

In compliance with the decision of Creditors Assembly dated December 12, 2012 and with the decision of Creditors Committee dated June 12, 2017 the bankruptcy manager announces the following:

## **PUBLIC INVITATION**

### **TO INVESTORS AND STRATEGIC PARTNERS TO EXPRESS THEIR INTEREST AND TO SUBMIT AN OFFER FOR INVESTMENT OR RECAPITALIZATION OF TŽV GREDELJ d.o.o. – in bankruptcy**

#### **OBJECT OF PUBLIC INVITATION**

The object of this public invitation to investors and strategic partners is investment in the society TŽV Gredelj d.o.o. – in bankruptcy from Zagreb, OIB (ID number) 65952859647 (hereafter the “Company”), in order to maintain and continue business activity and to undertake recapitalization with possibility of elaboration of bankruptcy plan according to the provisions of the Bankruptcy Law.

Investors or strategic partners express their interest or make their offer in order to invest in the Company or to undertake recapitalization which will be done according to the bankruptcy plan during the bankruptcy procedure with a view to continue basic business activities of the Company i.e. design and production of new rolling stock, modernization, reconstruction and production of existing rolling stock and also a whole range of additional services relating to vehicles, machines and equipment from railway sector.

#### **ABOUT US**

Name: TVORNICA ŽELJEZNIČKIH VOZILA GREDELJ d.o.o. – in bankruptcy (Rolling Stock Factory Gredelj Ltd. in bankruptcy)

Registration: number 0446351, registered at Commercial Court in Zagreb under the registration number MBS 080090216, OIB (ID number) 65952859647

Quality system: Quality management system ISO 9001 from 2000, Environmental management system ISO 14001 from 2005

Production facility: Zagreb, Vukomerečka 89, surface area 450.000 m<sup>2</sup> (80.000 m<sup>2</sup> covered surface area, more than 10.000 m of railway tracks)

Gross and net surface area:

1. Administrative building	4.016,91 m <sup>2</sup>	4.485,86 m <sup>2</sup>
2. Restaurant	1.209,66 m <sup>2</sup>	1.331,60 m <sup>2</sup>
3. Building	1.347,18 m <sup>2</sup>	1.460,27 m <sup>2</sup>
4. Plant for locomotive	22.135,82 m <sup>2</sup>	23.574,64 m <sup>2</sup>
5. Plant for trains and wagons	26.112,81 m <sup>2</sup>	26.873,45 m <sup>2</sup>
6. Plant for trains and wagons	15.907,15 m <sup>2</sup>	16.463,64 m <sup>2</sup>
7. Open warehouse	4.291,19 m <sup>2</sup>	4.324,76 m <sup>2</sup>
8. Closed warehouse	4.118,10 m <sup>2</sup>	4.262,38 m <sup>2</sup>
9. Power plant	2.545,07 m <sup>2</sup>	2.712,10 m <sup>2</sup>
10. Warehouse for inflammable material	549,90 m <sup>2</sup>	617,58 m <sup>2</sup>
11. Porch with overhead line	1.368,00 m <sup>2</sup>	1.440,00 m <sup>2</sup>
12. Substations, reduction stations	339,95 m <sup>2</sup>	390,94 m <sup>2</sup>
13. Gatehouses	250,74 m <sup>2</sup>	275,81 m <sup>2</sup>
14. Hazardous, nonhazardous and municipal waste	451,00 m <sup>2</sup>	451,00 m <sup>2</sup>
TOTAL:	84.643,48 m <sup>2</sup>	88.664,04 m <sup>2</sup>

TŽV Gredeľj d.o.o. – in bankruptcy was founded in 1894 as main workshop of the Hungarian State Railways for repair and general overhaul of steam locomotives. Today the Company participates on rolling stock market for urban, suburban and regional transport. The Company has important references in projects of remotorization and modernization of different types of rolling stock. It offers different levels of services starting from repair to complete reconstruction.

