



Kutina, 5.6.2017.

Petrokemija, Plc. Fertilizer Company  
Aleja Vukovar 4, 44320 Kutina, Croatia

Ordinary share, PTKM-R-A ISIN HRPTKMRA0005  
listed on the Official Market of the Zagreb Stock Exchange  
Notice pursuant to the Capital Market Act

## **INVITATION FOR INDICATION OF INTEREST IN RECAPITALIZATION OF PETROKEMIJA**

As one of the measures in preparation of the Company Restructuring and Privatization Program, on 5 June 2017, the Management Board of Petrokemija d.d. Kutina, after obtaining approval of the Supervisory Board, passed a Decision on the Publication of Invitation for Indication of interest in the recapitalization of Petrokemija Fertilizer Company d.d. Kutina.

This Invitation is in line with the Decision of the Croatian Government on the provision of a loan-repayment guarantee of 27 April 2017, long-term loan agreements with the Croatian Bank for Reconstruction and Development and Croatian Postal Bank d.d. as well as the agreement on short-term financing with Erste&Steiermarkische Bank d.d. in the total amount of HRK 350 million. These agreements, among other, stipulate the obligation of the Restructuring and Sale Center (CERP) to initiate the process of restructuring and privatization of Petrokemija d.d.

Accordingly, on 31 May 2017, CERP established the obligation of the Management and Supervisory Board of Petrokemija d.d. to publish the invitation for recapitalization and invite all interested investors to participate in the Company restructuring and privatization process.

In accordance with the above decisions and the contractual obligations assumed, the Petrokemija Management and Supervisory Board are continuing the restructuring and recapitalization process of the Company based on the following strategic assumptions:

- Modernization of manufacturing facilities with the aim of raising the level of energy and technological efficiency, as well as meeting the environmental requirements in line with EU regulations;
- Providing sources of financing of permanent working capital;
- More active appearance and strategic positioning on the Croatian and regional markets;
- Raising the level of efficiency of maintenance, logistic and other service processes of the Company that will ensure positive financial result, stability and development of the Company.

For any further information about the process of restructuring of Petrokemija d.d., please contact:

**Petrokemija, d.d.**, Aleja Vukovar 4, 44 320 Kutina, Republic of Croatia, Phone: +385 44 647 270, e-mail: [uprava@petrokemija.hr](mailto:uprava@petrokemija.hr)

All interested investors are invited to submit a Letter of Intent with the indication "Letter of Intent for indication of interest in recapitalization of Petrokemija d.d." to the address:

Petrokemija d.d. Tvornica gnojiva

Aleja Vukovar 4

44 320 Kutina

Croatia

The deadline for submitting the Letter of Intent to Petrokemija d.d. is 10.00 am on 19 June 2017. The letters of intent arriving after the deadline will not be considered.

Interested investors are warned that expression of interest is indicative only and does not commit one to recapitalization. After collecting all letters of intent, Petrokemija d.d. will make a decision on the terms and method of recapitalization.

A written invitation for binding bids, with all data on the manner and terms of recapitalization, will be provided only to those investors who have submitted their letters of intent for recapitalization within the aforementioned deadline.

The invitation for indication of interest in the recapitalization of the Company is posted on the web site of the Zagreb Stock Exchange d.d. [www.zse.hr](http://www.zse.hr), Petrokemija d.d. [www.petrokemija.hr](http://www.petrokemija.hr), Restructuring and Sale Center (CERP) [www.cerp.hr](http://www.cerp.hr), Hanfa and Hina.

Source:

Petrokemija, Plc. Kutina

Fertilizer Company

Aleja Vukovar 4, 44320 Kutina

Phone: +385 44 647 270

Fax: + 385 44 680 882

e-mail: [uprava@petrokemija.hr](mailto:uprava@petrokemija.hr)

web: [www.petrokemija.hr](http://www.petrokemija.hr)