



## **21st extraordinary Shareholders Assembly**

*Pursuant to the Rules and Regulations of the Ljubljana Stock Exchange and the relevant legislation, and pursuant to Articles 18 and 19 of the Articles of Association of the company Poslovni sistem Mercator, d.d., Article 295, Paragraph 3 of the Companies Act (ZGD-1), and the resolution by the company Management Board dated September 16, 2014, the Management Board hereby convenes the*

**21st extraordinary Shareholders Assembly to take place on October 21, 2014  
at 1 PM at the company headquarters in Ljubljana, Dunajska cesta 107**

The company Poslovni sistem Mercator, d.d., announces material for Shareholders Assembly: Convocation of the Shareholders Assembly, Material for Shareholders Assembly, Attendance Form and Authorization Form, Request for convocation of Shareholders Assembly of the company Mercator, d.d., and 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.

This announcement will be published on the company's website at [www.mercatorgroup.si](http://www.mercatorgroup.si) as of September 19, 2014, and will remain posted for a period of at least five years.

Poslovni sistem Mercator, d.d.,  
Management Board



**Mercator**

Pursuant to Articles 18 and 19 of the Articles of Association of the company POSLOVNI SISTEM MERCATOR, d.d., Article 295, Paragraph 3 of the Companies Act (ZGD-1), the Rules and Regulations of the Ljubljana Stock Exchange, d.d., and based on the resolution adopted by the company Management Board on September 16, 2014, the Management Board hereby convenes the

**21<sup>st</sup> extraordinary Shareholders Assembly  
to take place on October 21, 2014 at 1 PM  
at the company headquarters in Ljubljana, Dunajska cesta 107**

The company Poslovni sistem Mercator, d.d. (hereinafter referred to as the Company) hereby informs all shareholders that it received on September 16, 2014 from the company AGROKOR, d.d., who is the holder of 3,040,597 Company shares representing a 80.75% share of the Company share capital, a request dated September 15, 2014, for the Management Board to convene pursuant to Article 295, Paragraph four of the Companies Act (ZGD-1) as soon as possible and no later than within one month the company Shareholders Assembly, which is to be held no later than in two months from the receipt of the request for Shareholders Assembly convocation. As the shareholding of the company AGROKOR, d.d., in the Company exceeds one twentieth of the Company's total share capital, the company AGROKOR d.d. is entitled pursuant to Article 295, Paragraph 3, of the ZGD-1 to request convocation of the Company Shareholders Assembly, complete with the agenda and resolution proposals, with the following wording and explanations:

**I. AGENDA AND RESOLUTION PROPOSALS**

**1. Opening of the Shareholders Assembly and appointment of the Shareholders Assembly chairperson**

RESOLUTION PROPOSAL:

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

**Explanation of the resolution proposal:**

The Shareholders Assembly shall be presided over by a chairperson appointed by the shareholders upon proposal by the shareholder Agrokor, d.d.

**2. Increase of share capital by new in-kind and cash contributions**

RESOLUTION PROPOSAL:

*2.1. The share capital of the company POSLOVNI SISTEM MERCATOR, d.d., shall be increased with new in-kind and cash contributions from EUR 157,128,514.53 by*

EUR 97,046,536.86, so that the total share capital of the Company after the increase amounts to EUR 254,175,051.39.

- 2.2. *In order to increase the share capital, at least 2,325,582 new ordinary registered no par value shares shall be issued in dematerialized form with the notional value of EUR 41.73, 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 the right to be ascribed such shares before the issues of shares, shall be entered as the shareholder into the central register.*
- 2.5. *Pre-emptive/priority 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 to the 25th 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, 1097 JB, Amsterdam, the Kingdom of the Netherlands, in exchange for the payment of EUR 52.00 and an in-kind contribution which shall consist of transferring to the company POSLOVNI SISTEM MERCATOR, d.d., its receivable to the Company, with principle amount of EUR 200,000,000.00, pertaining to the »220,000,000 Super Subordinated Loan Agreement« dated June 26, 2014, 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. 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 for every EUR 86 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 new ordinary registered no par value shares in dematerialized form with a notional value of EUR 41.73.*
- 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 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 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. 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.*

**Explanation of the resolution proposal:**

Pursuant to the "220,000,000 Super Subordinated Loan Agreement" dated June 26, 2014, 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, 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. Pursuant to the said agreement, the creditor shall have the right to convert the loaned amount into the borrower's equity, subject to condition that the Shareholders Assembly of the company POSLOVNI SISTEM MERCATOR, d.d., adopt a relevant resolution on the increase of capital. Adoption of the proposed resolution will allow the creditor to swap its receivable pertaining

to the principal in the amount of EUR 200,000,000 for the equity of the company POSLOVNI SISTEM MERCATOR, d.d.

