

MERITUS ULAGANJA D.D.
ULICA GRADA VUKOVARA 23
10 000 ZAGREB

SECURITY: MRUL / ISIN: HRMRULRA0009
3MRU / ISIN: HRMRULO277E9
LEI: 74780080JD6L45P7YGo7
REGULATED MARKET SEGMENT: ZAGREB STOCK EXCHANGE, THE OFFICIAL MARKET
HOME MEMBER STATE: CROATIA

PUBLICATION OF PRIVILEGE INFORMATION

In ZAGREB, May 07, 2024

NOTICE OF CONTRACTS CONCLUSION REGARDING THE ACQUISITION OF THE SHARES AND INVESTMENT IN THE PANVITA GROUP, SLOVENIA

Company Meritus ulaganja d.d., Zagreb, (hereinafter referred to as the "**Issuer**", "**Mplus**") hereby announces that on May 07, 2024, the subsidiary company wholly indirectly owned by the Issuer, entered into an investment agreement, which regulates the conditions and method of acquiring a 51% shares in Panvita Holding, Republic of Slovenia, a company that will be the holder of the leading Slovenian agricultural and food group, and which is currently under the management of company Panvita d.o.o., Murska Sobota and Panvita Mesnine d.o.o., Murska Sobota ("**Panvita Group**"). At the same time, a contract governing mutual relations with member of the Panvita Holding, who will hold the remaining 49% stake in the said company, was signed. This contract regulates mutual relations related to corporate governance and disposal of business shares in Panvita Holding company. Additionally, the remaining documentation for the transaction's execution has been agreed upon in accordance with the structure envisaged by the investment agreement, subject to obtaining prior internal approvals and approvals from the relevant regulators (including, but not limited to, those concerning competition protection). The issuer will timely inform the public about the fulfillment of the conditions in question, that is, the conclusion of the transaction in accordance with the aforementioned contracts.

The value of the transaction regulated by the aforementioned contracts includes an investment in the total amount of EUR 50 million, part of which is paid to the existing members of the Panvita Group in the name of the acquisition of part of the shares, while the remaining part is invested in the company itself (Panvita Holding), which will enable growth and expansion through further acquisitions.

By investing in Panvita Group, Mplus Group is expanding its business operations to the food industry and establishing a fourth business vertical, while Panvita Group is set to secure a strong partner for further business development in the region.

Panvita Group is one of the most prominent Slovenian agricultural and food market actors dedicated to the sustainable production of high-quality food. It operates in three key segments – primary agriculture, the food sector, and sustainable energy. As one of Slovenia's leading vertically integrated chains of agricultural companies, it employs over 700 people and cultivates more than 3,500 hectares of agricultural land. For the financial year 2022, Panvita Group reported over EUR 117 million in revenues and EBITDA of more than EUR 10,3 million.

It is Slovenia's first company that is a signatory to the obligations defined by the Code of Conduct of the European Union (EU) on responsible food business and marketing practices, in accordance with the guidelines for healthy and sustainable nutrition. With an advanced quality management system, Panvita ensures the standardized quality of fruits and vegetables with high nutritional value, and its precise production of cereals such as wheat, barley, and rapeseed results in less pressure being put on the soil.

With this investment, subject to the prior regulatory approval by the competent authorities, Mplus Group is set to become the majority co-owner of Panvita Holding, with the Polanič family as the largest co-owners of the remaining share in Panvita Holding.

As part of the new partnership, the existing experienced leadership team consisting of Peter Polanič, as president of the board, and Toni Balažič, as executive director, will be joined by a financial director and a chairman of the supervisory board from the ranks of Mplus to strengthen the partnership with the resources of the Mplus Group in the areas of finance, M&A, strategic growth, and further expansion, including significant expansion outside the Slovenian market.

"Panvita wants to become one of the leading food companies in the region of Southeastern Europe. The center of our development and business operations, as well as the new group based on the foundations of Panvita, remain in Slovenia, but regional partnerships are of key importance for increasing the effectiveness and speed of implementation of our strategy, and, in Mplus, we recognized the best partner for the development and positioning of Panvita and the new Group, as a regional leader. Through strategic acquisitions and consolidation within the sector in the region, we will build on the multi-decade expertise of the Panvita team in partnership with Mplus, which will provide additional capital and knowledge necessary for the growth and realization of our plans.", **said Peter Polanič, President of the Management Board of Panvita Group.**

This investment marks the entry of the Mplus Group into the agri-food industry, which is part of a broader strategy through which Mplus, through its proven and uniquely experienced M&A unit, consolidates the markets of regional companies in Central and Southeastern Europe and expands its operations to new industries.

In 2022, Mplus launched its HR business vertical (Workplace), and in 2023, it launched its e-Commerce vertical (Eplus Ventures). Thanks to the expertise and experience of Mplus Group in expanding through acquisitions, both verticals have realized significant organic growth since their launch.

