

PODRAVKA Inc.
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Podravka and the European Bank for Reconstruction and Development sign financing agreement for the acquisition of Fortenova Group's agricultural segment

Podravka and its newly established company, Podravka Agri, have signed agreements with the European Bank for Reconstruction and Development (EBRD) for an equity investment in Podravka Agri amounting to €50 million. This partnership financially supports Podravka's acquisition of Fortenova Group's agricultural segment, which includes Belje plus, PIK-Vinkovci plus, Vupik plus, Energija Gradec, Belje Agro-Vet plus, and Felix plus.

Following the transaction, Podravka will hold an 84.99% ownership stake in Podravka Agri, while EBRD will own 15.01%. The agreements between Podravka and EBRD define the co-ownership relationship, management rights and obligations for Podravka Agri, as well as the terms and conditions for EBRD's potential exit from the investment.

Earlier this summer, Podravka Agri and Fortenova Group signed a purchase agreement for the acquisition of Fortenova's agricultural segment, valued at €333 million.

The transaction is pending approval from the Croatian Competition Agency.

“By signing the agreement with the European Bank for Reconstruction and Development, we have taken a significant step toward finalizing the acquisition of Fortenova Group's agricultural segment. Our partnership with EBRD will enable the transfer of best global practices in managing agricultural companies and further strengthen corporate governance in the newly established Podravka Agri. We are confident that our collaboration will contribute to the ambitious modernization and development plans for the acquired companies, positioning them as leaders in Croatian agriculture. The employees of these companies will remain at the heart of our plans because people are the foundation of all Podravka Group's successes,” **said Martina Dalić, President of Podravka's Management Board.**

The acquisition of Fortenova Group's agricultural segment represents a significant strategic move for the Podravka Group. Upon completion of the transaction, agricultural production will become the third pillar of the Group's business, alongside the food and pharmaceutical industries. Podravka Agri was established to manage the newly acquired agricultural segment, with the acquired companies continuing to operate as independent entities under its umbrella.

“We are pleased to announce our participation in one of the largest acquisitions in the region in recent years. It is an honor to support Podravka, our long-standing client, in this significant endeavor. This acquisition represents an excellent opportunity, and in collaboration with Podravka, we are committed to realizing the full potential of the acquired companies, drawing on EBRD's extensive experience in the food and agribusiness sector across the SEE region”, said **Charlotte Ruhe**, EBRD's **Managing Director for Central and South Eastern Europe**.

EBRD's involvement as a partner in the transaction will enhance the competitiveness of these agricultural companies. As a multinational company, Podravka Group is committed to continuously adopting modern and best practices across all areas of its business. This partnership will further support the development and improvement of corporate governance in line with leading global standards.

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