The emission value per one share is EUR 86, which is equal to the value per one share as specified in the successfully completed takeover bid by the company Agrokor, d.d.

The increase of share capital by cash contribution in the amount of EUR 52.00 is necessary to allow the issue of an integer number of new shares.

Considering the fact that this is a capital increase by in-kind contribution, in which both the subject of the in-kind contributions and the person to provide the in-kind contributions are specified in the Shareholders Assembly convocation, the omission of pre-emptive right of the existing shareholders is necessary because the specific in-kind contribution can only be provided by a specific person.

Resolutions for agenda items 1 and 2 were proposed by the shareholder Agrokor, d.d.

## **II. INFORMATION FOR THE SHAREHOLDERS**

### **Access to Shareholders Assembly Documentation, proposed resolutions including explanations, and information on the Shareholders Assembly**

Documentation, or materials, for the Shareholders Assembly, including request by the company Agrokor, d.d., for the convocation of the Shareholders Assembly, complete with resolution proposals, explanations, thereto, and other documentation or materials as specified in Article 297, Paragraph 2, of the Companies Act (ZGD-1), shall be made available to the company shareholders at the company headquarters in Ljubljana, Dunajska cesta 107, ground floor, each business day from the day of announcement of the Shareholders Assembly convocation to the day of the Shareholders Assembly session from 9 AM to 12 noon. All documentation referred to above will also be available on the company website at <http://www.mercatorgroup.si>. Convocation of the Shareholders Assembly, explanation of the resolution proposals, and other materials are also published on the website of the Ljubljana Stock Exchange, d.d. (<http://seonet.ljse.si>). Information provided in Article 296 of the Companies Act (ZGD-1), Paragraph 3, and detailed information on the rights of the shareholders with regard to submitting any requests for additional agenda items, counter-proposals to proposed resolutions, election/voting proposals, and shareholder rights to information (Article 298, Paragraph 1; Article 300, Paragraph 1; and Articles 301 and 305 of the Companies Act ZGD-1) are published on the company website.

### **Requests and proposals by the shareholders**

Shareholders whose combined shareholdings amount to one twentieth of share capital, may request in writing in seven days after the convocation of the Shareholders Assembly an additional item of the agenda. A written proposal of the resolution on which the Shareholders Assembly should vote/decide, or an explanation of the agenda item in case no resolution is adopted with regard to a particular agenda item, shall be attached to the request. Pursuant to Article 298, Paragraph three of the Companies Act (ZGD-1), the company Management Board shall announce those additional agenda items that are requested and submitted by the shareholders no later than seven days after the announcement of this Shareholders Assembly convocation. The shareholders may submit the requests for additional items of the agenda to the company by electronic mail, to the address [skupscina@mercator.si](mailto:skupscina@mercator.si).

The shareholders may submit, in writing, resolution and election proposals to each item of the agenda. A shareholder proposal will only be announced by the company Management Board in the same way as this convocation, if it is submitted to the company within seven days after the convocation of the Shareholders Assembly complete with a reasonably justified proposition, along with the statement that the shareholder/proposing party will counter the proposal by the shareholder Agrokor, d.d., and that she or he intends to convince other shareholders to vote for her/his proposal. Pursuant to Article 301 of the Companies

Act (ZGD-1), the shareholder shall not be required to justify an election proposal. The shareholder's proposal shall be announced and communicated in the way provided by Article 296 of the ZGD-1 only if the shareholder has submitted a reasonably justified proposal within seven days after the announcement of the Shareholders Assembly convocation. The shareholders may also submit the resolution and election proposals to the company by electronic mail, to the address [skupscina@mercator.si](mailto:skupscina@mercator.si).

Requests for additional agenda items and resolution or election/voting proposals submitted by electronic mail shall be sent as a scanned image file attached to the e-mail message. The image file shall include a handwritten signature of the natural person; in case of legal persons, such documents shall include the handwritten signature of the company representative as well as the seal of the legal person, if applicable. The company shall have the right to check the identity of the shareholder or, the person conferring the power of attorney by e-mail, as well the authenticity of the signature.

#### **Shareholder's right to information**

Shareholders shall be entitled to raise questions at the Shareholders Assembly and request information on company affairs if such information is required for assessment of agenda items; furthermore, the shareholders may exercise their right to information pursuant to Article 305, Paragraph 1, of the Companies Act (ZGD-1).

