



NOTARY PUBLIC NADA KUMAR

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NOTARIAL RECORD OF PROCEEDINGS

compiled by the undersigned Notary Public Nada Kumar on this June 15 (June fifteen), 2017 (two thousand and seventeen) at the 24th (twenty-fourth) regular Shareholders Assembly of the company

POSLOVNI SISTEM MERCATOR d.d.

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

held at 3.30 (three hours thirty minutes) p.m. 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 . Tomislav Čizmić, President of the Management Board; Igor Mamuza, Management Board member; Draga Cukjati, Management Board member; Gregor Planteu, Management Board member
- 3 . Undersigned Notary Public

Agenda:

1. (one) Opening of the Shareholders Assembly and election of the Assembly Chairperson

2. (two) Presentation of Annual Report and the Supervisory Board's Report on the results of Annual Report review and audit for the 2016 (two thousand sixteen) fiscal year; 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 company Supervisory Board and Management Board.

3 (three). Appointment of a certified auditing company for the year 2017 (two thousand seventeen)

4 (four). Information about the resignation of Supervisory Board members

5 (five). Appointment of new Supervisory Board members

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

The session was opened by the President of the Management Board Tomislav Čizmić who greeted everyone present.

The President of the Management Board explained that the session was also attended by the invited Notary Public Nada Kumar from Ljubljana.

The company Ixtlan Consulting d.o.o. provided technical instructions for voting at the Shareholders Assembly.

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

RESOLUTION No. 1 (one):

Pavle Pensa, attorney at law from Ljubljana, shall be appointed Chairman of the Shareholders Assembly.

After the public vote, the President of the Management Board found the following:

- votes representing 4,608,731 (four million six hundred eight thousand seven hundred thirty-one) shares were validly cast, representing 75.665 (seventy-five point six six five) percent of the company share capital;
- 4,608,731 (four million six hundred eight thousand seven hundred thirty-one) votes were validly cast, of which 4,608,731 (four million six hundred eight thousand seven hundred thirty-one), or 100 (one hundred) percent of the votes cast, voted in favour (FOR), 0 (zero) votes were AGAINST, and 0 (zero) votes ABSTAINED from voting.

The Management Board President found that the resolution was adopted and he declared it.

The session continued, presided by the Shareholders Assembly chairman Pavle Pensa, attorney at law.

Shareholders Assembly chairman announced that the Assembly convocation was published, complete with the agenda, on May 12, 2017 (twelfth of May, two thousand seventeen) in the Delo daily paper, on the company website, and on the SeoNet website of the Ljubljana Stock Exchange. Proof of convocation is enclosed with this Notarial Record of Proceedings as an Appendix.

The Shareholders Assembly chairman found there were a total of 6,090,943 (six million ninety thousand nine hundred forty-three) company shares; that there were 6,048,751 (six million forty-eight thousand seven hundred fifty-one) bearing voting right for the Shareholders Assembly taking place on that day; and that there were 4,608,731 (four million six hundred eight thousand seven hundred thirty-one) shares bearing voting right present at the Shareholders Assembly, accounting for 76.19% (seventy-six point one nine percent) of all shares bearing voting right or votes, and that there was quorum at the Assembly and the Shareholders Assembly could therefore deliberate and make decisions with respect to all agenda items.

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.

Ad 2 (two): Presentation of Annual Report and the Supervisory Board's Report on the results of Annual Report review and audit for the 2016 (two thousand sixteen) fiscal year; 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 company Supervisory Board and Management Board.

- A) **Granting discharge from liability to the company Supervisory Board for the fiscal year 2016 (two thousand and sixteen)**
- B) **Granting discharge from liability to the company Management Board for the fiscal year 2016 (two thousand and sixteen)**

In this agenda item, Management Board President Tomislav Čizmić presented the Annual Report and company performance and operations in the previous fiscal year.

Then, the Deputy Supervisory Board Chairman Matej Lahovnik presented the report on Supervisory Board's work in the preceding business year.

The Shareholders Assembly Chairman then explained that the compensation paid to members of managerial and supervisory bodies in the 2016 (two thousand sixteen) fiscal year were disclosed in the Annual Report on pages 176 (one hundred and seventy-six) to 179 (one hundred seventy-nine), and opened the discussion.

Several shareholders or their proxies took part in the discussion, raising certain questions and commenting on the Management Board's and Supervisory Board's report. Management Board President and the Deputy Supervisory Board Chairman replied to the questions.

The Shareholders Assembly chairman then found that the quorum changed during the discussion; thereafter, 4,608,743 (four million six hundred eight thousand seven hundred forty-three) shares bearing voting right or votes, accounting for 76.19% (seventy-six point one nine percent) of all shares bearing voting right were present at the Shareholders Assembly. Quorum was met at the Shareholders Assembly.

