

## Pre-Export Finance

<b>1. Borrowers</b>	<ul style="list-style-type: none"><li>Private sector business entities – companies, crafts businesses, sole traders, family farms, co-operatives and institutions</li><li>Public sector business entities – companies and other business entities (agencies, institutions, etc.) majority-owned by the units of local or regional government and/or the Republic of Croatia</li></ul>
<b>2. Purpose of Loans</b>	From pre-shipment export finance to collection (purchase of raw materials, production materials, semi-products, settlement of obligations towards suppliers, labour costs and other current expenses) and/or financing the collection of payment for an export transaction, including the pre-shipment export finance and/or the collection of an export transaction relating to defence activities <sup>1</sup> .
	<p>Not eligible for financing:</p> <ul style="list-style-type: none"><li>Export of services, except for construction and transportation services, services directly related to the export of goods (assembly etc.), services of finishing or exports pursuant to intergovernmental agreements (employee dispatching)</li><li>Pre- and post-shipment export finance of raw materials</li><li>Goods under export quotas or export embargo</li><li>Export of products manufactured in an environmentally unacceptable manner</li><li>Mediation in trade with foreign countries (re-export).</li></ul>
<b>3. Manner of Implementation</b>	<ul style="list-style-type: none"><li>In cooperation with commercial banks (via commercial banks or through risk-sharing model) – application and related documentation shall be submitted to the commercial bank by the borrower</li><li>Direct lending to borrowers is possible for loans exceeding EUR 200,000 (except family farms that are not within the VAT system and associations) – application and related documentation shall be submitted to HBOR by the borrower</li></ul>
<b>4. Loan Amount</b>	Generally, loans in the amount lower than EUR 50,000 are not approved, and the maximum loan amount depends on specific features and creditworthiness of the borrower, contracted export transactions, calculation of necessary funds, available HBOR's sources of finance, etc.
<b>5. Loan Currency</b>	EUR
<b>6. Interest Rate</b>	<ul style="list-style-type: none"><li><b>Loans up to, and including, EUR 400,000:</b> at least 2,62% p.a. fixed</li><li><b>Loans exceeding EUR 400,000:</b> interest rate for each individual loan is determined by HBOR (for direct loans) or commercial bank (for loans on-lent via commercial banks)</li></ul>

<sup>1</sup> Defence activities are defined in the General Eligibility Criteria, which make a constituent part of this Loan programme.

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In accordance with the state aid rules, the effective interest rate (EIR)<sup>2</sup> must not be lower than the reference interest rate for an individual borrower (RIR)<sup>3</sup>.

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<b>7. Fees</b>	Loan application processing fee, Commitment fee and other fees in accordance with the Ordinance on Fees for HBOR Services.
<b>8. Period and Manner of Loan Disbursement</b>	<ul style="list-style-type: none"><li>• Financing of an individual transaction:<ul style="list-style-type: none"><li>◦ Generally, up to 3 months, exceptionally longer, depending on the duration of production/business process</li><li>◦ Loan can be disbursed one-off or successively based on the documentation for utilisation of loan for earmarked purposes</li></ul></li><li>• Framework revolving loan:<ul style="list-style-type: none"><li>◦ Generally, up to 12 months</li><li>◦ The loan is disbursed on revolving principle based on the documentation for utilisation of loan for earmarked purposes, with the obligation of submitting three-monthly or six-monthly justification through documentation evidencing the utilisation of loan for earmarked purposes</li></ul></li></ul> <p>Loan funds are disbursed to the account of the supplier/contractor and/or to the borrower's account in the case of pre-shipment export finance and/or to the borrower's account in the case of collection of payment for an export transaction.</p>
<b>9. Repayment Period</b>	<ul style="list-style-type: none"><li>• Financing of an individual transaction:<ul style="list-style-type: none"><li>◦ Up to 15 working days from the day of collection of payment for the export transaction for which the loan has been contracted and generally not longer than 12 months from the end of the disbursement period, except if a production/business process and the contracted collection period do not exceed 12 months.</li></ul></li><li>• Framework revolving loan:<ul style="list-style-type: none"><li>◦ Loan revolving is possible, depending on the assessment of creditworthiness of the borrower and available HBOR's sources of finance, where HBOR retains the right to change the interest rate and the fees of the revolved loan. If the loan does not revolve, it becomes due in entirety on the last day of the disbursement period.</li></ul></li></ul>
<b>10. Manner of Repayment</b>	<ul style="list-style-type: none"><li>• Financing of an individual transaction:<ul style="list-style-type: none"><li>◦ One-off repayment</li></ul></li><li>• Framework revolving loan:<ul style="list-style-type: none"><li>◦ One-off, not later than on the contracted repayment date, or earlier, if the borrower cannot justify a part of the loan through</li></ul></li></ul>

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<sup>2</sup> Effective interest rate (EIR) is an interest rate that shows total costs of a loan in accordance with the valid Decision on Effective Interest Rate of the Croatian National Bank

<sup>3</sup> Reference interest rate (RIR) is the base rate (calculated and published by the European Commission), increased by a certain number of basis points (margin) that depend on the client's rating (credit rating) and the assessment of collaterals, in accordance with the Communication from the Commission on the revision of the method of determining reference and discount rates (OJ C 14, 19.1.2008). The range of valid RIRs is available in the Information on Base and Discount Rates and Reference Rates.

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documentation evidencing the utilisation for earmarked purposes.

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**11. Collateral**

- Lending in cooperation with commercial banks: collateral is determined by the commercial bank
- Risk sharing model: collateral is determined by the commercial bank and HBOR
- Direct lending: HBOR agrees the collateral with the borrower in accordance with HBOR's internal documents and the risk assessment of the transaction and the borrower (e.g. bills of exchange, debentures, pledge of property with insurance policy for the property endorsed in favour of HBOR, pledge of business shares, bank guarantees and other security instruments customary in banking operations)

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**12. Related Documentation / Schedules**

- General Eligibility Criteria
- Ordinance on Fees for HBOR Services
- List of Documentation and Commercial Banks
- Decision on the General Terms and Conditions of HBOR Lending Activities
- Information on Base and Discount Rates and Reference Rates
- Nominal Interest Rates

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**The Loan Programme shall apply as of 1 January 2026.**