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Croatian market

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Contents

I. CROATIAN MARKET IN GENERAL

II. OPENING AN ACCOUNT

III. CROATIAN SECURITIES TRADEABLE VIA SEE-LINK

  I. Hrvatski Telekom

  II. Valamar Riviera

  III. Atlantic Grupa

  IV. Podravka

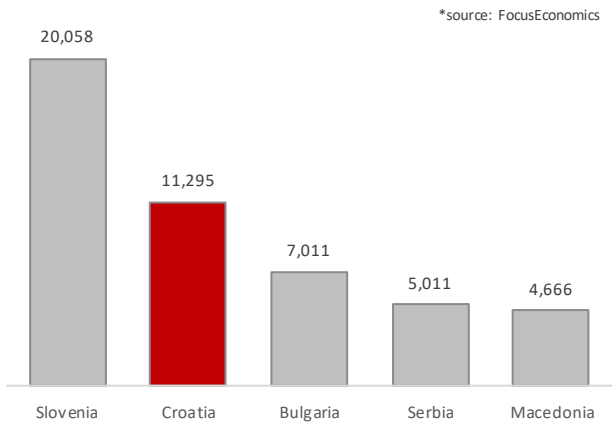
  V. Ericsson Nikola Tesla

IV. Q&A

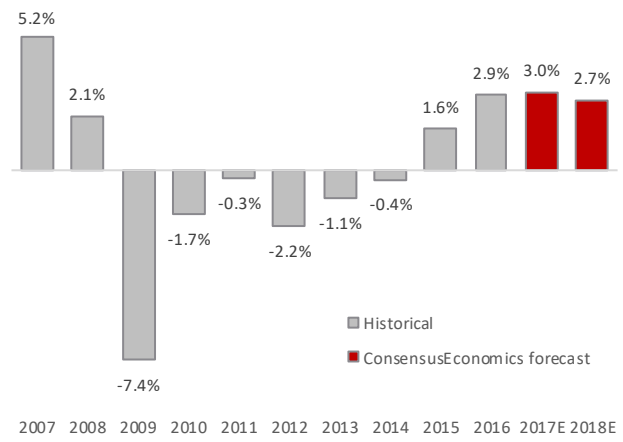
Expected duration: 10 minutes + Q&A

Croatian Market in General

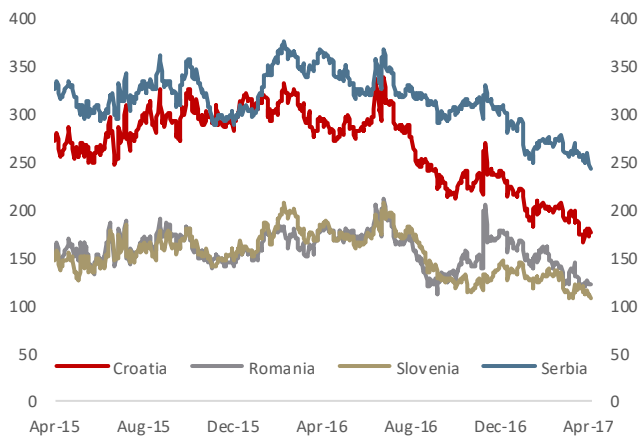
Average GDP per capita in EUR (2013-2015)



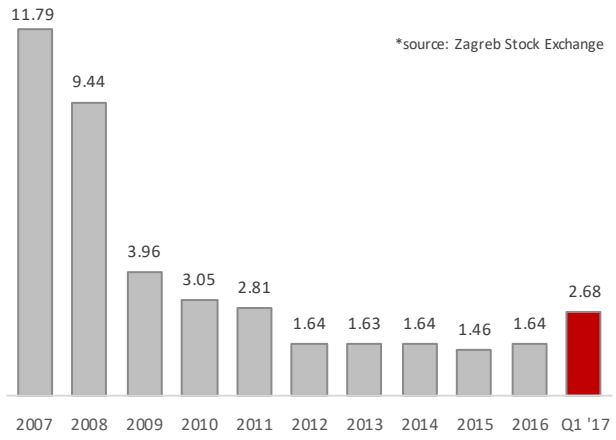
Past and expected future GDP development