#### **Attendance conditions and assertion of voting rights**

The Assembly may be attended and voted at only by those shareholders who register their attendance in writing in such way that the Management Board receive their application no later than at close of business on the fourth day before the Shareholders Assembly, i.e. by the end of October 17, 2014, and who are registered as shareholders in the central register of dematerialized securities as at close of business of October 17, 2014. The application shall be submitted by regular mail to the address Mercator, d.d., Dunajska cesta 107, Ljubljana, Tajništvo pravnega sektorja (Legal Affairs Secretary Office). The applications to the Shareholders Assembly cannot be submitted using electronic means. Only applications with original signatures of the shareholders or their proxies shall be accepted and deemed valid. The Shareholders Assembly Application Form shall be available at the company website, and freely available at the company headquarters in Ljubljana, at Dunajska cesta 107, ground floor, each business day from the day of announcement of the convocation to the day of the Shareholders Assembly convention, from 9 AM to 12 noon.

Each shareholder with the right to attend the Shareholders Assembly may also appoint a proxy to attend the Shareholders Assembly on their behalf and exercise their voting right. The power of attorney/authorization shall be submitted to the company in writing. The power of attorney/authorization shall remain in possession of the company. Proxy voting form is available at the company website; it is also freely available at the company headquarters at Ljubljana, Dunajska cesta 107 (ground floor), each workday from the day of announcement of the convocation to the day of the Shareholders Assembly session, from 9 AM to 12 noon. The power of attorney/authorization may also be submitted to the company by electronic mail, to the address [skupscina@mercator.si](mailto:skupscina@mercator.si), scanned into an image file and attached to the e-mail message. Such document shall include a handwritten signature of the natural person; in case of legal persons, such documents shall include the handwritten signature of the company representative as well as the seal of the legal person, if applicable. The company shall have the right to check the identity of the shareholder or the person conferring the power of attorney by e-mail, as well the authenticity of the signature. The shareholders may also revoke the power of attorney/authorization in the same way it was submitted, at any time until the day of the Shareholders Assembly.

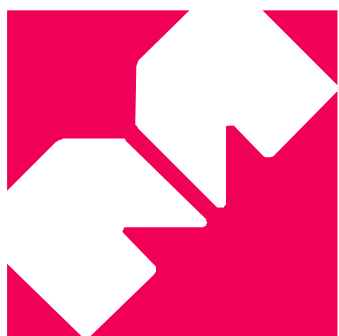
The shareholders or their proxies or attorneys shall be obliged to prove their identity upon request by presenting a personal identification document and written authorization/power of attorney; in addition, statutory representatives shall also be required to present an extract from the judicial or business register.

As at the day of Shareholders Assembly convocation, the company has 3,765,361 ordinary registered no par value shares. Pursuant to the relevant legislation, each ordinary share carries one vote for its owner at the Shareholders Assembly. As at the day of Shareholders Assembly convocation, the company has 42,192 treasury shares which do not carry voting rights.

The shareholders are kindly requested to check in at the Shareholders Assembly reception office upon their arrival, no later than half hour before the beginning of the convention / session, to confirm their presence with their signatures on the list of attendants and to claim their voting devices. The hall where the Shareholders Assembly is to take place will be open 30 minutes before the beginning of the session.

The Shareholders Assembly is convened for 1 PM. In case of absence of quorum at such time, the Assembly shall be rescheduled for 2 pm on the same day at the same place, regardless of the percentage of total share capital represented at the Assembly.

President of the Management Board  
Anton Balažič



# **Mercator**

## **DOCUMENTATION**

for the 21st extraordinary Shareholders Assembly (general meeting) of  
the company Mercator, d.d.

September 2014



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**Mercator**

**I. Documents pertaining to item one of the agenda**

**OPENING OF THE SHAREHOLDERS ASSEMBLY AND APPOINTMENT OF THE SHAREHOLDERS ASSEMBLY CHAIRPERSON**

The company Agrokor, d.d., hereby proposes to the Shareholders Assembly of the company MERCATOR, d.d., to adopt the following

**resolution:**

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

**Explanation:**

The Shareholders Assembly shall be presided over by a chairperson appointed by the shareholders upon proposal by the shareholder Agrokor, d.d.

