



Zagreb, 29 January 2021

ANNOUNCEMENT

Public invitation for the subscription of preferred senior notes issued by ERSTE & STEIERMÄRKISCHE BANK d.d. with the („Public invitation for subscription“)

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

On December 4, 2020 the Issuer published the following documents on the official website of Zagreb Stock Exchange Inc. (the “ZSE”) and on the Issuer's official website: Registration Document dated December 3, 2020 and Preferred Senior Note Retail Programme dated December 3, 2020 („Programme“) which together form a base prospectus (“Base prospectus“) under which the Issuer, subject to compliance with all relevant laws and regulations, may from time to time issue preferred senior notes in the form of a public offer or a private placement in series and tranches under Croatian law. Links to the documents can be found at the end of this announcement.

The Issuer hereby announces its invitation for the subscription of the 1st series of the Notes subject to the conditions set out in the Programme and this Public invitation for subscription. In case of a successful transaction, the Issuer will apply for the Notes to be listed on the official market of Zagreb Stock Exchange (“ZSE”) and on the official market of Vienna Stock Exchange (the “VSE”).

The issue of Notes shall be conducted as a public offering to all investors who will subscribe at least EUR 100,000.00 for the subscribed securities, for each individual offer.

Important terms and conditions of the Notes issue:

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 274 of the Credit Institutions Act.
Denomination:	EUR 100.000,00
Settlement currency:	HRK
Ticker:	RIBA-O-262E
ISIN:	HRRIBAO262E3
Repayment of the principal:	Bullet repayment, at the maturity
Type of the interest rate:	Fixed, semi-annual coupon payment
Issue size:	will be publicly announced on 2 Feb 2021 late afternoon
Issue date:	5 February 2021
Maturity date:	5 February 2026
Yield to maturity, coupon and issue price:	will be publicly announced on 2 Feb 2021 late afternoon
Clearing and settlement:	Central Depository & Clearing Company Inc. (CDCC)
Applicable law:	Law of the Republic of Croatia
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

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

Beginning of the subscription period to professional investors and eligible counterparties:	2 February 2021 at 9:00 a.m.
End of the subscription period to professional investors and eligible counterparties:	2 February 2021 at around 2:00 p.m.
Pricing:	2 February 2021 at 2:30 p.m.
Final terms publication and allocation to professional investors and eligible counterparties:	2 February 2021 late afternoon
Beginning of the subscription period to retail investors based on final terms:	3 February 2021 at 9:00 a.m.
End of the subscription period to retail investors:	4 February 2021, at 12:00 p.m.
Allocation to retail investors and submission of payment instructions to all investors:	4 February 2021 afternoon (after publication of EUR/HRK rate valid for Feb 5 th by CNB)
Deadline for payment of allocated Notes:	5 February 2021 until 11:00 a.m.
Issue Date:	5 February 2021
Expected date of the listing on the Official Market on the ZSE and VSE:	Expected the first business day after the Issue Date

On 2 February 2021 at 9:00 a.m. professional investors and eligible counterparties will receive an e-mail with price guidance as a basis for subscription.

Subscription locations for physical persons shall be at the following addresses of the Issuer (working hours 9:00-16:00):

- Advisory Centre Vukovarska, Ivana Lučića 2, 10 000 Zagreb
- Advisory Centre Osijek, Ribarska 2, 31 000 Osijek
- Advisory Centre Rijeka, Jadranski trg 3a, 51 000 Rijeka
- Advisory Centre Split, Gundulićeva 40A, 21 000 Split

Contact details for retail investors - legal entities:

Corporate and Retail Treasury Product Distribution
Tel: 072 37 2277
Email: retsale@erstebank.hr

Contact details for professional investors and eligible counterparties shall be:

Institutional Distribution Desk
Tel: 072 37 2288
Email: institutional.sales@erstebank.hr

During the subscription period for the Notes, interested investors shall indicate the nominal amount of the Notes they are ready to subscribe and pay for in the subscription form.

Retail investors physical persons shall subscribe the Notes by signing two copies of the subscription form at one of the subscription locations for physical persons. Physical person may also subscribe the Notes by proxy, exclusively through a standardised power of attorney template, which may be requested at the locations organised for the subscription of the Notes. The signature on the power of attorney must be certified by a notary public. The subscription order must be completed and signed within the subscription period for retail investors, exclusively in the above described manner. The documents needed for the subscription of the Notes by investors who are retail investors are as follows: (i) a valid identity card / passport, (ii) a document showing the personal identification number, and (iii) a valid current account card with any of the domestic credit institutions.

Other investors shall subscribe the Notes by requesting the subscription order at the above addresses (depending on the type of investor), which shall then be sent to them by electronic means. The completed form, signed by an authorised person, shall be delivered to the above addresses by e-mail before the end of the subscription period (depending on the type of the investor).

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.

Investors shall pay for the Notes in accordance with the payment instructions which each investor shall receive from the Issuer via e-mail stated in the subscription form on 4th February 2021 in the afternoon. Investors shall pay for the Notes by transfer of funds (listed in the payment instruction notice) in favour of the Issuer's bank account indicated in the payment instruction. Should the funds not be registered on the Issuer's bank account until the end of the deadline for payment indicated in the payment instructions, it shall be considered that the respective investor gave up the subscription of the Notes.

A free copy of the Base prospectus, the subscription form for the Notes, and any further information concerning the Notes are available at the locations where subscription is organised. The approval of the Base prospectus by the competent regulatory body shall not be considered as an approval of nor a recommendation to invest in the Notes. It is recommended to potential investors to read the Base prospectus before making an investment decision in order to fully understand potential risks and benefits related to a decision to invest in the Notes.

During the subscription period, the Issuer may amend the contents of this Public invitation to subscribe. The Issuer reserves the right to withdraw this Public invitation to subscribe 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 to subscribe, whereas such an investor shall not be entitled to interest.

In the case of late payment the Issuer shall not be obliged to accept the late payment however, the Issuer may, at its own discretion, take such late payment into account, if that would not in any way jeopardize the execution of the Notes issue in accordance with and within the deadlines stipulated by applicable regulations.

In the case of oversubscription, there is no obligation to allocate the Notes to investors proportionally, and the Issuer reserves the right to decide on final allocation of the Notes.

Relevant links:

Registration document:

https://cdn0.erstegroup.com/content/dam/hr/ebc/www_erstebank_hr/eng/bonds/registration-document.pdf?forceDownload=1

Preferred Senior Retail Programme:

https://cdn0.erstegroup.com/content/dam/hr/ebc/www_erstebank_hr/eng/bonds/securities-note-preferred-senior-notes-retail-programme.pdf

Final terms (to be announced on 2 February 2021 late afternoon):

<https://www.erstebank.hr/en/about-us/bonds>

In Zagreb, 29 January 2021

ERSTE & STEIERMÄRKISCHE BANK d.d.