

PODRAVKA Inc.
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Ticker: PODR-R-A
ISIN: HRPODRRA0004
LEI: 549300TMC6BYESPQ7W85
Home Member State: Croatia
Regulated market segment: Prime Market of the Zagreb Stock Exchange

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Podravka selected as the preferred buyer for Belje, Vupik, and PIK Vinkovci

Podravka has been invited to finalize negotiations for the purchase of agricultural companies from Fortenova group as the preferred partner. Accordingly, Podravka and Fortenova group have signed an Exclusivity Agreement confirming Podravka as the preferred partner, under which Podravka will pay a deposit of 15 million euros for this acquisition. The completion of the sale process will follow after additional negotiations and the finalization of the purchase agreement, as well as obtaining all necessary approvals from regulatory bodies in Croatia and the region.

"We are extremely pleased that Fortenova group recognized Podravka's offer as the best. Although there is still much work ahead of us before the transaction is concluded, I am confident that this acquisition would open new space for the stable growth and development of Fortenova's agricultural companies, respecting their centuries-old tradition. For Belje, Vupik, and PIK Vinkovci, the successful completion of the transaction will mean joining the successful and stable Podravka group. I'm sure it would also have a strong, positive impact on further strengthening of Croatian agriculture. Additionally, for Podravka, which is the largest Croatian multinational company, this acquisition represents new opportunities for business expansion and growth," Martina Dalić, Podravka's CEO commented.

The agricultural companies that Podravka is set to acquire, which include BELJE plus d.o.o., PIK-VINKOVCI plus d.o.o., VUPIK plus d.o.o., Energija Gradec d.o.o., BELJE AGRO-VET plus d.o.o., and FELIX plus d.o.o., would continue to operate as independent commercial entities. After the completion of the transaction, they would form a new business segment as third pillar of Podravka Group, beside Food and Pharmaceuticals.

Podravka is a highly profitable, financially strong, and stable company with no debt and significant investment capacity. This acquisition will be financed through loans from commercial banks, and in expected partnership with the European Bank for Reconstruction and Development (EBRD). Expected partnership with EBRD will promote an additional transfer of knowledge and best global practices in managing agricultural companies, and EBRD will support the introduction of good corporate governance practices and efficient management procedures.

Podravka intends to invest in the modernization and increased productivity of the agricultural companies through investments in new technologies, infrastructure, and human resources. Working conditions and the material rights of workers are among the most important priorities of Podravka's Management Board, and as the new owner, Podravka would be committed to continuously improving the working conditions, rights, and material status of employees in these companies as well.

Podravka Inc.