The Shareholders Assembly Chairman invited the shareholders or their proxies to vote on the following proposal:

RESOLUTION No. 2 (two) A:

The Shareholders Assembly grants discharge from liability to the company Supervisory Board for the fiscal year 2016 (two thousand and sixteen).

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

- votes representing 4,240,841 (four million two hundred forty thousand eight hundred forty-one) shares were validly cast, accounting for 69.625% (sixty-nine point six two five percent) of the company share capital;
- 4,240,841 (four million two hundred forty thousand eight hundred forty-one) votes were validly cast, of which 4,240,193 (four million two hundred forty thousand one hundred ninety-three) votes, or 99.985% (ninety-nine point nine eight five percent) of the votes were in favour (FOR), 648 (six hundred forty-eight) votes, or 0.015% (zero point zero one five percent), of the votes cast were AGAINST, and 367,902 (three hundred sixty-seven thousand nine hundred two) votes ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

The Shareholders Assembly Chairman invited the shareholders or their proxies to vote on the following proposal:

RESOLUTION No. 2 (two) B:

The Shareholders Assembly grants discharge from liability to the company Management Board for the fiscal year 2016 (two thousand and sixteen).

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

- votes representing 4,608,700 (four million six hundred eight thousand seven hundred) shares were validly cast, accounting for 75.665% (seventy-five point six six five percent) of the company share capital;
- 4,608,700 (four million six hundred eight thousand seven hundred) votes were validly cast, of which 4,608,103 (four million six hundred eight thousand one hundred three) votes, or 99.987% (ninety-nine point nine eight seven percent) of the votes were in favour (FOR), 597 (five hundred ninety-seven) votes, or 0.013% (zero point zero one three percent), of the votes cast were AGAINST, and 43 (forty-three) votes ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

Ad 3 (three): Appointment of a certified auditing company for the year 2017 (two thousand seventeen)

The Shareholders Assembly chairman then invited the shareholders to vote on the proposal by the company Supervisory Board, as follows:

RESOLUTION No. 3 (three):

The auditing company DELOITTE REVIZIJA d.o.o., Dunajska cesta 165 (one hundred sixty-five), Ljubljana, shall be appointed as the company auditor for the year 2017 (two thousand seventeen).

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

- votes representing 4,608,742 (four million six hundred eight thousand seven hundred forty-two) shares were validly cast, accounting for 75.665% (seventy-five point six six five percent) of the company share capital;
- 4,608,742 (four million six hundred eight thousand seven hundred forty-two) votes were validly cast, of which 4,608,742 (four million six hundred eight thousand seven hundred forty-two), or 100 (one hundred) percent of the votes cast, voted in favour (FOR), 0 (zero) votes were AGAINST, and 1 (one) votes ABSTAINED from voting.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

Ad 4 (four): Information about the resignation of Supervisory Board members

The Shareholders Assembly chairman first read the Supervisory Board's resolution proposal, and then explained that the company received for this agenda item a counterproposal from the shareholder AGROKOR d.d. due to the resignation of another Supervisory Board member, as follows:

"The Shareholders Assembly is informed about the following resignations:

- *on April 25, 2017 (twenty-fifth of April, two thousand seventeen), Mr Ante Todorčić resigned as the Supervisory Board Chairman and Supervisory Board member representing shareholder interests, effective as of April 25, 2017 (twenty-fifth of April, two thousand seventeen);*

- on April 25, 2017 (twenty-fifth of April, two thousand seventeen), Mr Ivan Crnjac resigned as the Supervisory Board member representing shareholder interests, effective as of April 25, 2017 (twenty-fifth of April, two thousand seventeen);
- on June 1, 2017 (first of June, two thousand seventeen), Mr Darko Knez resigned as the Supervisory Board member representing shareholder interests, effective as of June 1, 2017 (first of June, two thousand seventeen)."

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

RESOLUTION:

The Shareholders Assembly is informed about the following resignations:

- on April 25, 2017 (twenty-fifth of April, two thousand seventeen), Mr Ante Todorčić resigned as the Supervisory Board Chairman and Supervisory Board member representing shareholder interests, effective as of April 25, 2017 (twenty-fifth of April, two thousand seventeen);
- on April 25, 2017 (twenty-fifth of April, two thousand seventeen), Mr Ivan Crnjac resigned as the Supervisory Board member representing shareholder interests, effective as of April 25, 2017 (twenty-fifth of April, two thousand seventeen);
- on June 1, 2017 (first of June, two thousand seventeen), Mr Darko Knez resigned as the Supervisory Board member representing shareholder interests, effective as of June 1, 2017 (first of June, two thousand seventeen).

