Convenience Translation

The Croatian version of the Settlement Plan prevails

Settlement Plan

in the Extraordinary Administration Proceedings over

Agrokor d.d. et al.

Commercial Court of Zagreb

File No. 47.St-1138/17

submitted by the Extraordinary Administrator
on [●] 2018

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Preface

The Settlement Plan consists of two parts: A descriptive part (Part I) explaining the goals and mechanics of the settlement and containing information for the creditors, and a constructive part (Part II) regulating the modification of rights through the settlement (Art. 9 EA Act, Art. 305 Bankruptcy Act). An overview of definitions is listed in Annex 1 (Definitions).

Part I: Descriptive Part (*Pripremna osnova*)

1 INTRODUCTION

On 7th April 2017, Agrokor d.d. (the "**Debtor**") filed a petition to commence extraordinary administration proceedings under the Law on Extraordinary Administration Proceeding in Companies of Systemic Importance for the Republic of Croatia (the "**EA Act**"[1]) at the Commercial Court of Zagreb ("**Court**"). On 10th April 2017 and under file no. 47.St-1138/17 and by further supplementary decisions issued on 21st April, 5th July and 13th July 2017, the Court opened extraordinary administration proceedings (the "**EA Proceedings**" / "**Extraordinary Administration**") over the Debtor and most of its direct and indirect Croatian subsidiaries and affiliates (the "**Croatian EA Subsidiaries**" as listed in Annex 2 (*Agrokor Group Entities*); and together with the Debtor, the "**EA Group**"; each member of the EA Group, an "**EA Entity**").

In the opening decision dated 10th April 2017, the Court appointed Ante Ramljak as extraordinary administrator who was replaced by Fabris Peruško as extraordinary administrator on 28th February 2018 (the person acting as extraordinary administrator the "**Extraordinary Administrator**") and Irena Weber as deputy of the Extraordinary Administrator.

The Extraordinary Administrator proposes this settlement plan ("**Settlement Plan**") pursuant to Art. 43 EA Act. The Creditors' Council (as defined below) participated in the preparation of the Settlement Plan and approved that the Settlement Plan be put to a vote of the Creditors (as defined below) in a meeting of the Creditor's Council (as defined below) held on 19th June 2018.

The Settlement Plan is submitted (the date of submission being the "**Submission Date**") to the Court with the purpose of being presented for the approval to the creditors by voting and subsequent confirmation of the Court.

Only the Constructive Part of this Settlement Plan constitutes formal positions according to Art. 8 in connection with Art. 43 para. 21 EA Act.

The Descriptive Part specifies measures which were taken or are required to be taken in order to create a foundation for the planned satisfaction of rights of participating parties and contains further information presented by the Debtor on the basis and effects of the Settlement Plan important for the creditors' decision concerning the Settlement Plan and its confirmation by the Court. The ICC has reviewed the factual and financial information provided in the Settlement

[1] Please note that any references to the EA Act are for the ease of reading of this Settlement Plan only and do not constitute legal advice; the English translation of the laws cannot be relied on; creditors are recommended to obtain appropriate legal advice.

Plan (including Annexes) as presented by the Debtor without making its own independent verification thereof.

2 SCOPE, OBJECTIVE AND STATUTORY BASIS OF THE SETTLEMENT PLAN

The Extraordinary Administration is conducted over the estates of the Debtor and the Croatian EA Subsidiaries by means of procedural, but not substantive, consolidation. Therefore, the Settlement Plan entirely regulates the relations of all EA Entities and their creditors, whereas the recovery of each creditor is determined on a claim-by-claim and entity-by-entity basis. Recovery was determined on the basis of an entity and claim priority concept ("**Entity Priority Concept**"), allocating an individual portion of the total group value to each eligible claim (see Cl. 7 below). For the purpose of determination of recovery allocations, claims have been classified in a priority waterfall and have thereby been allocated distributable value.

2.1 The Scope and Objective of the Settlement Plan

The scope and objective of the Settlement Plan is to maximise returns for creditors by continuing the operational businesses of the EA Group as opposed to a liquidation and winding-up of the operations. The Settlement Plan provides for the settlement of registered claims and the restructuring of the EA Group. The creditors will not be placed, without their consent, in a worse situation than in case of the liquidation of the assets in a standard bankruptcy process, as shown in the Liquidation Analysis (as defined below) under Cl. 9 below.

A new group structure intended to receive all business operations of the EA Group will be set up to continue the operating business free of pre-petition liabilities. The New Group (as defined below) will not be controlled by existing shareholders of the Debtor. Ultimate economic owners of the New Group will be impaired pre-petition creditors of the EA Group as new equity and new debt holders while unimpaired claims will be carried over to respective companies of the New Group, each as set forth in more detail in the Settlement Plan.

The Settlement Plan is designed so that after its implementation, the New Group will have a sustainable level of debt and the capacity to fulfill, on the basis of a lasting strengthened equity capital basis, its liabilities from a long-term perspective.

2.2 Statutory Basis for the Settlement Plan

The Settlement Plan is proposed under the EA Act, which is designed as an expedient and effective preventive restructuring procedure for companies of systemic importance for the Republic of Croatia, in order to secure liquidity, sustainability and stability of business, as provided under Art. 1 to 3 EA Act.

Under Art. 43 para. 1 EA Act, the extraordinary administrator with approval of the creditors' council may propose a settlement plan for satisfaction of the creditors if the determination of relations of the creditors and the debtor by a settlement plan is reasonable taking into account all circumstances of the individual case.

Measures under a settlement plan pursuant to Art. 43 para. 5 EA Act may, *inter alia*, include:

– transfer a part of or all assets of the debtor to one or more already existing entities or entities to be constituted, with exclusion of application of (i) the general rule of adherence to debt in the case of takeover of a property unit from the law governing contractual relations and

(ii) the duty to give a statement on non-existence of debts from the law governing the procedure in the court register;

– leave to the debtor all assets or part of his assets for the purpose of continuation of debtor's operations;

– sell all assets or part of assets of the debtor, distribute all assets or part of assets of the debtor among the creditors; and

– convert the debtor's obligations into debt or equity of the debtor or some of his controlled or affiliated companies, including into equity of newly founded companies.

3 KEY GROUP INFORMATION

3.1 Specification of the EA Group

The EA Group is specified as follows:

3.1.1 Commercial Register Data, Place of Incorporation and Share Capital of the Debtor

The Debtor is a joint stock company under the laws of the Republic of Croatia with a registered office in Zagreb, OIB 05937759187. Its registered share capital amounts to HRK 180.1 million, divided into 360,246 regular registered shares, designated AGKR-R-A, each having a nominal value of HRK 500.00 per share.

3.1.2 Corporate Structure (incl. wider group)

The ultimate majority shareholder of the Debtor is Ivica Todorić, who directly holds 0.76% and indirectly 95.52% in the Debtor through a Croatian and Dutch holding structure comprising of Agrokor Projekti d.o.o, Adria Group B.V. and Adria Group Holding B.V. The European Bank for Reconstruction and Development ("**EBRD**"), as minority shareholder, holds 2.07%. The Debtor itself holds 1.64% in treasury shares. The Debtor is the parent company of more than 155 direct and indirect subsidiaries, including not fully owned subsidiaries (the "**Agrokor Group**"). A chart showing the current corporate structure is in Annex 3 (*Agrokor Group Corporate Structure*). A list of all members of Agrokor Group and entities in which members of the Agrokor Group hold minority shareholdings, indicating the respective holdings, is in Annex 2 (*Agrokor Group Entities*).

3.1.3 Governance of the EA Group

3.1.3.1 Debtor

With effect from the opening of the EA Proceedings, the governance of the EA Group is determined by the EA Act with main functions transferred to the Extraordinary Administrator (see Cl. 4.1.2 below).

Prior to the opening of Extraordinary Administration, the Debtor had a supervisory board and a management board in accordance with its articles of association and pursuant to the Croatian Companies Act. The management board was responsible for managing the business in accordance with applicable laws and the articles of association of the Debtor. The principal function of the supervisory board was to supervise the management board.

At the time the Debtor submitted the application for Extraordinary Administration, members of the management board were: Ivica Todorić, president; Ante Todorić, deputy president; Ivan Crnjac, executive vice president for finance, strategy and capital markets; Mislav Galić, executive vice president for the food business group; Hrvoje Balent, executive vice president for central purchasing and services; and Ivica Sertić, executive vice president for markets, sales and logistics.

Members of the supervisory board were: Ivan Todorić, chairman; Ljerka Puljić, deputy chairman; Damir Kuštrak, member; Tomislav Lučić, member; and Tatjana Rukavina, member.

All members of the boards were released from their duties on 10th April 2017 and have left the group, except Mislav Galić from Jamnica d.d.

After opening of the EA Proceedings, it was found that historically the Debtor did not hold board meetings and that there was no formal procedure for decision making within the scope of the rules of the operation of the management board of the Debtor.

It was also established that the Debtor lacked an adequate system of financial reporting and controlling for a group of its size, which is normally organised such that the management of the Debtor receives monthly overviews of the consolidated financial and working positions of the group.

Reporting at the level of the entire group was inadequate. A consolidated overview was prepared only at quarterly intervals due to the shortcomings of the existing group information systems (*e.g.* there was no automated system of reporting and the collation of group company information demanded significant manual intervention). At the commencement of the Extraordinary Administration, the Debtor did not have an up-to-date consolidated business plan for 2017. Operating companies had an established plan for that year on an entity-by-entity basis only.

There are currently criminal proceedings pending against Ivica Todorić and other former board members as well as the former auditors of the Agrokor Group. The charges include criminal offences against the economy prescribed in Art. 246 para. 1 and para. 2 (abuse of trust in business operations) and Art. 248 (violation of the duty to keep business books) of the Criminal Act. The investigation order has become final during November 2017, and the investigation is underway. The Debtor has also filed a damage claim in the amount of HRK 1.6 billion (approx. EUR 215 million) against Ivica Todorić and other former board members. The State Attorney Office is currently conducting an investigation including questioning witnesses and conducting an extensive forensic accounting analysis with respect to the group's financial statements. Also, in order to secure the damages claim filed by the Debtor, interim injunctions have been instituted over all of the assets and ownership rights of Ivica Todorić, Tomislav Lučić, Ljerka Puljić, Damir Kuštrak and Olivio Discordia, prohibiting them from disposing and/or pledging their assets. Further criminal investigations may be underway, which means other criminal proceedings may ensue depending on the findings of the aforementioned investigations.

3.1.3.2 Croatian EA Subsidiaries

The governance structure of the Croatian EA Subsidiaries is as follows:

– Joint stock companies: each joint stock company has a two-tier board structure, consisting of a management and a supervisory board. Joint stock EA Entities are Agrolaguna d.d.,

Atlas d.d., Belje d.d., Hoteli Koločep d.d., Hoteli Živogošće d.d., Jamnica d.d., Konzum d.d., Ledo d.d., Mladina d.d., Pik Vrbovec d.d., Pik-Vinkovci d.d., Rivijera d.d., Solana Pag d.d., Tisak d.d., Vinka d.d., Vukovarski Poljoprivredno Industrijski Kombinat d.d., Zvijezda d.d., Žitnjak d.d.;

– Limited liability companies: most limited liability companies have a single-tier board structure with the management board only, while the shareholders have some supervisory powers. These are 360 Marketing d.o.o., A.N.P. energija d.o.o., A007 d.o.o., Adria retail d.o.o., Adriasense d.o.o., Agrokor - Trgovina d.o.o., Agrokor - Energija d.o.o., Aliquantum ulaganja d.o.o., Aureum Stella d.o.o., Backstage d.o.o., Belje abc d.o.o., Belje Agro-Vet d.o.o., Bio zone d.o.o., Dalmarina d.o.o., Db Kantun Veleprodaja d.o.o., Eko Biograd d.o.o., Energija Gradec d.o.o., Euroviba d.o.o., Felix d.o.o., go.adriatica d.o.o., Gulliver travel d.o.o., Hotel Forum d.o.o., Hu-po d.o.o., Industrija mesa d.o.o., Irida d.o.o., Jolly projekti jedan d.o.o., Karisma Hotels Adriatic d.o.o., Kha četiri d.o.o., Kha pet d.o.o., Kha tri d.o.o., Kompas d.o.o., Konsolidator d.o.o., Kor - Broker d.o.o., Krka d.o.o., Lovno gospodarstvo Moslavina d.o.o., Latere Terram d.o.o., Mliječno govedarstvo Klisa d.o.o., Mondo-tera d.o.o., mStart d.o.o., Pet-prom ulaganja d.o.o., Photo boutique d.o.o., Plodovi Podravine d.o.o., Poliklinika Aviva, Poljoprivreda j.d.o.o., Roto ulaganja d.o.o., SK -735 d.o.o., Sojara d.o.o., Terra Argenta d.o.o., Tisak InPost d.o.o., Tisak-usluge d.o.o., Vinarija Novigrad d.o.o., Vjesnik-usluge d.o.o.;

– Limited liability companies: certain limited liability companies have a two-tier board structure, consisting of a management board and a supervisory board, whereas the shareholders have some supervisory powers as well. These are Adriatica.net d.o.o., Multiplus card d.o.o., Projektgradnja d.o.o., Roto dinamic d.o.o., Velpro centar d.o.o., Zagreb plakat d.o.o.

3.1.4 Labor Law Relations

The Agrokor Group employs c. 53,000 people as at the Submission Date. The EA Group employs c. 25,000 people as at the Submission Date. Where applicable and set out under the Constructive Part of this Settlement Plan, the employees' employment contracts transfer with the transfer of the business units with the employees, preserving all rights acquired until the day of transfer (for the avoidance of doubt, including, but not limited to, all rights with respect to severance payments accrued at Agrokor Group companies), in accordance to the mandatory Labor Law provisions. Existing collective bargaining agreements remain in effect until new collective bargaining agreements are concluded but will apply for no more than one year from the day of transfer of business units.

3.2 Agrokor Group History prior to Extraordinary Administration

The Debtor's predecessor was founded by Ivica Todorić in 1976, although many of the businesses the group has acquired since then have been operating for considerably longer. The group's original business involved the cultivation and trading of flowers and flower seedlings. By the mid-1980s, the group had become the market leader in the production and import of flowers within the former Yugoslavia and had developed its own distribution network. In 1989, the Debtor was incorporated as a joint stock company, by which time it had expanded into agricultural import-export trading opportunities.

The group has experienced significant growth both organically and by acquiring and integrating new small to medium-sized companies into its operations and turning around underperforming businesses. An overview of the key acquisitions is set out below.

With the introduction of privatisation in the Republic of Croatia and elsewhere in the former Yugoslavia, the group was able to acquire majority shareholdings in a number of well-established companies with leading market positions. In 1992, the Debtor acquired Jamnica d.d. (a producer of water and beverages) and in 1993, Zvijezda d.d. (a producer of edible oils, margarine and mayonnaise) and Konzum d.d (a food retail and wholesale chain). In 1994, the Debtor acquired Ledo d.d. (a producer of ice cream and frozen food). The period from 1995 to 2000 was dedicated to integrating previously acquired companies, while making significant investments in new technologies, development of new products, distribution networks, marketing, and employee education and training.

In 2000, the group expanded internationally with the acquisition of Ledo d.o.o. Citluk and Sarajevski kiseljak d.d., producers of ice cream and frozen food and water and beverages in Bosnia-Herzegovina. In 2003, the group entered the Serbian market by acquiring a majority stake in the ice cream and frozen food producer Frikom d.o.o. Beograd. In 2004, the group acquired water producer Fonyodi kft. and ice cream producer Baldauf (now Ledo kft.) in Hungary.

In 2005, the Debtor acquired the leading Serbian edible oil, margarines and mayonnaise producer Dijamant a.d. Zrenjanin and entered the Serbian food retail and wholesale market through the acquisition of IDEA d.o.o. Beograd. In the same year, the group also entered the meat production and processing and agricultural industries by acquiring the Croatian companies PIK Vrbovec d.d. and Belje d.d.

In 2006, the EBRD joined the ownership structure through a capital increase of EUR 110 million, which resulted in the EBRD receiving an 8.33% ownership interest in the group which was later reduced to 2.07%.

In 2007, the group acquired Tisak d.d., the leading Croatian kiosk chain and distributor of newspapers, tobacco and other commercial goods. In 2008, the focus was shifted to significantly expanding the food retail network in the group's primary markets. In 2010, the group expanded its meat and agricultural business with the acquisition of Vupik d.d., one of the largest agricultural companies in the Republic of Croatia.

In 2012, Ledo d.d. completed a capital increase in the amount of HRK 750 million through the then largest public offering transaction of shares on the Croatian primary capital market. Shortly thereafter, Ledo d.d. completed the acquisition of the Serbian ice cream and frozen food producer Frikom d.o.o. Beograd, making it a fully owned subsidiary, and acquired Montenegrin Ledo d.o.o. Podgorica, thus becoming the leading company and market leader in the production and sale of ice cream and frozen food in the Adriatic region. In recent years, Ledo d.d. has been developing sales in markets outside the region, and has started to export to Germany, Italy, Israel, Slovakia, Sweden and from 2015, the U.S.

In September 2014, the group completed the acquisition of Poslovni sistem Mercator d.d., the largest Slovenian retail chain, operating more than 900 retail and wholesale stores in Slovenia, and the leading retailer in Serbia and Montenegro. A majority stake was acquired by the Debtor; additionally, a minority stake was acquired by an investment vehicle independent from the Debtor and, until mid-2017, indirectly held by Ivica Todorić.

3.3 Economic Activity

Agrokor Group is the largest privately-owned group in the Republic of Croatia and one of the leading firms in Southeast Europe. With a history dating back to 1976 and comprising more than 150 legal entities, it is one of the Adriatic region's largest vertically integrated companies and operates through five strategic business segments: (i) retail and wholesale, (ii) food production and distribution, (iii) agriculture, (iv) Agrokor portfolio holding, being the internal operating division which manages the assets which sit outside the core operations of food, retail and agri ("**APH**"), and (v) the central functions in the Debtor. Distribution markets are organised in the Republic of Croatia, Slovenia, Bosnia-Herzegovina, Serbia, U.S., Montenegro, Hungary, Spain, Poland, the Czech Republic, the Netherlands, Macedonia, Switzerland and Kosovo.

The business segments' main operating activities are:

- Retail and wholesale operates a chain of approximately 1,900 retail stores and sells products online in the Republic of Croatia, Slovenia, Serbia, Montenegro and Bosnia-Herzegovina.

- The retail and wholesale business activities of the Agrokor Group are present in the following markets:

  - the Republic of Croatia through several brands including Konzum, Velpro-centar and Tisak;

  - Slovenia through the Mercator brand;

  - Serbia through Mercator under the three brands: IDEA, RODA and Mercator; and

  - Bosnia-Herzegovina through Konzum and Mercator brands.

- The food production and distribution segment operates in the following business divisions: ice cream and frozen food, water and beverages, edible oil and margarine, and meat. Business activities of the food production and distribution segment are managed through two business models: through the subsidiaries and partially through distributors. The Agrokor Group has high dominant market shares in main product categories with a proven track record of outperforming the competition and maintaining top-line growth and high profitability.

- Agriculture produces meat and meat products, wines, dairy products, fruits, vegetables, seeds and flour. It includes crop growing, animal feed production and livestock breeding; this business is primarily located in the Republic of Croatia and is present through several brands and operating companies with the material ones being Belje d.d., PIK Vinkovci d.d. and Vupik d.d.

- Agrokor Group also owns a number of non-core business activities operating in such sectors as commodities brokerage, real estate, health, tourism services and renewable energy production. APH has 80 companies in its portfolio of which 41 have business operations. Some of them are leaders in their respective industries such as hotel and travel, salt production, advertising, construction, etc. 23 companies operate real estate holdings or hold financial assets, whereas the rest are shell companies that will probably be either wound-up or merged with other group companies.

The Consolidated Group's (as defined below) annual revenue in 2017 was equivalent to approximately EUR 5.3 billion which represents approximately 11% of the gross domestic product (GDP) of the Republic of Croatia (based on 2017 GDP) with the group's top 19 companies covering the three core divisions generating the majority of cash flows and EBITDA (calculated as profit or loss before tax adding back financial expenses, depreciation, impairments and provisions, and subtracting financial income). In 2017, EBITDA amounted to EUR 83.5 million (EUR 124 million excluding restructuring costs).

Numbers in this clause (at the group level) are based on the Consolidated Group's published 2017 Annual Report (as defined below). Numbers in the following sub-clauses for 2017 are based on management's accounts. Numbers for 2016 are based on the 2016 Annual Report (as defined below); however, the segmentation of the business changed between 2016 and 2017. The 2016 numbers below have been prepared consistently with the 2017 segmentation to enable a comparison between the years. Therefore, 2016 numbers should not be compared directly to the company's published accounts. EBITDA in these sections exclude restructuring costs and management fees.

3.3.1 Retail and Wholesale

Agrokor Group is the leading food retailer and wholesaler in terms of combined sales in the Republic of Croatia, Slovenia and Bosnia-Herzegovina, and the third largest in Serbia. The group operates c. 1.1m square meter (sqm) of space giving the group access to a population of 17.5 million. The retail and wholesale segment is the largest segment within the Agrokor Group employing approximately 36,000 people and in 2017, generated EUR 4.2 billion revenue and EUR 60 million EBITDA. In 2016, it generated EUR 4.9 billion of revenue (restated) and EUR 100 million EBITDA.

3.3.2 Food Production and Distribution

Agrokor Group's food manufacturing division holds leading positions in each of its primary markets. In aggregate, the food manufacturing group generated revenue of EUR 1.2 billion and EBITDA of EUR 158 million in 2017. In 2016 it generated EUR 1.4 billion of revenue and EBITDA of EUR 158 million. The food division employs c. 8,500 people and comprises the sub-segments beverages, frozen foods, oils and meat.

