

Pursuant to Law on Development Fund of Republic of Serbia (Official gazette of republic of Serbia No. 36/2009, 88/2010, 119/2012 and 5/2015), articles from 436 – 443, The law on contracts and torts (Official gazette of SFRJ No. 29/78, 39/85, 45/89 - USJ decision and 57/89, Official gazette of SRJ No. 31/93 and Official gazette of SCG No. 1/2003 - Constitutional Charter), Decision of the Development Fund of Republic of Serbia Board of Directors dated 30 January 2020, and Conclusion of the Government of Republic of Serbia dated 5 March 2020:

Development fund of Republic of Serbia, Bulevar Nemanjića street number 14a, Niš (hereinafter: the "**Fund**"), announces

THE PUBLIC INVITATION

for participation in the public tender for sale of non-performing loan portfolio (tender code: 02-1170)

Portfolio of receivables, subject to sale (hereinafter: the "**Portfolio**"), amounts to EUR 180,550,091.24 as of 30 June 2020 (hereinafter: the "**Cut-Off Date**"), using the middle exchange rate for Serbian dinars as of Cut-Off Date.

The Portfolio sales process ("hereinafter: the "**Sales Process**") is envisaged to be performed as one-phase process, in a procedure of submitting binding offers upon performed analysis (hereinafter: the "**Binding Offers**").

Expression of Interest

Parties interested to participate in the Sales Process (hereinafter: "**Interested Investors**") are required to submit their letter of interest (hereinafter: "**Letter of Interest**") to the Fund in hard copy by **25 September 2020, 12 noon (CET)** with clear note *Sale of non-performing loan portfolio – Tender code 02-1170*, as well as by email to the authorized persons stated below.

Letter of Interest needs to contain at minimum investor's full legal name, address, ID number, and contact details.

Requirements for participating in the Sales Process

Upon submitting the Letter of Interest, Interested Investors will be provided with draft Non-Disclosure Agreement (hereinafter: the "**NDA**") and payment instructions for the purchase of Tender Documents.

Participation in the Sales Process will be enabled to the Interested Investors who sign NDA, and pay the fee for purchase of Tender Documents. Related fee amounts to **RSD 120,000.00** for entities registered in the Republic of Serbia, or **EUR 1,000.00** for foreign entities.

Interested Investors are required to deliver signed NDA and evidence of the fee payment to the Fund in hard copy not later than **16 October 2020, 12 noon (CET)** with clear note *Sale of non-performing loan portfolio – Tender code 02-1170*, as well as by email to the authorized persons stated below.

Due Diligence Process

Upon fulfillment of requirements, stated in previous section, the interested investors will be allowed to conduct due diligence analysis of the Portfolio.

During the Sales Process, Interested Investors will be:

- supplied with the Tender Documents, which include Process Letter, Information Memorandum, Data Tape, and draft Sales and Purchase Agreement;
- granted access to data room, which will, *inter alia*, include loan contracting documentation, collateral documentation, appraisal reports where available, and documentation on court proceedings;

- able to submit specific written questions to the Fund;
- given the opportunity to participate in the meetings with the management of the Fund.

Detail instructions related to the due diligence process are defined in the Process Letter.

Binding Offers

Deadline for the submission of Binding Offers is **7 December 2020, 12.00 noon (CET)**, in line with the procedure stipulated in the Process Letter.

Opening of the Binding Offers shall take place on **7 December 2020, starting from 13.00 (CET)** at the premises of the Fund in Belgrade, Knez Mihailova street number 14.

Important notice

The Fund will not provide any warranties for the collectability of claims included in the Portfolio nor the enforceability of underlying collaterals. Interested Investors should submit Binding Offer based upon own judgements and conducted analysis.

Fund reserves the right to amend the terms of the Sales Process, or modify the Portfolio structure, or change, reduce or add receivables to the Portfolio at its sole discretion at any time.

Fund reserves the right, at its sole discretion, to terminate, modify or suspend the Sales Process as a whole or in part at any time and without being obliged to state the reasons therefore. No Interested Investor will have any claim for any damages or compensation for loss, costs and other expenditure incurred by it in connection with the Sales Process for any reasons and under any circumstances whatsoever, even if the Sales Process is terminated, modified or suspended by the Fund. This is neither a commitment nor an obligation to consider or conclude any transaction with any Interested Investor and Fund expressly states that no representation or warranty with respect to the information provided and information being provided is made by this announcement and expressly disclaim any and all liability for representations and warranties deemed to be made or statements contained in this invitation to any prospective investor.

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