10. of the Prospectus – *Specific Conditions of Bonds Linked to the Sustainability*, in which matters of the Issuer's orientation towards sustainability, Key Performance Indicators, Sustainability Performance Targets, reporting and reasons for paying a one-time additional fee (penalty) are defined in detail. The Issuer recommends to all potential investors to examine the aforementioned provisions of the Prospectus in order to familiarise themselves in detail with the specific conditions of the Bonds linked to the sustainability.

### III. BONDS ISSUE AND LISTING TIMELINE

<b>Bonds issue and listing timeline:</b>	
<b>Beginning of the Offering Period:</b>	26 November 2024 at 9 AM
<b>End of the Offering Period:</b>	26 November 2024 at 3 PM
<b>Publication of the Notice on the Determined Price and the Total Allocated Amount of Bonds:</b>	26 November 2024, after the expiry of the Offering Period
<b>Delivery of the preliminary Notice on Allocation to Investors (with an indication of the allocation of Bonds to investors):</b>	26 November 2024
<b>Period for withdrawing the Subscription Forms by the investors:</b>	27 November 2024 and 28 November 2024
<b>Delivery of the final Notice on Allocation to Investors:</b>	29 November 2024
<b>Delivery of the Instructions for Payment and/or Delivery of the Existing Bonds to Investors:</b>	29 November 2024
<b>Date of issue and admission of Bonds in CDCC:</b>	3 December 2024
<b>Publication of the Notice on Final Terms of the Issue:</b>	3 December 2024
<b>Listing of Bonds on the Official Market of ZSE:</b>	Upon ZSE's approval for listing, expected on or about 5 December 2024

#### **IV. AMENDMENTS AND WITHDRAWAL OF THE SUBSCRIPTION INVITATION**

During the Offering Period, the Issuer may amend the content of this Public Call (including the part related to the duration of the Offering Period), in a way that the corresponding amendments to the Public Call are published in the same way as the Public Call itself.

The Issuer reserves the right to withdraw this Public Call at any time until the Bonds are registered in the CDCC's information system on the Issue Date. For the avoidance of doubt, if the investor subscribed and paid for the Bonds, and the Issuer exercises the right to withdraw this Public Call before the aforementioned deadline, no such investor will acquire the Bonds, but has the right on refund of the paid funds within 7 (seven) Business Days from the date of the Issuer's withdrawal of this Public Call, whereas the investor is not entitled to interest. Also, if an investor has delivered Existing Bonds for the purpose of swap of the Existing Bonds for Bonds, and the Issuer exercises the right to withdraw this Public Call before the aforementioned deadline, no such investor will acquire Bonds, but will have the right on the return of the delivered Existing Bonds immediately after the Issuer's withdrawal of this Public Call, and no later than 17 December 2024. If this Public call is withdrawn, the Issuer may publish another Public Call.

#### **V. SUBSCRIPTION, ALLOCATION, PAYMENT AND FINAL AMOUNT OF BONDS ISSUE**

Information on the Yield, Fixed Interest Rate, Risk Premium and Issue Price, will be specified in the Notice on the Determined Price and the Total Allocated Amount of Bonds, which will be published on the Issuer's website on the date specified in the Bonds Issue and Listing Timeline.

The Issuer will also publish information on the total nominal amount of Bonds that have been subscribed and allocated to investors as part of the Notice on the Determined Price and Total Allocated Amount of Bonds on the Issuer's and ZSE's websites, and the Joint Lead Agents (or one of them) will send to each investor by e-mail (to the addresses specified by the investors in the registration forms) preliminary notices on the allocation of Bonds to investors, which will indicate the allocation of Bonds to investors that is, if applicable, the indicative amount of the Existing Bonds accepted for swap for the Bonds.

Investors will then have the right to withdraw their Subscriptions Forms in the next two Business Days after the publication of the Notice on the determined price and the total allocated amount of the Bonds. It is noted that if an individual investor withdraws the Subscription Form, the Issuer may allocate those Bonds to other investors.

On the date specified in point III. of this Public Call – *Bonds Issue and Listing Timeline*, the Joint Lead Managers (or one of them) will deliver to each investor who has not withdrawn his Subscription Form by electronic mail to the addresses specified by the investors in the Subscription Form the final Notice on Allocation and Instructions for Payment and/or Delivery of Existing Bonds.