3.3.3 Agriculture

The agriculture group's state of the art production facilities are spread over its 32,000 ha of land and 780 ha of vineyards. It rears 400,000 pigs and 18,000 cattle per year to be sold to the food group. It contains 10 dairy farms producing over 53 million litres of milk per year. Its vineyards produce an average of 10 million litres of wine per year. The agriculture segment's storage capacity of 450,000 tonnes across eight silos is the largest in the Republic of Croatia.

The agriculture division has c. 2,800 employees, generated revenue of EUR 402 million and EBITDA of EUR 28 million in 2017. In 2016, it generated revenue of EUR 555 million and EBITDA of EUR 40 million.

3.3.4 Other Business

The Agrokor Group also has business activities outside of the three core divisions described above.

In 2017, these operations generated revenue of EUR 326 million and EBITDA of EUR 17 million. In 2016, these operations generated revenue of EUR 322 million and EBITDA of EUR 9 million across 80 legal entities, of which 41 entities (16 businesses) are operating in various industries in the Adria region. They include market-leading businesses in advertising, travel and salt production.

23 entities contain a mix of physical assets (predominantly real estate) and financial assets (predominantly deferred consideration for company sales).

16 entities are either empty shell companies without physical assets or operations or are holding companies without operations but own shares in certain subsidiaries as their only assets.

3.4 Assets

The Debtor is the central management and decision-making entity of the group and has historically undertaken a variety of functions including:

– the preparation and execution of M&A transactions;

– financial reporting, planning and driving operational improvements across the group (post-merger integration, identification and realisation of synergies, strategic guidance, etc.); and

– capital markets financing via bond issuance and bank loans.

The Debtor is a holding company, its main assets are shareholdings in and loans to operating subsidiaries. These subsidiaries are charged a management fee in order to cover the costs of the central management functions.

To perform its business operations, the Debtor owns the following key assets, collectively forming the Agrokor Group:

– shares in its subsidiaries and minority shareholdings in certain other entities;

– loans and deposits due to the Debtor;

– other receivables due to the Debtor; and

– certain real estate owned directly by the Debtor including buildings, tools, plant and machinery.

As at 31st December 2016, the Consolidated Group's (as defined below) non-current assets amounted to HRK 29.5 billion and included property, plant and equipment, investment property, intangible assets and biological assets. The current assets amounted to HRK 12.3 billion and included inventories, biological assets, loans and deposits, and trade receivables.

The fully consolidated annual report of Consolidated Group for 2017 can be found on Debtor's website under http://www.agrokor.hr/en/news/ea-publishes-audited-consolidated-results-of-the-agrokor-group-and-agrokor-d-d/ (the "**2017 Annual Report**").

3.5 Pre-Petition Liabilities of the EA Group

As at the Submission Date, the pre-petition liabilities of the EA Group, *i.e.* the liabilities incurred by the EA Group before 10th April 2017, excluding claims contested by the Extraordinary Administrator, amount to c. HRK 50 billion (c. EUR 6.7 billion), of which c. HRK 38.4 billion is from creditors outside of the EA Group. The numbers are subject to ongoing challenging procedures as described in more detail below. The bulk of the claim amounts consists of the following:

3.5.1 Financial Liabilities to Third Parties

In the past, the Debtor and some of its subsidiaries have raised debt capital and extended these funds, *inter alia*, to operating group entities in the form of intra-group loans. The following information is based on data effective as at the opening of the EA Proceedings, unless otherwise set forth herein. The third-party financial liabilities, which include loans and borrowings, bills of exchange, leases and non-trade related liabilities including, interest, fees and other financial obligations, amount to HRK 31.5 billion.

3.5.1.1 Unsecured Notes

The EA Group has substantial liabilities under the following unsecured notes:

– EUR 325 million 9.125% New York law governed senior notes due to mature in 2020 and USD 300 million 8.875% New York law governed senior notes due to mature in 2020 issued by the Debtor pursuant to an indenture dated as of 10 October 2012; and

– EUR 300 million 9.875% New York law governed senior notes due to mature in 2019 issued by the Debtor pursuant to an indenture dated as of 25 April 2012.

(the "**Notes**"; and the indentures pursuant to which the Notes were issued, collectively, the "**Indentures**").

The Notes benefit from guarantees of payment from the following Agrokor Group entities: Agrokor trgovina d.d., Belje d.d., Jamnica d.d., Konzum d.d., Konzum d.o.o. Sarajevo Ledo d.d., Ledo d.o.o. Citluk, PIK Vinkovci d.d., Sarajevski kiseljak d.d., Vupik d.d. and Zvijezda d.d. ("**Bond Guarantors**"). Each Bond Guarantor has, jointly and severally, unconditionally guaranteed that any due amounts under the Notes will be promptly paid in full and is jointly and severally obligated to pay the same immediately. The obligations under the guarantees are unconditional, irrespective of, *inter alia*, the validity, regularity or enforceability of the Notes, the absence of any action to enforce the same, any waiver or consent with respect to any provisions or the recovery of any judgment against the Debtor. Each Bond Guarantor waived, *inter alia*, demand of payment, filing of claims with a court in the event of insolvency or bankruptcy of the Debtor and any right to require a proceeding first against the Debtor. Each Bond Guarantor has agreed that it will not be entitled to any right of subrogation in respect of any obligations guaranteed until payment in full of all obligations guaranteed. The Bond Guarantors have the right to seek contribution from any non-paying Bond Guarantor so long as the exercise of such right does not impair the rights of the note holders under the guarantee.

3.5.1.2 Unsecured Bank Liabilities

The EA Group has substantial liabilities under, *inter alia*, the following unsecured bank debt obligations:

– EUR 600 million English law governed loan facility agreement dated 14th March 2014, as amended from time to time, between, among others, the Debtor and Sberbank of Russia and Sberbank Europe AG;

– EUR 50 million English law governed loan facility agreement dated 16th July 2015, as amended from time to time, between, among others, the Debtor and Sberbank Europe AG;

– EUR 350 million English law governed loan facility agreement dated 28th April 2016, as amended from time to time, between, among others, the Debtor and Sberbank of Russia;

– EUR 100 million English law governed term loan facility agreement dated 21st February 2017, as amended from time to time, between, among others, the Debtor and Sberbank of Russia (the "**EUR 100m Sberbank Loan**");

– EUR 100 million English law governed loan facility agreement dated 14th September 2016, as amended from time to time, between, among others, the Debtor and a group of lenders;

– EUR 100 million English law governed syndicated loan facility agreement dated 14th September 2016, as amended from time to time, between, among others, the Debtor and a group of lenders (the "**F2 Club Loan**"); and

– EUR 360 million English law governed loan facility agreement dated 21st June 2014, and as amended by way of an amendment agreement dated 28th October 2016, between, among others, the Debtor and VTB Bank (Austria) AG.

The unsecured debt obligations listed in this paragraph each benefit from guarantees granted by the following Agrokor Group entities: Agrokor trgovina d.d., Belje d.d., Jamnica d.d., Konzum d.d., Konzum d.o.o. Sarajevo, Ledo d.d., Ledo d.o.o. Citluk, PIK Vinkovci d.d., Sarajevski kiseljak d.d., Vupik d.d. and Zvijezda d.d ("**Loan Guarantors**"). The guarantee clauses are based on the Loan Market Association's (LMA) standard language. Each Loan Guarantor has irrevocably and unconditionally, jointly and severally guaranteed punctual performance of the obligations under the finance documents and undertaken to immediately on demand pay any due and outstanding amounts. Each Loan Guarantor has agreed that the guarantee obligation will not be affected by any action or omission which would reduce, release or prejudice any of its obligations under the guarantee. Each Loan Guarantor has waived any right it may have of first requiring any finance party to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Loan Guarantor. Each Loan Guarantor has, *inter alia*, agreed not to exercise any rights which it may have by reason of performance by it of its guarantee obligations, *e.g.* to be indemnified by the borrower or to claim any contribution from any other Loan Guarantor.

3.5.1.3 Secured Bank Liabilities

The EA Group has substantial secured liabilities. The largest of these which are secured with physical assets include, which list is without prejudice for any claw-back actions, as listed in Annex 8 (*Claw-Back Actions*):

– HRK 375 million frame revolving amounts of discounted bills of exchange contract dated 27th December 2015, between, among others, Konzum d.d. and Zagrebačka Banka d.d., secured by a separate satisfaction right of HRK 375 million over physical assets;

- HRK 697 million frame revolving amounts of discounted bills of exchange contract dated 31st March 2017, between, among others, Konzum d.d. and Privredna Banka Zagreb d.d., secured by a separate satisfaction right of HRK 664 million over Konzum d.d.'s receivables from PBZ Card d.o.o.;

- EUR 20 million loan identified by IZ-10/16 dated 21st December 2016, between, among others, PIK Vrbovec d.d. and Hrvatska banka za obnovu i razvitak d.d., secured by a separate satisfaction right of EUR 20.2 million over physical assets;

- EUR 15 million loan identified by IBRD-17/2016 dated 21st December 2016, between, among others, Jamnica d.d. and Hrvatska banka za obnovu i Razvitak d.d., secured by a separate satisfaction right of EUR 15 million over physical assets;

- HRK 147 million frame revolving amounts of discounted bills of exchange contract dated 13th October 2016, between, among others, Konzum d.d. and OTP Banka d.d., and EUR 2.2 million loan identified by no. 161208143953 dated 8th December 2016, between, among others, Konzum d.d. and OTP Banka d.d., together secured by a separate satisfaction right of HRK 189 million over physical assets; and

- HRK 124 million frame revolving amounts of discounted bills of exchange contract dated 20th September 2016, between, among others, Konzum d.d. and Saponia d.d., and HRK 11 million trade agreement identified by I-180/2015 dated 4th January 2016, between, among others, Konzum d.d. and Saponia d.d., together secured by a separate satisfaction right of HRK 121 million over physical assets.

Furthermore, the EA Group has substantial liabilities secured by pledges of shares in subsidiaries. However, many of these shares reflect the equity of Non-Viable EA Croatian Subsidiaries (as defined below) and therefore have no value. For example, without prejudice to avoidance actions of certain separate satisfaction rights, significant liabilities are:

- HRK 380 million frame revolving amounts of discounted bills of exchange contract dated 10th February 2014, between, among others, Konzum d.d. and Zagrebačka Banka d.d., and HRK 790 million frame revolving amounts of discounted bills of exchange contract dated 27th December 2015, between, among others, Konzum d.d. and Zagrebačka Banka d.d., together secured by a separate satisfaction right of HRK 1.167 million over shares in Ledo d.d.;

- EUR 130 million loan dated 26th March 2013, between, among others, the Debtor and Adris Grupa d.d., which is fully secured by a separate satisfaction right over shares of Jamnica d.d., Konzum d.d. and Ledo d.d.;

- EUR 50 million loan dated 4th August 2016, between, among others, the Debtor and TDR d.o.o., which is fully secured by a separate satisfaction right over shares of Tisak d.d.;

- HRK 250 million of claims identified through the claims filing process between, among others, Konzum d.d. and Franck d.d., which is fully secured by a separate satisfaction right over shares of Roto Dinamic d.o.o.; and

- HRK 204 million of claims identified through the claims filing process between, among others, Konzum d.d. and AWT International d.o.o., which is secured by a separate satisfaction right up to HRK 300 million of over business shares of Velpro - Centar d.o.o.

3.5.2 Trade Liabilities towards Third Parties

The vast majority of pre-petition creditors by number consists of a multitude of the trade creditors and other non-financial institution creditors of the EA Group. In total, approximately 6,000 third-party trade creditors and non-financial institution creditors have claims against the EA Group. Most of these claims are in the form of non-financial liabilities including trade claims, trade bills of exchange and cession bills of exchange which primarily related to trade activities, in the nominal amount of HRK c. 7.3 billion.

The largest trade creditors to the EA Group are TDR d.o.o., Franck d.d., Vindija d.d., AWT International d.o.o. and Saponia d.d. which, collectively, hold claims in the nominal amount of c. HRK 1.5 billion.

3.5.3 Intra-group Liabilities

Determined Claims of creditors within the EA Group exist in the amount of c. HRK 11.6 billion in total and relate primarily to financial loans from the Debtor to its subsidiaries and from subsidiaries to the Debtor which, collectively, amount to the nominal amount of c. HRK 9.2 billion. Trade liabilities between EA Group entities amount to the nominal amount of c. HRK 1.6 billion.

3.6 Economic Situation

3.6.1 Events Giving Rise to Extraordinary Administration

During 2016, the Agrokor Group made significant efforts to meet its obligations to creditors. However, due to both a reduction in revenues and the group's very substantial debt burden, the group's liquidity position was very much restricted. The constrained liquidity position of the Debtor, accumulating cash flow deficits, and rising cost of capital, resulted in a vicious circle and rapidly rising debt.

As a result of increased external competition which reduced retail market share and some negative trends in the market price in certain segments in which the group competes, sales revenues reduced to HRK 42.5 billion from HRK 45.7 billion in 2016 while the pre-tax losses increased from HRK 3.2 billion to HRK 11.2 billion.

As identified in the 2016 Annual Report, further details of which can be found on http://www.agrokor.hr/en/investors/financial-statements/yearly/ (the "**2016 Annual Report**"), key drivers of the increased losses in 2016 were:

- a significant increase in operating expenses from HRK 48.5 billion in 2015 (restated following the 2016 audit) to HRK 52.4 billion in 2016 (restated following the 2017 audit) due partly to impairment charges on both property, plant and equipment, and intangible assets; and

- changes in the fair value of financial instruments resulting in increased finance expenses from HRK 3.3 billion in 2015 (restated following the 2016 audit) to HRK 4.4 billion in 2016 (restated following the 2017 audit).

These circumstances ultimately led to an unsustainable level of indebtedness and contributed to the Agrokor Group's liquidity shortfall.

Furthermore, during the 2016 audit, additional unreported operating and financial expenses were identified which, when correctly recognised in earlier financial periods, increased losses by HRK 343 million. This, along with other prior year adjustments, moved total equity from HRK 7.5 billion to negative HRK 2.4 billion in 2015.

In the last quarter of 2016, the Agrokor Group undertook a substantial refinancing of its existing unsecured financial indebtedness. In each case, the relevant lenders sought "springing maturity" clauses in the new and/or amended facilities such that the relevant facility would mature early if the group failed to refinance a PIK loan taken out by the holding company of the Debtor, Adria Group Holding B.V. (the "**PIK Loan**") on 8th March 2018. The PIK Loan was secured by way of a share pledge granted by Adria Group Holding B.V. over all shares in the Debtor.

As part of that refinancing, the group also sought a syndicated facility, the F2 Club Loan, in order to part-refinance existing bonds. The F2 Club Loan was granted and a further syndication process began in September 2016. However, the syndication process failed in January 2017.

Agrokor Group began to experience a squeeze on liquidity following concerns arising from the failure of the syndication, concerns as to the information provided in the group's accounts, and the impact of the "springing maturity" clauses on the group. Liquidity was inadequate across the group but particularly in retail, resulting in an increase in accounts payable with payments selectively directed towards critical and strategically important suppliers. Detailed analysis of the position showed that many suppliers insisted on a change to their payment terms to either fewer days payable or requiring advance payment.

The Debtor sought to raise new financing in February 2017, and succeeded in doing so with the grant of the EUR 100m Sberbank Loan. However, this was insufficient to meet the entire funding need.

During the first quarter of 2017, the trust of suppliers, partners and creditors in the Debtor was damaged by a combination of factors:

– the Agrokor Group's credit rating was lowered on several occasions in the first quarter of 2017;

– there was consistently poor communication from the Agrokor Group's management team with all stakeholders; and

– the Agrokor Group had difficulties in servicing regular obligations with suppliers and creditors.

One of the consequences of this situation was a reduction or complete suspension of delivery of goods and services which subsequently disrupted regular business activities of operational companies, resulting in failed deliveries and blocking of further cooperation, and finally stock-out of goods. Deliveries to buyers were failing, especially in wholesale. Production in some manufacturing companies (Jamnica d.d., Ledo d.d., Zvijezda d.d. and PIK Vrbovec d.d.) was halted or reduced and the supply of retail companies was seriously impaired with some products being out of stock completely. Preparations for the key 2017 tourist season were negatively impacted by these factors.

From December 2016 on, salaries in Agrokor-trgovina d.d., Mstart d.o.o. and Tisak d.d. were paid only with delays.

In March and early April 2017, the accounts of several Agrokor Group companies (Agrokor d.d., Agrokor-trgovina d.d., Konzum d.d., PIK Vinkovci d.d., Ledo d.d., Zvijezda d.d., Belje d.d., Vupik d.d., Mstart d.o.o., PIK Vrbovec d.d., Velpro centar d.o.o., Jamnica d.d., Agrolaguna d.d., Mladina d.d., Tisak d.d., Roto dinamic d.o.o.) were frozen due to unpaid obligations to suppliers and the Republic of Croatia.

The total value of unsatisfied petitions filed at the financial agency FINA in respect of all companies at the time of the initiation of the EA Proceedings amounted to over HRK 3.4 billion (note that some claims were filed against multiple entities), and the group satisfied HRK 322 million of these petitions during the time that the accounts were frozen.

At the date of the commencement of EA Proceedings on 10th April 2017, the bank accounts of the Debtor and other major EA Entities were practically empty.

3.6.2 Reasons for Agrokor Group's Crisis

There are several compounding reasons for the crisis of the Agrokor Group. In the years prior to the crisis, the Debtor adopted an aggressive M&A "buy and build" model. As a result, the Agrokor Group was highly leveraged with substantial and unsustainable levels of financial debt. The Debtor's capital structure was not only burdened by excessive financial debt but certain of the incremental financing instruments used were "archaic" (*e.g.* bills of exchange) and inappropriate for a group of this size and complexity. The Debtor also over-invested in certain production facilities which appear unlikely to be capable of producing sufficient returns on invested capital, and over-estimated the level of group synergies, which were not realised at the bottom line. As an attempt to address the liquidity issues, the Debtor resorted to unsustainable financing solutions that included bills of exchange, trade loans and cessions and which through recourse arrangements relied on the credit quality of its suppliers vis-à-vis financial institutions. These arrangements amounted to HRK 7.4 billion of which HRK 3.9 billion referred to internal suppliers and HRK 3.5 billion included 163 external suppliers. Additionally, in response to the poor performance, the Agrokor Group had to use extensively intercompany financing provided by "good" businesses acting as a "bank" in order to support underperforming group entities. Poor investments and cross-subsidising intercompany loans were made since the Debtor operated without an adequate governance structure in which most of the major decisions were taken directly by the former CEO without appropriate consultation with the management board. This was a contributing factor leading to indecision during its liquidity crisis, as well as the Debtor adopting a "too big to fail attitude".

In addition to self-inflicted factors of inadequate corporate governance and over-investment, the Agrokor Group suffered as a result of a recession in the countries it operated by increasingly aggressive low-cost competition gaining increased market share and adverse mega-trends in certain areas, which reduced the Agrokor Group's revenues and impacted negatively on the Agrokor Group's profits.

3.6.3 Economic Developments during the EA Proceedings

3.6.3.1 Overview

The Agrokor Group was in a critically unstable position in the run-up to, and immediately following, the commencement of the EA Proceedings. The Agrokor Group's businesses were severely hampered by an inability to purchase goods and services as a result of the significant problems detailed above (see Cl. 3.6.2 above) and lack of available liquidity in the first half of the year resulting in the loss of both customer and supplier support.

Following the commencement of EA Proceedings, the Agrokor Group took urgent steps to manage and preserve cash whilst ensuring sufficient functioning of its businesses and looking to raise new finance to support them through the peak summer season with the objective of preserving going-concern:

– stabilising operations;

– preserving stakeholder value; and

– minimising systematic risks for the Republic of Croatia.

Simultaneously, a business planning work stream was commenced to review the Agrokor Group's existing operations. The business reviews identified certain near-term and long-term improvement measures which needed to be implemented by each of the businesses in the months following the commencement of EA Proceedings. As a result of the liquidity made available by the SPFA (as defined below) in June 2017 (see Cl. 4.2 below), the situation began to stabilise, and the trends and operating metrics of the key operating companies started to slowly recover.

In the financial year ending 2017, the Consolidated Group generated revenue of EUR 5.3 billion. More recently, in the period from January 2018 to March 2018, the 16 key group companies generated revenue of EUR 648.0 million and EBITDA of EUR 22.5 million.

All group companies continue to develop and implement EBITDA improvement and restructuring measures with the aim of further improving business performance. Updated developments can be viewed in the monthly reports published on the website: http://nagodba.agrokor.hr/en/monthly-reports/.

Financial results for the year ending 2017 for each of the following segments can be found in Cl. 3.7.2 below.

3.6.3.2 Retail

The Agrokor Group's retail companies were particularly affected by the inability to purchase stock ahead of the 2017 summer season. Although inventory levels began to stabilise following the new liquidity measures and new money, negotiations with certain suppliers continued to be challenging.

Activities undertaken by way of intensive marketing communication, a more aggressive approach to customers through attractive promotional sales, better inventory management and the reduction of stock-outs resulted in improved revenue realisation. Approaching the customer through these activities has resulted in the recovery of footfall and consumer basket size.

Other operating expenses have decreased as a result of strict cost monitoring, cost saving activities and the closure of unprofitable stores. Other improvement measures adopted in retail include the introduction of new assortments and refining the assortment as appropriate.

These measures helped to increase revenues and reduce costs, resulting in a higher gross margin and EBITDA which started to exceed expectations towards the end of 2017 following a long-standing negative trend.

In the period from January 2018 to March 2018, the retail group generated revenue of EUR 385.4 million and EBITDA of negative EUR 0.6 million. Companies in the retail and wholesale sector for monthly financial reporting are Konzum d.d., Konzum d.o.o., Sarajevo, Tisak d.d. and Velpro - centar d.o.o.

3.6.3.3 Food

Companies from the food business group continued to realise solid operating results in 2017. After the new financing was successfully completed in June 2017, the key focus was on preparing the companies for the summer season – their most important sales period.

EBITDA has shown strong growth over the summer period 2017 and EBITDA margins expanded as a consequence of good sales results, sales price optimisation and increased efficiency realised through the measures implemented by each business. Savings were made in the costs of production, employees, marketing and logistics processes.

