

## INFORMATION ON AN IMPORTANT EVENT

On December 30<sup>th</sup>, 2020 Nova Ljubljanska banka, d.d., Ljubljana, reg.No. 5860571000, acquired a direct controlling stake in Komerčijalna banka AD Beograd whereby Komerčijalna banka AD Beograd became part of NLB banking group. Given that they are part of the same NLB banking group, Komerčijalna banka AD Beograd (hereinafter: the Acquiring Company) and NLB banka a.d. Beograd (hereinafter: the Transferring Company and NLB) are implementing a **Merger**, apart from the consolidation of ownership in the Republic of Serbia, increased competitiveness and reputation, and with the following goals:

- better management of the bank's risks and capital and the resulting increase in the security of operation;
- comprehensive improvement of overall operation from the economical aspect and the aspect of profitability, joint management, operational savings and improvements, cost cutting and cost optimization, synchronization of business activities, increased efficiency, as well as strengthening the business network;
- increased offer of the range of KB banking services, through the merged network of branches with greater coverage of the market of the Republic of Serbia and strengthening the overall position of KB on the Serbian banking market;
- easier development of products and services; and
- better and more efficient work process, work control, improvement of corporate governance.

With the disclosure of the Draft Contract on the Status Change of a Merger at the Business Registers Agency of the Republic of Serbia (hereinafter: BRA), under the number BD 85394/2021 dated on October 20<sup>th</sup>, 2021, the process of the status change of merging NLB, as the Transferring Company that ceases to exist without the implementation of the liquidation process, with Komerčijalna banka AD Beograd, as the Acquiring Company, which continues to operate as a universal legal successor, was initiated fully in the manner specified in the laws and secondary legislation, as well as in the companies' general by-laws.

With the status change of the merger, the Transferring Company, after the registration of the Merger in the BRA, transfers its total assets and liabilities to the Acquiring Company, ceases to exist without implementing the liquidation process and is deleted from the BRA's Register and the Acquiring Company continues to operate with a changed business name, with the same headquarters and the predominant business activity, while increasing its share capital and with the amendments and supplements to the Memorandum of Association and the Articles of Association.

The agreed Merger date, in terms of Item 45 of the Decision on Applying the Law on Banks, that relates to granting a preliminary approval, operating license for the bank and certain consents and approvals from the National Bank of Serbia, is December 31<sup>st</sup>, 2021.

The agreed Merger date may be different from the Merger registration date at the Business Registers Agency.

## EXECUTIVE BOARD

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**Deputy President of the Executive Board**

Dejan Janjatović

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**President of the Executive Board**

Vlastimir Vuković