

PUBLIC INVITATION

for Submission of Indicative Offers in the Public Tender in acquisition of whole or part of the share and/or share capital increase in the Company Marifarm d.o.o.

Ljubljana, 22. May 2015

Javni zdravstveni zavod Mariborske lekarne Maribor, Minařikova ulica 6, 2000 Maribor (Public Health Institute Maribor pharmacies; hereinafter "**Institute**" or "**Seller**"), as the sole owner of Marifarm, proizvodnja in storitve d.o.o., Minařikova ulica 8, 2000 Maribor, Slovenia (v hereinafter "**Marifarm**" or "**Company**") has decided to initiate the process of selling whole or part of the share in Marifarm and/or share capital increase in the Company in order to fill production capacity, thereby enhancing efficiency and financial results.

The legal basis of sale is defined in Public Finance Act (Ur. l. RS, No. 79/99 with amendments) and in Decree on the sale and other forms of disposing of financial assets of state and communities (Ur. l. RS, No. 123/2003 with amendments).

1. The Commission

Director of the Institute Albin Turk, BSc. has appointed a commission to conduct selling whole or part of the share in Marifarm and/or share capital increase in the Company. The Commission has appointed for the implementation and control of the process and manages and coordinates all the procedures relating to the performance.

2. Subject

The subject matter of this Public Invitation is the invitation for submission of Indicative Offers of interest in acquisition of whole or part of the share in Marifarm and/or share capital increase in the Company ("**Process**" or "**Transaction**"). The Process will be run as a two-round international tender process with submission of Indicative Offers in the first phase and submission of Binding Offers in the second phase following due diligence (the "**Tender Process**").

3. Information on the Company

Marifarm operates in Slovenia and is engaged in manufacturing and packaging, quality control, purchase, development, representation and sale of own and 3rd party products including pharmaceutical products, products for self-healing, dietary supplements and cosmetics. The company is based in Maribor and operates in own production facilities.

Further information regarding the Company is available on Marifarm's webpage <http://www.marifarm.si>.

4. Overview of Tender Process

A summary briefing document regarding Marifarm and containing further information on, and immediate next steps related to, the envisioned Transaction (the »**Teaser**«) is available upon request together with a non-disclosure agreement (the »**NDA**«) from the representatives of the financial adviser of the Seller.

Upon signing the NDA, interested parties will receive an information memorandum containing more detailed information on the Company as a basis for preparing Indicative Offers (the "**Information Memorandum**") as well as a first process letter containing, *inter alia*, the required content of Indicative Offers, the procedures for submitting Indicative Offers and the selection criteria for admission to the second phase of the Tender Process as well as other relevant process-related information for the first phase of the Tender Process (the "**Process Letter I**").

Indicative Offers must be in written form and in English or Slovene language, submitted in a closed envelope, clearly marked on the front page of the envelope with the following line: "Javno zbiranje ponudb – Marifarm d.o.o. – NE ODPIRA!" and sent by regular registered mail, by the recipient set out below:

Alenka Hočevar
Principal Advisor
P&S CAPITAL Ltd., Slovenia
Slovenska 56
1000 Ljubljana
Slovenia

The deadline for the submission of Indicative Offers by registered mail to the above stated address is 29. June 2015.

Upon review and evaluation of Indicative Offers received the Seller may invite selected Investors to participate in the second phase of the Tender Process.

In the second phase of the Tender Process, selected Investors will be invited to conduct due diligence on the Company before submitting Binding Offers and will be expected to pay an amount of 50.000,00 EUR as a guarantee for seriousness of the prospective purchaser. Prior to the start of the second phase of the Tender Process, selected Investors will receive a second process letter containing, *inter alia*, information on the due diligence process, the deadline for Binding Offers, the required content of Binding Offers, the procedures for submitting Binding Offers and the selection criteria for the winning Investor as well as other relevant process-related information for the second phase of the Tender Process (the "**Process Letter II**").

Interested parties are hereby invited to express their interest in participating in the aforementioned Tender Process (Submission of Indicative Offers) by requesting the Teaser and NDA from the financial adviser of the Seller using the contact information provided below.

5. Additional Information on the Tender Process

Both domestic and foreign legal entities and natural persons may participate in the Tender Process.

The opening, review and evaluation of both the Indicative Offers and the Binding Offers will not be public.

The Commission reserves the right to conduct negotiations with all bidders or only some, with a view to achieving the best possible conditions and precise conditions of the sale.

The obligation of the Seller to conclude a contract with any bidder is expressly excluded. The Seller reserves the right to, at any time and without stating a reason therefore, modify or terminate the Transaction, neither accept any Indicative Offers received, nor to select any of the bidders to continue with the Transaction. Neither the Seller nor the Commission and the Company nor any of their respective affiliates, subsidiaries, shareholders or any of their

respective directors, employees or officers will have any liabilities or obligations hereunder to any prospective purchaser or investor in relation to the sale of any assets described herein.

The Contract with the selected bidder will be concluded under condition to obtaining the consent of the Founders Council.

The Seller reserves the right to, at any time and without giving reasons, neither accept any Indicative Offers or Binding Offers received, nor to select any of the Investors to continue with the Tender Process, nor to continue the Tender Process. The Seller further reserves the right to restrict the number of Investors invited to participate in the second phase of the Tender Process and to conduct negotiations only with certain individual Investors. The Seller also reserves the right to alter the timing of the Tender Process, including with (but not limited to) prolongation of deadline for submission of Indicative Offers, to amend the terms of the Tender Process or to discontinue the Tender Process at any time.

Additionally, the Seller may ask individual Investors to submit information missing from their Indicative Offers and/or Binding Offers and/or to provide additional information related to, or clarifying, certain elements of their Indicative Offers and/or Binding Offers.

6. Financial Adviser and Contact Information

P&S CAPITAL Ltd. (»P&S«) is acting as exclusive financial adviser to the Seller in relation to the Tender Process.

Interested parties should direct all inquiries regarding this public invitation and the Tender Process described herein (including but not limited all requests for the Teaser and NDA) to the following individual:

Alenka Hočvar
Principal Advisor
P&S CAPITAL Ltd.
Phone.: +386 (0) 1 23 43 315
Email: alenka.hocevar@p-s.com

7. Additional Information

This public invitation was prepared exclusively in order to inform potential Investors of the opportunity to submit Indicative Offers in the Tender Process and does not in any way oblige the Company or the Seller to conclude any kind of agreement with any Investor.

The distribution of this invitation and other information referred to herein may be restricted by law in certain jurisdictions and recipients should inform themselves about, and observe any applicable legal or regulatory requirements relating to, the distribution or possession of this invitation. Any failure to comply with these restrictions may constitute a violation of the securities or other laws of any such jurisdiction. Neither the Company, nor the Seller and the Seller's financial adviser, nor their or their affiliates' respective directors, officers or agents, accept any liability to any person in relation to the distribution or possession of this invitation in any jurisdiction. This invitation does not constitute an offer to sell or a solicitation of an offer to subscribe for or purchase any securities by any person in any jurisdiction or an inducement to enter into an investment activity. This public invitation is not an advertisement for the purposes of the Directive 2003/71/EC. This invitation shall be governed by,

and construed in accordance with, Slovenian law. The competent court in Ljubljana shall have exclusive jurisdiction over any disputes arising under or in connection with the foregoing.