Inventories turnover increased following commencement of the EA Proceedings due to increased sales during the summer season and inventory optimisation. The launch of new products on the domestic market has also contributed to improved sales.

In the period from January 2018 to March 2018, the food group generated revenue of EUR 199.9 million and EBITDA of EUR 18.36 million. Companies in the food sector for monthly financial reporting are Jamnica d.d., Sarajevski kiseljak d.d., Roto dynamic d.o.o., Ledo d.d., Frikom d.o.o. Beograd, Ledo d.o.o. Čitluk, Zvijezda d.d., Dijamant a.d. Zrenjanin and PIK Vrbovec d.d.

3.6.3.4 Agriculture

Revenues in the agricultural group business are primarily dependent on crop yield and commodity market prices. Each of the companies recorded successful harvests with record yields, particularly wheat in 2017, and purchases from all subcontractors (with regular payment of due amounts) has continued successfully. The new financing enabled the agricultural businesses to stabilise its relations with suppliers during the EA Proceedings.

Cost optimisation was pursued during the period of the EA Proceedings resulting in low cost prices in agricultural production and industry and an improvement in profitability.

Upon completion of the fall harvest in November 2017 and the growth of agricultural produce sales on the domestic and foreign markets, annual EBITDA grew above expectations. The EBITDA growth was generated to a significant extent due to sugar beet and sunflower yields, which exceeded expectations.

The agriculture group has focused on the collection of receivables which has improved and has continuously been improving since the commencement of the EA Proceedings.

In the period from January 2018 to March 2018, the agriculture group generated revenue of EUR 62.66 million and EBITDA of EUR 4.71 million. Companies included in the agriculture sector for monthly financial reporting are Belje d.d., PIK Vinkovci d.d. and Vupik d.d.

3.7 Auditing Process

3.7.1 2016

On 27th April 2017, the Debtor announced that there were potential accounting irregularities in its financial statements for 2016, and that the publishing of the audited financial statements would be delayed.

The Extraordinary Administrator requested certain group companies to convene their general assemblies with the purpose of enacting the decision to appoint PricewaterhouseCoopers d.o.o ("**PwC**") as the new statutory auditors of the Agrokor Group in order to complete an audit for the year 2016.

In May 2017, PwC was appointed as auditor of the Agrokor Group's Croatia-based companies. In accordance with audit requirements, PwC undertook an audit of 27 of the Agrokor Group's companies in the Republic of Croatia, three companies in Serbia and three companies in Bosnia-Herzegovina.

The consolidated changes in equity in the period 31st December 2015 to 31st December 2016 resulted in HRK 21.7 billion (EUR 2.9 billion) of equity reduction through various adjustments and operating results which meant that liabilities exceeded total assets by HRK 14.5 billion (EUR 1.9 billion).

The audit reports for entities within the consolidation scope were prepared on a going-concern basis. The audited results contained significant adjustments relating to prior periods. On 5th October 2017, the audit findings for the key companies within the Agrokor Group were presented as well as consolidated audit findings and the consolidated 2016 Annual Report on 9th October 2017.

Adjustments related to three key areas:

- accounting irregularities (reducing consolidated equity position by HRK 5.6 billion between 31st December 2014 and 31st December 2016);

- value adjustments (reducing consolidated equity position by HRK 10.8 billion between 31st December 2014 and 31st December 2016); and

- other adjustments (HRK 5.2 billion).

3.7.2 2017

The Extraordinary Administrator published the audited consolidated results dated 3rd May 2018 of the Consolidated Group and the Debtor for the year 2017 on 14th May 2018. The scope of the consolidation comprises 105 companies over which the Debtor exercises control, of which 52 are in the Republic of Croatia (the consolidated group as described in the 2017 Annual Report, the "**Consolidated Group**").

As at 31st December 2017 the liabilities of the Consolidated Group significantly exceeded the value of assets, confirming its insolvency. This fact along with the matters described below relating to the Settlement Plan confirm that the Consolidated Group will be unable to continue operating as a going-concern and therefore the Extraordinary Administrator concluded that the going-concern basis is no longer an appropriate basis for preparation of financial statements of the Consolidated Group at 31st December 2017 and for the year then ended ("non-going-concern" basis applied).

The following assumptions have been applied in the statements:

– the total debt of the EA Entities became due on the day of opening the EA Proceedings;

– the settlement will be finalised in 2018;

– in the event a settlement is reached, transfers of assets from the EA Entities to the New Group (as defined below) will be performed as a part of the settlement (transfers of shares of the Debtor in its viable subsidiaries will be performed as transfers of shares, while transfers of assets of non-viable subsidiaries will be performed as business unit transfers to the newly incorporated legal entities (all assets, all contracts, staff, concessions, permits, etc. and post-petition liabilities));

– assets and liabilities are still classified as long-term and short-term, as after the transfer of the business unit to the New Group the balance sheet classification shall remain unchanged.

Relating to the Debtor on a standalone basis, as at 31st December 2017, equity was HRK minus 23.3 billion and had reduced by HRK 9.8 billion from HRK minus 13.5 billion in 31st December 2016. The decrease was mainly driven by:

– the impairment of investments in subsidiaries and associates of HRK 5.6 billion (valuations of those investments were based on the viability plans);

– the impairment of receivables from EA Entities of HRK 2.2 billion calculated in line with the results of the Entity Priority Concept;

– the impairment of loans granted to third parties;

– external receivables and securities totalling HRK 0.8 billion; and

– the loss of HRK 0.5 billion relating to disposal of shares in subsidiaries and associates as a result of repo transactions.

Major changes in 2017 at the Consolidated Group level include:

– impairment of non-current assets due to recent asset valuations, reclassification of assets to "assets held for sale";

– working capital stabilisation; the trends and operating metrics of the key operating companies started to return to previous levels. Although inventory levels have also been stabilized, negotiations with certain suppliers during 2017 continued to be challenging;

– the total debt of the EA Entities falling due immediately following the opening the EA Proceedings (reclassification into short-term); and

– new debt during the course of the Extraordinary Administration (under the SPFA, see Cl. 4.2 below).

4 EA PROCEEDINGS

4.1 Process

4.1.1 Pre-Requisites and Opening of EA Proceedings

In order to undertake a comprehensive restructuring of the liabilities of the EA Group, on 7th April 2017 the management of the Debtor filed for the commencement of Extraordinary Administration in accordance with the EA Act.

The Court determined that the EA Group fulfilled the prerequisites of EA Proceedings:

– At 10th April 2017, the EA Group faced imminent illiquidity pursuant to Art. 4 para. 1 EA Act, Art. 4 para. 1 Bankruptcy Act, as proven by extracts from the EA Group's books and the latest available and submitted financial statements in accordance with Art. 22 para. 2 EA Act. The Court was presented with evidence of HRK 3.03 billion in total due debt and immediate enforcement titles against 17 of the EA Entities (including the Debtor). The Debtor and its subsidiaries only had liquidity to settle HRK 322 million thereof.

– The Debtor was also over-indebted pursuant to Art. 4 para. 1 EA Act, Art. 5 para. 2 Bankruptcy Act. The liquidation value of the assets is not sufficient to cover the EA Group's existing liabilities. The financial statements submitted to the Court highlighted that the Debtor and 26 of the other EA Entities had negative equity at 31st December 2016 (before taking account of the adjustments which were identified in the 2016 Annual Report). Due to the lack of funding for the business and the inability to meet all debts as and when they fell due, certain key creditors ceased supply. In some circumstances the relevant company had no choice but to halt production at a critical point in the year when it needed to increase production in preparation for the forthcoming summer season. With such uncertainty over the future funding of the businesses, the EA Group was unable to finish preparation for the summer season. Without a business plan to demonstrate a profitable future and support the funding needs, the EA Group lacked a going-concern prognosis.

– The Debtor, with its controlled and affiliated companies, is a company of systemic importance for the Republic of Croatia in accordance with Art. 4 para. 2 EA Act, employing more than 5,000 people and having liabilities in an amount exceeding HRK 7.5 billion as proven by statements submitted to the Court, and therefore qualifies for Extraordinary Administration.

On 10th April 2017 and under file no. 47.St-1138/17 and by further supplementary decisions issued on 21st April, 5th July and 13th July 2017, the Court found that all prerequisites were met and therefore opened EA Proceedings over the EA Group.

4.1.2 Extraordinary Administrator

The Extraordinary Administrator is appointed by the Court on the proposal from the government of the Republic of Croatia (Art. 11 para. 1 and Art. 24 EA Act). The Extraordinary Administrator's authority includes exercising the rights and obligations of the Debtor's governing body representing the Debtor solely and independently and exercising the rights

arising from the Debtor's shareholdings in affiliated and controlled entities (Art. 12 and 13 EA Act).

4.1.2.1 Person

On 10th April 2017, Ante Ramljak was appointed as Extraordinary Administrator. On 21st February 2018, Ante Ramljak announced his resignation as Extraordinary Administrator. By decision dated 28th February 2018, the Court appointed Fabris Peruško as Extraordinary Administrator and Irena Weber as his deputy.

4.1.2.2 Advisors

During the course of the EA Proceedings, the Extraordinary Administrator has engaged, directly or indirectly, *inter alia*, the following companies as advisors:

- Alixpartners SV Ukraine Limited Zagreb Branch Office as restructuring advisor;
- Altera Savjetovanje d.o.o. as local restructuring and financial advisor;
- Texo Management d.o.o. as local restructuring and financial advisor;
- Komunikacijski ured Colić, Laco I partneri as communications advisor;
- Houlihan Lokey EMEA LLP as financial advisor;
- KPMG Croatia d.o.o. as tax advisors and to conduct the claims registration process;
- Odvjetničko društvo Šavorić & Partneri, Odvjetničko društvo Bogdanović, Dolički & Partneri and Odvjetničko društvo Gajski, Grlić, Prka i Partneri d.o.o., Odvjetničko društvo Krajinović i Partneri, Odvjetničko društvo Kovačević Prpić Simeunović and Odvjetničko društvo Ostermann i Partneri as Croatian legal advisors;
- Kirkland & Ellis International LLP as international legal advisor;
- Nauta Dutilh N.V. as Dutch legal advisor;
- Ithuba Capital AG as financial advisor;
- Interkapital d.o.o. as financial advisor;
- Odvetniška družba Rojs, Peljhan, Prelesnik & partnerji o.p., d.o.o. as Slovenian legal advisor;
- Harrisons and Advokatska Kancelarija Veselinović as Serbian legal advisors;
- Marić & Co as Bosnian-Herzegovinian legal advisor;
- Harrisons as Montenegrin legal advisor;
- Kroll as forensic investigation firm; and
- Squires Patton Boggs as international legal support related to forensic work.

In addition to the group of advisors referenced in the preceding paragraph, in order to assist from a general creditors' perspective in drafting and evaluating, analysing and revising the Settlement Plan and the annexes hereto, including, *inter alia*, the Steps Plan (as defined below), the Debtor has engaged an additional group of advisors as per a resolution of the Extraordinary Administrator thereby establishing a system of double control ("*four eyes principle*"). Under the "*four-eyes principle*" two independent groups of international and local advisors with specific expert knowledge and references from Art. 12 para. 11 EA Act are engaged with respect to the preparation of and negotiations on the Settlement Plan proposal, one of which (referred to in the preceding paragraph) prepares the Settlement Plan proposal, and the other group of advisors (referred to below) which analyses and revises the Extraordinary Administrator's Settlement Plan proposal. The latter group of advisers engaged for analysing and reviewing the Settlement Plan proposal is as follows:

– Akin Gump LLP as independent international legal advisor;

– Houthoff Coöperatief U.A. as independent legal advisor in relation to Dutch law;

– McKinsey&Company as industry experts/reviewer of Viability Plan projections;

– FTI Consulting LLP as an advisor for Entity Priority Concept review and valuation;

– PJT Partners (UK) Limited as independent financial advisor;

– Caper d.o.o. as a local independent financial advisor; and

– in discussion to be engaged: Egon Zehnder International Kft. as executive search consultant.

The advisors listed in this Cl. 4.1.2.2 together are referred to as the "**Advisors**".

The Extraordinary Administrator understands that certain creditors involved in the preparation of the Settlement Plan and the annexes hereto, including, *inter alia*, the Steps Plan (as defined below) which has also individually engaged further advisors; namely, certain member of the ICC engaged Odvjetničko društvo Madirazza & partneri d.o.o. and Odvjetničko društvo Buterin & Posavec d.o.o., respectively, as Croatian legal advisors.

4.1.3 Involvement of the Creditors' Council

4.1.3.1 Interim Creditors' Council

The EA Act provides for a statutory body of the creditors in the proceedings. An interim body takes this role until the permanent body is established. This interim creditors' council ("**ICC**") has the same rights, powers and obligations as the permanent one, the creditors' council ("**CC**"; the ICC and CC each, the "**Creditors' Council**") and assumes and performs all functions of the CC prior to the constitution of the CC (Art. 31 para. 5 EA Act).

By decision of the Court dated 13th April 2017, the following parties were appointed as the members of the ICC pursuant to Art. 31 EA Act as suggested by the Extraordinary Administrator:

– Sberbank of Russia;

– Knighthead Capital Management LLC;

– Zagrebačka Banka d.d.;

– KRAŠ prehrambena industrija d.d.; and

– Toni Raič, owner of craft "Stočarstvo Raič za uzgoj goveda".

The final list of creditors was only determined on and from the date the Court passed a ruling on verified and contested pre-petition claims against the EA Group published on 15th January 2018.

VTB Bank (Europe) SE participated in certain meetings between the ICC and the Debtor without having voting power.

The ICC convened on a regular basis and the Extraordinary Administrator has sought approval for a variety of decisions and transactions since the inception of the ICC. The ICC held the following meetings with, amongst others, the following topics:

– 13th April 2017: approval of the initial emergency EUR 80m Loan (as defined below);

– 1st June 2017: information sharing framework; consideration of rules of procedure; monthly report; consideration of general financing terms;

– 8th June 2017: approval to conclude the SPFA, to make certain payments from the funds received by the SPFA and to perform any other obligation based on the SPFA;

– 5th July 2017: adoption of rules of procedure; report on the activities under the EA Proceedings; report on activities related to financing; report on the status of the group in Bosnia-Herzegovina;

– 26th July 2017: approval of payments of pre-petition claims to certain suppliers and City of Zagreb;

– 31st August 2017: approval of payments of pre-petition claims to certain suppliers (corrections and additions to the payments provided for in the decision made on 26th July 2017); approval of payments of pre-petition claims of certain small suppliers; approval of a transaction managing risks relating to Konzum d.o.o. Sarajevo; update on the status of agreeing the accordion supplier tranche provided for under the SPFA; update on restructuring developments; update on advisor and representation costs;

– 29th September 2017: approval for signing and perfection of corporate guarantees; consent for payment of pre-petition claims of small suppliers (corrections and additions to the payments approved on 26th July 2017); consent for payment of pre-petition claims of other suppliers (corrections and additions to the payments approved on 31st August 2017); consent for payment of due pre-petition claims to certain creditors;

– 9th October 2017: presentation of results of the 2016 financial statements audit; consent for the sale of Villa Castello; presentation of the Viability Plan (as defined below);

– 30th October 2017: consent for payment of certain pre-petition claims;

– 3rd November 2017: consent for payment of pre-petition claims of certain specific suppliers of PIK Vrbovec - mesna industrija d.d.;

– 20th November 2017: consent for providing approval of the restructuring plan in pre-bankruptcy proceedings against Zvečevo d.d. in which the Debtor is participating as a creditor;

– 6th December 2017: consent for payment of pre-petition claims of small suppliers; consent for payment of pre-petition supplier claims; consent for payment of due pre-petition claims of the City of Zagreb and Zagrebački Holding (ZET);

– 20th December 2017: presentation of the settlement structure in the EA Proceedings;

– 23rd January 2018: consent for the payment of claims of specific suppliers which became due and payable prior to the commencement of the EA Proceedings; update on the settlement structure;

– 21st February 2018: adoption of the disclosure policy; information on the current status of the EA Proceedings;

– 19th March 2018: resolution on engaging advisors to the ICC;

– 27th March 2018: decision on engagement of advisors to the ICC;

– 13th April 2018: resolution on engaging advisors to the ICC;

– 25th April 2018: consent for the payment of claims of Zagrebački Holding (ZET) which become due and payable prior to the commencement of the EA Proceedings; and

– 4th June 2018: consent for corrections to the payment of pool A and B claims which became due and payable prior to the commencement of the EA Proceedings.

Working meetings with the ICC, other key creditors such as representatives of the financial institutions and a number of suppliers and advisors have been held in Zadar (6th to 8th March 2018), Split (20th to 21st March 2018) and Zagreb (4th and 5th April 2018, 7th to 11th May 2018, 14th to 18th May 2018 and 29th to 30th May 2018), where discussions and negotiations on key issues for the EA Proceedings and on commercial deals with respect to the Settlement Plan were held, key elements for the Settlement Plan have been agreed and the Settlement Plan proposal was analysed and negotiated in detail.

The ICC has been involved in the preparation of this Settlement Plan in accordance with the EA Act.

4.1.3.2 Creditors' Council

The CC has the right to be informed about the condition of the debtor and its controlled and affiliated companies and has the powers prescribed by the EA Act.

By order dated 26th January 2018, the Court assigned creditors to five groups as proposed by the Extraordinary Administrator (Art. 18 para. 1 EA Act) for the formation of the CC. Five groups were determined to be the optimal way for all creditors and their groups to be proportionally represented. The following criteria were applied to define the five groups:

whether (i) the creditor is a company under Extraordinary Administration; (ii) the claim is secured; (iii) there are guarantees provided by five or more companies subject to Extraordinary Administration (widely guaranteed); (iv) the claim is generally traded on a regulated market; and (v) the creditor participated in the SPFA (as defined below).

The five groups are (A) secured claims, (B) unsecured, publicly traded and widely guaranteed claims, (C) unsecured, widely guaranteed claims held by the SPFA participating creditors, (D) unsecured, widely guaranteed claims held by non-SPFA participating creditors, and (E) unsecured, non-widely guaranteed claims (for details and reasoning of the formation see Cl. 11 below).

On 31st January 2018 and by publication in the Official Gazette, the Extraordinary Administrator, in accordance with Art. 30 para. 1 EA Act, invited the creditors of each class to elect a committee member and to inform the Extraordinary Administrator and the Court of such election within 30 days. A form of power of attorney was made available on the Debtor's website.

Subsequently, the Court's decision relating to the classification of creditors was annulled by the High Commercial Court on 5th April 2018 and returned to the Court for amendment and further elaboration on the grounds for the classification. As at the Submission Date, no new classification has been submitted,

4.1.4 Claims Registration and Confirmation Process

In the opening decision, the Court requested the creditors of the EA Group to file their claims to the Extraordinary Administrator in accordance with Art. 25 EA Act within 60 days (all such claims, whether registered or unregistered, the "**Pre-Petition Claims**"). Creditors with the right to separate satisfaction and segregation rights were invited to inform the Extraordinary Administrator of their security or rights in accordance with Art. 258 Bankruptcy Act. The Court ordered that all third parties were deemed informed of the opening of the EA Proceedings and all consequences thereof. By a decision dated 17th August 2017, the Court instructed the Extraordinary Administrator to submit a single table of filed creditors' claims and single tables of rights of separate satisfaction and segregation rights, which resulted in the deadline to submit tables for claims against all companies being extended and expiring on the said deadline for the last company that entered EA Proceedings.

By expiry of the filing deadline, c. 5,700 creditors had filed c. 12,600 claims in the total amount of c. HRK 504 billion of which the majority (c. HRK 446 billion) related to claims against co-debtors (guarantees) and requests for contingent claims registrations and the remainder (c. HRK 57.7 billion) related to direct third-party claims. The Extraordinary Administrator reviewed the filed claims and on 9th November 2017, submitted the table of claims to the Court pursuant to Art. 32 EA Act. The Extraordinary Administrator initially accepted claims in the total amount of c. HRK 41.2 billion and disputed 1,102 claims in the total amount of c. HRK 16.5 billion. Claims in the amount of c. HRK 10.4 billion were contested by creditors (Art. 33 para. 4 EA Act).

By decision on determined and challenged claims and referral to litigation dated 15th January 2018, its correction dated 2nd, 8th, 9th March and 6th April 2018 and supplement dated 2nd February and 1st, 13th, 14th, 20th, 29th, 30th March and 5th June 2018, the Court determined the determined claims in the total amount of c. HRK 41.8 billion and challenged claims in the total amount of c. HRK 14.7 billion, and referred the challenged claims to litigation, in

accordance with Art. 33 and 34 EA Act. Approximately 90 of such proceedings relating to direct claims contested by the Extraordinary Administration in the total amount of HRK 2.1 billion have been initiated and are still pending as of the Submission Date.

Approximately six of such proceedings relating to direct claims contested by creditors in the total amount of HRK 7.4 billion have been initiated and are still pending as of the Submission Date. A list of such proceedings is in the Court file.

As at the Submission Date, claims in the total amount of c. HRK 42 billion have been determined (not challenged by the Extraordinary Administrator or any third party (these claims and any claims determined thereafter, the "**Determined Claims**"; the creditors of Determined Claims, the "**Determined Creditors**")) and claims in the total amount of c. HRK 13 billion remain challenged (by the Extraordinary Administrator and/or a third party) (claims challenged by the Extraordinary Administrator and claims challenged by other creditors together, the "**Challenged Claims**"; the creditors of Challenged Claims, the "**Challenged Creditors**"). The details of such claims are included in Annex 4 (*Claims*).

4.1.5 Approval and Confirmation of Settlement Plan

4.1.5.1 Hearing

Pursuant to Art. 43 para. 9 EA Act, the creditors vote on the Settlement Plan at a court hearing scheduled by the Court in a period of not less than five and not more than 15 days from the Submission Date ("**Hearing**"). Both the Settlement Plan and the invitation to the Hearing will be published on the Court's website.

