

Ulica Marijana Čavića 4, Zagreb  
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## **HANFA**

Zagreb, May 17, 2013

### **Subject-matter: Notification of a Bid to Recapitalize Dalekovod d.d.**

Dear Sir or Madam,

Pursuant to Article 459 of the Capital Markets Act, I am hereby notifying you on behalf of Dalekovod d.d., a company based at Marijana Čavića 4, Zagreb, OIB: 47911242222 (hereinafter referred to as: Company), of the following:

On May 14, 2013, Dalekovod d.d. received from Konsolidator d.o.o., a company based at Nova Ves 11, Zagreb, a binding bid to recapitalize the Company in the total amount of HRK 150,000,000.00.

The binding bid made by Konsolidator d.o.o. shall be considered valid provided all the following conditions are met:

1. If the Commercial Court passes a Final Decision on Approving the Signed Administrative Settlement Agreement;
2. If the Company holds a General Assembly with an agenda prepared pursuant to the provisions of the signed Administrative Settlement Agreement and if the following decisions are passed:
  - Decision to facilitate reduction in core capital to compensate for accumulated losses by reducing the nominal amount of shares from HRK 100.00 to HRK 10.00;
  - Decision to increase core capital by offering additional rights on the basis of including the creditors' accounts receivable arising from the Administrative Settlement Agreement in the Company's core capital up to the amount of HRK 9,216,040.00 through the issuance of 921,604 new shares in the nominal amount of HRK 10.00 and at the price of HRK 100.00 per share, without granting the right of first refusal to the existing shareholders;
  - Decision on granting approval to the Management Board to increase the Company's core capital in the period of 5 years following the adoption of the decision on the basis of cash deposits in the amount not exceeding HRK 60 million through the issuance of new shares in the nominal amount of HRK 10.00 and at the price of HRK 10.00 per share, without granting the right of first refusal to the shareholders who acquired the Debtor's shares by making cash deposits;



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- Decision to increase core capital on the basis of a cash deposit made by Konsolidator in the amount of HRK 150 million through the issuance of new shares in the nominal amount of HRK 10.00 and at the price of HRK 10.00 per share, without granting the right of first refusal to the existing shareholders;
- Decision to release Konsolidator from the obligation of announcing a public bid for the remaining shares of the Company following recapitalization;
- Decision to release from duty the existing Members of the Company's Supervisory Board, effective 60 days from the date of recapitalization by Konsolidator.

The binding bid of Konsolidator d.d. is valid until July 15, 2013.

Dalekovod d.d. shall review the received bid in accordance with the provisions of the law and Company acts.

Respectfully,

Matjaž Gorjup

President of the Management Board of Dalekovod d.d.

**Konsolidator d.o.o.**  
Nova Ves 11, Zagreb

**Mr. Matjaž Gorjup**  
**President of the Management Board**  
Dalekovod d.d.  
M. Čavića 4, Zagreb

Zagreb, May 17, 2013

Dear Mr. Gorjup,

**Subject-matter: A Binding Bid to Re-capitalize Dalekovod d.d.**

It is our understanding that Dalekovod d.d. (hereinafter referred to as: Dalekovod or Company) signed on April 2, 2013 a Administrative Settlement Agreement with the Company's creditors and that, within the scope of the settlement reached, recapitalization of the Company and the value of recapitalization are considered essential elements of as well as preconditions for executing the Administrative Settlement Agreement signed with the creditors.

Hereby Konsolidator d.o.o., Nova Ves 11, Zagreb, OIB: 73678065415 (hereinafter referred to as: Konsolidator), a company in which Nexus Private Equity Partner d.o.o. has a controlling interest, makes on behalf and for the account of Nexus FGS, an open investment venture capital fund managed through private equity offerings, a binding bid to recapitalize the Company in the amount of HRK 150,000,000.00 (in words: one hundred and fifty million kuna).

