

NOTARY PUBLIC NADA KUMAR

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NOTARIAL RECORD OF PROCEEDINGS

compiled by the undersigned Notary Public Nada Kumar on this October 21 (twenty-one), 2014 (two thousand and fourteen) at the 21st (twenty-first) extraordinary Shareholders Assembly of the company

POSLOVNI SISTEM MERCATOR d.d.

Dunajska cesta 107 (one hundred and seven), 1000 (one thousand) Ljubljana,

held at 1 (one) PM at the company headquarters in Ljubljana, Dunajska cesta 107 (one hundred and seven)

Persons present:

- 1 Shareholders as per the list of shareholders or their proxies
- 2 Management Board President Anton Balažič, Management Board member Drago Kavšek, Management Board member Igor Maroša
- 3 Supervisory Board Deputy Chairman, Matej Lahovnik
- 4 Undersigned Notary Public

Agenda:

1. Opening of the Shareholders Assembly and appointment of the Shareholders Assembly chairperson
2. Increase of share capital by new in-kind and cash contributions

Ad 1 (one): Opening of the Shareholders Assembly and appointment of the Shareholders Assembly chairperson

With the power of attorney by the Management Board, Grega Peljhan, attorney at law from Ljubljana, opened the session and greeted the attendants.

The Management Board attorney explained that in addition to the present shareholders, shareholders represented by proxies and invited notary public Nada Kumar, the Shareholders Assembly was also attended by Management Board members and Deputy Chairman of the Supervisory Board. He then informed the attendants that both an audio and video recording of the Shareholders Assembly are being taken.

The Management Board attorney found that there was a total of 3,765,361 (three million seven hundred sixty-five thousand three hundred sixty-one) shares; that there were 3,723,169 (three million seven hundred twenty-three thousand one hundred sixty-nine) shares bearing voting right for the Shareholders Assembly taking place that day; and that 3,399,123 (three million three hundred and ninety-nine thousand one hundred twenty-three) shares bearing voting right, or votes, were present at the Shareholders Assembly, representing 91.30 (ninety-one point three zero) percent of all shares bearing voting rights or all votes. Quorum is attained at the Shareholders Assembly.

Representative of the company IXTLAN FORUM, d.o.o., presented the technical instructions for voting at today's Shareholders Assembly by means of the electronic devices (voting devices) received by the shareholders upon arrival to the Assembly.

The Management Board attorney invited the shareholders or their proxies to vote on the following proposal:

RESOLUTION No. 1 (one):

Grega Peljhan, attorney at law from Ljubljana, shall be appointed Chairman of the Shareholders Assembly.

After the public vote, the Management Board attorney found the following:

- votes representing 3,399,122 (three million three hundred ninety-nine thousand one hundred twenty-two) shares were validly cast, representing 90.273 (ninety point two seven three) percent of the company share capital;
- of the 3,399,122 (three million three hundred ninety-nine thousand one hundred twenty-two) valid votes cast, 3,399,120 (three million three hundred ninety-nine thousand one hundred twenty) or virtually 100 (one hundred) percent of the votes were in favour (FOR) the resolution; 2 (two) votes, or virtually 0 (zero) percent of the votes cast were AGAINST the resolution, and 1 (one) vote ABSTAINED from voting.

The Management Board attorney found the resolution was adopted and announced it.

The session continued, presided by the Shareholders Assembly Chairman Grega Peljhan, attorney at law.

The Shareholders Assembly chairman re-confirmed that the Shareholders Assembly had reached quorum.

The Shareholders Assembly Chairman signed the list of shareholders or their proxies present and presented it to all attendants of the Shareholders Assembly. The list is enclosed with this Notarial Record of Proceedings as an Appendix.

The Shareholders Assembly chairman explained that the Shareholders Assembly taking place that day had been convened upon request by the shareholder Agrokor, d.d., who is the holder of 3,040,597 (three million forty thousand five hundred ninety-seven) company shares, representing 80.75 (eighty point seven five) percent of the company share capital; that the Management Board adopted on September 16 (sixteen), 2014 (two thousand fourteen) a decision about the convocation of the Shareholders Assembly taking place that day; and that the Shareholders Assembly convocation was announced on September 20 (twenty), 2014 (two thousand fourteen) in the Delo daily paper on the company website, and on the Ljubljana Stock Exchange website SeoNet. Counterproposal to item 2 (two) of the agenda, submitted by the shareholder Pan-Slovenian Shareholders Association (VZMD) was announced on September 27 (twenty-seven), 2014 (two thousand fourteen) in the Delo daily paper, on the company website, and on the Ljubljana Stock Exchange website SeoNet. Request for the convocation of the Shareholders Assembly, and proof of convocation and announcement of the counterproposal to item 2 (two) of the agenda are attached to this Notarial Record of Proceedings.