4.1.5.2 Voting

The Court, per the proposal of the Extraordinary Administrator, determines the list of creditors and voting rights to which they are entitled at the Hearing (Art. 43 para. 10 EA Act). Determined Creditors are deemed to have voting rights (Art. 43 para. 11 EA Act). Challenged Creditors can be awarded a voting right if so agreed upon between the Extraordinary Administrator and the Determined Creditors present at the Hearing. In case no agreement is reached, the Court may award voting rights by order against which no appeal is admissible (Art. 32 para. 13 EA Act).

Creditors may attend the Hearing in person. However, they may cast their vote in person only to the extent they are natural persons or the registered representative according to the companies' register (certified translation of the official excerpt or notarised copy showing the representative's authority is required; creditors should check whether an apostille is required to recognise the validity of their foreign public documents in the Republic of Croatia) or authorise a representative being an attorney at law admitted in the Republic of Croatia or who otherwise fulfils the requirements of Art. 89.a Civil Procedure Act. A recommended power of attorney to use in this case is in Annex 5 (*Voting Power of Attorney*).

The voting in the Hearing will be performed electronically.

4.1.5.3 Approval Process

The Settlement Plan shall be considered approved:

(i) if a majority of all Determined Creditors and Challenged Creditors that are entitled to vote, vote in favour of the plan and if in each class the aggregate amount of claims of creditors who vote for the Settlement Plan exceeds the aggregate amount of claims of the creditors who reject the Settlement Plan; or

(ii) in the event (i) is not met, if the aggregate amount of claims of the creditors who vote in favour of the Settlement Plan amounts to at least two thirds of the total claims (Art. 43 para. 14 EA Act).

4.1.5.4 Court Confirmation

Upon a positive vote being passed on the Settlement Plan by the creditors, the Court will issue an order confirming or withholding confirmation of the Settlement Plan. The order confirming the Settlement Plan has the force of an enforceable deed (Art. 43 para. 15, 16 EA Act) (the date of such confirmation, the "**Settlement Confirmation Date**"). The Court must *ex officio* withhold the confirmation of the Settlement Plan (Art. 43 para. 16 EA Act):

– if the regulations governing (i) the contents of the Settlement Plan, (ii) the procedure for its preparation and rendering or (iii) the acceptance by the creditors have been decisively violated unless these defects can be removed; or

– if the acceptance of the Settlement Plan has been obtained in an inadmissible way.

The Settlement Plan or the summary of its essential contents will be published on the e-bulletin website of the Court. The execution of the Settlement Plan will be registered in the Court register (Art. 43 para. 17 EA Act).

The Settlement Plan is effective from the issuance of the confirmation order on all creditors including the creditors who have not participated in the proceeding as well as the creditors who have participated in the proceeding and whose Challenged Claims have been subsequently determined (Art. 43 para. 18 EA Act).

4.1.6 Costs of the EA Proceedings

Costs of the proceedings are estimated at up to EUR 85 million. These include in particular Court costs, fees and expenses (including advisors) incurred in connection to the EA Proceedings as provided under Art. 20 and Art. 12 para. 11 EA Act (the "**Administrative Liabilities**").

As at 30th April 2018, Administrative Liabilities in the amount of c. EUR 47 million have been paid from the Debtor's cash resources. As at 30th April 2018, there is no outstanding amount in respect of Administrative Liabilities that has to be paid and the rest of c. EUR 38 million will be paid in the ordinary course of business.

By 30th April 2018, the fees paid to advisors amounted to c. EUR 39 million, funded from the Debtor's cash resources. The engagement letters of certain Advisors entitle the respective Advisors to receive success fees which amount to an aggregate of up to c. EUR 22.1 million.

The final conclusive amount of Administrative Liabilities will be capable of determination or estimation only upon termination of the EA Proceedings. Until then, the Debtor will ensure payment of the Administrative Liabilities as ordinary business expenses in accordance to the

above stated provisions of the EA Act and the provisions of the Bankruptcy Act (in particular Art. 157 para. 1 Bankruptcy Act) to the extent applicable.

4.1.7 Termination of the EA Proceedings

The EA Proceedings will terminate upon implementation as set out under the Constructive Part (Cl. 29.1 below) of the Settlement Plan (Art. 47 item 2 EA Act).

4.2 Post-Petition Financing

4.2.1 Background and Conclusion of the SPFA

In 2017, the Agrokor Group's retail businesses were severely hampered by an inability to purchase goods and services as a result of the commercial challenges detailed above (see. Cl. 3.6 above). In order to achieve operational stability, avoid bankruptcy and provide a stable platform for which the Extraordinary Administration could focus on restructuring the group, the Extraordinary Administrator initially focused on obtaining additional liquidity.

On 13th April 2017, the Debtor as borrower entered into a loan agreement with Zagrebačka banka d.d., Privredna banka Zagreb d.d., Erste & Steiermärkische bank d.d. and Raiffeisenbank Austria d.d. as loan providers. The total loan amount was EUR 80 million (the "**EUR 80m Loan**"), providing resources for an emergency re-supply of retail locations with goods prior to the Easter weekend. By doing so, at the very last moment the conditions needed to secure continuity of business operations were created. The incurrence of new debt was approved by the ICC in advance, in a session held on 13th April 2017.

However, the new money provided under the EUR 80m Loan was not sufficient to satisfy the Agrokor Group's liquidity needs. The Debtor identified immediate new money needs in the amount of approximately EUR 480 million, made up of EUR 250 million for the group's operating cash needs to normalise operations and fund seasonal cycles, EUR 150 million for pre-petition trade claim repayments which were fundamental for certain suppliers and to ensure continued supply of the group, and EUR 80 million for the refinancing of the EUR 80m Loan.

The new financing was needed to ensure long-term stability and viability of the EA Group's operations, preserve value for all stakeholders and minimise systemic risks for the Republic of Croatia. The Debtor therefore approached a significant number of parties and fully explored all the proposals received. It received two financing proposals at that time. A super priority term facility agreement in the total amount of up to c. EUR 1 billion, including a 1:1 refinancing of pre-petition claims (as described under Cl. 4.2.4 below) (the "**SPFA**"; the lenders under the SPFA, the "**SPFA Lenders**") and a proposal from a group of funds (the "**Marco Polo Group**"), featuring a EUR 400 million loan with a total cost of debt (*i.e.* interest rate plus fees) of 20-30% per annum. The Marco Polo Group proposal was not deliverable, however, because the Marco Polo Group required (i) security over the shares in the subsidiary Jamnica d.d., which would require the consent from numerous existing creditors whereby there was no guarantee such consents would be obtained, and (ii) extensive diligence in a form that was not available in the near-term (*e.g.* audited accounts). Due to the time involved for the aforementioned process requirements, the Marco Polo Group proposal would have also necessitated an alternative source of short-term financing to meet the Agrokor Group's urgent liquidity needs, which (apart from the SPFA proposal) was unavailable at the time. Therefore, the SPFA proposal was the only viable alternative.

Following completion of this process, the Debtor concluded that the SPFA was the best option for existing creditors of the Debtor. Unlike the Marco Polo Group proposal, the SPFA provided timely funding to the group while at the same time allowing both institutional investors and (pursuant to the incremental facility) certain suppliers and trade creditors the option to participate in the financing.

On 1st June 2017, the Extraordinary Administrator informed the ICC of the results of the new financing process, including the merits and considerations of the two competing proposals, and provided its recommendation. Upon further consideration by the ICC, the incurrence of new debt was approved by the ICC in a session held on 8th June 2017.

On 8th June 2017, the Debtor entered into the SPFA. The total amount of the loans provided under the SPFA amounts to EUR 1,060 million. Interest accrues in respect of each loan at the rate equal to EURIBOR plus 4% PIK margin which capitalises at the end of each interest period. The SPFA Lenders may elect that cash pay interest may apply at the rate of EURIBOR plus 3.8%. An amount equal to 50% of the proceeds of each loan under the SPFA was applied in repayment of certain existing financial indebtedness of the group entered into prior to the commencement of the EA Proceedings (see Cl. 4.2.4 below). The facilities under the SPFA were backstopped by certain funds affiliated to Knighthead Capital Management LLC and Zagrebačka banka d.d. The SPFA is subject to priority treatment pursuant to Art. 39 para. 1 EA Act (see Cl. 4.2.3 below).

Upon the drawdown of the SPFA in June 2017, additional liquidity started to be injected into core operating companies in the Agrokor Group. This liquidity continued to flow into the Agrokor Group's operating companies stabilising their operations ensuring their going-concern and also facilitating investment in short-term profit improvement opportunities such as reducing stock outs and addressing seasonal stocking needs.

4.2.2 Main Terms of the SPFA

Please note that the terms of the SPFA were made available publicly on 26th March 2018 under http://nagodba.agrokor.hr/en/super-priority-term-facilities-agreement-fee-letter-role-lenders-agent/.

Total amount	EUR 1,060 million.
Amount of new financing	Up to EUR 480 million total financing (net of the refinancing) to be committed on the closing date of the SPFA, with an initial utilisation made on the closing date and a further utilisation following a reasonable period for syndication to other creditors; plus an incremental supplier tranche of up to EUR 50 million (net of refinancing). Up to EUR 150 million of total new financing was made available to pay supplier claims, including pre-petition supplier claims.
Refinancing	EUR 1 (or the USD or other currency equivalent) of a lender's existing unsecured debt principal against the Debtor shall be exchanged for EUR 1 of principal claim under the SPFA provided by that lender under the SPFA and drawn down by the Debtor.

Borrowers	Borrower is the Debtor, with the ability to on-lend within the Agrokor Group to extent intercompany debt ranks super senior.
Guarantors	Any material subsidiaries of the Debtor (to the extent permitted by applicable law and fiduciary duties) as determined by the SPFA Lenders in their absolute discretion ("**SPFA Guarantors**").
Interest	EURIBOR + 4% per annum PIK accruing monthly or 3.8% cash payable annually at the election of each individual SPFA Lender. EURIBOR floor at 0.
Default interest	EURIBOR + 10% per annum payable monthly in arrears in cash, EURIBOR floor at 0.
Final maturity date	The earliest of: (a) 15 months from commencement of the EA Proceedings (being 10th April 2017), (b) the date on which the Settlement Plan is confirmed effective by the Court, or (c) commencement of a bankruptcy under the Bankruptcy Act for a material obligor. Right for the Debtor, in the event that a settlement plan (acceptable to 60% of SPFA Lenders, and 50% of SPFA Lenders that are funds) is adopted pursuant to Art. 43 EA Act, and no event of default is then outstanding, to extend the final maturity date by 24 months.
Ranking	The SPFA shall benefit from seniority granted to new financing under the EA Act.
Governing law	The SPFA to be governed by English law, any security documents to be governed by appropriate local law.

4.2.3 Priority Treatment of Post-Petition Financing

The EUR 80m Loan and the SPFA were entered into pursuant to Art. 39 para. 1 EA Act, thereby entitling the lenders thereunder to priority recovery. The provision allows new debt to be assumed in the name and for the account of the debtor with prior approval of the creditors' council if the following conditions are met:

– the financing is necessary for the reduction of the system risk, continuation of business activities, preservation of assets; or

– the financing concerns the settlement of claims from the ordinary operations.

In accordance with Art. 39 para. 1 of the EA Act, this financing will have priority in satisfaction over other claims of the creditors, save for claims of employees or former employees.

As a consequence, creditors of such claims have the right to priority recovery by analogous application of the provisions of the Bankruptcy Law relating to bankruptcy assets creditors, and have the right to priority recovery over any other claims, unless otherwise provided for by the EA Act (Art. 39 para. 3 EA Act). The priority status of such creditors with the right to priority recovery would also extend to the opening of the bankruptcy proceedings or any other proceeding after the closing of the EA Proceedings.

4.2.4 Refinancing of Pre-Petition Claims

The SPFA allowed for the refinancing of pre-petition claims held by the SPFA Lenders, applying a 1:1 ratio between new money and refinanced debt with the effect that the refinanced pre-petition claims have been settled, and funds provided under the SPFA used for refinancing attained priority status.

Whereas pre-petition claims held by financial institutions are generally not considered claims from the operating business (Art. 40 para. 4 EA Act) and therefore may not be repaid under Art. 40 para. 1 EA Act, pre-petition claims relating to claims with priority treatment are treated differently (Art. 40 para. 4 EA Act). If a creditor provides a loan under Art. 39 EA Act, the Extraordinary Administrator may refinance pre-petition claims of such creditor under Art. 40 para. 1 EA Act with the effect that the refinanced amount is treated as a loan (new indebtedness) issued under Art. 39 para. 1 EA Act. In order for the refinancing to be legally possible and permissible, the following requirements need to be fulfilled cumulatively:

– the refinancing is required to reduce systemic risk, continue operations, preserve assets or concerns the settlement of claims from ordinary operations; and

– the creditors' council has approved the refinancing.

All these requirements were met by the new financing provided under the SPFA and the refinancing of the related pre-petition claims.

4.2.5 SPFA-Related Litigation

An individual creditor of the EA Group attempted to prevent the Extraordinary Administrator from entering into the SPFA and to have the SPFA declared illegal through several legal proceedings, all of which were finally decided in favour of the Debtor, confirming the validity of the SPFA arrangement. The challenges brought against the SPFA validity have been determined unsuccessful by the Court and the High Commercial Court.

4.2.6 Basket for Payment of Pre-Petition Trade Claims

The SPFA provided for a basket of EUR 150 million for payment of pre-petition trade claims which became due and payable prior to the opening of the EA Proceedings which was communicated publicly in the week ending 28th July 2017. The purpose of these funds was to benefit the EA Proceedings by ensuring continuous support of the Agrokor Group's business by trade suppliers. This EUR 150 million tranche was split into three pools:

(a) Pool A

Pool A is a dedicated pool of up to EUR 30 million for pre-petition debt (excluding Border Claims (as defined below)) held by 'micro' suppliers, defined as family farms (OPG), small entrepreneurs and micro-suppliers. Micro suppliers were defined as suppliers with (i) annual revenue of less than HRK 5.2 million, or (ii) a maximum of HRK 2.6 million in assets and (iii) up to 10 employees, and designed to protect the most vulnerable suppliers and secure their continued supply to the Agrokor Group. Approx. 2,500 micro suppliers received 100% settlement of their pre-petition debt (excluding Border Claims) with Pool A utilisation. EUR 19 million has been paid.

(b) Pool B

Pool B is a dedicated pool of up to EUR 110 million open to all suppliers (except the Pool A micro suppliers) set up for the purpose of helping to return suppliers to favourable terms and improve the working capital and liquidity position of the Agrokor Group. Concerned suppliers were required to confirm that they will return to historic and/or industry standard terms of supply in order to be eligible.

The funds in Pool B were allocated to suppliers based on their claims and ongoing support for the business. The overarching approach to allocation was split between the following two tranches:

– *pro rata* tranche (Tranche 1): EUR 27.5 million distributed on a *pro rata* basis to all old debt suppliers that filed their claims in the EA Proceedings; and

– proportional tranche (Tranche 2): allocated on a proportional basis to suppliers holding pre-petition claims which became due prior to the opening of the EA Proceedings, that filed their claims in the EA Proceedings and agreed to sign an agreement with the Agrokor Group to return to historic supplier terms going forward, to a maximum of 40% of supplier's pre-petition debt (excluding Border Claims), taking into account any amounts paid previously for pre-petition debt (excluding Border Claims).

In order to determine the amounts to be allocated in Pool B, a two-step eligibility assessment process was applied:

– in a first step, each EA Entity identified its important suppliers and offered new supply contracts; and

– in a second step, suppliers with signed contracts were eligible for allocation of Tranche 2 from Pool B.

The total amount of cash payments for pre-petition debt (excluding Border Claims) under Pool B is EUR 84.9 million.

(c) Pool C

Pool C is a discretionary pool of up to EUR 10 million for settlement of trade supplier claims in respect of claims which accrued prior to the opening of the EA Proceedings, in accordance with identified business needs with the purpose of setting aside funds to be made available for business-critical payments required to handle any special situations which would prevent damage to the business' operations.

To date, the total amount of cash payments under Pool C is EUR 4.3m.

Any residual unused funds from EUR 150 million basket were used for structured Border Claims payments.

4.3 Payments Made during Extraordinary Administration

4.3.1 Payments on Post-Petition Claims

During the EA Proceedings and in line with the provisions of the EA Act, the Extraordinary Administrator continuously settled Administrative Liabilities and other claims that arose after

the opening of the EA Proceedings ("**Estate Claims**") in the ordinary course of business on regular business terms, including payments to employees and suppliers of goods and services.

4.3.2 Settlements of Pre-Petition Claims

During the EA Proceedings, certain claims that arose before the opening of the proceedings were settled in accordance to Art. 40 EA Act. The following settlements have been made:

– old debt payments to suppliers – total amount of HRK 1,357,055,110.64;

– border debt payments to suppliers – total amount of HRK 2,842,181,002.90; and

– refinanced amount under the SPFA (financial institutions and suppliers) – total amount of HRK 3,937,260,563.26.

Details on all settlements made pursuant to Art. 40 EA Act are included in Annex 4 (*Claims*) and Annex 6 (*Claims not Filed*).

4.3.2.1 Statutory Basis

Payments of claims that arose prior to the opening of EA Proceedings are allowed if necessary for the reduction of systemic risk, continuation of business activities, preservation of assets and if arising out of the ordinary operations or operating activities (Art. 40 paras. 1 and 2 EA Act).

Claims relating to the delivery of goods and provision of services to entities under Extraordinary Administration and which had not become due for payment before the opening of the EA Proceedings are deemed claims whose settlement is connected with the ordinary operations ("**Border Claims**", Art. 40 para. 3 EA Act).

4.3.2.2 Payments

Under the above statutory basis of Art. 40 EA Act, certain payments were made during the course of the EA Proceedings which were approved by the Extraordinary Administrator or ICC, as applicable. In April 2017, EUR 30 million of business-critical pre-petition payments were made. Further funds for the payment of trade debt were made available under the SPFA. Such payments are further described in Cl. 4.2.6 above.

4.3.2.3 Treatment of Payments in the Settlement Plan

The payment of pre-petition claims under Art. 40 EA Act was undertaken in accordance with the EA Act and is therefore outside the scope of the Settlement Plan. Under the EA Act, these payments are settlements of that amount of the claim and are not affected by the amounts that result from potential recovery under the Settlement Plan (to the extent a comparison would appear to show an over-payment). The balance of partly settled pre-petition claims will be treated in the same way as all other claims.

On 2nd November 2017, a creditor applied to the Court to declare the decision of the ICC dated 31st August 2017, approving the repayment of pre-petition claims pursuant to Art. 39 para. 1 EA Act, null and void or, alternatively, to annul the said decision. The Court rejected the application under file No. St-1138/2017 on 23rd November 2017.

4.4 Protection of Assets

4.4.1 Litigation against the EA Group

During the course of the EA Proceedings, third parties are prohibited from (i) initiating civil or enforcement proceedings, proceedings securing claims and out-of-court collection proceedings and (ii) exercising rights to separate satisfaction against the debtor and his controlled and affiliated companies, save for proceedings relating to employment (Art. 41 para. 1 EA Act).

Certain creditors have initiated litigation and enforcement proceedings against certain members of the EA Group in various foreign jurisdictions after the opening of the EA Proceedings. These include applications for temporary injunctions against members of the EA Group, prohibiting the transfer and encumbrance of shares and in some circumstances restricting the exercise of the voting rights related to the shares in Foreign Subsidiaries (as defined below) as well as enforcement actions against the shares in the Foreign Subsidiaries held by the EA Entities. The Extraordinary Administrator has opposed these actions brought against the EA Group. So far, no enforcements have been effected. However, several temporary injunctions are in place banning the transfer and encumbrance of shares and the exercise of the voting rights by the EA Entity.

A creditor has issued two arbitration proceedings in the London Court of International Arbitration against the Debtor and some of its subsidiaries for repayment under two facility agreements totalling EUR 450 million (the "**LCIA Arbitration Proceedings**"). As the EA Act has been recognised in England and Wales, the stay on proceedings is effective, including in respect of the arbitration proceedings. As mentioned in Cl. 4.4.2.1 below, a creditor has appealed the decision granting recognition of the EA Act in England and Wales. However, the arbitration proceedings are stayed pending the outcome of the creditor's appeals in respect of both the order of the High Court of England and Wales granting recognition of the EA Proceedings in England and Wales and the order of the High Court of England and Wales dismissing the same creditor's application to lift the stay on the arbitration proceedings (as described in Cl. 4.4.2.1 below). The appeals hearing is to be listed before three justices of the Court of Appeal on the first available date after 1st October 2018.

The Settlement Plan also addresses such litigation against the EA Group. In particular, Creditors undertake not to continue litigation against the EA Group pursuant to Cl. 29.8.1(i).

A list of all foreign litigation (including the LCIA Arbitration Proceedings) commenced against EA Group and the status of the proceedings is in Annex 7 (*Litigation against EA Group*).

4.4.2 Foreign Recognition Proceedings

In order to safeguard the interests of all stakeholders and to ensure equitable treatment of all creditors, the Extraordinary Administrator has initiated recognition proceedings in several countries where the EA Group has assets or has a connection through the governing law of certain of its finance agreements (the "**Recognition Proceedings**"). An informative non-exhaustive summary is presented below.

4.4.2.1 England and Wales

The Extraordinary Administrator filed an application in the Chancery Division of the High Court of England and Wales seeking recognition of the EA Proceedings over the Debtor as a

"foreign main proceeding" under the Cross-Border Insolvency Regulations 2006 on 27th July 2017. The application was opposed by a single creditor. Following the exchange of evidence, including expert reports on Croatian law, a hearing was held on 23rd to 26th October 2017. On 9th November 2017, the High Court granted recognition of the EA Proceedings in England and Wales in respect of the Debtor, thereby staying all present and future actions brought by creditors in England and Wales against the Debtor. The opposing creditor applied to the High Court for permission to appeal the recognition decision. At a hearing held on 18th December 2017, the High Court gave a final order, rejecting the creditor's application for permission to appeal the decision, and ordering the opposing creditor to pay the Extraordinary Administrator's costs of the proceedings caused by the creditor's opposition to the application. The opposing creditor filed an application to the Court of Appeal for permission to appeal the order granting recognition of the EA Proceedings, and for expedition of the appeal process. Permission to appeal was granted by the Court of Appeal on 27th April 2018.