In Ljubljana, September 19, 2014

Management Board President:  
Anton Balažič



**II. Documents pertaining to item two of the agenda**

**INCREASE OF SHARE CAPITAL BY NEW IN-KIND AND CASH CONTRIBUTIONS**

The company Agrokor, d.d., hereby proposes to the Shareholders Assembly of the company MERCATOR, d.d., to adopt the following

**resolution:**

- 2.1 *The share capital of the company POSLOVNI SISTEM MERCATOR, d.d., shall be increased with new in-kind and cash contributions from EUR 157,128,514.53 by EUR 97,046,536.86, so that the total share capital of the Company after the increase amounts to EUR 254,175,051.39.***
- 2.2 *In order to increase the share capital, at least 2,325,582 new ordinary registered no par value shares shall be issued in dematerialized form with the notional value of EUR 41.73, 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 the right to be ascribed such shares before the issues of shares, shall be entered as the shareholder into the central register.***
- 2.5 *Pre-emptive/priority 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 to the 25th 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, 1097 JB, Amsterdam, the Kingdom of the Netherlands, in exchange for the payment of EUR 52.00 and an in-kind contribution which shall consist of transferring to the company POSLOVNI SISTEM MERCATOR, d.d., its receivable to the Company, with principle amount of EUR 200,000,000.00, pertaining to the »220,000,000 Super Subordinated Loan Agreement« dated June 26, 2014, 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. 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 for every EUR 86 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 new ordinary registered no par value shares in dematerialized form with a notional value of EUR 41.73.*

- 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 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 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. 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.*

**Explanation:**

Pursuant to the "220,000,000 Super Subordinated Loan Agreement" dated June 26, 2014, 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, 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. Pursuant to the said agreement, the creditor shall have the right to convert the loaned amount into the borrower's equity, subject to condition that the Shareholders Assembly of the company POSLOVNI SISTEM MERCATOR, d.d., adopt a relevant resolution on the increase of capital. Adoption of the proposed resolution will allow the creditor to swap its receivable pertaining to the principal in the amount of EUR 200,000,000 for the equity of the company POSLOVNI SISTEM MERCATOR, d.d.

The emission value per one share is EUR 86, which is equal to the value per one share as specified in the successfully completed takeover bid by the company Agrokor, d.d.

The increase of share capital by cash contribution in the amount of EUR 52.00 is necessary to allow the issue of an integer number of new shares.

Considering the fact that this is a capital increase by in-kind contribution, in which both the subject of the in-kind contributions and the person to provide the in-kind contributions are specified in the Shareholders Assembly convocation, the omission of pre-emptive right of the existing shareholders is necessary because the specific in-kind contribution can only be provided by a specific person.

Ljubljana, September 19, 2014

Management Board President:

Anton Balažič

Appendix to item 2 of the agenda:

- Report by the Management Board of Poslovni sistem Mercator, d.d., on justified cause for full omission of pre-emptive/priority right in the increase of share capital by new in-kind and cash contributions



## **INFORMATION FOR THE SHAREHOLDERS**

### ***1. Total number of shares and voting rights as at the day of Shareholders Assembly convocation***

As at the day of Shareholders Assembly convocation, the company has 3,765,361 ordinary registered no par value shares. Pursuant to the relevant legislation, each ordinary share carries one vote for its owner at the Shareholders Assembly. As at the day of Shareholders Assembly convocation, the company has 42,192 treasury shares which do not carry voting rights.

### ***2. Information on additional items of the agenda***

Shareholders whose combined shareholdings amount to one twentieth (five percent) of share capital, may request in writing after the convocation of the Shareholders Assembly an additional item of the agenda. A written proposal of the resolution on which the Shareholders Assembly should vote/decide, or an explanation of the agenda item in case no resolution is to be adopted with regard to a particular agenda item, shall be attached to the request. It shall suffice to send the request to the company no later than seven days after the announcement of Shareholders Assembly convocation.

Pursuant to Article 298, Paragraph three of the Companies Act (ZGD-1), the company Management Board shall announce those additional agenda items that are requested and submitted by the shareholders no later than seven days after the announcement of this Shareholders Assembly convocation.

The shareholders may submit the requests for additional items of the agenda to the company by electronic mail, to the address [skupscina@mercator.si](mailto:skupscina@mercator.si). Requests for additional agenda item submitted by electronic mail must be sent as a scanned image file attached to the e-mail message. The image file must include a handwritten signature of the natural person; in case of legal persons, such documents shall include the handwritten signature of the company representative as well as the seal of the person, if applicable. The company shall have the right to check the identity of the shareholder or, the person conferring the power of attorney by e-mail, as well the authenticity of the signature.

The additional agenda item shall only be discussed at the Shareholders Assembly if it is announced in the same way as the Shareholders Assembly convocation, no later than 14 days before the Shareholders Assembly; otherwise, it shall be discussed at the first subsequent Shareholders Assembly. The Management Board will provide in the same deadline and in the same way an announcement of the consolidated copy of the agenda.

### ***3. Information on shareholder proposals***

The shareholders may submit, in writing, resolution proposals to each item of the agenda. A shareholder proposal will only be announced by the company Management Board if the shareholder submits within seven days after the convocation of the Shareholders Assembly to the company a reasonably justified proposition, along with the statement of whether the shareholder will counter the proposal by the Agrokor, d.d., and whether the shareholder intends to convince other shareholders to vote for her/his proposal. The shareholder shall not be required to justify an election proposal.



