

Pursuant to Articles 18 and 19 of the Articles of Association of the company POSLOVNI SISTEM MERCATOR, d.d., Article 295, Paragraph 2, of the Companies Act (ZGD-1), Rules and Regulations of the Ljubljana Stock Exchange, d.d., resolution by the company Management Board dated May 6, 2013, and the resolution by the company Supervisory Board dated May 14, 2013, the Management Board hereby convenes the

**19th regular Shareholders Assembly
to take place on June 18, 2013 at 1 pm
at the company headquarters in Ljubljana, Dunajska cesta 107**

I. AGENDA AND RESOLUTION PROPOSALS

1. Opening of the Shareholders Assembly and appointment of the Shareholders Assembly Chairperson

RESOLUTION PROPOSAL:

Mr Uroš Ilić, attorney at law from Ljubljana, shall be appointed Chairman of the Shareholders Assembly.

Explanation summary for the resolution proposal as announced in the Shareholders Assembly documentation:

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. Presentation of Annual Report and the Supervisory Board's Report on the results of Annual Report review for the business year 2012; information on the offsetting of net loss; information on the compensation and rewards of the members of managerial and supervisory bodies; information on the Supervisory Board evaluation procedure; and granting discharge from liability to the Management Board and the Supervisory Board

RESOLUTION PROPOSALS:

A) Granting discharge from liability to the company Supervisory Board for the fiscal year 2012

- 1. Discharge from liability to individual Supervisory Board members for the fiscal year 2012 shall be granted to each member separately.*
- 2. The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board chairman Šega Robert.*
- 3. The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board deputy chairwoman Dakić Jadranka.*
- 4. The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Vavti Stefan.*

5. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Medvešek Miro.*
6. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Cvetek Jože.*
7. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Strniša Janez.*
8. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Župetič Ivica.*
9. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Širec Mateja.*
10. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Verbič Kristjan.*
11. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Leban Sandi.*
12. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Valand Ivan.*
13. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board chairman Lahovnik Matej.*
14. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board deputy chairman Rozman Rok.*
15. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Galič Boris.*
16. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Podlesnik Zdenko.*
17. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Supervisory Board member Zevnik Marjeta.*

If the proposal to Item 1 of the agenda to vote on the discharges from liability separately for each Supervisory Board member is not adopted, then the Management Board and the Supervisory Board propose that the following resolution be voted on in place of the resolutions 2–17 above:

18. *The Shareholders Assembly grants discharge from liability to the company Supervisory Board for the fiscal year 2012.*

B) *Granting discharge from liability to the company Management Board for the fiscal year 2012*

1. *Discharge from liability to individual Management Board members for the fiscal year 2012 shall be granted to each member separately.*
2. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board president Debeljak Žiga.*
3. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Aljančič Falež Vera.*
4. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Jesenek Mateja.*
5. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Kolbezen Melita.*

6. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Pejanović Stanka (previously: Čurović Stanka).*
7. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Zavrl Peter.*
8. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board president Balažič Anton.*
9. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Kavšek Drago.*
10. *The Shareholders Assembly grants discharge from liability for the fiscal year 2012 to the Management Board member Maroša Igor.*

If the proposal to Item 1 of the agenda to vote on the discharges from liability separately for each Management Board member is not adopted, then the Management Board and the Supervisory Board propose that the following resolution be voted on in place of the resolutions 2–10 above:

11. *The Shareholders Assembly grants discharge from liability to the company Management Board for the fiscal year 2012.*

Explanation summary for the resolution proposals as announced in the Shareholders Assembly documentation:

Since the company did not generate profit in 2012, the Shareholders Assembly shall not make any decisions with regard to allocation thereof. The Shareholders Assembly shall be informed that as at December 31, 2012 the net loss for the fiscal year amounted to EUR 77,602,465.26 and that the Management Board, with consent of the Supervisory Board, shall offset the loss against the following components of equity:

- retained earnings in the amount of EUR 10,337,126.70;
- other revenue reserves in the amount of EUR 67,265,338.56.

In 2012, profit was affected by harsh macroeconomic conditions and a slump in the purchasing power, as well as impairments of real estate and intangible assets, expenses of exit from the markets of Albania and Bulgaria, and impairment of the investment in the subsidiary Mercator-H, d.o.o.