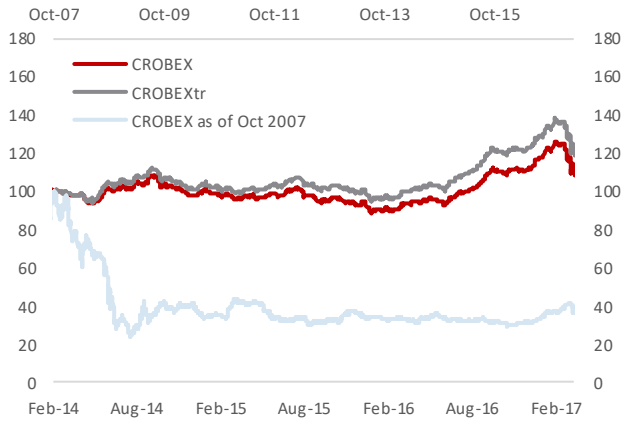
5Y USD spread compared to US bonds



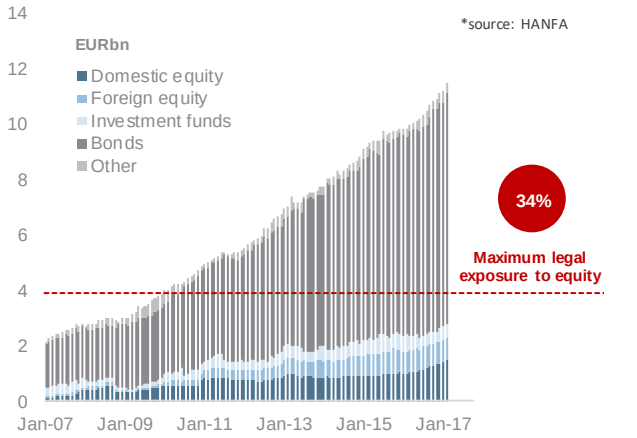
Average daily equity turnover on ZSE



CROBEX development



Breakdown of Croatian pension funds' assets



Opening an Account

Required documents	Settlement options
<u>TECHNICALITIES</u> 1. Brokerage Agreement 2. Supplementary documents • Information on the beneficial owner, notarized copy of passports • Excerpt from the Register of the Commercial Court • Certified copy of passports of directors and persons in charge of issuing orders etc. <u>WHAT IS IMPORTANT DO DEFINE</u> 1. Provisions 2. Settlement options	1. Via SKDD (Central Depository & Clearing Company) • Pre-funding required • More info: www.skdd.hr 2. Via custody account (InterCapital or another bank) • Agreement on custody account

Agreements are tailor made to adjust to the individual needs of clients and specific regulations concerning different countries or origin.
For more information, please contact:

brokeri@intercapital.hr
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Croatian Securities Tradeable via SEE-Link

176 INDIVIDUAL SECURITIES:

146 Equity issues

11 Government bonds

4 Municipal bonds

15 Corporate bonds

SEELinX INDEX COMPONENTS:

Hrvatski Telekom

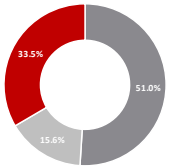
Valamar Riviera

Atlantic Grupa

Podravka

Ericsson Nikola Tesla

Hrvatski Telekom

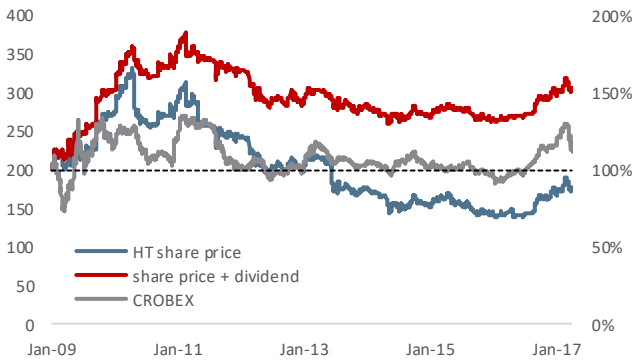


Majority shareholder: Deutsche Telekom (51%)
Other shareholders above 5%: 16%
Free float: 33%