The Shareholders Assembly Chairman then read the agenda of the Shareholders Assembly taking place that day, as follows:

1. Opening of the Shareholders Assembly and appointment of the Shareholders Assembly chairperson
2. Increase of share capital by new in-kind and cash contributions

Ad 2 (two): Increase of share capital by new in-kind and cash contributions

The Shareholders Assembly chairman read the resolution proposals by the shareholder Agrokor, d.d., as announced in the Shareholders Assembly convocation.

The Shareholders Assembly chairman said that considering the fact that the said proposal includes the omission of the pre-emptive right of the existing shareholders, the Management Board had issued a written Report by the Management Board of Poslovni sistem Mercator, d.d., on justified cause for full omission of pre-emptive right in the increase of share capital by new in-kind and cash contributions, complete with justification of the proposed emission amount, which was included in the

documentation for the Shareholders Assembly of that day; the Shareholders Assembly read the said report in entirety.

The Shareholders Assembly chairman said that the company had received by the shareholder Pan-Slovenian Shareholders Association (VZMD) a counterproposal to the resolution proposed for adoption with regard to this agenda item. This counterproposal was announced on September 27 (twenty-seven), 2014 (two thousand fourteen).

A representative of the shareholder Pan-Slovenian Shareholders Association (VZMD) Kristjan Verbič explained his counterproposal which essentially differs from the proposal by the largest shareholder Agrokor, d.d., in the proposal not to omit the pre-emptive right of the minority shareholders.

Also taking part in the ensuing discussion was the representative of the shareholder Minority Shareholders Society of Slovenia Rajko Stanković who said that he would support the proposal by the majority shareholder Agrokor, d.d.; he, however, proposes that the majority shareholder allow all remaining minority shareholders of Mercator, d.d., to divest their shares at a price of EUR 86 (eighty-six) per share by placing a permanent order at the stock exchange.

The Shareholders Assembly chairman then invited the shareholders to vote on the proposal by the shareholder Agrokor, d.d., as follows:

RESOLUTIONS:

- 2.1. *The share capital of the company POSLOVNI SISTEM MERCATOR, d.d., shall be increased with new cash and in-kind contributions from EUR 157,128,514.53 (one hundred fifty-seven million one hundred twenty-eight thousand five hundred fourteen point five three) by EUR 97,046,536.86 (ninety-seven million forty-six thousand five hundred thirty-six point eight six), so that the total share capital of the Company after the increase amounts to EUR 254,175,051.39 (two hundred fifty-four million one hundred seventy-five thousand fifty-one point three nine). -*
- 2.2. *In order to increase the share capital, at least 2,325,582 (two million three hundred twenty-five thousand five hundred eighty-two) new ordinary registered no par value shares shall be issued in dematerialized form with the notional value of EUR 41.73 (forty-one point seven three), which shall be of the same class as the already issued ordinary registered no par value shares of the Company, and which shall grant their respective shareholders (i) the right to participate in Company management, (ii) the right to participate in the Company profits (dividend), (iii) the right to a proportional share of the remaining property in case of the company bankruptcy or liquidation.*
- 2.3. *The emission value per 1 (one) new ordinary registered no-par value shares shall be EUR 86 (eighty-six EUR).*
- 2.4. *The new shares shall be issued in dematerialized form by entry into the central register of dematerialized securities with the KDD, d.d. (Central Securities Clearing Corporation). The shareholder who subscribes and pays up the new shares, or the person to which such shareholder transfers before the issues of shares the right to be ascribed such shares, shall be entered as the shareholder into the central register.*
- 2.5. *Pre-emptive right of the existing company shareholders to subscribe the new shares shall be omitted.*
- 2.6. *Within the deadline for subscription and payment of the new shares, which shall be possible at the company headquarters from the 6th (sixth) to the 25th (twenty-fifth) day following the Shareholders Assembly, the shares may be subscribed and paid up by Agrokor Investments B.V., with business address at Prins Bernhardplein 200 (two hundred), 1097 (one thousand ninety-seven) JB, Amsterdam, the Kingdom of the Netherlands, in exchange for the payment of EUR 52.00 (fifty-two point zero zero) and an in-kind contribution which shall consist of transferring to the company POSLOVNI SISTEM MERCATOR, d.d., its receivable payable by the Company, with principle amount of EUR 200,000,000.00 (two hundred million point zero zero), pertaining*

to the »220,000,000 (two hundred twenty million) Super Subordinated Loan Agreement« dated June 26 (twenty-six), 2014 (two thousand fourteen), signed between the company POSLOVNI SISTEM MERCATOR, d.d., as the borrower and the companies Agrokor Investments B.V. and Agrokor, d.d., as the creditors, based on which the company Agrokor Investments B.V. granted and provided to the company POSLOVNI SISTEM MERCATOR, d.d., a loan in the amount of EUR 200,000,000.00 (two hundred million point zero zero). In exchange for the payment of cash and in-kind contribution (transfer of receivable), Agrokor Investments B.V. shall acquire one new ordinary registered no par value share in dematerialized form with notional value of EUR 41.73 (forty-one point seven three) for every EUR 86 (eighty-six) of the sum of the cash contribution and the amount of the transferred receivable, so that Agrokor Investments B.V. shall acquire a total of 2,325,582 (two million three hundred twenty-five thousand five hundred eighty-two) new ordinary registered no par value shares in dematerialized form with a notional value of EUR 41.73 (forty-one point seven three).