The final Notice on Allocation will state the nominal amount of Bonds allocated to an individual investor and, if applicable, the nominal amount of Existing Bonds accepted for

swap for Bonds, while the Instructions for Payment and/or Delivery of Existing Bonds will define the terms and method of payment of the amount of money on the name of the allocated Bonds and (if applicable) the nominal amount of the Existing Bonds that the investor should deliver for the purpose of exchanging the Existing Bonds for the Bonds. Investors will be obliged to pay the Bonds allocated to them and, if applicable, to deliver the Existing Bonds for the purpose of exchanging the Existing Bonds for the Bonds in accordance with the instructions received and within the stipulated time.

The payment and/or (if applicable) the delivery of the Existing Bonds must be made until the deadline specified in the Instructions for the Payment and/or Delivery of the Existing Bonds. The Issuer may, at its own discretion, take into account late payments, i.e. late deliveries of Existing Bonds if that would in no way jeopardize the implementation of the Bond issue. The late paid amount that the Issuer did not take into account, will be refunded without the right on the interest, to the account specified in the Subscription Form no later than 7 (seven) Business Days from the day of the receipt of the late payment, while late deliveries of investors' Existing Bonds that the Issuer did not take into account, will be returned to the securities account indicated in the subscription form no later than 17 December 2024.

The final amount of Bonds issued will depend on the final number of Bonds that investors subscribed and made timely payments for. Information on the total amount of Bonds that investors were willing to subscribe and pay for during the Offer Period and the total amount of Bonds allocated to investors will be published in the Notice on the Final Terms.

If the investors' interest for the subscription of Bonds exceeds the expected amount of EUR 60,000,000.00, there is no obligation to allocate the Bonds proportionally to the investors, but the Issuer reserves the right to make a decision on the final allocation of the Bonds, after consultation with the Joint Lead Managers, assuming possibility that within the allocation procedure also allocates a higher amount, all depending on the results of Bond subscription by investors, and also that more is allocated to investors who are International Financial Institutions, all in accordance with point 5.5.3. of the Prospectus - *Description of the procedure for a possible reduction in subscription and the procedure for refunding the excess amount paid to the applicants*. Also, if individual investors give up on subscription of Bonds, the Issuer may allocate those Bonds to other investors who subscribed a higher nominal amount of Bonds than the one that was initially temporarily allocated to them and indicated in the preliminary notice on the allocation of Bonds.

If the investor has paid a larger amount or delivered a larger quantity of Existing Bonds than the amount or number of Existing Bonds indicated in the Instructions for Payment and/or Delivery of Existing Bonds, the overpaid amount will be returned to the account of the respective investor specified in the subscription form within 7 (seven) Business Days from the Issue Date, whereby it will not be entitled to interest, and any potentially excessive amount of delivered Existing Bonds will be returned to the securities account of the respective investor specified in the subscription form, no later than 17 December 2024.

If the investor pays a smaller amount of money (that is, delivers a smaller nominal amount of the Existing Bonds) than the amount indicated in the subscription form or in

the Instructions for Payment and/or Delivery of the Existing Bonds, the Bonds will be allocated according to the smaller amount of money paid (that is, the delivered nominal amount of the Existing Bonds). However, if the such amount paid (that is, the nominal amount of delivered Existing Bonds) is not sufficient for the subscription of at least 100,000 Bonds by the retail investor, the Bonds will not be allocated to that investor and the such paid amount will be refunded within 7 (seven) Business Days from the end of the Offering Period to the account stated in the subscription form, without the right on interest, i.e. delivered Existing Bonds will be returned to the securities account stated in the subscription form no later than 17 December 2024.

The Issuer will not bear transaction costs, or any other costs incurred by the investor in connection with the subscription and payment of Bonds and/or (if applicable) the delivery of Existing Bonds for the purpose of swapping the Existing Bonds for Bonds.

Information on the final amount of Bonds to be issued and the Issue Date will be published in the Notice on the Final Terms of the Issue on the websites of the Issuer and of ZSE on the Issue Date (indicated in the Bonds Issue and Listing Timeline).

Paid Bonds will be delivered to investors by CDCC registering the appropriate number of issued Bonds to the investors' securities accounts, in accordance with the data entered in the subscription form and in the Issuer's Bond registry.

The Bonds will be able to be traded on the regulated market after their issue and after the expected listing of the Bonds on the Official Market of ZSE.