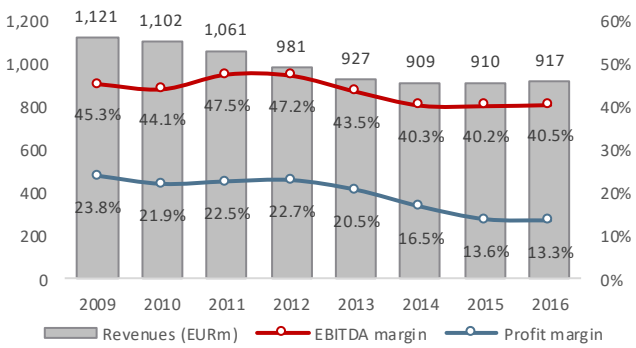
6M avg. daily turnover: EUR 210.5k
Market cap: EUR 1,872m
Free float: EUR 626m

EV/EBITDA: 3.8x
P/E: 15.3x
P/B: 1.2x

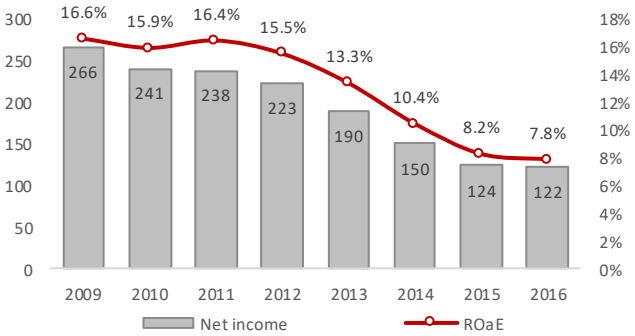
Share price performance



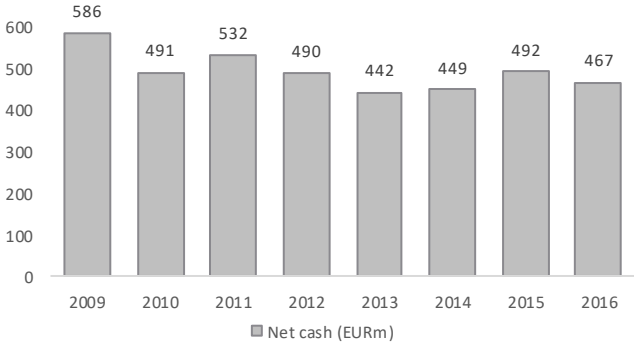
Revenues (EURm) and profitability



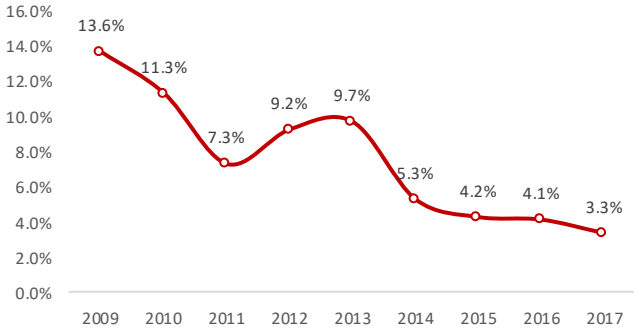
Return on average equity



HT has a strong net cash position



Dividend yields through the years



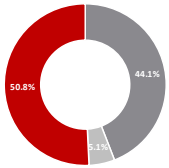
Takeover of Montenegro Telekom

Beginning of 2017 HT bought 77% in Montenegro Telekom for EUR 124m

It should add some 10% to both revenues and EBITDA

Transaction multiples:
EV/EBITDA 3.6x
P/E 14.8x
P/B 1.2x

Valamar Riviera

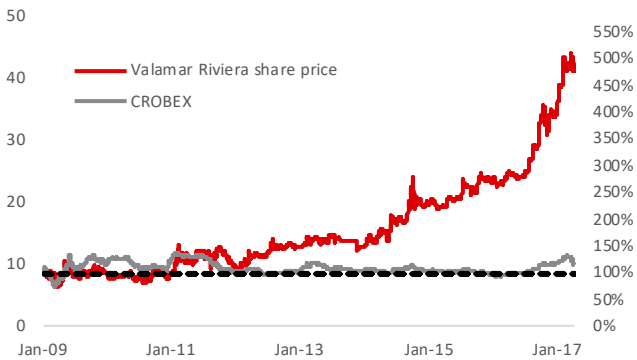


Majority shareholder: EPIC Fund (44%)
Other shareholders above 5%: 5%
Free float: 51%