Following the judgment of the High Court granting recognition of the EA Proceedings in England and Wales, on 11th December 2017, the opposing creditor applied to lift the stay imposed by the recognition order to allow it to continue the arbitration proceedings. The parties exchanged evidence, including further expert evidence, and a hearing was held to determine the issues on 21st February 2018. The High Court ordered that the application to lift the stay on the arbitration proceedings should not be granted until the recognition decision had been "finally determined", which would not be the case until the appeal of the recognition order was determined and no further appeals were possible. The opposing creditor was denied permission to appeal this decision by the High Court. It subsequently sought permission to appeal from the Court of Appeal, and for expedition of this appeal process to be heard at the same time as its appeal of the recognition order. The applications were granted, and the appeal will be heard at the same time as the appeal of the recognition order.

The parties have exchanged legal submissions and a hearing is to be listed before three justices of the Court of Appeal for the first available date after 1st October 2018. The stay on proceedings in England and Wales remains in effect while these proceedings are ongoing.

4.4.2.2 Serbia

On 26th July 2017, the Extraordinary Administrator filed an application with the Commercial Court in Belgrade for the recognition of the Extraordinary Administration process in Serbia. On 28th August 2017, the court rejected the recognition application. The Extraordinary Administrator appealed that decision on 14th September 2017. On 25th October 2017, the Commercial Court of Appeal rejected the Extraordinary Administrator's appeal, confirming the first instance decision. On 20th December 2017, the Extraordinary Administrator filed an appeal to the Constitutional Court of Serbia against the decision to reject the recognition application.

4.4.2.3 Slovenia

On 10th July 2017, the Extraordinary Administrator filed an application with the District Court of Ljubljana for the recognition of the Extraordinary Administration process in Slovenia. The application was granted on 14th July 2017, whereby all proceedings initiated against the EA Group in Slovenia were suspended by operation of law. The decision was appealed by a creditor and the Republic of Slovenia. Subsequently, the appellate court overturned the decision of the first instance court and rejected the recognition application. The Extraordinary Administrator filed an appeal against this decision to the Supreme Court of Slovenia on 1st December 2017,

including an expert report from Prof. Dr. Aleš Galič from the University of Ljubljana – Faculty of Law and a further report from a retired Judge of the Supreme Court of the Republic of Croatia, mr. sc. Andrija Eraković. With the decision of the Supreme Court of the Republic of Slovenia, adopted on 14th March 2018, the appeal was dismissed and the application for recognition rejected. Subsequently, on 18th May 2018 the Extraordinary Administrator filed an appeal to the Constitutional Court of Slovenia against the decision of the Supreme Court.

4.4.2.4 Bosnia-Herzegovina

On 27th July 2017, the Extraordinary Administrator filed an application with the Cantonal Court of Sarajevo for the recognition of the Extraordinary Administration process in Bosnia-Herzegovina. The application was rejected on 13th November 2017. The Extraordinary Administrator appealed that decision on 27th November 2017. The Supreme Court rejected the appeal by a decision dated 18th December 2017. The Extraordinary Administrator filed an appeal at the Constitutional Court on 16th March 2018.

4.4.2.5 Montenegro

On 7th August 2017, the Extraordinary Administrator filed an application with the Commercial Court of Montenegro for the recognition of the Extraordinary Administration process in Montenegro. The court dismissed the application on 16th December 2017. The Extraordinary Administrator filed an appeal against this decision on 25th October 2017. The Commercial Court of Montenegro granted permission to an objecting creditor to join the appeal as an interested party. An appeal was filed against that decision on 28th February 2018.

4.4.2.6 Switzerland

The Extraordinary Administrator filed an application with the Cantonal Court of Zug on 20th December 2017 for the recognition of the EA Proceedings over the Debtor in Switzerland as well as the appointment of the Extraordinary Administrator to represent the Debtor and deal with its assets in Switzerland under the Swiss International Private Law Act. By decision dated 2nd February 2018, the Cantonal Court of Zug recognised the Extraordinary Administration in respect of the Debtor with effect for the entire Swiss territory and authorised the Extraordinary Administrator to represent the Debtor in Switzerland and deal with its assets there. The decision was not appealed and has become final under Swiss law.

4.4.3 Claw-Back Actions

During the course of the EA Proceedings, the Extraordinary Administrator, with the prior approval of the Court, is entitled to challenge legal actions by the EA Entities undertaken to the detriment of the creditors if he regards such actions necessary to fulfil the objectives of the proceedings (Art. 38 para. 1 EA Act).

To safeguard the interests of all stakeholders and to ensure equitable treatment of all creditors, claw-back actions have been initiated actions against a number of third parties.

A full list of pending claw-back actions is in Annex 8 (*Claw Back Actions*).

4.4.4 Actions Brought against Former Management

Actions against certain members of the former management (Ivica Todorić, Ante Todorić and Ivan Crnjac) have been initiated for the nullification of annexes of employment contracts. The

respective annexes provided that any damages that potentially may be imposed on the aforementioned former management members if any third party and/or any public authority body (including, but not limited to, the State Attorney Office, Ministries of the Republic of Croatia, regulatory authorities) initiates any actions, management members shall be reimbursed by the Debtor. Furthermore, the annexes provided that the Debtor must reimburse all expenses regarding legal relief and legal advisers and all expenses arising from such proceedings to the respective members of the former management.

All three proceedings have been concluded in front of the Commercial Court in Zagreb and the rulings nullifying the respective annexes with respect to Ivica Todorić and Ante Todorić are final since only Ivan Crnjac has appealed the first instance ruling.

Also, criminal proceedings are underway against all of the aforementioned management board members and 13 other persons, including other former management members and the auditors of the Agrokor Group. The Debtor has duly lodged a damages claim within the pending criminal proceeding against all of the 16 defendants in the amount of HRK 1.6 billion (approx. EUR 215 million).

5 THE RESTRUCTURED GROUP

5.1 Overview

The Settlement Plan will restructure the EA Group with the aim of ensuring the continuation of the business of the EA Group (see Cl. 5.2 below). The assets of the EA Group will be held under a new Dutch and Croatian holding structure (see Cl. 5.3 below and Cl. 5.5 below), forming the New Group. The operating subsidiaries will be held by a Croatian holding company.

The Settlement Plan will deleverage the current business to make it viable going forward by converting the pre-petition unsecured debt into equity of the New Group and structurally subordinated debt instruments. To achieve this, pursuant to the Settlement Plan the third-party pre-petition creditors of the EA Group with outstanding unsecured pre-petition claims against the Debtor and Non-Viable EA Croatian Subsidiaries (as defined below and listed in Annex 2 (*Agrokor Group Entities*)) (such claims (for the avoidance of doubt (i) excluding any payments made under Art. 40 EA Act and (ii) including guarantee claims) being the "**Impaired Claims**", listed in Annex 4 (*Claims*); the creditors that hold Impaired Claims being the "**Impaired Creditors**" in that capacity) will:

(i) unless cashed out for Minor Impaired Claims (as defined below);

(ii) receive a combination of two instruments issued by Dutch Holding Companies (as defined below) consisting of new equity and a structurally subordinated convertible bond (see Cl. 5.4 below).

As a result, the New Group will economically be owned by the Impaired Creditors, unless fully cashed out for their Minor Impaired Claims (as defined below), as holders of new instruments (in this capacity, the "**New Instruments Beneficiaries**") upon the Implementation Commencement Date.

For all purposes of the Settlement Plan, any Secured Claim (as defined below) will be treated as an unsecured pre-petition claim against the debtor entity (and an unsecured pre-petition

liability) to the extent that the amount of the Secured Claim exceeds the value of the related secured collateral. Therefore, the amount by which a Secured Claim exceeds the value of the related secured collateral will be treated as an Impaired Claim for the purposes of the Settlement Plan.

Creditors with claims against Viable EA Croatian Subsidiaries (as defined below) will remain unimpaired (the "**Unimpaired Creditors**"). The same applies to creditors of the Foreign and Non-EA Croatian Subsidiaries (as defined below) that are not subject to the EA Proceedings.

5.2 Continuation and Restructuring of Business

The current business operations will be continued by a number of subsidiaries under a new creditor-controlled holding structure consisting of Croatian and Dutch holding companies. See below for further details on the new operative entities (Cl. 5.3 and 5.5 below) as well as the debt (see Cl. 5.4 and 5.6 below) and equity structure (see Cl. 5.4 below) of the New Group.

5.2.1 Viability Plan

The Settlement Plan will allow the core operating business of the Agrokor Group to continue in the New Group. Alongside the financial restructuring envisaged by the Settlement Plan, the Debtor has produced a viability plan for the ongoing operational development and sustainability of the operating business of the Agrokor Group (the "**Viability Plan**").

The Viability Plan for the Agrokor Group's main business segments was published on 30th October 2017, and is, as updated, available online at http://www.agrokor.hr/en/news/presentation-of-viability-plans-for-agrokor-companies-and-business-sectors/.

The Viability Plan was developed on a granular "bottom-up" basis for each of the main divisions of the Agrokor Group. Centralised assumptions around GDP growth, inflation and wage increases were planned and were based on third-party information (*e.g.* focus economics, viewswire, European Commission).

The Viability Plan was developed throughout the EA Proceedings to ensure it provides a realistic and achievable basis for the Agrokor Group's activities going forward. The Debtor instructed external advisors to perform a review of certain group companies to ensure the Viability Plan in respect of those group companies is robust and realistic.

As required by the SPFA, all subsidiaries were assumed to operate at arm's length to ensure there remained an ability to sell the businesses with clear accountability (which is likely to create more value).

The Viability Plan assumes that the Settlement Plan will provide sufficient liquidity for the New Group to operate on a "business as normal" basis (*e.g.* investments, restructuring expenses, working capital, etc.).

The lack of precedent restructurings concluded under the protection of the EA Act made it necessary to make certain assumptions in the Viability Plan (*e.g.* group stays as it is, ability to leave behind certain (rental) contracts and payment of old debt claims). The Viability Plan captures the outcomes of the significant operational improvement efforts undertaken in 2017 and provides a stable platform for the future business of the New Group. The improvement initiatives aim to improve the Agrokor Group companies' EBITDA performance.

Implementation of these initiatives are underway in all entities and their effects are being monitored on a regular basis (as described in Cl. 5.2.2 below).

5.2.2 Completed and Ongoing Measures with Respect to the Operative Restructuring

During the course of the Extraordinary Administration, certain measures have been initiated to improve the performance of each of the businesses. These measures were agreed in the Viability Plan.

The implementation of these measures has been monitored across each of the core businesses and the business leaders were made responsible for implementation of the measures and delivery of their effects. Detailed monitoring and dedicated onsite implementation support was set up to ensure the benefits are realised and can be tracked. A detailed tracking and regular reporting process was developed which defined each measure's maturity level (period to full implementation of that measure) and the realisation of any financial benefits associated with the specific initiative. Progress on the implementation was reported to the Debtor's steering committee on a monthly basis. The steering committee is made up of the Extraordinary Administrator (and, from 28th February 2018 on, his deputy), key Agrokor Group executives and certain of the Debtor's advisors.

5.3 Corporate Structure

In considering the possibilities for establishing a new corporate structure, the Debtor, the Extraordinary Administrator and the Advisors considered both the needs and the status of the current Agrokor Group and the relationships which will be established by way of the Settlement Plan, taking into account the restructuring goals which are to be achieved in the EA Proceedings, the long-term viability of business operations and the maximisation of creditors' recovery. In choosing (i) the home jurisdiction (country) of the holding structure, and (ii) the legal form of the companies in the holding structure, the following criteria were taken into account:

(i) Legal certainty and political stability of a country;

(ii) A well-tested legal system in restructurings and finance (including in connection with the taking of security and enforcement), contemporary legislative solutions recognising economic needs and trends, efficacy of the justice system;

(iii) Rich case law and experience in application of similar solutions (a large number of similar structures which have already been established and are successfully operating);

(iv) Economic stability and a country's reputation as a business and investment destination;

(v) A country's membership in the European Union and being a part of the common economic and legal system;

(vi) Well-developed capital markets;

(vii) A corporate structure enabling a simple disposal of and monetising of New Instruments for all creditors;

(viii) A well-developed legislative framework which makes a country suitable as an international holding company jurisdiction and which is compliant with EU and OECD standards; and

(ix) A Corporate governance mechanism enabling adequate supervision, information rights and implementation of Creditors' decisions on all levels of the structure.

Based on the above considerations, a new corporate structure has been set up, consisting of Aisle STAK, Aisle Dutch TopCo, Aisle Dutch HoldCo and Aisle HoldCo (each as defined below, and together, the "**Holding Companies**") and Croatian and foreign operating subsidiaries (together with the Holding Companies, the "**New Group Companies**"; the New Group Companies forming the "**New Group**"). The corporate documents of the New Group Companies in place as at the Submission Date may be changed and amended in order to be aligned with all structural elements as contemplated under the Settlement Plan.

A new Dutch entity, *Aisle Dutch TopCo B.V.*, in the form of a private limited liability company under the laws of the Netherlands ("*Besloten Vennootschap*", B.V.), has been established and registered with the trade register of the Dutch Chamber of Commerce under number 71635416 with its seat in Amsterdam, the Netherlands ("**Aisle Dutch TopCo**"), as the parent of the New Group. Aisle Dutch TopCo is domiciled at Herikerbergweg 238, Luna ArenA (1101CM), Amsterdam, the Netherlands. Aisle Dutch TopCo has a single-tier board consisting of managing directors (*bestuurders*) only.

The sole shareholder of Aisle Dutch TopCo is a Dutch stichting, *Aisle STAK Stichting*, registered with the trade register of the Dutch Chamber of Commerce under number 71631410 and with its seat in Amsterdam, the Netherlands ("*Stichting Administratiekantoor*", "**Aisle STAK**"). Having Aisle STAK as the ultimate holding entity of the New Group is designed to enhance the flexibility and manageability of the structure, in view of the anticipated large number of New Instruments Beneficiaries that are going to hold an equity interest in the New Group. Interposing Aisle STAK increases the equity interests' liquidity and enhances their transferability and allows Aisle Dutch TopCo to operate and be managed in a more efficient and flexible manner from a governance perspective. Aisle STAK is domiciled at Herikerbergweg 238, Luna ArenA (1101CM), Amsterdam, the Netherlands. Until the Implementation Commencement Date and the issuance of Depositary Receipts (as defined below) on that date, Aisle STAK is an orphan entity.

In the corporate structure between Aisle Dutch TopCo and Aisle HoldCo, an intermediate entity, *Aisle Dutch HoldCo B.V.*, in the form of a private limited liability company under the laws of the Netherlands ("*Besloten Vennootschap*", B.V.) has been established and registered with the trade register of the Dutch Chamber of Commerce under number 71642412 with its seat in Amsterdam, the Netherlands ("**Aisle Dutch HoldCo**"), as a direct, wholly-owned subsidiary of Aisle Dutch TopCo. Aisle Dutch HoldCo is domiciled at Herikerbergweg 238, Luna ArenA (1101CM), Amsterdam. Aisle Dutch HoldCo has a single-tier board consisting of managing directors (*bestuurders*) only.

The new structure also includes Croatian joint stock company, *Aisle HoldCo d.d.*, with its seat in Zagreb, Croatia ("**Aisle HoldCo**"), registered with the court register of the Commercial court in Zagreb under number (MBS): 081179147, PIN (OIB): 88035992407. Aisle HoldCo is a wholly-owned subsidiary of Aisle Dutch HoldCo. Aisle HoldCo is domiciled at Zagreb, Radnička cesta 80. Aisle HoldCo has single-tier board and is the parent and holding company of all operating subsidiaries. A number of new Croatian subsidiaries (the "**New Croatian**

Subsidiaries") have been established as direct subsidiaries of Aisle HoldCo to serve as asset transferees for each non-viable EA Entity. The New Croatian Subsidiaries are listed in Annex 9 (*Aisle HoldCo and New Croatian Subsidiaries*).

TMF Netherlands B.V., a corporate services provider, is the current managing director (*bestuurder*) for each of Aisle STAK, Aisle Dutch TopCo and Aisle Dutch HoldCo (together, the "**Dutch Holding Companies**"). Ernst Gabriel is the current managing director for Aisle HoldCo. The Extraordinary Administrator will work with the Holding Companies to make appropriate changes over time to the company names of the Agrokor Group members and the New Group Companies and their articles of association in order to prepare for the transfer of the businesses, taking into consideration the envisaged timing of the implementation of the Settlement Plan. This includes pre-implementation of funding arrangements and (if and when appropriate) changes to the management boards of the various New Group Companies. The draft form of the proposed articles of association of the Holding Companies is attached as Annex 10 (*Holding Companies' Articles of Association*).

Part of those pre-implementation funding arrangements will be the funding of the Dutch Holding Companies' on-going operating expenses in relation to the ordinary course fees, costs and expenses incurred by the Dutch Holding Companies, including the fees of certain corporate service providers and agents and trustees relating to the New Instruments (the "**HoldCo OpEx**"). Since the Dutch Holding Companies will have no cash balance sufficient to fund the HoldCo OpEx, it is intended that a non-recourse loan will be made by the Debtor to Aisle Dutch HoldCo in an amount equal to the projected HoldCo OpEx for the two-year period following the Implementation Commencement Date. This non-recourse loan will be fully drawn on the Implementation Commencement Date and the loan agreement will be transferred as part of the Debtor‘s Assets Subject to Transfer to Aisle HoldCo. Aisle Dutch HoldCo must use the proceeds of the loan solely to meet HoldCo OpEx and for no other purpose, and may lend or otherwise upstream to Aisle Dutch TopCo an amount equal to the HoldCo OpEx payable by Aisle Dutch TopCo and Aisle STAK from time to time.

The HoldCo OpEx incurred up to and including the Implementation Commencement Date will be met by the Debtor on or prior to the Implementation Commencement Date. Any operating expenses incurred by Aisle HoldCo prior to the Implementation Commencement Date will also be funded by the Debtor by way of a non-recourse loan, advanced on or prior to the Implementation Commencement Date.

As at the Submission Date, the Debtor has already provided a loan in the amount of EUR 250,000 to Aisle Dutch TopCo.

5.4 Equity and Convertible Bond

The New Instruments Beneficiaries will receive under this Settlement Plan a combination of new capital instruments to be issued by Aisle STAK and Aisle Dutch TopCo.

5.4.1 Equity

In the New Group structure, Aisle STAK holds all the shares in Aisle Dutch TopCo and will in return issue depositary receipts ("**Depositary Receipts**"). The Depositary Receipts will be held by a custodian for the benefit of the New Instruments Beneficiaries as holders of new equity (in this capacity, and including their assignees or transferees in this capacity, each, a "**DR Holder**") upon the Implementation Commencement Date, and registered in each such DR

Holder's name by a registrar. Each person named in the register will be the beneficial owner of the Depositary Receipts registered in its name and will be treated as the full legal and economic owner of such Depositary Receipts.

The purpose of the 'stichting' structure is to separate legal and beneficial ownership of the shares in Aisle Dutch TopCo. Aisle STAK, as the sole legal holder of the issued share capital of Aisle Dutch TopCo, shall, subject to the comments below, exercise the voting rights and other meeting rights corresponding with such shares. However, Aisle STAK will be obliged to pass on all financial benefits it derives from the shares of Aisle Dutch TopCo to the DR Holders.

Each DR Holder will have a claim against Aisle STAK for all economic benefits in respect of the Aisle Dutch TopCo shares for which Depositary Receipts are beneficially held by it. The legal relationship (which is of a contractual nature) between Aisle STAK and the DR Holders will primarily be governed by, and will be documented in, the administrative conditions adopted by Aisle STAK prior to the issuance of the Depositary Receipts.

The draft form of the administrative conditions of Aisle STAK is attached as Annex 11 (*STAK Administrative Conditions*) (the "**STAK Administrative Conditions**").

The STAK Administrative Conditions set out in detail the rights of each DR Holder; the following paragraphs provide a non-exhaustive overview on some key features. The STAK Administrative Conditions are designed to balance minority protections with a viable and market-typical shareholder and corporate governance for a group of this size, seeking to optimise the overall shareholder value allocated to the creditors under the Settlement Plan.

Dividends (both interim and final) on the shares issued by Aisle Dutch TopCo will be declared and made payable at the discretion of the management board of Aisle Dutch TopCo. Upon receipt of such dividends by Aisle STAK, it will be obliged to distribute these to the DR Holders.

Each DR Holder has one vote per Depositary Receipt, with the exception of Depositary Receipts that are registered in the name of the Securities Escrow Agent (as defined below). The Depositary Receipts that are held by the Securities Escrow Agent are deemed to be non-voting and shall be disregarded in respect of any voting or quorum requirement. Votes shall be cast in the manner decided by the chairman of the meeting of DR Holders and may be cast by electronic means. The STAK Administrative Conditions will provide for an electronic voting mechanism.

Voting by Aisle STAK of the shares held in Aisle Dutch TopCo will be subject to certain reserved matters in respect of which consent of the meeting of DR Holders must be obtained (at various minimum thresholds depending on the reserved matter). The list of reserved matters is attached as Annex 12 (*DR Holder Reserved Matters*). Subject to such reserved matters, voting the shares in Aisle Dutch TopCo will be executed in a resolution of the general meeting of Aisle Dutch TopCo or adopted in lieu thereof. Aisle STAK will exercise its voting rights in the shares of Aisle Dutch TopCo unanimously, where applicable in accordance with the outcome of the reserved matter vote by the meeting of DR Holders. No statutory meeting rights, for the general meeting of shareholder(s) of Aisle Dutch TopCo, will be attached to the Depositary Receipts (no "*vergaderrecht*").

