

MERITUS ULAGANJA D.D.
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10 000 ZAGREB

SECURITY: MRUL

ISIN: HRMRULRA0009

LEI: 74780080JD6L45P7YG07

REGULATED MARKET SEGMENT: ZAGREB STOCK EXCHANGE, THE OFFICIAL MARKET

HOME MEMBER STATE: CROATIA

PUBLICATION OF OTHER INFORMATION

In ZAGREB, 29.07.2022

M+ GROUP ISSUED THE FIRST CROATIAN SUSTAINABILITY-LINKED BONDS

M+ Group (Meritus ulaganja d.d. – ZSE: MRUL) successfully issued the first Croatian Sustainability-Linked Bonds valued at HRK 300 million. On this historic issue of securities in the Croatian capital market, M+ Group undertook to reduce its carbon emissions by 25 percent and to increase the representation of women in management teams to 51 percent. If the set sustainability goals are not met, investors will be paid an additional 0.75 percentage points in addition to an interest rate of 4.25%.

Sustainability-Linked Bonds or ESG (Environmental, Social and Governance) are an innovation in the global capital markets, where more and more investors, in addition to profit, are looking for positive business effects on the community in which companies operate. M+ Group is committed to the idea of sustainable business, and since 2020 it has issued regular reports on sustainability. M+ Group is introducing the first such financial instrument related to sustainability at a time when market conditions in the world are extremely complex and demanding due to global geopolitical and financial upheavals. The strategic partners of the issue are Erste&Steiermärkische Bank and the European Bank for Reconstruction and Development (EBRD), and the other investors in the M+ Group bond are also reputable institutional investors, including a number of insurance companies and investment funds.

This bonds, like previous M+ Group issues, will be listed on the Zagreb Stock Exchange. M+ Group has been present on it for four years - in 2019 it had an initial public offering of shares (IPO), while in 2021 it had a unique and successful secondary public offering of shares, which confirmed the trust of investors. According to Hanfa's 2020 report, M+ Group is one of only two issuers in the official market that have demonstrated full compliance.

"People have always been the focus of our business - our employees, clients and their users. This is the reason why ESG criteria are crucial for our success. The social aspect, which includes gender equality and any other equality, is extremely important to us as a multicultural group and a global player operating in 58 markets from 14 countries and providing services in 32 languages. In addition to the social aspect, there is inevitably an environmental impact, as our growing number of employees

affects the environment. Taking into account the threat of climate change, we will work diligently to achieve the goals set for this bond.", said M+ Group CEO **Darko Horvat**.

The Croatian company M+ Group has grown in a very short time to become a global player in the BPTO industry, which employs 11 thousand people and expects to exceed HRK 1 billion in revenue in 2022. Thanks to a successful strategy of mergers and acquisitions, accompanied by strong organic growth, M+ Group has attracted a number of reputable institutional and private investors. The funds collected through the sustainable bond issue will be used for further growth and development of M+ Group's business.

Corporate bonds with security code MRUL-O-277E and international identification code (ISIN) HRMRULO277E9 have been included in the depository services and clearing and settlement services of the Central Clearing Depository Company since July 29, and listing of the bonds on the Official Market of the Zagreb Stock Exchange is expected no later than August 3. **Erste&Steiermärkische Bank d.d.** was the issuing agent in the transaction, the transaction legal advisor was **Mamić Perić Reberski Rimac law firm d.d.**, and the technical advisor was **Ernst & Young Savjetovanje d.o.o.**

*M+ Group is a Croatian company owned by private investors, all mandatory pension funds in Croatia, several voluntary pension and private investment funds and Mid Europa Partners, a leading investment fund for investments in Central and Eastern Europe based in London. As a leading European provider of BPTO services (Business Process and Technology Outsourcing), headquartered in Zagreb, M+ Group operates in fourteen countries. In addition to Croatia, there are also Germany, Slovenia, Bosnia and Herzegovina, Serbia, Turkey, Georgia, Romania, Hungary, Spain, the United Kingdom, the Netherlands, Switzerland and the USA. It operates in the markets of the European Union and North America. With a language portfolio of 32 languages in which it provides services, M+ Group is one of the few companies that can meet the needs of global clients. Over the past five years, M+ Group has made **15 acquisitions** and secured a diversified portfolio of clients consisting of leading European and global telecoms, financial, technology, energy, logistics and e-commerce companies, as well as companies in the consumer goods sector.*

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