The Company underlines the fact that many locomotives, wagons and trains, constructed in accordance with UIC and AAR standards, are modified for all types of railway track gauges (narrow, large or standard) pull trains and transport passengers all over the world, from Argentina to Saudi Arabia.

As one of two partners in consortium the Company delivered 142 modern low-floor trams to the City of Zagreb.

The Company has designed, manufactured and delivered low-floor diesel multiple unit (DMU) for regional passenger traffic. It has also participated in manufacturing of low-floor electric multiple unit (EMU) for suburban passenger traffic as well as low-floor electric multiple unit (EMU) for regional passenger traffic.

In collaboration with the American partner NREC (National Railway Equipment Co.) in the past few years the Company delivered large number of modernized and repaired locomotives in several countries of the world.

## REQUIREMENTS

A letter of expression of interest or an offer can be consigned by national or international legal and natural persons, individually or collectively. Interested investors or strategic partners can send their request for the documentation necessary for evaluation of their interest to the following address [gredelj@tzv-gredelj.hr](mailto:gredelj@tzv-gredelj.hr)

- A) Documentation request with a copy of bank payment statement for the costs of documentation in the amount of 10.000,00 Kuna on bank account of Zagrebačka banka d.d., number: IBAN: HR2523600001102301518, model 00, reference number: 979/2012.

The investors and strategic partners are invited to express their interest i.e. their intentions in written form by submission of Letter of intent in sealed envelope at the address of the Company until December 15, 2017 inclusive.

- B) The letter of intent with the expression of interest in written form has to contain the description of the methods of investment and deadlines for their realization as well as description of professional capacities and management of similar business activities. It is also necessary to attach the following documents:
- 1) Excerpt of court register for legal entity, i.e. the copy of identification document for physical person (ID card or passport);
  - 2) Statement which confirms that a legal entity is not in liquidation or insolvency procedure neither in forced administration procedure, bankruptcy or other similar procedures regarding insolvency and interruption of business activities;
  - 3) Last available financial statement of the investors or strategic partners.

In case of submission of letter of intent by the group of interested parties, every participant needs to attach the aforementioned documents.

Announcement of this invitation or receipt of letter of intent of interested investor and/or strategic partner does not implicate any obligation of conclusion of joint investment or society recapitalization agreement neither represents basis for any request or right to require undertaking of any action from the Company, bankruptcy manager or Republic of Croatia, on any basis.

The bankruptcy manager maintains the right to propose to the bankruptcy judge or to the Creditors Assembly, at any moment, to adopt a decision which will:

- 1) interrupt the procedure initiated with this public invitation or change its conditions;
- 2) exclude any interested investor from the procedure.

Interested investors or strategic partners don't have any claim upon compensation of any type of costs regarding elaboration and submission of letter of intent with expression of interest as well as regarding all operations that anticipated aforementioned letter.

The bankruptcy manager is not obliged to send invitation to interested investors to submit binding offers neither is obliged to conclude agreement or any other legal act with any of interested investors or strategic partners.

## **NOTES**

This invitation is subject to the legal regulations of the Republic of Croatia. All received data will be treated in accordance with legal regulation in order to protect rights and privacy of interested parties. The data will be treated exclusively for the purpose of determination of the conditions that must be satisfied by the parties which participate in procedure of recapitalization and strategic associating.

After the closure of the process of collection of letters with expression of interest, the bankruptcy manager will invite all interested parties to submit their binding offers.

The notification of this invitation will be published on the websites of Agency for Investments and Competitiveness, Ministry of the Sea, Transport and Infrastructure, Ministry of Justice, Croatian Chamber of Economy and in the magazines *Railway Gazette International*, *Poslovni dnevnik* and *Lider*.

For all additional information all interested parties can contact the bankruptcy manager Mr. Pero Hrkać on email address: [gredelj@tzv-gredelj.hr](mailto:gredelj@tzv-gredelj.hr) or on the phone number: +385 1 6328 520.