## **VI. INSTRUCTIONS AND CONDITIONS FOR BONDS SUBSCRIPTION**

Investors subscribe Bonds, that is, request the swap of Existing Bonds for Bonds by subscription form, which is available on the websites of the Issuer (<https://www.jgl.eu/about-jgl/corporate-documents>) and on the website of the ZSE (<https://zse.hr/en>) ("**Subscription form**"). In order for the Issuer to take into account the Subscription Form of an individual investor, it must be correctly and completely filled out in all mandatory parts and duly signed by the investor (subscriber), and delivered to one of the Joint Lead Managers in accordance with the lower provisions hereto, whereby the indicated Bonds subscription amount must be at least EUR 100,000.00.

Every investor that submits a Subscription Form to a Joint Lead Manager with whom it does not have a permanent business relationship (such as, but not limited to, maintaining a transaction account), must contact the Joint Lead Manager prior to submitting its subscription form on the contact details below.

Investors who are qualified investors can express the price sensitivity of the indicated interest in the e-mail in which they submit the Subscription Form to one of the Joint Lead Managers.

The Subscription Forms that meet the aforementioned conditions must be submitted to any of the Joint Lead Managers no later than the end of the Offering Period, using the communication channels as indicated below in the table in relation to the individual Joint Lead Manager.

The method of issuing orders (except for investors who are natural persons) is based on the principle of a common entry book ("**Pot Orderbook**"). If the same investor submits the Subscription Form to more than one Joint Lead Manager, it will be treated as one order (one offer) and will not be added, except if such investor is a natural person, in which case it will be treated as several separate orders (more separate offers), provided that the submitted Subscription Forms meet the conditions indicated above

If the Subscription Form does not meet any of the aforementioned conditions (such as, but not limited to, that some information in the Subscription Form is missing or it is incomplete, such as the account number of the investor (subscriber) with CDCC), or if the Subscription Form was not submitted in the prescribed manner within the Offering Period to the Joint Lead Managers, the Issuer may, through the Joint Lead Managers, reject such an incomplete offer from the respective investor (subscriber).

Therefore, all interested investors are invited to timely prepare all the necessary information specified in the Subscription Form (including, for example, the number of the investor's (subscriber's) account opened with CDCC) and to take into account the duration of the Offering Period.

The Bonds will not be delivered to the investor who, in accordance with the received Instruction for the Payment and/or Delivery of the Existing Bonds to the investors, does not make the payment of the appropriate amount and/or delivery of the Existing Bonds.

For all additional inquiries, investors can contact any of the Joint Lead Managers at the telephone numbers or addresses listed below:

 <p><b>ERSTE&amp;STEIERMÄRKISCHE BANK d.d.:</b></p>	 <p><b>Privredna banka Zagreb d.d.:</b></p>
<p><i>For Qualified Investors: Distribution team to institutional clients</i></p> <p>☎ 072 372 288</p> <p>✉ <a href="mailto:institutional.sales@erstebank.hr">institutional.sales@erstebank.hr</a></p> <p><i>For Retail Investors: Product distribution service to corporate clients and citizens</i></p> <p>☎ 072 372 277</p> <p>✉ <a href="mailto:retsale@erstebank.hr">retsale@erstebank.hr</a></p>	<p><i>Corporate Banking Products, Capital Markets</i></p> <p>☎ 01/ 6360 702 01/ 6364 477</p> <p>✉ <a href="mailto:capital.markets@pbz.hr">capital.markets@pbz.hr</a></p>



## **VII. INSTRUCTIONS IN CASE OF WITHDRAWAL OF SUBSCRIPTION FORMS**

After the expiry of the Offering Period and after the Issuer publishes the Notice on the Determined Price and the Total Allocated Amount of the Bonds, investors who have subscribed for the Bonds will have the right to withdraw their Subscription Form within two Business Days from the date of publication of the Notice on the Determined Price and the Total Allocated Amount of the Bonds (in the period specified in point III. of this Invitation to Subscribe - *Bonds Issue and Listing Timeline*).

Investors will be able to withdraw their Subscription Forms by sending a written statement to the Joint Lead Managers by which the relevant investor initially submitted the completed and signed Subscription Form, to the email addresses of the Joint Lead Managers specified in point VI. hereto - *Instructions and conditions for Subscription of Bonds*, that is, it must be submitted in the same manner as the Subscription Form.

The Subscription Form shall cease to be binding on the investor withdrawing its Subscription Form from the date of delivery of the relevant investor's statement, and the Joint Lead Manager who has received the statement of withdrawal of the Subscription Form shall without delay confirm receipt of the statement of withdrawal of the Subscription Form to the investor.

The form of the statement of withdrawal of the Subscription Form is published together with this Public Call.