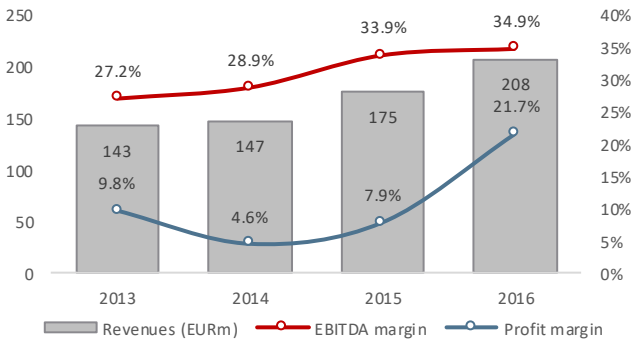
6M avg. daily turnover: EUR 209.2k
Market cap: EUR 697m
Free float: EUR 354m

EV/EBITDA: 12.8x
P/E: 15.1x
P/B: 2.2x

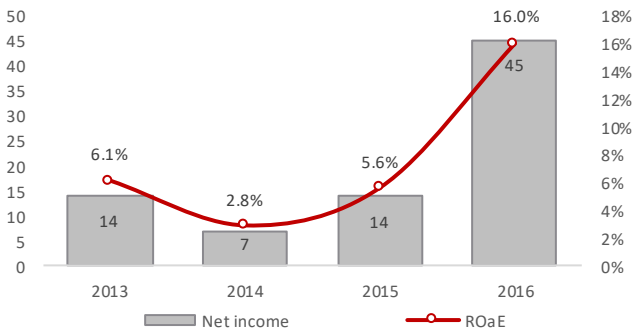
Share price performance



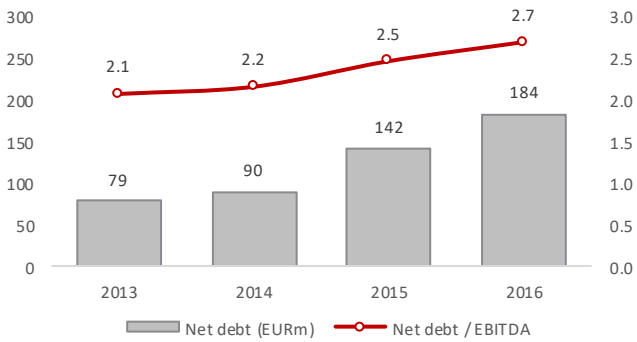
Revenues (EURm) and profitability



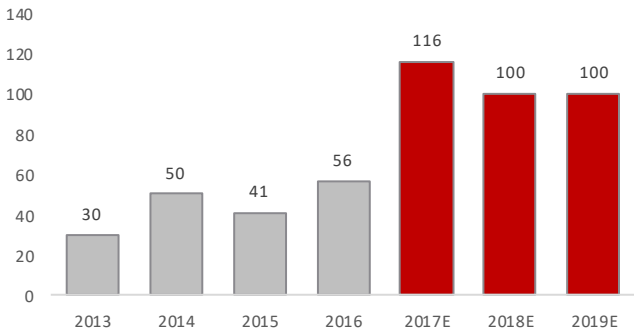
Return on average equity



Valamar plans to keep net debt under 3x EBITDA



CAPEX (EURm) and plans for future years



Takeover of Hotel Imperial

End-2016 Valamar acquired 55% stake in Imperial for EUR 38m

It should add some 10% to revenues and 12% to EBITDA

Transaction multiples:
EV/EBITDA 12.8x
P/B 1.55x

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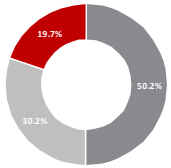
Atlantic Grupa