"Mplus has shown that it has leadership with top-of-class expertise who knows how to recognize opportunities for acquisitions and strategic growth. We apply this approach to sectors where we see

room for consolidation. Investing in Panvita Group is a step into a new business segment for Mplus. However, through our existing BPO operations, we are already working on process optimization and sales development with some of the leading global companies in the food industry. We built our other business verticals, HR and e-commerce, in line with the same principle.", said **Darko Horvat, president of the Management Board of Mplus.**

The investment in Panvita Group is one in a series of successful investments in Slovenia that Mplus has made in the past few years.

In Slovenia, Mplus Group operates through three business verticals, BPO, HR and e-Commerce, and has been present on the market since 2017, when it took over BPO companies Linea Directa and CDE Nove Tehnologije. In 2023, it formed a partnership with Manpower Slovenia and acquired the company Konverzija, which owns the Pink Panda eCommerce platform. Today, both the BPO and HR business segments of the Mplus Group are leaders in the Slovenian market.

Mplus also invested in IEDC Business School Bled, where, as a co-owner, it invests in the talent development of new generations. To that extent, Mplus Group views Slovenia as a home market, given the fact that it is the country in the region where it has realized the largest number of investments.

Subject to the prior regulatory approval by the competent authorities, after finalizing the investment in Panvita, Mplus Group expects to realize around EUR 500 million in annual revenue in pro forma consolidated terms.

About Mplus Group:

Mplus Group (Meritus ulaganja d.d.) is a leading European company that operates in the contact center, information technology, employment services (HR), e-commerce, and, pending the finalization of the investment in Panvita Group in 2024, food industries.

With its innovative business model, Mplus Group accelerated its presence on the market with intensive organic growth and an M&A platform based on a buy-and-build strategy. Since 2016, 57 companies have been acquired, and a diversified portfolio of international clients has been secured.

The Mplus Group has four business verticals: the BPTO vertical, which consists of the umbrella company M Plus Croatia d.o.o. and its subsidiaries; the HR vertical and companies that operate as part of the Workplace Group and the Manpower brand; the eCommerce business vertical, which, under the brand name Eplus Ventures, consists of companies that operate according to a common eCommerce business model; and the newest, agri-food vertical, which consists of companies within the Panvita Group.

In its ownership structure, Mplus Group brings together pension funds, institutional investors, international private equity funds, development institutions, and private investors. The Mplus business community consists of over 13,700 employees, and the Group provides its services to clients who, in addition to Croatia, do business in 57 countries worldwide.

About Panvita Group:

Panvita Group, which celebrated its 100th anniversary in business last year, is one of the largest players in the Slovenian agricultural and food market dedicated to the sustainable production of high-quality food. It operates in three key segments: primary agriculture, the food sector, and sustainable energy. As one of Slovenia's leading vertically integrated chains of agricultural companies, it employs over 700 people. It cultivates more than 3,500 hectares of agricultural land using state-of-the-art equipment and production aligned with the climate program for agriculture and the environment. In 2022, Panvita Group recorded over EUR 117 million in revenues and EBITDA of more than EUR 10,3 million.

As the leading strawberry producer in Slovenia, Panvita ensures the standardized quality of fruits and vegetables with high nutritional value through an advanced quality management system. The precise production of cereals such as wheat, barley, and rapeseed results in cost reduction and less pressure on the soil.

Panvita is also a leader in the ecologically sustainable food business and has committed to reducing greenhouse gas emissions by 40 percent by 2030 while simultaneously increasing the procurement of sustainably produced raw materials and raising the level of use of recycled packaging to at least 75 percent. Panvita has been investing in sustainable energy sources for almost two decades. In 2006, it launched its first biogas power plant, and today, it is the co-owner of three biomass and biogas power plants, with plans to further expand its energy production capacity from organic waste.

Disclaimer:

This document includes statements that are or may be considered "forward-looking statements." These forward-looking statements can be identified by the use of certain terminology, including, but not limited to, the expressions: "believes," "estimates," "anticipates," "considers," "expects," "seeks," "target," "strategy," "purpose," "intends," "continues," "may," "should," or similar terms. These forward-looking statements relate to matters that are not historical facts. Such forward-looking statements include statements regarding intentions, beliefs, and/or current expectations, among other things, with respect to plans, objectives, achievements, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans and intentions related to acquisitions, competitive advantages and disadvantages, business strategies and trends expected in the industry and the political and legal environment in which the companies referred to in the document operate, as well as other information that is not historical data. Such statements are not guarantees of future performance. Actual achievements, results of operations, financial position, liquidity, trends, development of business strategies and operations in the markets where these operations take place directly or indirectly, as well as actually available resources, may deviate significantly from the impression given by such statements contained in this document.

MERITUS ULAGANJA D.D.