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

- votes representing 4,608,651 (four million six hundred eight thousand six hundred fifty-one) shares were validly cast, accounting for 75.6640% (seventy-five point six six four zero percent) of the company share capital;
- 4,608,651 (four million six hundred eight thousand six hundred fifty-one) votes were validly cast, of which 4,608,639 (four million six hundred eight thousand six hundred thirty-nine) votes, or 99.9997% (ninety-nine point nine nine nine seven percent) of the votes were in favour (FOR), 12 (twelve) votes, or 0.0003% (zero point zero zero zero three percent), of the votes cast were AGAINST, and 92 (ninety-two) votes ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

Ad 5 (five): Appointment of new Supervisory Board members

The Shareholders Assembly explained that the company received for this agenda item a counterproposal to the Supervisory Board proposal from the shareholder AGROKOR d.d. due to the resignation of another Supervisory Board member, as follows:

"A new resolution proposal shall be added after the resolution proposals under items A) and B), as follows:

C) Appointment of a new Supervisory Board member

The Shareholders Assembly appoints Teo Vujčić as Supervisory Board member representing the interests of shareholders, for a 4- (four-) year term of office commencing on the day of appointment by the Shareholders Assembly."

The Deputy Supervisory Board Chairman Matej Lahovnik presents the proposed candidates Ante Ramljak and Vladimir Bošnjak.

Proxy for the shareholder AGROKOR d.d., attorney at law Gregor Pajek, presents the proposed candidate for Supervisory Board member Teo Vujčić.

The Shareholders Assembly chairman then invited the shareholders to vote on the proposal by the company Supervisory Board, as follows:

RESOLUTION No. 5 (five) A), Appointment of a new Supervisory Board member:

The Shareholders Assembly appoints Ante Ramljak as Supervisory Board member representing the interests of shareholders, for a 4- (four-) year term of office commencing on the day of appointment by the Shareholders Assembly.

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

- votes representing 4,608,742 (four million six hundred eight thousand seven hundred forty-two) shares were validly cast, accounting for 75.665% (seventy-five point six six five percent) of the company share capital;
- 4,608,742 (four million six hundred eight thousand seven hundred forty-two) votes were validly cast, of which 4,608,664 (four million six hundred eight thousand six hundred sixty-four) votes, or 99.998% (ninety-nine point nine nine eight percent) of the votes were in favour (FOR), 78 (seventy-eight) votes, or 0.002% (zero point zero zero two percent), of the votes cast were AGAINST, and 1 (one) vote ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

The Shareholders Assembly chairman then invited the shareholders to vote on the proposal by the company Supervisory Board, as follows:

RESOLUTION No. 5 (five) B), Appointment of a new Supervisory Board member:

The Shareholders Assembly appoints Vladimir Bošnjak as Supervisory Board member representing the interests of shareholders, for a 4- (four-) year term of office commencing on the day of appointment by the Shareholders Assembly.

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

- votes representing 4,608,743 (four million six hundred eight thousand seven hundred forty-three) shares were validly cast, accounting for 75.666% (seventy-five point six six six percent) of the company share capital;
- 4,608,743 (four million six hundred eight thousand seven hundred forty-three) votes were validly cast, of which 4,608,599 (four million six hundred eight thousand five hundred ninety-nine) votes, or 99.997% (ninety-nine point nine nine seven percent) of the votes were in favour (FOR), 144 (one hundred forty-four) votes, or 0.003% (zero point zero zero three percent), of the votes cast were AGAINST, and 0 (zero) votes ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

The Shareholders Assembly chairman then invited the shareholders to vote on the counterproposal by the shareholder AGROKOR d.d. as follows:

RESOLUTIONS:

5 (five) C) Appointment of new Supervisory Board member

The Shareholders Assembly appoints Teo Vujčić as Supervisory Board member representing the interests of shareholders, for a 4- (four-) year term of office commencing on the day of appointment by the Shareholders Assembly."

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

- votes representing 4,607,053 (four million six hundred seven thousand fifty-three) shares were validly cast, accounting for 75.638% (seventy-five point six three eight percent) of the company share capital;
- 4,607,053 (four million six hundred seven thousand fifty-three) votes were validly cast, of which 4,607,041 (four million six hundred seven thousand forty-one) votes, or 99.9997% (ninety-nine point nine nine nine seven percent) of the votes were in favour (FOR), 12 (twelve) votes, or 0.0003% (zero point zero zero zero three percent), of the votes cast were AGAINST, and 1,690 (one thousand six hundred ninety) votes ABSTAINED.

The Shareholders Assembly Chairman found that the resolution was adopted and he declared it.

The session was completed at 4.35 PM (four hours and thirty-five minutes in the afternoon).

Thereafter, these minutes were compiled.

I, 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 Pavle Pensa, attorney at law, personally known to the Notary Public, signed after having read and approved it.

Appendices:

- 2 (two) copies of list of present shareholders or their proxies, complete with specification of quorum;
- Management Board resolution on Shareholders Assembly convocation;
- announcement of the convocation;
- two counterproposals by the shareholder Agrokor d.d.;
- voting results for individual resolutions.

Ljubljana, June 15, 2017 (fifteenth of June, two thousand seventeen)

Signature of the Shareholders Assembly Chairman: Signature and seal of the notary public:
Pavle Pensa, attorney at law