Each DR Holder has pre-emption rights in the event of further issues of equity of Aisle Dutch TopCo for cash, but prior to an IPO (as will be defined in the Convertible Bonds Terms and Conditions), the stapling requirement must be observed (see Cl. 5.4.3 below). No pre-emptive right applies upon the conversion of the Convertible Bonds. The STAK Administrative Conditions will provide that each DR Holder whose holding of Depositary Receipts, jointly with its affiliates, reaches, exceeds or falls below 15%, 35%, 50% or 75% of the total issued Depositary Receipts with voting rights will, without undue delay, notify Aisle Dutch TopCo of its holdings. In addition, the STAK Administrative Conditions will provide that each DR Holder whose holding of Depositary Receipts, jointly with its concert parties, exceeds 45% of the total issued Depositary Receipts with voting rights will, without undue delay, notify Aisle Dutch TopCo of its holdings. Aisle Dutch TopCo will without undue delay publish such holdings information on the New Group's website.

Each DR Holder has the right to tag along its Depositary Receipts in respect of a sale of more than 45 % of all Depositary Receipts with voting rights. In addition, where a DR Holder and its concert parties acquire more than 45% of all Depositary Receipts with voting rights, the acquiring DR Holder must make a mandatory offer for the remaining Depositary Receipts not held by such DR Holder and its concert parties at the highest price paid in historical acquisitions of Depositary Receipts by such DR Holder and its concert parties over the previous 12-month period (or, if there are none, the most recent transaction) (unless either a majority of independent DR Holders waive that requirement, the position is as a result of a take-up of a pre-emptive offer, a mandatory offer has previously been made or the acquiring DR Holder has sold down to 45% or less within a limited period following such acquisition). A DR Holder or DR Holders together (i) transferring more than 70% of all Depositary Receipts with voting rights, or (ii) transferring Depositary Receipts such that the non-third-party buyer will hold more than 70% of all Depositary Receipts with voting rights, has (or together have) the right to drag along all other DR Holders at the same price per Depositary Receipt paid by a third-party buyer (and otherwise on the same terms), or where the buyer is not a third party based on the higher of (i) the relevant sale price, or (ii) the highest price paid in historical acquisitions of Depositary Receipts by such buyer and its concert parties over the previous 12-month period (and otherwise on the same terms). For the avoidance of doubt, tag rights shall not apply where drag rights apply or where a mandatory offer has been made, and the mandatory offer provisions do not apply where a drag right has been exercised.

5.4.2 Convertible Bond

In addition to the Depositary Receipts, Aisle Dutch TopCo will issue debt instruments in the form of registered convertible bonds in an aggregate nominal amount of up to EUR 1,149 million (the "**Convertible Bonds**" and together with the Depositary Receipts, the "**New Instruments**").

The Convertible Bonds will be issued in the form of two registered global bonds (each, a "**Global Convertible Bond**") (one in respect of New Instrument Beneficiaries and any assignees or transferees of Bond Interests (as defined below) who are U.S. persons, the other in respect of all other New Instrument Beneficiaries and assignees or transferees of Bond Interests). These Global Convertible Bonds will be held by a custodian (the "**CB Custodian**") for the benefit of the applicable New Instrument Beneficiaries upon the Implementation Commencement Date, and thereafter, for the holders of the Bond Interests from time to time. Aisle Dutch TopCo will appoint a registrar (the "**CB Registrar**") to establish and maintain a register (the "**CB Register**") for (i) the Global Convertible Bonds and (ii) the interests of each New Instrument Beneficiary under the applicable Global Convertible Bonds (each, a "**Bond**

Interest"). The Bond Interests equate to the Convertible Bonds which would be issued to the New Instruments Beneficiaries under the Settlement Plan if individual Convertible Bonds were issued in place of the Global Convertible Bonds.

The Global Convertible Bonds will be registered in the CB Register in the name of the CB Custodian. The CB Registrar will also register in the CB Register the Bond Interests allocated to each New Instruments Beneficiary in respect of its Determined Claims and/or Challenged Claims, in accordance with the Entity Priority Concept and the Settlement Plan.

Each person named in the CB Register as the holder of a Bond Interest will be the beneficial owner of the Convertible Bonds in relation to the Bond Interest registered in its name. The holders of Bond Interests are referred to below as the "**Bond Interest Holders**"; Aisle Dutch TopCo in its capacity as the issuer of the Convertible Bonds is referred to as the "**Convertible Bonds Issuer**". In certain circumstances, the Bond Interests allocable to New Instrument Beneficiaries will initially be allocated to a Securities Escrow Agent, as described in Cl. 19.2.3 below, 19.5 below, 19.6 below and 19.8 below.

The Convertible Bonds are issued on the basis of a bond trust deed (the "**Convertible Bonds Trust Deed**") and are subject to the terms and conditions specified in the Convertible Bonds Trust Deed (the "**Convertible Bonds Terms and Conditions**"). The draft form of the Convertible Bonds Trust Deed and the Convertible Bonds Terms and Conditions is attached as Annex 13 (C*onvertible Bonds Trust Deed*) and Annex 14 (*Convertible Bonds Terms and Conditions*). The main terms of the Convertible Bonds Trust Deed and the Convertible Bonds Terms and Conditions are:

– Conversion: the Convertible Bonds will be converted into Depositary Receipts without any requirement for the consent of the DR Holders or the Bond Interest Holders: (i) automatically upon the final maturity date if not repaid in full, if non-conversion would result in an insolvency of the Convertible Bonds Issuer under the laws of the Netherlands (being as a matter of Dutch law the inability to pay debts as they fall due); (ii) prior to the final maturity date, automatically if an event of default has occurred; and (iii) automatically if an IPO occurs. In addition, the Convertible Bonds will be converted into Depositary Receipts in advance of an Exit upon a decision of the management board of Aisle Dutch TopCo and approval of a simple majority of the Bond Interest Holders. No partial conversion of the Convertible Bonds is permitted. The conversion of the Convertible Bonds shall be effected by way of an issuance of shares in the capital of Aisle Dutch TopCo to Aisle STAK and the issuance of Depositary Receipts for those shares, to the DR Custodian for the benefit of each bondholder in respect of its Bonds or Bonds Interests.

– Recourse and ranking: the Convertible Bonds will be subordinated to all debt of Aisle HoldCo (including the Extended SPFA and Exit Facility); the Extended SPFA/Exit Facility may contain restrictions for any payments on the Convertible Bonds for as long as the Exit Facility is outstanding. In addition, payments on the Convertible Bonds and Bond Interests are subject to the obligation of the Convertible Bonds Issuer to pay amounts owing to the Bond Trustee and the agents pursuant to and in accordance with the standard indemnities contained in the Convertible Bonds Trust Deed, the Securities Escrow Agreement and the other documentation under which Aisle Dutch TopCo appoint one or more agents in respect of the Convertible Bonds or the Depositary Receipts. The Bond Interest Holders will have no recourse against any of the subsidiaries of Aisle Dutch TopCo. The Convertible Bonds will not be guaranteed and will not benefit from security.

- Maturity: 10 years.

- Interest:

  - Interest at a fixed rate per annum will accrue from day to day on the Convertible Bonds for so long as they are outstanding. The fixed rate of interest is expected to be in the region of 2.5% per annum but the final rate will be determined prior to the Implementation Commencement Date following the conclusion of a transfer pricing study in respect of the Convertible Bonds and may be adjusted as a result of that study.

  - Interest accrued from the issue date of the Convertible Bonds up to (and including) 2nd January 2020 will be capitalised on 2nd January 2020, and thereafter interest will be capitalised annually, in each case by adding the accrued amount to the outstanding principal amount of the Convertible Bonds on the last date of the relevant interest period.

  - If the Convertible Bonds are converted on or prior to 1st January 2020 (referred to as the "**Early Conversion Date**"), the Convertible Bonds Issuer may elect, at its sole discretion, to:

    - be released and discharged absolutely in full from all accrued and unpaid interest on the aggregate principal amount outstanding of the Convertible Bonds or Bond Interests during that interest period up to and including the Early Conversion Date (such amount being the "**Early Conversion Date Interest Amount**"); or

    - on the Early Conversion Date, (i) capitalise the Early Conversion Date Interest Amount by adding an amount equal to the Early Conversion Date Interest Amount to the principal amount outstanding of the Convertible Bonds or Bond Interests, *pro rata*, and (ii) immediately following that capitalisation, convert the additional principal amount outstanding of the Convertible Bonds or Bond Interests subject to that capitalisation into Depositary Receipts.

- The Convertible Bonds Issuer will be entitled to redeem the Convertible Bonds (together with all interest accrued thereon) at any time on notice to the Bond Interest Holders in writing without premium or penalty.

- Events of default: (i) upon the filing for the opening of insolvency proceedings in respect of the Convertible Bonds Issuer; and (ii) upon the date falling one month following notice by the management board of the Convertible Bonds Issuer to the Bond Interest Holders that they have reasonable grounds to expect that sufficient funding for the ongoing administration costs and other expenses of the Convertible Bonds Issuer will not be or become available.

- Amendments and waivers: the Convertible Bond Issuer will generally require the consent of the Bond Interest Holders holding 75% in aggregate principal amount outstanding of the Convertible Bonds to make any amendments to the Convertible Bonds Terms and Conditions.

- Governing law: English law; the conversion mechanics will be governed by Dutch law.

5.4.3 Stapling and Transfer Restrictions

The Depositary Receipts and Convertible Bonds are stapled together, thereby preventing the transfer of Convertible Bonds or Bond Interests and Depositary Receipts independently. The STAK Administrative Conditions and the Convertible Bonds Terms and Conditions will provide that Depositary Receipts may be validly transferred only jointly with the same percentage of the Bond Interests held by the DR Holder and *vice versa*. The stapling requirement will fall away automatically upon the occurrence of an IPO of the New Group. The transfer restrictions applicable to the Depositary Receipts and the Convertible Bonds and Bond Interests are documented in the STAK Administrative Conditions and the Convertible Bonds Terms and Conditions (respectively), and any transfer of Convertible Bonds or Bond Interests and Depositary Receipts must also comply with the transfer regulations applicable to the New Instruments (the "**Transfer Regulations**"). The Transfer Regulations (which may be amended from time to time) will be posted to the New Group's website. The draft form of the Transfer Regulations is attached as Annex 15 (*Transfer Regulations*).

Subject to such transfer restrictions and the Transfer Regulations, the Depositary Receipts and Bond Interests may be freely transferred by DR Holders and Bond Interest Holders, provided that: (i) stapling is observed at all times in which it is required to be observed, and (ii) the transfer is effected in accordance with the template written forms of notice of transfer attached to the Transfer Regulations. A transfer will only be effective following notification to Aisle STAK and the Convertible Bonds Issuer (via the registrar) and the subsequent registration of the transfer by the DR Registrar (in respect of the Depositary Receipts) and the CB Registrar (in respect of the Convertible Bonds), each in its capacity as registrar.

Any transfer of Convertible Bonds or Bond Interests and Depositary Receipts will be by private instrument, as no market for these instruments will be maintained by Aisle STAK, the Convertible Bonds Issuer or the New Group. Furthermore, the Convertible Bonds, Bond Interests and Depositary Receipts will not be held in any clearing system.

Subject to such considerations and transfer restrictions discussed under “U.S. Securities Laws and ERISA Considerations” in the Transfer Regulations, the Depositary Receipts and Bond Interests are eligible for purchase by pension, profit-sharing or other employee benefit plans, as well as individual retirement accounts. By its acquisition of any Depositary Receipts or Bond Interests, each holder of such Depositary Receipts or Bond Interests will be deemed to represent that its purchase and holding of such Depositary Receipts or Bond Interests, as applicable, will not give rise to a nonexempt prohibited transaction, and it satisfies certain other requirements, if applicable (see “U.S. Securities Laws and ERISA Considerations” in the Transfer Regulations).

5.5 Operating Group Reorganisation

The current group structure will be replaced by the New Group structure to maximise value for the stakeholders. All assets of the EA Group, except assets with negligible value, will be transferred at fair value to the New Group, by means of either share or asset transfers (see Cl. 5.5.2 below).

Expected benefits of the New Group include: (i) a reduction of systemic risk; (ii) the focus on core businesses with the potential to exit non-essential businesses; (iii) transparency and accountability of the individual businesses; and (iv) maximising flexibility for any future sale of business units.

All subsidiaries are mandated to operate on arm's-length terms, as the ability to sell businesses with clear separability is likely to create more value. While there are arguably some synergies between the food and retail business segments, these are reduced by other factors (*e.g.* food business with other retailers, etc.). Businesses with on-going commercial relationships (*e.g.* retail and food businesses) have negotiated and implemented market based commercial terms (*e.g.* rebates).

To the extent permitted by applicable laws and respecting existing arrangements, New Group Companies engaged in the retail business ("**New Retail OpCos**") shall retain all suppliers who have been determined as creditors in the Court resolution on determined and contested claims of 15th January 2018 as suppliers of the respective New Retail OpCos for the five years following the Implementation Commencement Date, and the presence of their goods on New Retail OpCos shelves will minimally reflect their market position on all applicable regional markets, whereby the key performance indicators and the commercial agreements will be negotiated between the respective supplier and the New Retail OpCo, provided all New Retail OpCos will treat all suppliers at arm's length.

5.5.1 Structuring of Group Functions

Aisle HoldCo will:

- perform certain central head office functions in relation to the operations and governance of the New Group. It will (directly or indirectly) own all Croatian and foreign operating subsidiaries;

- develop and ensure the execution of the New Group's strategy and business plans for each operating subsidiary to drive shareholder value. Its executive team will be the direct point of contact for key stakeholders to actively communicate the vision and strategy of the Group to all stakeholders and the investor community/lenders; and

- oversee all New Group Companies which will allow the Agrokor Group to exploit international growth opportunities and intercompany synergies. It will allow the safeguarding of compliance to the highest standards for the New Group (for example, when it comes to production and distribution of food and agricultural products).

Aisle HoldCo, by being based in the Republic of Croatia, will allow the Agrokor Group's management to be closer to each of the operating subsidiaries and is also more likely to lead to a smooth transfer of central services.

Aisle HoldCo will be the direct or indirect holding company of the following categories of Croatian and foreign operating subsidiaries (together, the "**OpCos**"):

- New Croatian Subsidiaries as transferee for the assets from each EA Entity for which asset transfers are provided (the "**Non-Viable EA Croatian Subsidiaries**") (for the criteria applied to determine the transfer mechanics, see Cl. 5.5.2.2 below). New Croatian Subsidiaries have already been duly incorporated and registered with the court register in the Republic of Croatia. Details can be found in Annex 9 (*Aisle HoldCo and New Croatian Subsidiaries*);

- Croatian subsidiaries in Extraordinary Administration for which a share transfer is provided (the "**Viable EA Croatian Subsidiaries**", as listed in Annex 2 (*Agrokor Group Entities*))

that are currently direct or indirect Croatian subsidiaries of the Debtor and will be transferred by way of share transfer to the New Group (see also Cl. 5.5.2.3 below); and

– foreign subsidiaries that are currently the direct or indirect non-Croatian subsidiaries of the Debtor (the "**Foreign Subsidiaries**") and Croatian subsidiaries outside Extraordinary Administration (the "**Non-EA Croatian Subsidiaries**", and together with the Foreign Subsidiaries, the "**Foreign and Non-EA Croatian Subsidiaries**", as listed in Annex 2 (*Agrokor Group Entities*)) will be transferred to the New Group by way of share transfer.

Additional assets of the New Group purchased upon exercise of the Sberbank Put Option (as defined below) may include shares in Poslovni Sistem Mercator d.d. currently held by Sberbank of Russia or further minority shareholders.

5.5.2 Business Transfer into New Group

All business operations (consisting *inter alia* of assets and post-petition liabilities, see Cl. 5.5.2.2 below) of the EA Group will be transferred at fair value to the New Group, by means of either share or asset transfers. Aisle HoldCo will receive the assets from the Debtor unless they are allocated to a different entity in the New Group.

The basis of the asset transfer under the Settlement Plan is derived from Art. 43 para. 5 point 1 EA Act which specifically provides that a part or the entire assets of a debtor in extraordinary administration proceedings can be transferred to one or more existing or newly established entities. Art. 43 EA Act excludes (i) the application of the general rule on the accession to debt by the acquirer of a business unit and (ii) the obligation upon a person establishing a new entity to make a statement that it, and any entities in which it holds over 5% of the shares, has no outstanding tax or public contribution liabilities.

Pursuant to Art. 43 para. 19 EA Act, the Settlement Plan is deemed to contain the necessary statements of intent from the participants of the Settlement Plan, third persons or bodies that may be required to transfer assets in connection with a business unit transfer. Therefore, any third-party consent, required for the transfer of assets subject to the EA Proceedings, is deemed to be given under the Settlement Plan.

5.5.2.1 Asset and Share Transfer

Whereas the transfer of the business of an entity subject to extraordinary administration is a power prescribed under Art. 43 para. 5 EA Act, the EA Act does not prescribe criteria to be applied when determining whether a business is to be transferred via an asset or share transfer. The Settlement Plan sets out the criteria pursuant to which the transfer provisions are applied to EA Entities, with consideration to the rule of proportionality. Only for EA Entities for which it was determined that they cannot continue as going-concern in their current state, an asset transfer was determined in order to safeguard the viability of their business.

In determining whether any EA Entity is a Non-Viable EA Croatian Subsidiary, two assessments are made, which provide a general framework for determination, whilst allowing for a consideration of the specific circumstances of each entity. The underlying principles of these two assessments are the fair and equitable treatment of stakeholders and the sustainability of each entity pursuant to the goal of EA Proceedings – to allow a long-term viability of business operations with a maximal recovery for Creditors.

As the statutory test for the opening of formal proceedings over the estate of a company is inappropriate (being a test for the requirement to open a insolvency proceedings rather than for a restructuring of a company), the purpose of the second assessment is to ensure the liquidity, sustainability and stability of business operations as the declared purpose of the EA Act when emerging from such proceedings.

However, this test does not impact the waterfall distribution to the stakeholders (residual value to shareholders) which is independently calculated under the Entity Priority Concept (see Cl. 7 below).

The two assessments referred to above are:

1. Sustainability assessment: this assessment considers both the economic position of the entity at settlement and the estimated future economic position if claims are kept whole. This assessment is used as the primary indicator of whether business operations should transfer to the New Group by way of asset or share transfer under the Settlement Plan.

   This assessment is split into two tests, which consider both the economic position of the entity, and the estimated future economic position:

   a) Return to creditors:

      Purpose: The purpose of this test is to understand if the entity currently has sufficient assets to be able to provide a full return to all its creditors (and therefore leave value available to its equity holders).

      Approach: To carry out this determination, the recovery on filed creditor claims in each entity has been used to assess the sustainability of the current entity.

      Outcome: To satisfy this test, the entity must show 100% return to its creditors as all pre-petition liabilities became due and payable on 10th April 2017 and only in this circumstance would there be any value available for the entity's equity holders.

   b) Claims leverage:

      Purpose: This test is only undertaken if the "return to creditors" test above is satisfied. The purpose of this test is to determine whether the business generates sufficient EBITDA to settle its debt and therefore the entity is not at risk of a future insolvency by carrying the claims forward in the New Group.

      Approach: In order to undertake this test, it is assumed that the debt of the relevant entity's creditors is termed out over a five-year period and 2019F EBITDA is used as a proxy for future annual EBITDA (*i.e.* future increases as per the Viability Plans are not taken into consideration).

      Outcome: If the claims could be settled in full over this five-year period (*i.e.* leverage of 5.0x or less), then the entity would pass this test.

2. Insolvency assessment: this assessment considers the current financial position of the entity and is used as a secondary indicator of whether the business operations should transfer to the New Group by way of asset or share transfer under the Settlement Plan.

This assessment is split into two tests, the first assesses the over-indebtedness of the entity and the second considers any indicators of inability to meet its liabilities (on a standalone basis) as and when they fall due.

a) Balance sheet:

Purpose: This test assesses if the entity is over-indebted. An entity is considered over-indebted if it has liabilities that are in excess of the book value of its assets (*i.e.* it is in a negative nominal equity position).

Approach: This test looks at the latest available financial statements (currently December 2017 audited accounts) to determine if the company has negative equity-which indicates the company has liabilities in excess of its assets. In addition, the impact of any guarantee liabilities of the entity is taken into consideration, as these claims have been filed in the EA Proceedings and will need to be satisfied.

Outcome: If the entity's balance sheet shows negative equity or it is a financial debt guarantor, then it fails the test (*i.e.* the company is considered over-indebted).

b) Liquidity issues:

Purpose: This test highlights the indicators that the entity faces or has faced liquidity issues.

Approach: This test looks at two indicators of cash flow challenges an entity has faced:

– if, in the run up to the commencement of the EA Proceedings, an entity had direct enforcement procedures initiated against it at the Financial Agency (FINA), and if so, was it able to satisfy the respective claims; and

– if an entity received on-lent cash out of the SPFA funds and still has not repaid these borrowings in full (or does not have the ability to immediately do so).

Outcome: If an entity was unable to satisfy pre-petition claims filed against it at the time it went into Extraordinary Administration or it has outstanding SPFA funds that it has borrowed from the Debtor that are currently outstanding, then it fails the test as it indicates signs of inadequate liquidity.

5.5.2.2 Asset Transfer for Non-Viable EA Croatian Subsidiaries

As provided under the Constructive Part of this Settlement Plan, all assets of the Debtor and each Non-Viable EA Croatian Subsidiary, as business units or individual assets not being part of a particular business unit, will be transferred to the New Group at fair value. A non-exhaustive list of assets subject to transfer including the respective transferee and transferor is in Annex 16 (*Assets Subject to Transfer*) (the "**Assets Subject to Transfer**"). The intention is to transfer all assets of the EA Group to the New Group in the manner provided for under this Settlement Plan. For the avoidance of doubt, the Assets Subject to Transfer do not include shares in Non-Viable EA Croatian Subsidiaries. Instead, the assets of Non-Viable EA Croatian

Subsidiaries will be transferred as business units or individual assets to the mirror Opco in the New Group. Due to the volume and number of individual assets to be transferred, the Extraordinary Administrator is authorized to supplement and/or correct this list to the extent necessary to evidence and register the asset transfers. The Assets Subject to Transfer typically consist of all assets and post-petition liabilities of a respective entity. Their transfer therefore typically qualifies as a transfer of such entity's business unit, see Cl. 12 below.

