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## **Summary of significant activities during resolution proceedings against Sberbank d.d.**

On 27 February 2022, the European Central Bank notified the Single Resolution Board and the Croatian National Bank of its assessment that Sberbank d.d. was failing or likely to fail, pursuant to Article 18(4)(c) of Regulation (EU) No 806/2014.

On the same day, in accordance with Article 18(1)(a) and Article 18(4)(c) of that Regulation, the Single Resolution Board concurred with the assessment made by the European Central Bank and adopted the decision addressed to the Croatian National Bank in its capacity as a national resolution authority instructing it to suspend, as provided for by the national law, any payment or delivery obligations of and towards Sberbank d.d., including enforcement, for 48 hours. The purpose of that suspension was, in particular, to stop any further uncontrolled deposit withdrawal in that credit institution, but also to allow all involved authorities enough time to decide on the appropriate measures and further steps, considering that several group entities were failing simultaneously.

On 1 March 2022, the Single Resolution Board adopted the resolution scheme by which it confirmed that the conditions for resolution had been fulfilled and instructed the Croatian National Bank to open, in accordance with the national law, resolution proceedings against Sberbank d.d.

Pursuant to the resolution scheme, the Council of the Croatian National Bank adopted on 1 March 2022 the Decision to open resolution proceedings against Sberbank d.d. and the Decision to appoint a resolution administration.

In accordance with legal provisions and the aforementioned decisions, as of the day resolution proceedings were opened, the powers of the General Meeting and the Supervisory Board were transferred to the Croatian National Bank, while the regular Management Board was replaced by the resolution administration.

In addition, the Single Resolution Board determined in its decision that Sberbank d.d. shall be resolved by applying the sale of business tool and for this purpose ordered the Croatian National Bank to conduct a marketing procedure of collecting binding bids by sending an invitation to those credit institutions that it estimated would have the capacity and potential interest to buy the shares of the failing Sberbank d.d. Following the conducted procedure, the Decision to open resolution proceedings determined that Sberbank d.d. shall be resolved by applying the transfer of 100% of its shares to a new buyer, Hrvatska poštanska banka d.d.

On 2 March 2022, the Central Depository and Clearing Company Inc., which operates as a central securities depository, registered the transfer of shares in the central register of non-material securities pursuant to the Decision to open resolution proceedings, and the resolution administration made arrangements to register in the register of companies with the Commercial Court in Zagreb Hrvatska poštanska banka d.d. as the sole shareholder of Sberbank d.d. On 24 March 2022, Hrvatska poštanska banka d.d. paid the consideration of HRK 71,000,000.00 to the account of the Croatian National Bank,

fulfilling its obligations as provided for in the binding offer and in the Decision to open resolution proceedings.

During resolution proceedings, the resolution administration completely stabilized the business operations of that bank, prevented further uncontrolled deposit withdrawals and made arrangements to ensure that the bank's liquidity needs are met. Also, all preparatory actions for the rebranding were undertaken, so that this bank could, after the completion of resolution proceedings, continue its business as part of the new group and under the new name "Nova hrvatska banka d.d.". Hence, it can be concluded that, with the transfer of shares and with the actions of the resolution administration, all envisaged resolution measures have been implemented and the reasons for pending resolution proceedings against "Sberbank d.d. - in resolution" have ceased to exist.

Therefore, resolution proceedings were closed on 13 April 2022 by the Decision on the completion of resolution proceedings, adopted by the Council of the Croatian National Bank.

The Decision on the completion of resolution proceedings also ended the mandate of the resolution administration. In order to ensure the continuance of business operations and the management thereof after the completion of resolution proceedings, the Croatian National Bank adopted, on the same day, decisions granting fit and proper approvals for the new members of the Supervisory and Management Boards of that bank.