Pursuant to the corporate accounting policies, the company Mercator, d.d., re-appraised its real property to fair value in 2012. Real estate impairment had a negative effect of EUR 9,089 thousand on the income statement; however, the overall effect of real estate appraisal was positive as it increased the equity by EUR 38,007 thousand as a result of value increases recognized in revaluation adjustment to equity. Goodwill was entirely impaired in the amount of EUR 691 thousand. Pursuant to the adopted strategy of exit from the markets of Albania and Bulgaria, the company Mercator, d.d., recognized in 2012 in the income statement expenses related to the exit from these two markets.

Considering the fact that most Supervisory Board members and Management Board members were replaced in the year 2012, it is proposed pursuant to the provision from Article 294, Paragraph 1, sentence 2 of the Companies Act (ZGD-1) that discharge from liability for Supervisory Board and Management Board members be voted on separately for each member.

At last year's regular Shareholders Assembly on March 30, 2012, Robert Šega, Jadranka Dakić, Miro Medvešek, Stefan Vavti, and Kristjan Verbič were recalled from their positions of Supervisory

Board members, and the following members were appointed to replace them: Matej Lahovnik, Rok Rozman, Marjeta Zevnik, Zdenko Podlesnik, and Boris Galić. Due to statutory decrease in the number of employee representatives in the Supervisory Board, the following representatives were relieved of their duties as Supervisory Board members at the Workers Council of Poslovni sistem Mercator, d.d., on April 6, 2012: Jože Cvetek, Janez Strniša, and Ivica Župetić. The following employee representatives remained in the Supervisory Board: Sandi Leban, Mateja Širec, and Ivan Valand.

Based on their respective statements of resignation, the term of office of the Management Board president Žiga Debeljak and Management Board member Melita Kolbezen was terminated as of May 31, 2012; terms of office of Management Board members Vera Aljančič Falež, Stanka Pejanović (previously Stanka Čurović), and Peter Zavrl were terminated on June 18, 2012. Based on her statement of resignation, term of office of the Management Board member Mateja Jesenek had been terminated sooner, on February 27, 2012. The new company Management Board consists of the Management Board president Anton Balažič and the following members: Drago Kavšek, Igor Maroša, and Stanka Pejanović.

At the Shareholders Assembly, the Management Board president will orally present procedures and activities on verification of business decisions related to acquisitions and major projects of the company between 2007 and 2012, and a potential damage and possible existence of liability for damages of management bodies members in connection with these projects.

3. Appointment of a certified auditing company for the year 2013

RESOLUTION PROPOSAL:

The auditing company DELOITTE REVIZIJA, d.o.o., Dunajska cesta 165, Ljubljana, shall be appointed as the company auditor for 2013.

Explanation summary for the resolution proposal as announced in the Shareholders Assembly documentation:

The resolution proposal is based on the Supervisory Board proposal. Pursuant to Article 281 of the Companies Act (ZGD-1), the Supervisory Board shall propose the candidate for the company auditor.

The auditing company proposed for appointment has relevant auditing experience in the fields of activity of the company, and references both in Slovenia and abroad.

4. Change of company activity

RESOLUTION PROPOSAL:

The wording of Article 11 of the Articles of Association shall be amended so that the company activity is extended with the following two activities:

"19.200 Manufacture of refined petroleum products

68.320 Management of real estate on a fee or contract basis"

The changes to the company Articles of Association shall be effective as of the day they are entered in the Court Register.

Explanation summary for the resolution proposal as announced in the Shareholders Assembly documentation:

In order to rationalize operations, the company Poslovni sistem Mercator, d.d., is planning to merge its subsidiary M - ENERGIJA, d.o.o. In order for the acquiring company to be able to further pursue the activities of the acquired company, especially distribution of liquid fuels at self-service petrol stations in Slovenia, it has to acquire a special licence from the Energy Agency of the Republic of Slovenia. However, the prerequisite for such licence is registration of the company for the activity 19.200 Manufacture of refined petroleum products, for which the company was previously not registered according to the list of activities in the Articles of Association of Poslovni sistem Mercator, d.d. Addition of the activity 68.320 Management of real estate on a fee or contract basis to the Articles of Association is necessary because of real estate monetization as Poslovni sistem Mercator, d.d., as the lessee will become de facto manager of the real estate.