The shareholders may also submit the resolution and election proposals to the company by electronic mail, to the address [skupscina@mercator.si](mailto:skupscina@mercator.si). Resolution or election/voting proposals submitted by electronic mail must be sent as a scanned image file attached to the e-mail message. The image file must include a handwritten signature of the natural person; in case of legal persons, such documents shall include the handwritten signature of the company representative as well as the seal of the person, if applicable. The company has the right to check the identity of the shareholder or, the person conferring the power of attorney by e-mail, as well the authenticity of the signature.

The Management Board shall not announce the shareholder's proposal and the pertaining explanation in the following cases:

- if an announcement of the proposal would constitute a criminal or minor offence;
- if the proposal could lead to a Shareholders Assembly resolution that would be in breach of the legislation or the provisions of the Articles of Association;
- if the explanation of the proposal includes obviously wrong or misleading information or insults in its key points;
- if the shareholder's proposal with the same contents has already been submitted to the company Shareholders Assembly;
- if the same shareholder's proposal with essentially the same explanation has been submitted at two or more company Shareholders Assemblies in the last five years, and if less than one twentieth (five percent) of the represented share capital voted in favour of such proposal;
- if the shareholder makes it clear that she / he would not attend the Shareholders Assembly and would not be represented there; or
- if the shareholder has not upheld her or his submitted proposal at the Shareholders Assembly in the last two years, or did not do so via proxy.

The Management Board shall not announce the explanation to the proposal if it includes more than 3,000 characters. The Management Board has the right to announce any proposal and their respective explanations in a summary, if several shareholders submit their proposals on the same issue. Shareholder proposals that are not submitted to the company within seven days after the announcement of the Shareholders Assembly convocation and are presented at latest at the Shareholders Assembly shall be discussed at the Assembly.

#### ***4. Information on the shareholder's right to information***

The Management Board shall provide reliable information on company affairs at the Shareholders Assembly, if such information is required for assessment of the agenda items. Upon questions posed by several shareholders with regard to the same issue, the Management Board may submit the information in a combined reply. The Management Board will submit information on legal and business relations of the company with its subsidiaries, if this is deemed necessary for assessment of the agenda.

Regardless of the provisions from the previous paragraph, the Management Board shall not be required to submit information in the following cases:

- if submitting the information is, by sound economic judgement, of such nature that it could cause injury to the company or an associated company;

- if the information is related to balancing and assessment methods, when the description of such methods in the appendix suffices for assessment of property, finance, and performance aspects of the company corresponding to the actual circumstances;
- if submitting such information would constitute a criminal or minor offence or non-compliance with sound business practice;
- if the information has already been announced on the company website in the FAQ section at least seven days before the Assembly.

If a shareholder is provided with information outside the Shareholders Assembly, the same information shall be submitted to any other shareholder upon their request, even if such information is not deemed necessary for assessment of the agenda item. If a shareholder is not provided with the required information at the Shareholders Assembly, they may request that their question and the reason for which access to information was denied be entered into the Assembly minutes.

#### ***5. Attendance conditions and assertion of voting rights***

The Assembly may be attended and voted at only by those shareholders who register their attendance in writing in such way that the Management Board receive their application no later than at close of business on the fourth day before the Shareholders Assembly, i.e. by the end (close of business) of October 17, 2014, and who are registered as shareholders in the central register of dematerialized securities as at close of business of October 17, 2014. The application shall be submitted by regular mail to the address Mercator, d.d., Dunajska cesta 107, Ljubljana, Tajništvo pravnega sektorja (Legal Affairs Secretary Office). The applications to the Shareholders Assembly cannot be submitted using electronic means. Only applications with original signatures of the shareholders or their proxies shall be accepted and deemed valid. The Shareholders Assembly Application Form shall be available at the company website, and freely available at the company headquarters in Ljubljana, at Dunajska cesta 107, ground floor, each business day from the day of announcement of the convocation to the day of the Shareholders Assembly convention, from 9 AM to 12 noon.