- 2.7. Capital increase by in-kind contributions shall be reviewed by an auditor.
- 2.8. Concurrently with submission of the statement of subscription of new shares, the subscriber shall also pay the acquisition value for the shares in the amount of the emission value per share as specified in section 2.3. of this resolution, multiplied by the number of new shares subscribed, as follows:
 - a) For payment by cash contribution, by paying the cash contribution to the cash account which shall be specified in the invitation to subscribe and pay up the new shares. The shares shall be deemed paid by cash contribution when the entire amount due for payment by cash contribution is transferred to the cash account specified in the invitation to subscribe and pay up the new shares; and
 - b) For payment by in-kind contribution by validly and effectively transferring the receivable to the company POSLOVNI SISTEM MERCATOR d.d.
- 2.9. The subscription of shares shall be valid if the shares are paid up. The issue of shares shall be deemed successful if 2,325,582 (two million three hundred twenty-five thousand five hundred eighty-two) shares are paid up and subscribed in exchange for cash and in-kind contribution, within the deadlines for subscription of and payment for the shares as specified in the invitation to subscribe and pay up the new shares. If the issue of shares is not successful, the amounts of cash contributions shall be returned to the subscriber within 8 (eight) days from the day when it is established that the issue is not successful. The subscriber shall not be entitled to any interest on such payments. If the issue of shares is not successful, the transfer of receivables to the company shall be deemed non-effective. In such case, the creditor's receivable shall not be deemed transferred (i.e. shall be deemed non-transferred) to the Company.
- 2.10. If fewer than 2,325,582 (two million three hundred twenty-five thousand five hundred eighty-two) shares are subscribed and paid up within the deadlines for subscription and payment of shares by cash and in-kind contributions, then the subscription of all shares shall be deemed invalid and all subscription shall be invalidated.
- 2.11. The final amount of the increase of share capital shall be equal to the sum of new shares multiplied by the notional value of one share, which is EUR 41.73 (forty-one point seven three). The increase of share capital shall be effective as at the day it is entered into the court register.
- 2.12. The company Supervisory Board shall be authorized to adopt the changes and amendments to the company Articles of Association in order to adjust the wording thereof to reflect the completed increase of the company share capital.

After the public vote, the Shareholders Assembly Chairman found the following:

- votes representing 3,399,122 (three million three hundred ninety-nine thousand one hundred twenty-two) shares were validly cast, representing 90.273 (ninety point two seven three) percent of the company share capital;

- of the 3,399,122 (three million three hundred ninety-nine thousand one hundred twenty-two) valid votes cast, 3,396,004 (three million three hundred ninety-six thousand four) or 99.908 (ninety-nine point nine zero eight) percent of the votes were in favour (FOR) the resolution; 3,118 (three thousand one hundred and eighteen) votes, or 0.092 (zero point zero nine two) percent of the votes cast were AGAINST the resolution, and 1 (one) vote ABSTAINED from voting.

The Shareholders Assembly chairman found the resolution was adopted and announced it.

The Shareholders Assembly chairman said that considering the fact that the proposal by the shareholder Agrokor, d.d., was adopted, the counterproposal by the shareholder Pan-Slovenian Shareholders Association would not be voted on.

The session was completed at 1.25 PM (one hour and twenty-five minutes PM).

Then these minutes were compiled.

The Notary Public confirm by my signature and seal the minutes and the resolutions of the Shareholders Assembly, all of which have been adopted with the wording and contents as stated above, and which the Shareholders Assembly Chairman Grega Peljhan, attorney at law, born April 30 (thirty), 1969 (nineteen sixty-nine), residing in Ljubljana, Staničeva ulica 20 (twenty), personally known to the Notary Public, signed after having read and approved it.

Appendices:

- list of shareholders or their proxies present,
- power of attorney by the Management Board to open the Shareholders Assembly;
- announcement of the convocation;
- Report on justified cause for full omission of pre-emptive right in the increase of share capital by new in-kind and cash contributions;
- Management Board resolution on Shareholders Assembly convocation;
- request for Shareholders Assembly convocation;
- announcement of the counter-proposal to item 2 (two) of the agenda;
- record of quorum;
- voting results for individual resolutions.

Ljubljana, October 21 (twenty-one), 2014 (two thousand fourteen)

Signature of the Shareholders Assembly
Chairman:

Grega Peljhan, attorney at law

[signed]

Signature and seal of the notary public:

[stamp, signature]