The Assets Subject to Transfer include:

– real estate and limited real property rights specified with land register details (land register, cadastral municipality, land register folder and plot no., etc.), change of title to be registered with the land register;

– shares of Viable EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries (see Cl. 5.5.2.3 below (*Share Transfer*));

– intellectual property rights (publicly registered, such as registered trademarks) specified with their state intellectual property office details (registration no., etc.), change of title to be registered with the state intellectual property office;

– vehicles and other movables specified with the relevant ministry of internal affairs or other relevant public authority details (vehicle registration, traffic permit, etc.), change of title to be registered with the ministry of internal affairs identification office or other relevant public authority (depending on the other movable asset types);

– public licences, permits, concession rights, including public subsidies, funds, etc. specified with the relevant concession register or other relevant public authority details, change of title to be registered with the concession register or other relevant public authority. The EA Act allows for such transfer in Art 43 para 19. The EA Group sought to coordinate the transfer with respective counterparty to ensure to the extent possible that the transfer is implemented smoothly and to minimise risks of disputes for the New Group as the new counterparty and beneficiary of rights;

– contracts required for the on-going operation of the New Group (supplier / purchaser contracts, lease contracts, etc.); the contracts are transferred by operation of the EA Act;

– employee contracts are transferred by operation of the law (Croatian Labour Act) in case of transfer of business units;

– receivables and claims;

– bank balances;

– plants (if movable, *i.e.* not part of the real estate), machinery; and

– stock, products.

Outstanding post-petition liabilities of the Debtor and Non-Viable EA Croatian Subsidiaries will be transferred to New Group entities as provided under the Constructive Part of this Settlement Plan.

The purpose of the asset transfer, as a transfer of business units (both as an economic and functioning business unit), is to ensure operations can continue on a going-concern basis post-settlement free of legacy liabilities (being unsecured pre-petition claims, whether known or unknown). Under Art. 43 para. 5 EA Act, unsecured pre-petition liabilities remain at the Debtor and the Non-Viable EA Croatian Subsidiaries and the New Group will have no liability for such claims.

The existing shareholders of the Debtor and the Non-Viable EA Croatian Subsidiaries – whether those shareholders are other EA Group entities or third-party shareholders – will be left behind as shareholders of largely empty shell companies. As shareholder recoveries in respect of the Debtor and the Non-Viable EA Croatian Subsidiaries are zero, the existing shareholders are not adversely affected by the Settlement Plan; they are not put in an economically worse position than in the absence of a Settlement Plan.

Similarly, share pledges and repo claims in respect of shares in the Debtor and any Non-Viable EA Croatian Subsidiaries will not be transferred. The asset transfer also ensures that the existing Agrokor Group is ring-fenced, with no cross-guarantees/cross-collateral from the New Group implemented pursuant to the Settlement Plan.

5.5.2.3 Share Transfer for Viable EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

The Viable EA Croatian Subsidiaries have sufficient assets to cover their liabilities based on the tests described in Cl. 5.5.2.1 above, and as such, the shares in each Viable EA Croatian Subsidiary will be transferred at fair value to Aisle HoldCo. The shares in the Foreign and Non-EA Croatian Subsidiaries will also be transferred to Aisle HoldCo at fair value.

As the shares of Viable EA Croatian Subsidiaries held by the Agrokor Group will be transferred, the minority and majority shareholders and creditors of each such Viable EA Croatian Subsidiary will not be impaired under the Settlement Plan; they will retain their shareholdings or claims (as applicable) and therefore will not be entitled to receive Depositary Receipts and Convertible Bonds in relation to those shareholdings or claims. The same applies to the Foreign and Non-EA Croatian Subsidiaries (whether viable or non-viable), as the Foreign and Non-EA Croatian Subsidiaries are not subject to the EA Proceedings.

With respect to Foreign Subsidiaries, the Agrokor Group holds shares in a number of limited liability companies in Bosnia-Herzegovina, Montenegro, Serbia and Slovenia, as well as some further jurisdictions. Whereas in some jurisdictions the process to transfer shares in limited liability companies is expected to be straightforward, in other jurisdictions, delays in the transfer process might occur and obstacles might need to be overcome, which are mainly due to the non-recognition of the EA Proceedings in such jurisdictions as described in Cl. 4.4.2 above.

In Bosnia-Herzegovina, Serbia and Slovenia, Agrokor Group holds shares in joint stock companies. The transfer of such shares might, *inter alia*, involve a mandatory takeover offer for other shareholders. The Extraordinary Administrator and the New Group Companies might, however, be able to individually structure the transfer in a way taking into account the regulations on mandatory takeover offer and/or other regulatory requirements, including, amongst others, a delisting or a conversion of a joint stock company.

5.5.3 Transfer Mechanics

The steps required for the transfer of assets and shares from the EA Group to the New Group is set out in detail in Cl. 16 below et seq. and the Steps Plan (as defined below). The transfer of the business to the New Group will be effected at fair value by off-setting pre-petition claims. The tax implications of the transfers are set out in Cl. 12 below.

5.6 Post-Implementation Debt Structure

In light of the non-viable pre-petition debt structure that gave rise to the financial crisis of the Agrokor Group (Cl. 3.6 above), the Settlement Plan implements a comprehensive new debt structure for the New Group which is planned to be sustainable based on the group's forecast cash generating characteristics having regard to both the total leverage and ongoing debt service obligations. Total long-term (greater than one year maturity) third-party financial debt in the new structure will include an Exit Facility (that will refinance the SPFA) and some unimpaired claims, consisting of financial debts at Foreign and Non-EA Croatian Subsidiaries, certain pre-petition unsecured claims with amended terms and certain pre-petition claims with amended terms secured by collateral held by EA Group entities (see Cl. 5.6.3 below) (the "**Unimpaired Claims**"). The value of secured debt with amended terms has been determined by assessing the underlying value of the collateral based on a collateral appraisal analysis conducted by third-party professional appraisers and these appraisals have been provided to and discussed with the Secured Creditors (as defined below). Furthermore, a debt capacity analysis conducted by financial advisors has been completed with a view to ensure that the New Group is viable and its capital structure is sustainable post settlement. Given the leverage implied by the total of the expected amounts outstanding under the Exit Facility and the Unimpaired Claims, it was concluded that the Agrokor Group had no further debt capacity.

Further to the debt capacity analysis, financial advisors conducted a market testing process to gauge investor interest, and to invite submission to the Debtor of indicative terms, for a facility to refinance the SPFA (the "**Exit Facility**"). The process was conducted over March and April 2018 during which 76 financial institutions were contacted including commercial banks, investment banks, direct lenders and hedge funds. Of those contacted, 11 financial institutions submitted indicative bids which provided indications of preferred structure, pricing, fees and commitment amounts, among other terms and requirements.

There were many concerns raised by potential Exit Facility lenders, including: high leverage (confirming that the Agrokor Group had no further debt capacity); lowered EBITDA and cash flow versus the previously presented forecasts; uncertainly regarding Konzum d.d.'s ongoing lease negotiations; lack of a permanent management team; political and legal risks regarding the Republic of Croatia and the EA Act; and the transfer of assets to the New Group and the perfection of security which would be granted to secure the New Group's obligations under the Exit Facility. These concerns made refinancing the SPFA prior to the launch of the Settlement Plan and the maturity of the SPFA a challenge and, as such, it was determined that an extension of the SPFA would be required (the "**Extended SPFA**") which is intended to be subsequently be exchanged at a later date into the Exit Facility. The Debtor has submitted a request for an extension to the SPFA to the SPFA agent (see Cl. 5.6.2 below).

Generally, the debt restructuring is based on the following considerations as specified in the respective sub-clauses below:

– New operating group structure (see Cl. 5.5 above) to maximise the independence and transactional flexibility of the subsidiaries.

– The Extended SPFA or Exit Facility (as defined and described above) to have priority ranking over any additional debt at Aisle HoldCo.

– Terms of Secured Claims will be amended up to the value of associated collateral at either the level of Aisle HoldCo or the applicable new subsidiaries. Any deficiency claims (*i.e.* claim value in excess of collateral value) will be treated consistently with all other pre-petition unsecured claims of non-viable entities (see Cl. 5.6.3 below).

– Due to business seasonality, OpCos will ultimately require revolving credit facilities (subject to limitations to ensure seasonal use only) ("**OpCo RCFs**") to fund working capital needs and, importantly, to enable distribution of excess cash to repay recovery debt without compromising working capital. To facilitate OpCo RCFs, which will require (priority) security, other encumbrances will be limited and provide allowances. This optionality will be reflected in the Extended SPFA and Exit Facility.

Certain liabilities will remain in place on the level of a group entity where such group entity is viable and will thus continue its operation without debt restructuring (see Cl. 5.5.2.3 above**)**.

5.6.1 Pro-Forma Indebtedness

The *pro forma* third-party indebtedness of the New Group at the time of the Implementation Commencement Date will include:

– EUR 1,149 million in initial aggregate principal amount of Convertible Bonds issued by Aisle Dutch TopCo.

– A non-recourse, contingent, conditional loan note in an amount up to EUR 70 million in respect of the Supplier Contingent Payment Right (as defined below) at Aisle Dutch TopCo.

– A non-recourse, contingent, conditional loan note in an amount up to EUR 60 million in respect of the Sberbank Contingent Payment Right (as defined below) at Aisle Dutch TopCo.

– An Extended SPFA at Aisle HoldCo (EUR 1,063 million outstanding under the SPFA as at 13th June 2018).

– EUR 255 million of pre-petition secured claims with amended terms.

– EUR 38 million of pre-petition unsecured claims with amended terms.

At the time of the Implementation Commencement Date, no OpCo RCFs are expected to be in place, but are intended to be established.

5.6.2 Extension of SPFA

On 10th April 2018, the Debtor submitted an SPFA extension request in compliance with clause 2.4 of the SPFA. The extension of the SPFA requires the approval of 66.67% of SPFA Lenders and 50% of SPFA Lenders who are funds.

If the required approvals are obtained and all conditions precedent thereto are satisfied, the Extended SPFA will be fully committed and utilised and the New Group will not receive additional funds from the lenders thereunder. It will be a secured senior term loan facility, *i.e.* it will rank ahead of any of the financial debt at Aisle HoldCo. It is anticipated that the Debtor will propose a scheme of arrangement under English law with a view to novating the SPFA to the New Group.

The heads of terms of the Extended SPFA are set out in Annex 17 (*Heads of Terms of Extended SPFA*).

5.6.3 Amendment of Terms of Secured Claims

Secured Claims are claims with a separate satisfaction right ("**SSR**") which are collateralised with a pledge or a fiduciary transfer of title (for security) over physical assets (land, equipment, etc.), shares and rights (receivables, etc.) (each, a "**Secured Claim**"; a creditor of a secured claim, a "**Secured Creditor**"). A claim collateralised by a promissory note is considered a guaranteed claim and not a Secured Claim. An SSR allows for its respective creditor to attach and collect the value of the collateral separately, and in priority to, other creditors' claims.

Under this Settlement Plan,

– SSRs will stay in place; and

– the respective creditor of the Secured Claim will receive a claim for cash payment,

as specified under Cl. 23.2 to 23.2.3 below. The Settlement Plan considers the difference in position of an EA Entity as a personal debtor which is also a pledgor or an EA Entity which is solely a pledgor either for the benefit of other EA Entities as personal debtors or persons outside EA Proceedings. In relation to EA Entities, the ratio of value of collateral granted by the personal debtor vs. the value of the collateral granted by persons who are only pledgors is considered.

5.6.4 Debt Owed by Viable EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

Claims against Foreign and Non-EA Croatian Subsidiaries will remain in place unaffected. Terms of claims against Viable EA Croatian Subsidiaries will be amended as per Cl. 23.1 below.

5.6.5 Unburdening from Pre-Petition Liabilities and Guarantees

The Settlement Plan will effectively unburden the business operations of the EA Group which are subject to the debt restructuring from all pre-petition liabilities and guarantees other than the Unimpaired Claims.

Pursuant to the Settlement Plan, each Impaired Claim that is not a Minor Impaired Claim (i) will be assigned to Aisle Dutch TopCo ("**Assigned Claim**") and (ii) each New Instruments Beneficiary will release and waive and covenant not to bring any claims under or in connection with the Assigned Claims (as defined below), and all rights related thereto (including guarantees given in respect of the Assigned Claims) will be solely held by Aisle Dutch TopCo.

Aisle HoldCo and each New Group Company will have rights to receive assets from the Debtor and relevant Non-Viable EA Croatian Subsidiary. As consideration for the transfer, (i) Aisle HoldCo will have a liability to Aisle Dutch TopCo in an amount equal to the fair value of the Assets Subject to Transfer received by Aisle HoldCo and each New Group Company and (ii) each New Group Company will have a liability to Aisle HoldCo in an amount equal to the fair value of the Assets Subject to Transfer received by the relevant New Group Company. The intragroup receivables held by Aisle Dutch TopCo and payable by Aisle HoldCo described in (i) above will be evidenced by profit participating loan arrangements, interest bearing loan arrangements or equity arrangements.

The above will occur in accordance with the following steps which are set forth in more detail under Cl. 18.1 below et seq. and in the Steps Plan (as defined below).

5.7 New Group Governance

The DR Holders will have the right to exercise certain voting rights in the New Group. In summary, corporate governance of the New Group will be as described below:

5.7.1 Dutch Holding Structure

The DR Holders' rights are included in the STAK Administrative Conditions. The STAK Administrative Conditions include provisions relating to voting rights and certain reserved matters in respect of which DR Holder consent must be obtained (the "**DR Holder Reserved Matters**"). The DR Holder Reserved Matters are set out in Annex 12 (*DR Holder Reserved Matters*) and reflected in the articles of association of each New Group Company to ensure that consent by the meeting of the DR Holders must be obtained in connection with such matters. The consent thresholds are at 50% +1, 60% or 66 2/3% of all Depositary Receipts outstanding and with voting rights (except where no quorum has been obtained at two successive meetings in which case consent will be given if at least 75% of the Depositary Receipts actually voted are voted in favour) dependent on the type of reserved matter.

In the event a DR Holder Reserved Matter is to be put to the management board of a New Group Company, the articles of association of such New Group Company will provide that any such resolution will require the prior approval of the general meeting of shareholder(s) of that New Group Company. The management board of the relevant Holding Company will, under its articles of association, be required to obtain the prior approval of its general meeting of shareholder(s), and so on up the corporate chain of the New Group.

Once the relevant DR Holder Reserved Matter reaches Aisle Dutch TopCo for approval (as shareholder of Aisle Dutch HoldCo), the management board of Aisle Dutch TopCo will be required to seek the prior approval of Aisle STAK (as sole shareholder of Aisle Dutch TopCo and as such constituting the general meeting of Aisle Dutch TopCo) in respect of the relevant DR Holder Reserved Matter in question. The meeting of DR Holders will then decide how Aisle STAK should vote its shares in the general meeting of Aisle Dutch TopCo. If the requisite majority of the DR Holders votes in favour of the DR Holder Reserved Matter in question, Aisle STAK will vote all the shares it holds in Aisle Dutch TopCo in accordance with the DR Holder majority vote, thus authorising the management board of Aisle Dutch TopCo to vote the shares of Aisle Dutch HoldCo accordingly, and so on down the corporate chain of the New Group. If the reserved matter is not approved by the requisite majority of the DR Holders in the meeting of DR Holders, the management board of Aisle Dutch TopCo shall not be permitted to grant the requested approval in the general meeting of Aisle Dutch HoldCo. Consequently

the lower tier New Group Companies will not receive the requisite shareholder approval in accordance with their articles of association.

The management board of each Dutch Holding Company has to consist of at least one managing director. In order for the company to be deemed domiciled in the Netherlands for tax purposes, it is required that at least half of the total number of board members in each Dutch Holding Company with decision-making power, actually possessing the necessary professional knowledge to carry out their duties properly, reside or are effectively based in the Netherlands.

5.7.2 Aisle HoldCo and Operating Management

Aisle HoldCo will play a central role in the governance of the New Group. The management of the New Group will be appointed at this level and will be responsible for overseeing the operations of the New Group and organising the reporting for the direct and indirect shareholders, including to the DR Holders.

Aisle HoldCo has been incorporated with a single-tier board structure (the "**Aisle HoldCo Board**").

On the Implementation Commencement Date, immediately following the issuance of the Depositary Receipts, a meeting of DR Holders will be held with the purpose of authorising and confirming authorisation of the board of Aisle STAK to execute a resolution in the general meeting of Aisle Dutch TopCo whereby Aisle Dutch TopCo is instructed and authorised to effect:

(i) the appointment, confirmation and/or ratification of a new Aisle HoldCo Board;

(ii) the appointment, confirmation and/or ratification of new board members of the Dutch Holding Companies;

(iii) if applicable, the approval of the acquisition by Aisle Dutch TopCo (or one of its subsidiaries) of certain shares in Agrolaguna d.d. and Zitnjak d.d. from Agram Invest d.d. and/or affiliated entities behind Agram Invest d.d. on terms agreed by the board of Aisle Dutch TopCo before the Implementation Commencement Date; and

(iv) all other steps and/or actions that are required to effect the implementation of the Settlement Plan

(the "**Initial DR Holder Meeting**").

For the avoidance of doubt, where appropriate, the authorisation by the Initial DR Holder Meeting will also include the instruction and authorisation for the management board of Aisle Dutch TopCo and the management board of Aisle Dutch HoldCo to execute resolutions in the general meeting of Aisle Dutch HoldCo and the general meeting of Aisle HoldCo to effect the appointments, steps and/or actions referred to in the resolution of the Initial DR Holder Meeting.

Appointment and removal of the board of the OpCos is to be approved by a simple majority of the Aisle HoldCo Board. For reasons of operational efficiency, the composition of the Aisle HoldCo Board need not be replicated for each OpCo which shall have a management board only, to the extent permissible by law.

Each OpCo board shall be compelled to refer to the Aisle HoldCo Board (in its capacity as the representative of the shareholder of the OpCo) for approval of certain matters which are material to the business of the New Group as a whole, as well as matters which would result in the occurrence of a material deviation by such subsidiary from its annual operating budget (or equivalent). The matters requiring approval from the Aisle HoldCo Board are listed in Annex 18 (*OpCo Reserved Matters*).

6 TREATMENT OF PRE-PETITION CLAIMS AGAINST EA ENTITIES

The Settlement Plan determines the recovery according to general categories and sub-categories of Creditors as set out in Cl. 16.2 below.

7 ALLOCATION OF VALUE

Creditors have claims against different members of the EA Group. The Extraordinary Administration provides for procedural, but not substantive, consolidation of the proceedings conducted over the individual entities subject to Extraordinary Administration. Therefore, the recovery of each claim is to be determined on an entity-by-entity basis under the Entity Priority Concept.

The Entity Priority Concept relies upon information, analyses and opinions provided by certain advisors to the Agrokor Group and by management. This information includes unaudited figures and forward-looking estimates which have been taken as presented and have not been independently verified. When considering the recovery allocations implied by the Entity Priority Concept, creditors should make their own assessments of the information.

The recovery of each individual creditor is determined through the Entity Priority Concept. The Entity Priority Concept allocates each claim with an individual portion of the total Agrokor Group value. The recovery thereby depends upon:

– the entity that owes the claim; and

– any security or other rights attributable to the claim.

Amounts obtained in cash or in kind in respect of a claim during the course of the EA Proceedings by any action taken by the holder of that claim against any member of the Agrokor Group, *e.g.* through enforcement actions, are deducted from the respective claim's allocation to ensure equitable treatment of all creditors (so-called hotchpotch rule). For the avoidance of doubt, this does not apply to pre-petition claims paid by EA Entities during the course of EA Proceedings as described in Cl. 4.3.2 above.

The recovery in respect of each claim is calculated by reference to the fair value of the business or assets of the entity which owes the relevant claim together with the aggregate liabilities and the priority of each liability owed by that entity.

The term 'fair value' under the Settlement Plan is understood broadly consistent with the IFRS approach to 'fair value', *i.e.* the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. For purposes of the Settlement Plan, the fair value of business units was assessed based on the viability plans and consequent valuations (EV, see Cl. 7.3.1 below), while fair value of non-core assets (EV, see Cl. 7.3.1 below) was assessed by independent valuation reports, mainly in relation to real estate.

The Entity Priority Concept identifies each entity's total value available for distribution to stakeholders (as further described in Cl. 7.3 below, the "**Distributable Value**") and the legal rights, ranking and characteristics of each of its liabilities. Terms of Unimpaired Claims will be amended at nominal value. Impaired Claims will be allocated New Instruments or a Cash-out Payment in proportion to their recovered amount relative to the recovered amounts of other Impaired Claims.

For valuation and allocation purposes, the Entity Priority Concept takes into account all claims against the EA Group, and regardless of whether or not any claim is a Challenged Claim. Whereas only Impaired Claims participate in the allocation of New Instruments or Cash-out Payment under the Settlement Plan (except as referenced in Cl. 7.3.3 to 7.8.2 below), other claims have to be taken into account when determining the value of the EA Group entities and the calculation and allocation of recovery value.

While the focus of the Entity Priority Concept is to determine claim recoveries in respect of EA Group entities, the value of Agrokor Group entities outside the EA Proceedings is required to determine the Distributable Value of the parent entities that are subject to Extraordinary Administration. The Debtor is the ultimate parent entity of all Agrokor Group entities analysed in the Entity Priority Concept. For each EA Entity Annex 19 (*EA Entities' Distributable Value*) shows the Distributable Value as applied for distribution to the Creditors. Further background and clarifications on the annex can be found in the following subsections.