Each shareholder with the right to attend the Shareholders Assembly may also appoint a proxy to attend the Shareholders Assembly on their behalf and exercise their voting right. The power of attorney shall be submitted to the company in writing. The power of attorney shall remain in possession of the company. Proxy voting form is available at the company website; it is also available free of charge at the company headquarters in Ljubljana, at Dunajska cesta 107, ground floor, each business day from the day of announcement of the convocation to the day of the Shareholders Assembly session, from 9 AM to 12 noon. The power of attorney may also be submitted to the company by electronic mail to the address [skupscina@mercator.si](mailto:skupscina@mercator.si), scanned into an image file and attached to the e-mail message. Such document shall include a handwritten signature of the natural person; in case of legal persons, such documents shall include the handwritten signature of the company representative as well as the seal of the person, if applicable. The company shall have the right to check the identity of the shareholder or, the person conferring the power of attorney by e-mail, as well the authenticity of the signature. The shareholders may also revoke the power of attorney in the same way it was submitted, at any time until the day of the Shareholders Assembly.





**Mercator**

The shareholders or their proxies or attorneys shall be obliged to prove their identity upon request by presenting a personal identification document and written power of attorney; in addition, statutory representatives shall also be required to present an extract from the judicial or business register.

The shareholders are kindly requested to check in at the Shareholders Assembly reception office upon their arrival, no later than half hour before the beginning of the session, to confirm their presence with their signatures on the list of attendants and to claim their voting devices. The hall where the Shareholders Assembly is to take place will be open 30 minutes before the beginning of the session.

The Shareholders Assembly is convened for 1 PM. In case of absence of quorum at such time, the Assembly shall be rescheduled for 2 PM on the same day at the same place, regardless of the percentage of total share capital represented at the Assembly.

Ljubljana, September 19, 2014

Management Board President:  
Anton Balažič

Pursuant to Article 337, Paragraph 4 of the Companies Act (hereinafter referred to as ZGD-1), the Management Board of the company POSLOVNI SISTEM MERCATOR , d.d , Dunajska cesta 107, Ljubljana (hereinafter referred to as the company), hereby submits the following

**Report on justified cause for full omission of pre-emptive/priority right in the increase of share capital by new in-kind and cash contributions**

The shareholder Agrokor, d.d., holding an 80.75% share of the share capital of the company POSLOVNI SISTEM MERCATOR, d.d., proposed to the Shareholders Assembly an increase of the company share capital by new in-kind and cash contributions, from EUR 157,128,514.53 by EUR 97,046,536.86, so that the total company share capital after the increase amounts to EUR 254,175,051.39. For the purpose of the capital increase, at least 2,325,582 new dematerialized ordinary registered no par value shares with notional value of EUR 41.73 will be issued.

Pursuant to the "220,000,000 Super Subordinated Loan Agreement" dated June 26, 2014, 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, 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. Pursuant to the said agreement, the creditor shall have the right to convert the loaned amount into the borrower's equity, subject to condition that the Shareholders Assembly of the company POSLOVNI SISTEM MERCATOR, d.d., adopt a relevant resolution on the increase of capital. Adoption of the proposed resolution will allow the creditor to swap its receivable pertaining to the principal in the amount of EUR 200,000,000 for the equity of the company POSLOVNI SISTEM MERCATOR, d.d. Capital increase by in-kind contributions shall be reviewed by an auditor.

The emission value per one share is EUR 86, which is equal to the value per one share as specified in the successfully completed takeover bid by the company Agrokor, d.d.

The increase of share capital by cash contribution in the amount of EUR 52.00 is necessary to allow the issue of an integer number of new shares.

The resolution proposal by the shareholder Agrokor, d.d., expressly specifies that the pre-emptive/priority right of the existing shareholders to subscribe the new shares be omitted. Considering the fact that this is a capital increase by in-kind contribution, in which both the subject of the in-kind contributions and the person to provide the in-kind contributions are specified in the Shareholders Assembly convocation, the omission of pre-emptive right of the existing shareholders is necessary because the specific in-kind contribution can only be provided by a specific person.

Full omission of the pre-emptive right in the manner specified in the proposed Shareholders Assembly resolution is in the best economic interest of the company. At the same time, positive auditor's opinion regarding the capital increase by in-kind contributions will ensure the protection of interests of all shareholders. For that reason, we believe that omission of the pre-emptive right of the current shareholders is materially justifiable as only thus will we be able to attain the goal that is objectively in the best interest of the company.