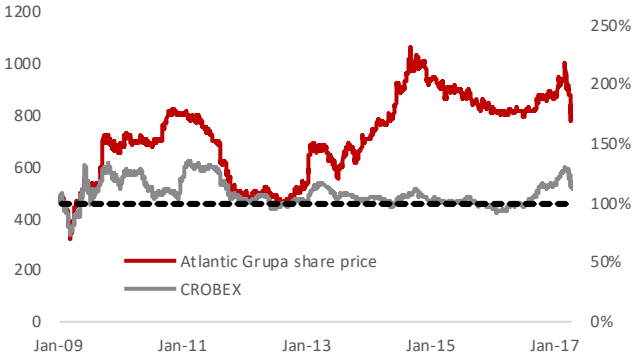


Majority shareholder: Emil Tedeschi (50.2%)
Other shareholders above 5%: 30.2%
Free float: 19.7%

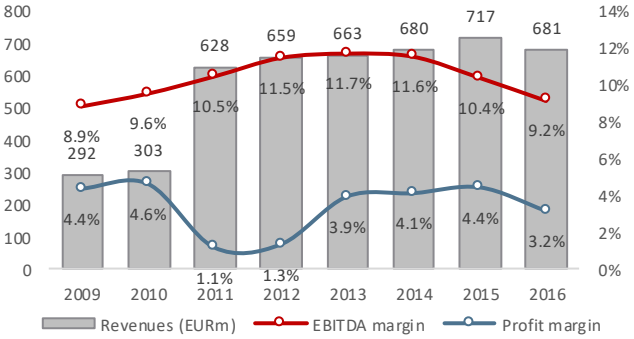
6M avg. daily turnover: EUR 53.9k
Market cap: EUR 349m
Free float: EUR 69m

EV/EBITDA: 8.8x
P/E: 16.0x
P/B: 1.3x

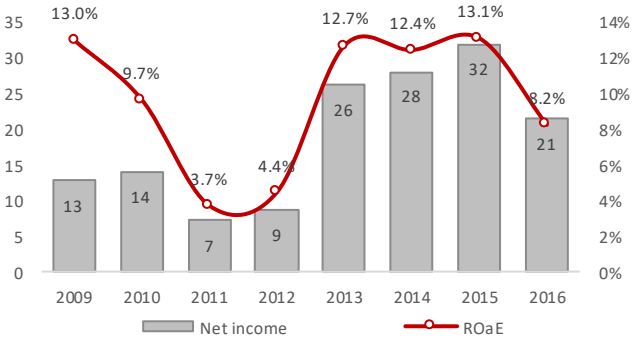
Share price performance



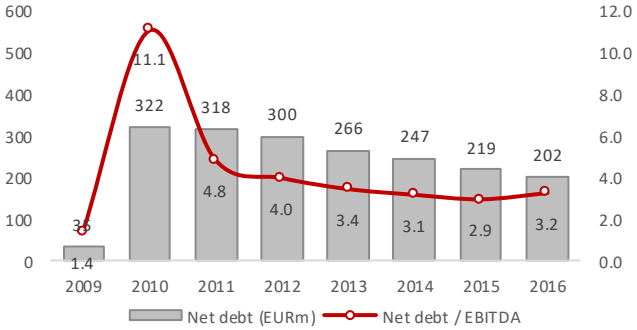
Revenues (EURm) and profitability



Return on average equity



Atlantic Grupa is used to high leverage



Atlantic Grupa owns some of the strongest and best known brands in the Adria region

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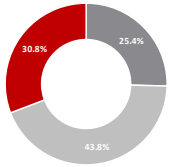
Podravka