The binding bid to recapitalize the Company shall be considered valid provided all the following conditions are met:

1. If the Commercial Court passes a Final Decision on Approving the Signed Administrative Settlement Agreement;
2. If the Company's General Assembly passes the following decisions in accordance with the provisions of the signed Administrative Settlement Agreement:
  - i. Decision to facilitate reduction in core capital to compensate for accumulative losses by reducing the nominal amount of shares from HRK 100.00 to HRK 10.00;
  - ii. Decision to increase core capital by offering additional rights on the basis of including the creditors' accounts receivable arising from the Administrative Settlement Agreement in the Company's core capital up to the amount of HRK 9,216,040.00 through the issuance of 921,604 new shares in the nominal amount of HRK 10.00 and at the price of HRK 100.00 per share, without granting the right of first refusal to the existing shareholders;
  - iii. Decision on granting approval to the Management Board to increase the Company's core capital in the period of 5 years following the adoption of the decision on the basis of

cash deposits in the amount not exceeding HRK 60 million through the issuance of new shares in the nominal amount of HRK 10.00 and at the price of HRK 10.00 per share, without granting the right of first refusal to the shareholders who acquired the Debtor's shares by making cash deposits pursuant to Section 3.i.;

3. If the Company's Assembly passes the following decisions:

i. Decision to increase core capital on the basis of a cash deposit made by Konsolidator in the amount of HRK 150 million through the issuance of new shares in the nominal amount of HRK 10.00 and at the price of HRK 10.00 per share, without granting the right of first refusal to the existing shareholders;

ii. Decision to release Konsolidator from the obligation of announcing a public bid for the remaining shares of the Company following recapitalization;

iii. Decision to release from duty the existing Members of the Company's Supervisory Board, effective 60 days from the date of recapitalization by Konsolidator.

Konsolidator is determined in its intent to recapitalize the Company and we hope that recapitalization will be executed as soon as possible and in accordance with the relevant legal procedure, so that the Company would be able to fully focus on accomplishing the goals set forth in the Business Plan presented as part of the Administrative Settlement Agreement. Konsolidator's sole interest is to participate in the recapitalization of the Company with a total amount of HRK 150 million, the value defined under the signed Administrative Settlement Agreement, under the above mentioned conditions. Konsolidator shall not participate in the recapitalization of the Company with any lesser amount or under any conditions other than those set forth herein.

Furthermore, we believe that the Management Board should take all the necessary steps to ensure the execution of the second round of recapitalization by the existing shareholders in the amount not exceeding HRK 60 million, as specified under Section 2. iii. and envisaged under the signed Administrative Settlement Agreement, within the shortest possible period following Company recapitalization in the value of HRK 150 million. More precisely, not only that a successfully executed second round of recapitalization would additionally strengthen the Company, it would also unquestionably confirm the existing shareholders' endorsement of the strategic goals set by the Company's new Management Board, primarily referring to increased presence and competitiveness at international markets.

Unfortunately, the current structure and amount of liabilities present an obstacle not only to further development, but also to smooth regular operation of Dalekovod. The signed Administrative Settlement Agreement (and the envisaged recapitalization) is the only solution to ensure smooth regular operation and we consider it a good starting point to building healthy foundations for successful operation and development of the Company in the future.

We believe that the mentioned balance sheet restructuring and the significant changes in the manner in which the Company is governed and managed, in combination with the existing quality staff and references, provide a good basis for ensuring the Company's prosperity at both domestic and international markets in the future.

By recapitalizing the Company, Konsolidator intends to assist the Company in balance sheet restructuring, retaining the existing quality staff and introducing, to the greatest possible extent, the best global and market-specific corporate governance and business practices, which would indirectly ensure the Company's comeback to or stronger presence in international markets and consequently generation of a new, added value to all Company shareholders as well.

This binding bid is valid until July 15, 2013.

Respectfully,

Krešimir Ružđak  
Director

KONSOLIDATOR d.o.o.  
Nova ves 11  
ZAGREB