Ljubljana, September 19, 2014

Management Board President:  
Anton Balažič

Agrokor, d.d.  
HR/10000 Zagreb  
Trg Dražena Petrovića 3

www.agrokor.hr  
Tel.: 385 1 48 94 111  
Fax: 385 1 48 94 080

**AGROKOR**

**POSLOVNI SISTEM MERCATOR d.d.**

Dunajska cesta 107  
1000 Ljubljana

Pursuant to the provisions of the Article 295 of the Companies Act ("**ZGD-1**"), AGROKOR koncern za upravljanje društvima, proizvodnju i trgovinu poljoprivrednim proizvodima, dioničko društvo (abbreviated name: AGROKOR d.d.), Trg Dražena Petrovića 3, Zagreb, Republic of Croatia (»**AGROKOR d.d.**«) hereby submits the following

**REQUEST FOR CONVOCAION OF SHAREHOLDERS ASSEMBLY OF THE COMPANY  
POSLOVNI SISTEM MERCATOR D.D. ("The Company")**

**1 ENTITLEMENT TO REQUEST THE SHAREHOLDERS ASSEMBLY**

The company AGROKOR d.d. is the holder of 3,040,597 Company shares, which represents 80.75% of the Company share capital. As the shareholding of the company AGROKOR d.d. in the Company exceeds one twentieth of the Company's total share capital, the company AGROKOR d.d. is entitled pursuant to Article 295, Paragraph 3, of the ZGD-1 to request convocation of the Company Shareholders Assembly.

**2 CONVOCAION REQUEST**

The company AGROKOR d.d. requests that the Company Management Board convene, pursuant to Article 295, Paragraph 4, of the Companies Act (ZGD-1), as soon as possible and no later than within one month, the Company Shareholders Assembly, which shall be held no later than in two months from the receipt of this request, with the agenda submitted as an appendix to this request for the convocation of Shareholders Assembly of the Company.

Zagreb, on this September 15, 2014

AGROKOR, d.d.

Damir Kuštrak, Management Board member  
[signed]

Ivan Crnjac, Management Board member  
[signed]

[seal]

Appendices:

- Agenda
- Proposals for resolutions to be voted on by the Shareholders Assembly, complete with explanations

Agrokor, d.d.  
HR/10000 Zagreb  
Trg Dražena Petrovića 3

www.agrokor.hr  
Tel.: 385 1 48 94 111  
Fax: 385 1 48 94 080

**AGROKOR**

APPENDIX TO THE REQUEST FOR CONVOCATION OF THE SHAREHOLDERS ASSEMBLY  
OF THE COMPANY POSLOVNI SISTEM MERCATOR, d.d.

AGENDA

**I. AGENDA**

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

Zagreb, on this September 15, 2014

AGROKOR, d.d.

Damir Kuštrak, Management Board member  
[signed]

[seal]

Ivan Crnjac, Management Board member  
[signed]

APPENDIX TO THE REQUEST FOR CONVOCATION OF THE SHAREHOLDERS ASSEMBLY  
OF THE COMPANY POSLOVNI SISTEM MERCATOR, D.D.

RESOLUTION PROPOSALS COMPLETE WITH EXPLANATIONS

**1. Opening of the Shareholders Assembly and appointment of the Shareholders Assembly chairperson**

RESOLUTION PROPOSAL:

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

**Explanation of the resolution proposal:**

Pursuant to the company Articles of Association, the company Shareholders Assembly shall be presided over by a Chairperson appointed by the shareholders upon proposal by the party convening the Assembly.

**2. Increase of the Company share capital by new in-kind and cash contributions**

RESOLUTION PROPOSAL:

- 2.1. Share capital of the Company POSLOVNI SISTEM MERCATOR d.d. shall be increased with new in-kind and cash contributions from EUR 157,128,514.53 by EUR 97,046,536.86, so that the total share capital of the Company after the increase amounts to EUR 254,175,051.39.
- 2.2. In order to increase the share capital, at least 2,325,582 new ordinary registered no par value shares shall be issued in dematerialized form with the notional value of EUR 41.73, 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 the right to be ascribed such shares before the issues of shares, shall be entered as the shareholder into the central register.
- 2.5. Priority right of the existing company shareholders to subscribe the new shares shall be omitted.
- 2.7 Within the deadline for subscription and payment of the new shares, which shall be possible at the company headquarters from the 6th to the 25th 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, 1097 JB, Amsterdam, the Kingdom of the Netherlands, in exchange for the payment of EUR 52.00 and an in-kind contribution which shall consist of transferring to the company POSLOVNI SISTEM MERCATOR d.d. its receivable to the Company, with principle

amount of EUR 200,000,000.00, pertaining to the »220,000,000 Super Subordinated Loan Agreement« dated June 26, 2014, 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. 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 for every EUR 86 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 new ordinary registered no par value shares in dematerialized form with a notional value of EUR 41.73.

2.8 Capital increase by in-kind contributions shall be reviewed by an auditor.

2.9 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.

2.10 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 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.

2.11 If fewer than 2,325,582 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.

2.12 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. The increase of share capital shall be effective as at the day it is entered into the court register.

2.13 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.