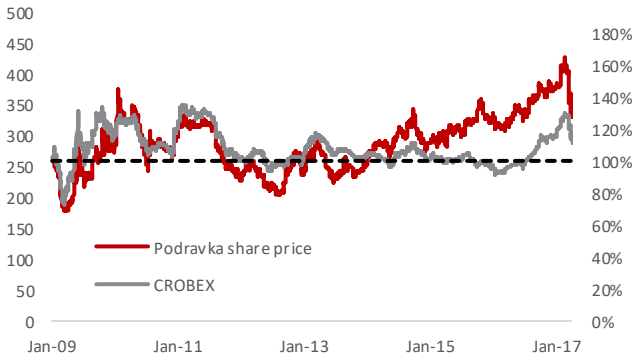


Majority shareholder: Government (25.4%)
Other shareholders above 5%: 43.8%
Free float: 30.8%

6M avg. daily turnover: EUR 73.7k
Market cap: EUR 327m
Free float: EUR 101m

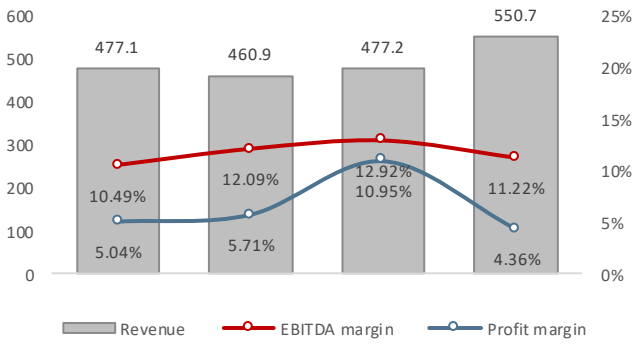
EV/EBITDA: 8.0x
P/E: 12.6x
P/B: 0.8x

Share price performance

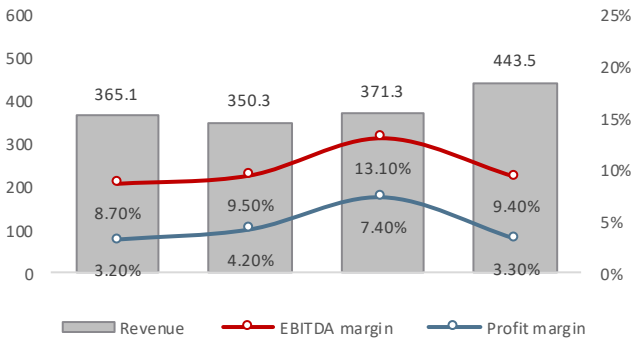


Most of Podravka's brands are No.1 in Croatia and on many markets of the Adria region

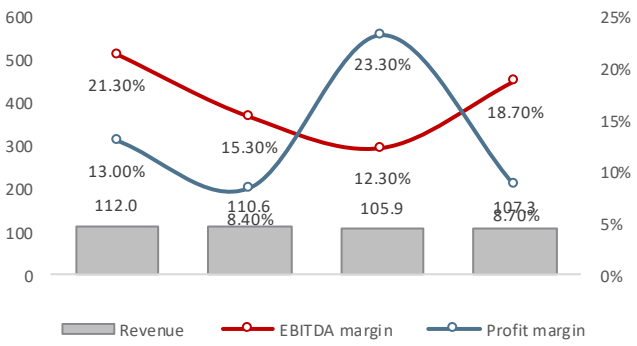
Podravka as a whole



Food segment



Pharma segment



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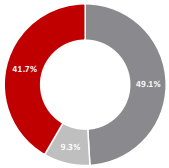
ERICSSON
Ericsson Nikola Tesla d.d.

Ericsson Nikola Tesla

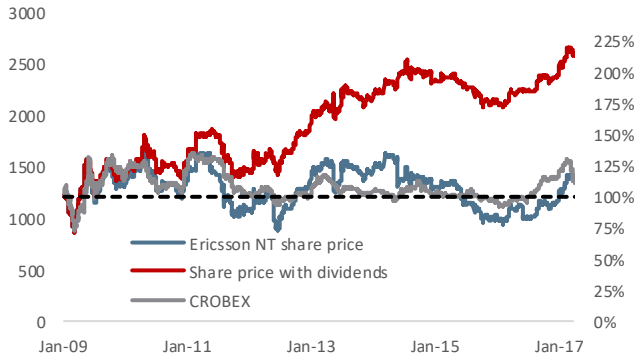


Majority shareholder: Ericsson (49%)
Other shareholders above 5%: 9%
Free float: 42%

