



Zagreb, June 1, 2023

ANNOUNCEMENT

Public invitation for the subscription of preferred senior notes issued by ERSTE & STEIERMÄRKISCHE BANK d.d. with maturity in 2026 on the domestic capital market („Public Invitation for Subscription“)

According to the Management Board decision of ERSTE & STEIERMÄRKISCHE BANK d.d., Jadranski trg 3a, 51 000 Rijeka, OIB 23057039320 (the „Issuer“), the Issuer has the intention to issue preferred senior notes with fixed interest rate and annual coupon payment with maturity in 2026. (the „Notes“).

On December 2, 2022 the Issuer published on the official website of Zagreb Stock Exchange Inc. (the “ZSE”) and on the Issuer’s official website the Issuer’s Registration Document dated December 2, 2022 and Preferred Senior Note Retail Programme dated December 2, 2022 („Programme“) which together form a base prospectus (“Base Prospectus”) under which the Issuer, subject to compliance with all relevant laws and regulations, may issue preferred senior notes in the form of a public offer or a private placement in series and tranches under Croatian law. The Issuer also published on May 24, 2023 the first Supplement to the Registration Document dated May 24, 2022 (“Supplement”) and on June 1, 2023 the Final Terms (“Final Terms”). Links to the documents can be found at the end of this announcement.

The Issuer hereby announces its invitation for the subscription of 2nd series of the Notes subject to the conditions set out in the Programme and this Public Invitation for Subscription. In case of successful transaction, the Issuer will apply for the Notes to be listed on the official market of ZSE and on the official market of Vienna Stock Exchange (the “VSE”).

Important terms and conditions of the Notes:

Issuer:	ERSTE&STEIERMÄRKISCHE BANK d.d.
Country of Offering:	Republic of Croatia
Type of Note:	“Preferred Senior” Note
Legal Status:	The Notes constitute direct, unsecured and unsubordinated obligations of the Issuer representing the claims of the sixth level of higher priority in accordance with article 33 of the Compulsory Liquidation of Credit Institutions Act.
Aggregate Principal Amount:	up to EUR 70,000,000 (the Issuer retains the right to increase the Aggregate Principal Amount by up to 20%)
Specified Denomination:	EUR 100,000.00
Minimal Subscription Amount per Investor:	EUR 100,000.00, for each individual subscription (for a larger subscription amount, amount should be multiple of the number 100.000,00
Specified Currency:	EUR
Ticker:	RIBA-O-266A
ISIN:	HRRIBAO266A2
Redemption:	Redemption on the Maturity Date
Maturity Date:	20 June 2026
Type of the Interest Rate:	Fixed
Regular Interest Payments:	Annually
Issue Date:	20 June 2023
Settlement Date:	20 June 2023
Yield to maturity:	4.50% <i>per annum</i>
Rate of Interest:	4.50% <i>per annum</i>

Issue Price:	100.000%
Clearing and settlement:	Central Depository & Clearing Company Inc. (CDCC)
Applicable law:	Croatian Law
Listing:	Official Market of the ZSE, subject to listing approval by ZSE Official Market of VSE, subject to listing approval by VSE
Fees for Notes subscription:	None

The Issuer invites all potential investors to read the Base Prospectus, Supplement, Final Terms (links to the documents are listed at the end of this Public Invitation for Subscription) and this Public Invitation for Subscription before making the decision about their investment in the Notes as all should be aware of the potential risks and benefits related to the decision making on investing in the Notes. The information contained in the mentioned documents are solely relevant for making a decision on investing in the Notes.

A free copy of the Base Prospectus, Supplement and Final Terms, and any further information concerning the Notes are available at the locations where subscription is organised (listed below on the link). The approval of the Base Prospectus and the Supplement by the competent regulatory body shall not be considered as an approval of nor a recommendation to invest in the Notes.

During the subscription period, the Issuer may amend the contents of this Public Invitation for Subscription, by publishing such amendments on its official website and on the website of the Zagreb Stock Exchange.

