

POSLOVNI SISTEM MERCATOR d.d.
(Office of the legal affairs secretary)
Dunajska cesta 107
1000 Ljubljana

Ljubljana, November 12, 2021

SUBJECT: Counterproposal by the shareholder VZMD to the resolution proposal for agenda item 2 of the recently convened 30th extraordinary general meeting of shareholders (Shareholders Assembly) of the company POSLOVNI SISTEM MERCATOR d.d.

VZMD, a shareholder of the company Poslovni sistem Mercator d.d. (hereinafter referred to as the Shareholder – Proposing Party), hereby submits, pursuant to the provisions of Article 300 of the Companies Act (ZGD-1), a counterproposal to the resolution proposal for agenda item 2 of the 30th extraordinary general meeting of shareholders (Shareholders Assembly) of the company Poslovni sistem Mercator d.d., convened to take place on Wednesday, December 6, 2021, at 3.30 p.m., at the company headquarters.

At the Assembly, The Shareholder – Proposing Party shall object to the original proposal by the majority shareholder, and shall seek to convince other shareholders to vote for the Shareholder's – Proposing Party's proposal. The Shareholder – Proposing Party expects that their proposal will be publicly released and communicated in the manner set forth in the Article 296 of the Companies Act (ZGD-1).

COUNTERPROPOSAL

to resolution proposal for agenda item 2: Squeeze-out of minority shareholders

2. Squeeze-out of minority shareholders:

"2.1 The Shareholders Assembly shall peruse the Report on Requirements for Transfer of Shares and Appropriateness of the Amount of Cash Consideration for Minority Shareholders, prepared by the majority shareholder, i.e., the company FORTENOVA GRUPA d.d., Marijana Čavića 1, 10000 Zagreb, Republic of Croatia ("Majority Shareholder"), and the Report on Appropriateness of Cash Consideration, prepared by the auditor PIT Leitner d.o.o.

2.2 The Shareholders Assembly shall be informed that the Majority Shareholder of the company POSLOVNI SISTEM MERCATOR d.d., Dunajska cesta 107, 1000 Ljubljana ("the Company"), holds 5,594,167 shares of the Company with symbol MELR, which corresponds to 90.005% (rounded to three decimal places) share in the share capital of the Company, taking into account the 42,192 treasury shares held by the Company, pursuant to Article 384, Paragraph 2, in relation to Article 528, Paragraph 2 of the Companies Act (ZGD-1).

2.3 All Company shares that are not treasury shares or shares held by the Majority Shareholder, i.e., 621,261 MELR shares held by minority shareholders of the Company on the day of entry of this resolution into the Court Register ("Minority Shareholders"), shall be transferred to the Majority Shareholder in exchange for consideration in the amount of EUR 145.25 per one MELR share ("Cash Consideration") on the day when this resolution is entered into the Court Register.

2.4 Pursuant to Article 23 of the Book-Entry Securities Act (ZNVP-1), the Majority Shareholder shall transfer the Cash Consideration to KDD d.o.o. for the following account:

- if the Company shares held by Minority Shareholders are free of any encumbrances, to the account of Minority Shareholders, or,
- if Company shares held by Minority Shareholders are encumbered with a pledge, to the account of the pledgee and/or pledgees to the benefit of whom the pledge is entered in the central register of book-entry securities operated by KDD d.o.o., on the share or shares held by a Minority Shareholder or Minority Shareholders on the day of entry of the resolution on the transfer of shares to the Majority Shareholder into the Court Register.

2.5 The Majority Shareholder shall, immediately after the entry of this resolution into the Court Register, pay the Cash Consideration to the Minority Shareholders. ERSTE&STEIERMÄRKISCHE BANK d. d., Jadranski trg 3a, Rijeka, Croatia, shall be jointly and severally liable for the payment of the Cash Consideration pursuant to Paragraph 2 of the Article 385 of the Companies Act (ZGD-1)."

Explanation:

The Pan-Slovenian Shareholders Association (Vseslovensko združenje malih delničarjev – VZMD) fundamentally opposes the squeeze-out of minority shareholders from the company, especially considering the **inadequate cash consideration proposed by the majority shareholder, the company FORTENOVA GRUPA d.d.**, with regard to which we have received since the Shareholders Assembly convocation numerous calls from shareholders who absolutely disagree with such amount of cash consideration.

Moreover, the proposed squeeze-out of minority shareholders has, sadly, confirmed the VZMD's publicly disclosed **concern, anticipation, and warning that the only purpose of the capital increase, adopted at the most recent Shareholders Assembly, in the amount of no more than EUR 5.9 million, was for the majority shareholder to exceed the 90% ownership threshold and thus enable the subsequent minority shareholder squeeze-out.** With the exclusion of the right of the remaining shareholders to participation in the capital increase, the majority shareholder exceeded the said 90-percent threshold with a surgical precision of no more than 0.005 percent! **VZMD is currently challenging this capital increase (!)**, which is why – such is the belief of the experts working with the VZMD – it should not be taken into account neither in determining the mandatory prerequisites for the minority shareholder squeeze-out, nor in the calculation of an appropriate cash consideration.

A Presentation of Estimated Values of Individual Companies held by Agrokor in June 2018 (<https://nagodba.agrokor.hr/storage/2018/06/Agrokor-Presentation-on-Final-Enterprise-Value-Estimates-1.pdf>) is available on AGROKOR's WEBSITE (<https://nagodba.agrokor.hr/en/presentation-final-enterprise-value-estimates/>) in which the value of POSLOVNI SISTEM MERCATOR is estimated to be in the range from EUR 623 million to EUR 1,315 million, with mean value of **EUR 878.6 million.** Taking into account the mean value as estimated by AGROKOR, and disregarding the recent disputed capital increase and the number of treasury shares (which do not bear a right to a cash consideration in case of a squeeze-out), the **cash consideration for the squeezed-out minority shareholders should be EUR 145.25 per share**, which is also proposed by the VZMD with this counterproposal.

Yours sincerely,

Kristjan Verbič
VZMD chairman