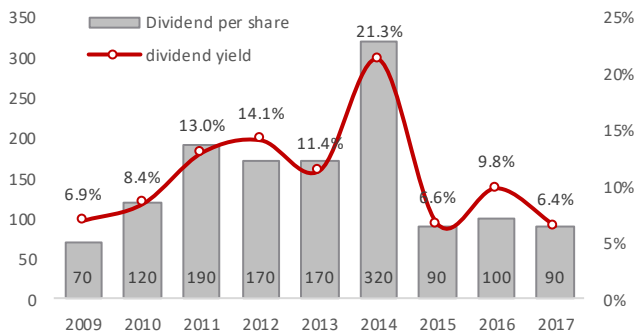
6M avg. daily turnover: EUR 30.2k
Market cap: EUR 240m
Free float: EUR 100m

EV/EBITDA: 9.5x
P/E: 16.4x
P/B: 6.3x

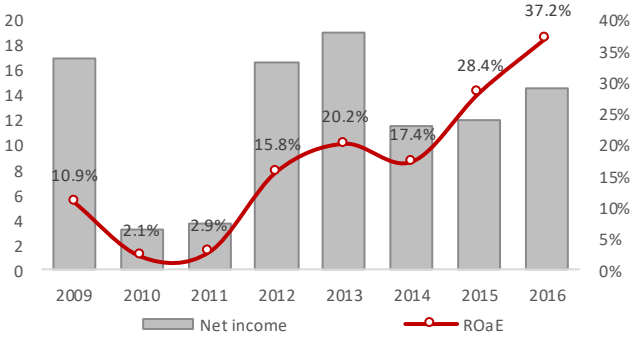
Share price performance



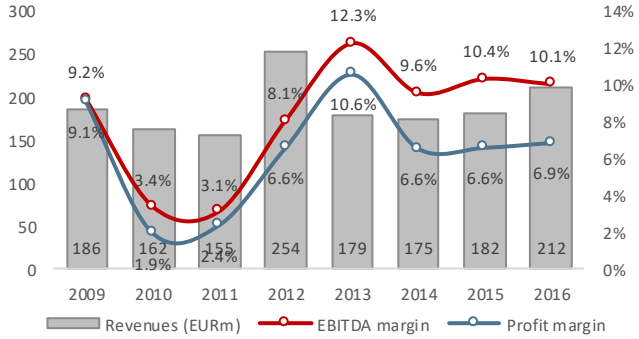
Historical dividends and yields



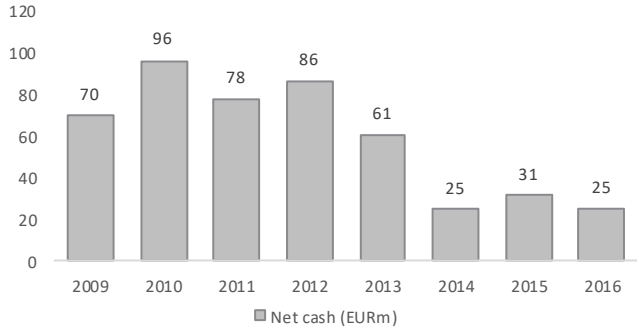
Return on average equity



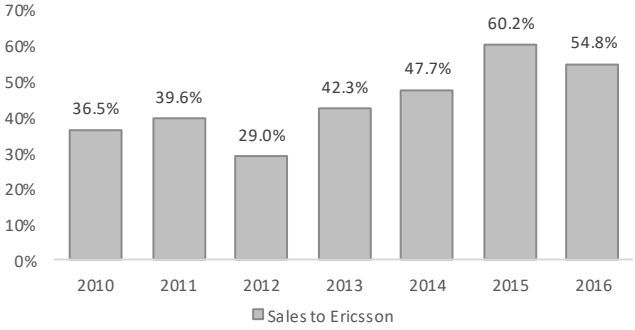
Revenues and profitability



Ericsson NT is reducing its massive cash pile



Most of ENT's revenues come from its mother company



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Thank you!

Questions?

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