The Issuer reserves the right to withdraw this Public Invitation for Subscription at any time until the Notes are registered in the CDCC's information system on the Issue Date. In this case, any investor who subscribed and paid for the Notes shall be entitled to the refund of the paid funds no later than 7 (seven) working days from the date of the Issuer's withdrawal of this Public Invitation for Subscription, whereas such an investor shall not be entitled to interest.

For the purposes of the rules of the law of obligations, this announcement shall not be considered as an offer, but only an invitation for the subscription.

Timeline for subscribing and listing of the Notes on the Official Market of the ZSE and VSE:

Beginning of the subscription period for investors:	1 June 2023 at 10:00 a.m.
End of the subscription period for investors:	16 June 2023 at 3:00 p.m.
Publishing the information about the final amount of the issue:	20 June 2023
Issue Date:	20 June 2023
Expected date of the listing on the Official Market on the ZSE and VSE:	expected first business day after the Issue Date

Basis information about the subscription of the Notes

A precondition for the subscription of the Notes under this Public Invitation for Subscription is to conclude an agreement with the Issuer for a relevant investment service ("order execution for client's account"). The above mentioned investment service should be contracted through a brokerage agreement ("Brokerage Agreement"). Retail investors may conclude a Brokerage Agreement in one of the [Issuer's branches](#), while professional clients and eligible counterparties should refer to the Distribution Team for Institutional Clients (contact below) for the purpose of concluding a Brokerage Agreement.

All information regarding investment and ancillary services as well as information on investing in financial instruments can be found in the document "Information on Investment and Ancillary Services" (links to the documents are listed at the end of this Public Invitation for Subscription).

Additional requirements for Retail investors

Subject to the previously concluded Brokerage Agreement, the Issuer is obliged to conduct a suitability/appropriateness assessment of the investment service, i.e. the Notes for retail investors. For that purpose, retail investors are invited to visit one of the [branches of the Issuer](#).

If a retail investor, in accordance with the Issuer's assessment, meets all legal conditions for the investment and decides to subscribe the Notes, before placing an order, a payment of the nominal amount of the Notes must be made (information regarding the payment instructions investor will receive at the branch).

After completing all necessary steps, retail investors can place their orders for subscription of the Notes by calling 072 37 2277 (Corporate and Retail Treasury Product Distribution), possible every working day during the subscription period from 9 am to 3 pm, or in any other way acceptable for the Issuer (information regarding that investor will receive in the branch).

Retail investors are invited to get acquainted with the working hours of the Issuer's branches in a timely manner and to take into account that it is possible that the working hours of each branch may change during the subscription period of the Notes.

In case of the successful issue, if the retail investor would like to safekeep its subscribed Notes with the Issuer's custodian, investor should have the Custodial Agreement concluded with the Issuer. Custodial Agreement can be concluded through digital channels (George; web or application) or in the branch.

The investor may also subscribe the Notes through a grantee and/or legal representative. Investor can get more information on this type of the subscription during the subscription period in the branches of the Issuer or by contacting the above mentioned phone number.

Professional investors and eligible counterparties

Professional investors and eligible counterparties can place their orders for subscription of the Notes by calling 072 37 2288, through Bloomberg terminal or by emailing at institutionalsales@erstebank.hr (Institutional Distribution Desk).

Professional investors and eligible counterparties who have the approved limit for settlement with the Issuer, should make the payment for the subscribed Notes on the Issue date until 10 am, while all other investors should make the payment before placing their order.

Allocation and subscription of the Notes on the Investors' accounts

All investors will be allocated 100% of their duly subscribed and timely paid amount.

Investors become holders of the Notes after the Notes are subscribed / allocated on their securities accounts with the Central Depository & Clearing Company Inc. (CDCC). On June 20, 2023, CDCC will register the Note positions on the investors' accounts ("Issue date").

Relevant links:

- [Registration Document](#)
- [Preferred Senior Notes Retail Programme](#)
- [Supplement](#)
- [Final terms](#)
- [Information on Investment and Ancillary Services](#)

In Zagreb, 1 June 2023

ERSTE & STEIERMÄRKISCHE BANK d.d.