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Trg Dražena Petrovića 3

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Fax: 385 1 48 94 080

**AGROKOR**

**Explanation of the resolution proposal:**

Pursuant to the "220,000,000 Super Subordinated Loan Agreement" dated June 26, 2014, 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, 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. Pursuant to the said agreement, the creditor shall have the right to convert the loaned amount into the borrower's equity, subject to condition that the Shareholders Assembly of the company POSLOVNI SISTEM MERCATOR d.d. adopt a relevant resolution on the increase of capital. Adoption of the proposed resolution will allow the creditor to swap its receivable pertaining to the principal in the amount of EUR 200,000,000 for the equity of the company POSLOVNI SISTEM MERCATOR d.d.

The emission value per one share is EUR 86, which is equal to the value per one share as specified in the successfully completed takeover bid by the company Agrokor d.d.

The increase of share capital by cash contribution in the amount of EUR 52.00 is necessary to allow the issue of an integer number of new shares.

Regardless of the fact that this is a capital increase by in-kind contribution, in which both the subject of the in-kind contributions and the person to provide the in-kind contributions are specified in the Shareholders Assembly convocation, the omission of pre-emptive right of the existing shareholders is necessary because the specific in-kind contribution can only be provided by a specific person.

Notary public Nada Kumar shall be present at the Shareholders Assembly.

Zagreb, on this September 15, 2014

AGROKOR, d.d.

Damir Kuštrak, Management Board member  
[signed]

[seal]

Ivan Crnjac, Management Board member  
[signed]

*Attendance Form*

\_\_\_\_\_  
(First and last name, or company name of the shareholder)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Place and postal code)

\_\_\_\_\_  
(Unique personal identification number – for natural persons only)\*

**MERCATOR, d.d.**

**Dunajska cesta 107**

**1000 LJUBLJANA**

**(Office of the legal affairs secretary)**

**ATTENDANCE APPLICATION**

**for the 21st extraordinary Shareholders Assembly of MERCATOR, d.d.**

The undersigned: \_\_\_\_\_  
(First and last name of the shareholder, or first and last name of company representative and company name of the shareholder)

**hereby announce**

my attendance at the Shareholders Assembly of the company MERCATOR, d.d., convened for Tuesday, October 21, 2014 at 1 PM at the company headquarters in Ljubljana, Dunajska cesta 107.

I shall attend the said Shareholders Assembly (circle accordingly):

- personally
- by proxy

Date and place: \_\_\_\_\_

\_\_\_\_\_  
(Handwritten signature of the shareholder or their representative, and seal of the legal person, if applicable)

**Appendix:**

- authorization for representation at the Shareholders Assembly (only for attendance by proxy)
- extract from judicial or business register (for legal persons)

*\* Unique personal identification number – EMŠO – as a piece of personal information may only be used for the purpose of attendance and exercising the rights at the Shareholders Assembly. By signing this statement, the shareholder agrees to the use and processing of this information for the purposes of the Shareholders Assembly. The shareholder shall have the right to view, copy by hand or machine, amend, edit, block, or delete this information.*



*Proxy form*

\_\_\_\_\_  
(First and last name, or company name of the shareholder)

\_\_\_\_\_  
(Address)

\_\_\_\_\_  
(Place and postal code)

\_\_\_\_\_  
(Unique personal identification number – for natural persons only)\*

**MERCATOR, d.d.**

**Dunajska cesta 107**

**1000 LJUBLJANA**

**(Office of the legal affairs secretary)**

## **AUTHORIZATION / POWER OF ATTORNEY**

**for attendance and exercising of voting right at the 21st extraordinary Shareholders Assembly of  
MERCATOR, d.d.**

The undersigned: \_\_\_\_\_  
(First and last name of the shareholder, or first and last name of company representative and company name of the shareholder)

**hereby authorize**

\_\_\_\_\_  
(First and last name, address, and Unique personal identification number of the proxy)

to attend on my behalf and exercise my voting right at the 21st extraordinary Shareholders Assembly of the company MERCATOR, d.d., convened for Tuesday, October 21, 2014 at 1 PM at the company head offices in Ljubljana at Dunajska cesta 107, for all shares of the issuer Mercator, d.d., code (symbol) MELR, of which I am the owner. Upon request by the party convening the Assembly, the proxy shall provide proof of his or her identity by presenting a personal identification document.

Date and place: \_\_\_\_\_

\_\_\_\_\_  
(Handwritten signature of the shareholder or their representative, and seal of the legal person, if applicable)

*\* Unique personal identification number – EMŠO – as a piece of personal information may only be used for the purpose of attendance and exercising the rights at the Shareholders Assembly. By signing this statement, the shareholder agrees to the use and processing of this information for the purposes of the Shareholders Assembly. The shareholder shall have the right to view, copy by hand or machine, amend, edit, block, or delete this information.*