5. Appointment of a Supervisory Board member

RESOLUTION PROPOSAL:

PhD Marko Jaklič, professor at the Faculty of Economics in Ljubljana shall be appointed Supervisory Board member representing the interests of the shareholders, for a term lasting from day of appointment to March 30, 2016.

Explanation summary for the resolution proposal as announced in the Shareholders Assembly documentation:

Pursuant to the company Articles of Association, the Supervisory Board of Poslovni sistem Mercator, d.d., shall have 9 members, of which 3 members are employee representatives. At last year's Shareholders Assembly on March 30, 2012, all Supervisory Board members representing the interests of the shareholders to that day were recalled. Six new members were appointed; however, Mirjam Hočevar stepped down as a Supervisory Board member immediately after the assembly, on April 4, 2012. Therefore, appointment of the missing Supervisory Board member is proposed. Marko Jaklič, PhD, employed as professor at the Faculty of Economics in Ljubljana since 1988, is the proposed candidate. The proposed candidate was the vice-dean at the Faculty of Economics in Ljubljana for 6 years. For 3 years, he was in charge of the Laboratory for Open Information Systems, and he headed many major international and local research and consulting projects. He was a Supervisory Board member at the SID Bank and the Supervisory Board chairman at HIT and Elan. He is currently the Supervisory Board chairman at TST Gostol, d.d. He is also a member of the examination committee for awarding the supervisory board member certificate with the Slovenian Directors Association, and occasional lecturer for this organization.

6. Information about the report on the findings of the special auditor's review of the company's particular transactions regarding the takeover intent and takeover bid for the purchase of all shares of the company Pivovarna Laško, d.d.

Pursuant to the provision of the Article 318, Paragraph 1, of the Companies Act (ZGD-1), the shareholder UniCredit Banka Slovenija, d.d., requested last year the convocation of an extraordinary Shareholders Assembly in order to decide on a special audit of the management of company affairs and transactions regarding the takeover intent and the takeover bid for the shares of the issuer PIVOVARNA LAŠKO, d.d., with the symbols PILR in PILH, because they believed that circumstances exist from which it can be deduced or otherwise concluded that the announcement of the takeover intent and the takeover bid could involve actions that represent a failure to act with the diligence of a good manager; which could be detrimental to the company; and which could expose the company to excessive risk. Upon a proposal by the Management

Board of the company Mercator, d.d., at the time, the shareholder UniCredit Banka Slovenija, d.d., agreed that decision on this matter not be made in an extraordinary Shareholders Assembly, but rather at the 18th regular Shareholders Assembly which took place on March 30, 2012. Thus, a special auditor was appointed at last year's regular Shareholders Assembly in order to conduct this audit, although it was known at the time that a takeover bid was not made. Special auditor ERNST & YOUNG, Revizija, poslovno svetovanje, d.o.o., prepared pursuant to the provision of Article 320 of the Companies Act (ZGD-1) a special written report on the findings of the special audit in which the auditor stated their views on all transaction referred to in the Shareholders Assembly resolution, and which will also be presented to the Shareholders Assembly.

Resolutions to the agenda items 2 and 4 are proposed by the Management Board and the Supervisory Board; the resolution to the agenda item 1 is proposed by the Management Board; and the resolutions to agenda items 3 and 5 are proposed by the Supervisory Board.

II. INFORMATION FOR THE SHAREHOLDERS

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

Materials, or documentation, for the Shareholders Assembly, including resolution proposals and full explanations thereto, Annual Report complete with Supervisory Board Report and the statement of corporate governance, and other documents specified in Article 297.a, 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 workday 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.mercator.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 3 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.

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 Management or Supervisory Board 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.

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 entity, 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 June 14, 2013, and who are registered as

shareholders in the central register of dematerialized securities as at COB (close of business) of June 14, 2013. 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 at Dunajska cesta 107, Ljubljana (ground floor), each workday 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 must be submitted to the company in writing. The power of attorney/authorization shall remain in custody 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, 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 entity, 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

Supervisory Board Chairman
PhD Matej Lahovnik