7.1 Limitations

7.1.1 Reliance

The determinations made pursuant to the Entity Priority Concept relies upon information, analyses and opinions provided by certain advisors to the Agrokor Group and by management. This information includes unaudited figures and forward-looking estimates. When considering the Entity Priority Concept, the creditors make their own assessments of the valuation and claim priority information.

7.1.2 Litigation

The Entity Priority Concept does not account for any ongoing litigation by the Agrokor Group which may positively impact Distributable Value, claim amounts or legal agreements. No value has been attributed to such litigation under the Entity Priority Concept. Any future realised value will ultimately be for the benefit of the New Group.

7.1.3 Timing

The Entity Priority Concept uses the best available information at the time of the submission of this Settlement Plan. The various inputs are as of the following dates:

- Valuations are generally as at 30th March 2018 and appraisals have generally been performed during the three-months period ended on 15th May 2018;

- Pre-petition claims are as at 9th April 2017 less subsequent settlements made and instructed to be made up to and including 14th June 2018; and

- SPFA ICLs (as defined below), and Foreign and Non-EA Croatian Subsidiaries are as at 31st December 2017, and are based on unaudited figures.

The Entity Priority Concept assumes the recoveries of all creditors from all Agrokor Group entities occur concurrently.

7.1.4 Foreign Exchange Rates

Valuations and appraisals have been developed in EUR using an exchange rate of HRK 7.4353 per EUR 1 as at 30th March 2018 based on the applicable F/X rates published by Bloomberg.

All pre-petition claims have been submitted to the Extraordinary Administrator in HRK. Most claims that were originally denominated in EUR were converted at HRK 7.480959 per EUR as at 9th April 2017 based on the Croatian National Bank (CNB) selling rate per Art 144 Bankruptcy Act. However, certain claims that were originally denominate in EUR were converted at contractual rates agreed prior to the commencement of the EA Proceedings.

Repayments under the SPFA, which is denominated in EUR, have been applied against HRK claims based on the applicable exchange rate (as defined in the SPFA agreement) at HRK 7.4365 per EUR 1. For consistency, allocation of recovery is based on this rate under the Entity Priority Concept.

7.1.5 Information

Valuations and asset appraisals are limited to entities where reliable and adequate information is available. The Agrokor Group and its advisors have spent months amalgamating and analysing data, but in certain cases, information is too limited to properly assess value and as such no value could be assigned. However, these cases are limited to smaller entities outside of the EA Group which should not have a material impact on recovery allocations.

7.1.6 Claims including Challenged Claims

The Entity Priority Concept determines recoveries from entities within Extraordinary Administration for Estate Claims, the SPFA and all pre-petition claims (whether or not such claims are Challenged Claims).

However, Croatian bankruptcy law, as well as international practice, requires the Extraordinary Administrator to reserve in full for recoveries of amounts of Challenged Claims. The recoveries of these disputed amounts will be provided for in full in the Entity Priority Concept unless and until the claim has been finally determined not to exist (including the resolution of any appeals). Treatment of Challenged Claims is determined in the relevant provisions of Cl. 19.7 below, 19.9 below and 23 below and other provisions associated thereto.

7.2 Scenarios

The Entity Priority Concept considers two scenarios: (1) the EA Group as a going-concern; and (2) liquidation of the EA Group (for the liquidation analysis see Cl. 9 below). The basis of the recoveries and allocations analysis for the Settlement Plan is the going-concern scenario. The treatment of individual claims under the Entity Priority Concept in relation to each individual entity is based on the legal rights, ranking and characteristics of claims as if applied in a liquidation.

In a going-concern scenario, it is assumed that most entities of the EA Group will continue to operate indefinitely. This assumption is key for the valuation methodologies used to determine Distributable Value (see Cl. 7.3 below). However, it is important to note that the EA Group

cannot continue to operate and expect to meet its claims in full in its current form. As such, the going-concern scenario is only relevant as an approach to valuation in determining the allocation of Distributable Value, and therefore stakeholder recoveries, if a bankruptcy can be avoided by means of the Settlement Plan. In very limited instances, the estimate of the going-concern value equals the value in liquidation.

7.3 Distributable Value

Distributable Value is determined on the basis of the following components in respect of each Agrokor Group entity, in aggregate:

7.3.1 Enterprise Value

Enterprise value ("**EV**") is the value of the operating business within a legal entity. In a going-concern scenario, this value has been assessed using a variety of valuation methods including trading multiples, precedent transactions and discounted cash flow analysis, the results of which have been weighted in line with recognised industry practices. A thorough valuation analysis has been performed by the Debtor and its advisors and reviewed during the process.

As the input for the valuation, generally the best available (operating) information was used. The nature and quality of information varied significantly across the set of companies to be valued, which was reflected in an adjustment of the respective methodology. Viability plans were available for the biggest businesses and their respective business lines only, which required deriving entity-level projections. Updated information has been included for recent performance, resulting also in updated new projections for 2018, including the viability plan update for Konzum. Alternative bases for valuation were used where no viability plan was available.

For the EV estimates, the Debtor and certain other entities are treated as cost-centres. The EV of Konzum is estimated after all lease payments.

7.3.2 Excess Cash

Excess cash is available cash beyond what is needed for working capital purposes and, where expected to be available, has been added to the entity EV for purposes of determining the allocations. Given there are no revolving credit facilities in place, it is generally assumed that all available cash is required to fund Estate Claims or day-to-day operations. In a liquidation scenario, it is assumed there is no excess cash available at the Debtor.

7.3.3 Unencumbered Non-Core Assets

An entity may have additional assets (*e.g.* property and equipment) which are not part of the operating business or are not needed for working capital and which are not held as collateral against Secured Claims (which are considered separately from the Entity Priority Concept waterfall (see Cl. 7.4 below)). As such, these unencumbered non-core assets have value which is not captured in EV and would therefore increase Distributable Value. The valuation of unencumbered non-core assets in a going-concern scenario is being carried out by independent third-party appraisers.

7.3.4 Intercompany Receivables

Intercompany receivables are amounts owed to an entity resulting from that entity's claims against another entity in the Agrokor Group. These are treated the same as third-party claims, and valuation is based on implied recoveries as per the Entity Priority Concept (see Cl. 7.6.1 below).

7.3.5 Equity Value of Subsidiaries

The equity value of an entity's viable subsidiaries (both in and outside Extraordinary Administration) contributes to its Distributable Value. For the purpose of determining Distributable Value, it has been assumed that all such viable subsidiaries (both Foreign Subsidiaries as well as Croatian Non-EA Subsidiaries) can be freely transferred to the New Group. No deductions from value have been made to take into account potential limitations or impediments to effect such transfers under applicable laws, contracts (change of control provisions or similar), articles of association, by-laws or any other basis, and Distributable Value has been determined by assuming that all relevant consents can and will be obtained in due course. As outlined below, equity has the lowest priority in the Entity Priority Concept waterfall. If there is Distributable Value available after all of an entity's claims are satisfied, the residual value flows proportionally to equity holders (including any minority shareholders). If an equity holder is another Agrokor Group entity, the value of its equity holdings are an asset which will add to that entity's Distributable Value.

The equity value of Foreign and Croatian Non-EA Subsidiaries are considered on the basis of their EV less third-party debt, plus non-core assets and intercompany receivables, that could represent additional value, and less intercompany payables and guarantees within Extraordinary Administration, that could represent additional liabilities. Intercompany receivables and payables will be assumed to offset each other when considered on a consolidated basis on the basis that subsidiaries outside Extraordinary Administration are considered viable. In a few exceptional cases, entities outside Extraordinary Administration have provided guarantees for claims against EA Group Entities (see Annex 20 (*Non-EA Group Guarantors*)). These guarantees will be allocated a recovery value equal to the higher of the recovery on the guarantee in a liquidation scenario and the value of the equity of that guarantor outside of Extraordinary Administration (up to the amount guaranteed). For the avoidance of doubt, the value of the equity is in this case allocated to the guarantee claim directly.

7.3.6 Collateralised Core Assets

Distributable Value will be reduced by core assets which are held as collateral against Secured Claims (which are considered separately by the Entity Priority Concept waterfall (see Cl. 7.4 below)). Similar to non-core assets, the valuation of collateralised core assets in a going-concern scenario is being carried out by independent third-party appraisers.

The value of these assets is excluded from the EV calculations as the assets are allocated to satisfy the related Secured Claim in priority. If the value of collateral is in excess of the amount of the related Secured Claim, and if that collateral consists of core assets across multiple entities, value will be withheld from each entity's Distributable Value in proportion to the overall value of collateral package.

The approach used in the development of the Settlement Plan for the valuation of physical assets is one where it is assumed that there is a willing buyer and willing seller and that the

asset could be or may have to be sold within a reasonable timeframe in order to settle creditor claims or achieve the broader restructuring objectives. This allows the company to prepare its Entity Priority Concept taking account of secured claims in a prudent manner, even though the assets will not necessarily be sold immediately in a context where the need to sell during the forecast horizon cannot be excluded and an assessment is required to assist in allocating value. This is an internationally recognised approach which is fair for all creditors and allows a company in restructuring to recognise and allocate value to existing security interests.

7.4 Pre-Petition Secured Claims

Secured Claims (see Cl. 5.6.3 above) are considered separately from the Entity Priority Concept waterfall based on each claim's SSR which allows for the creditor of the Secured Claim to attach and collect the value of the collateral separately, and in priority to, other creditors' claims. In certain cases, the amount of a Secured Claim differs from the value of the object of the SSR. The amount of the Secured Claim is the lesser of the amount of the Secured Claim and value of the object of the SSR.

The satisfaction of a secured amount is determined based on the lesser amount of the Secured Claim and the value of the claim's collateral (see Cl. 7.3.6 above). If the value of the claim's collateral is less than the secured claim, the difference is considered a deficiency claim against the debtor entity. This deficiency claim is treated as an unsecured claim ranking *pari passu* to other unsecured claims for that particular entity (see Cl. 7.5.3 below). If the Secured Claim is also guaranteed, any deficiency claim will also be considered as an unsecured claim in the waterfalls of the guarantor entities (see Cl. 7.5.4 below).

7.5 Claims Inside Entity Priority Concept Waterfall

7.5.1 Estate Claims

These are claims against the Agrokor Group that are unpaid pre-petition employee claims (of which none have been registered), Administrative Liabilities and further Estate Claims, *i.e.* post-petition claims (*e.g.* costs for personnel, rent and suppliers).

Estate Claims rank in priority to all other claims of the EA Group. However, it is contemplated that all such Estate Claims are paid in cash by the EA Group. Therefore, while Estate Claims are part of the Entity Priority Concept waterfall, they are covered in full by cash at the EA Group and therefore have been omitted from the calculations.

7.5.2 SPFA Claims

SPFA claims are based on amounts outstanding under the SPFA. The SPFA debtor is the Debtor which subsequently on-lent amounts to certain of its subsidiaries. The SPFA Lenders have security over the intercompany loans which resulted from this on-lending (the "**SPFA ICLs**"). Furthermore, the SPFA is secured by assets which were not encumbered at the time the SPFA was executed. The SPFA is also guaranteed by the SPFA Guarantors. For expediency and to maximise recoveries, it is assumed that the SPFA Lenders will first seek recovery against the SPFA ICLs, the Debtor and SPFA Guarantors and, only if amounts remain unpaid under the SPFA, subsequently from security provided over the tangible and intangible assets of the EA Group.

Distributable Value is first made available to SPFA claims, which will be satisfied in the following order:

1. Security over the SPFA ICLs:

   The SPFA Lenders will seek to recover from its security over the SPFA ICLs. The recovery amounts for the SPFA Lenders from each subsidiary borrower under an SPFA ICL is determined by reference to the Distributable Value of each respective subsidiary borrower under the SPFA ICLs.

2. Distributable Value of the Debtor and SPFA Guarantors:

   If the SPFA claims remain unpaid following the recoveries from the SPFA ICLs, the SPFA Lenders will recover the shortfall from the Debtor and the SPFA Guarantors.

   The SPFA Guarantors have a recourse claim back to the Debtor for any amounts paid out by them under the SPFA guarantees. As such, in the event the SPFA Lenders (through the SPFA guarantees) recover in excess of their claims, this excess recovery would be returned to the SPFA Guarantors in the same proportion by which it was recovered from each guarantor. For example, if the difference sought was EUR 100 from three SPFA Guarantors which resulted in total recoveries of EUR 160 from the SPFA Guarantors (EUR 100 from one SPFA Guarantor, EUR 60 from a second SPFA Guarantor and EUR 0 from the third SPFA Guarantor), the EUR 60 excess would be redistributed to each SPFA Guarantor as follows: EUR 37.5 (62.5%) to the first, EUR 22.5 (37.5%) to the second and nothing to the third. As a result, those SPFA Guarantors with a greater Distributable Value available to satisfy the SPFA guarantees bear a larger burden.

   Provided the Distributable Value of the Debtor and the SPFA Guarantors are in excess of the SPFA claims, no SPFA Guarantor has its Distributable Value fall to zero as a result of being liable to make payment under the SPFA guarantees.

The ranking stated above is based on the following principles:

– The SPFA Lenders have security over the SPFA ICLs, which are clearly defined and can be identified in a timely manner;

– The SPFA is secured by certain other assets and in a going-concern scenario the value of these assets has not been separately considered in the Entity Priority Concept as recoveries from other sources are expected to be sufficient to satisfy claims under the SPFA;

– the Debtor and the SPFA Guarantors are jointly and severally liable. In the event there is, shortfall in recoveries from the SPFA ICLs, the SPFA Lenders would simultaneously seek recovery from the Debtor and the SPFA Guarantors.

7.5.3 Pre-Petition Unsecured Claims

Unsecured claims include claims which have no collateral, as well as amounts of Secured Claims not fully satisfied by their collateral (deficiency claims). These amounts rank *pari passu* with each other at each debtor and corresponding waterfall regardless of the type of instrument (*e.g.* loan, trade claim, bill of exchange, etc.) or type of creditor (*e.g.* financial institution, trade

creditors, etc.). Challenged Claims are considered eligible for the purposes of the Entity Priority Concept.

7.5.4 Pre-Petition Guaranteed Claims

Guaranteed claims (including co-debtorship) are claims which are guaranteed by entities other than the borrower under the relevant instrument. If a guarantee claim is secured, the Entity Priority Concept applies recoveries from the collateral to the claim first (see Cl. 7.4 above). Any deficiency will be treated as an unsecured claim against each of the guarantors.

Similar to the SPFA claims, debtors and guarantors are jointly and severally liable for guaranteed claims. As such, the Entity Priority Concept will assume recovery of the same amount from each of the debtor and the guarantors. If the guaranteed claim notionally over-recovers as a result, the excess amount is redistributed back to each of the guarantors (but not the debtor) in the same proportion by which it was recovered. Other than in respect of the SPFA guarantees, notional excess recovery of a guaranteed claim (and redistribution of the excess to the guarantors) occurs in a few exceptional cases.

7.5.5 Pre-Petition Claims Secured with Promissory Notes

Certain claims are secured with promissory notes which are in principle guarantees (including co-debtorship) as these promissory notes rank *pari passu* with the initial claim. For most of these claims, the debtor of the principal debt claim is the same as the debtor of the promissory note, in which case the effect is having one and the same claim on the entity. However, in certain cases, the debtor(s) of the promissory note(s) differ from the debtor of the principal debt claim. These are treated the same as guaranteed claims in that the debtor(s) of the promissory note(s) are akin to guarantors (and the claim is equivalent to a guaranteed claim).

7.5.6 Equity Value

Equity value consists of the remaining Distributable Value after all debt claims are satisfied in full. The value of the equity can then be used to determine the value of share pledges held as collateral in respect of certain Secured Claims, or the value attributed to the shareholders of the relevant entity, including minority shareholders (if any).

7.6 Other Claim Considerations

7.6.1 Pre-Petition Intercompany Claims

Intercompany claims are amounts lent from one entity of the group to another. These claims are treated no differently to third-party claims when determining recoveries. Most intercompany claims are unsecured and *pari passu* with other unsecured claims.

7.6.2 Pre-Petition Guarantee Claims from Outside Extraordinary Administration

Certain claims against debtors outside Extraordinary Administration are guaranteed by EA Group entities. Certain of these amounts have been submitted and recognised as part of the claims filing process in the EA Proceedings. However, as all entities outside the Extraordinary Administration are expected to continue to trade after the Settlement, no value from guarantors in Extraordinary Administration are attributed to the guarantee claims and such claims guarantees against Non-Viable EA Croatian Subsidiaries will remain with the original guarantors and will not be transferred to the New Group.

7.7 Recovery and Allocation

7.7.1 Determination of Treatment

The Entity Priority Concept determines recoveries of claims against EA Group entities. However, whether a claim will be novated unimpaired to the new structure or receives a new recovery instrument is dependent upon whether or not the debtor is viable and whether or not the claim is secured.

7.7.2 Viable EA Croatian Subsidiaries

The Viable EA Croatian Subsidiaries will be transferred to the new structure through a share transfer. All assets and claims (secured and unsecured) will remain with the viable entity and creditors' claims will be settled in the normal course of business in due course. Creditors holding such claims are not affected by and will not receive a recovery allocation in New Instruments under the Settlement Plan with the exception of any Secured Creditors suffering an impairment to the value of their security for which they will receive New Instruments under the settlement plan.

7.7.3 Non-Viable EA Croatian Subsidiaries

The assets and post-petition liabilities of Non-Viable EA Croatian Subsidiaries will be transferred to the new structure through an asset (business unit) transfer into a new entity.

If a Non-Viable EA Croatian Subsidiary owes Secured Claims, these claims would each be moved into the new structure at a principal value equal to the lesser of the SSR and the value of the claim's collateral (see Cl. 5.6.3 above). The deficiency, if any, is considered an unsecured claim and is treated as such (see Cl. 7.5.1 above). If the Secured Claim is owed by the same entity that has title over the collateral, both the transferred amount of the Secured Claim and its collateral will be transferred to the same new entity. However, if the title to the collateral is held by an entity that is different from the debtor, then the Secured Claim will instead be transferred to Aisle HoldCo.

Unsecured pre-petition claims in these entities will not exist in the new structure. Instead, each of these pre-petition claims will receive as recovery New Instruments in proportion to its recovered value relative to the total recovery of all unsecured pre-petition claims against non-viable entities in Extraordinary Administration. For example, assume the Agrokor Group has an aggregate Distributable Value of EUR 100 and EUR 75 is distributed to a combination of the Estate Claims, SPFA claims, Secured Claims and claims within viable entities. Then EUR 25 would remain for distribution to claims within non-viable entities. If one of those claims has an implied recovery of EUR 5, it would be allocated 20% of the new recovery instruments (*i.e.* directly proportionate to its implied recovery in that entity).

7.8 Other Recovery Considerations

7.8.1 Settlements of Pre-Petition Claims at Par

Certain pre-petition claims have been fully or partially settled during the Extraordinary Administration in compliance with the EA Act (see Cl. 4.3.2 above). All consideration so distributed to pre-petition claims will be considered settlements at par and any remaining balance of the pre-petition claim will be treated in the same way as all other claims. For example, a pre-petition claim of EUR 100 having received a EUR 60 payment already during

the EA Proceedings has a net claim of EUR 40 remaining and considered for purposes of the allocation under the Settlement Plan. If *pari passu* creditors of the same debtor are entitled to receive a recovery of 60%, the claim would recover 60% on its remaining EUR 40.

7.8.2 Viable EA Croatian Subsidiaries and Foreign Subsidiaries Holding Intercompany Claims against the Debtor and Non-Viable EA Croatian Subsidiaries

In certain situations, Viable EA Croatian Subsidiaries and Foreign Subsidiaries entities will have intercompany receivables arising from intercompany claims against EA Group entities, all of which have been duly registered with the Court (as described under Cl. 4.1.4 above). If the debtor is a Viable EA Croatian Subsidiary, the intercompany receivables/claims will exist in the new structure (and offset each other on a consolidated basis). However, if the debtor is a Non-Viable EA Croatian Subsidiary, intercompany receivables/claims are treated as third-party claims and the relevant intercompany creditor would be entitled to an allocation of new recovery instruments in respect of its Settlement Recovery on that intercompany receivable/claim. In these circumstances, the entity will instead receive its Settlement Recovery on the pre-petition intercompany receivable/claim as provided for in Cl. 23.3 below.

8 TREATMENT OF OTHER STAKEHOLDERS AND FURTHER ARRANGEMENTS

The Settlement Plan directly only regulates the treatment of pre-petition creditors. However, further stakeholders are affected indirectly as well.

8.1 SPFA Lenders

Under Art. 39 para. 1 and 3 EA Act, settlement of the SPFA claims has priority over any unsecured pre-petition claims save for claims of current and former employees.

8.2 Other Post-Petition Creditors

During the EA Proceedings, the Extraordinary Administrator has settled claims that arose after the opening of the EA Proceedings in the ordinary course of business, including payment of Administrative Liabilities and further liabilities incumbent on the estate, including payments to suppliers, lease payments and tax claims (see Cl. 4.3.1 above). Any outstanding post-petition claims will either be paid prior to the termination of the Extraordinary Administration or will be transferred to the new structure – either Aisle HoldCo or the respective mirror New Croatian Subsidiary – as part of the transfer of business as set out in Cl. 5.5.2 above. Upon completion of the transfer, members of the New Group will be debtor of each post-petition claim.

8.3 Creditors of Foreign and Non-EA Croatian Subsidiaries

As Foreign and Non-EA Croatian Subsidiaries are not subject to Extraordinary Administration, creditors of such entities will not be impaired under the Settlement Plan and will not receive Depositary Receipts or Convertible Bonds as part of the Settlement Plan.

8.4 Shareholders of the Debtor and Non-Viable EA Croatian Subsidiaries

Shareholders of the Debtor and Non-Viable EA Croatian Subsidiaries will be left behind as shareholders of empty shell companies under the Settlement Plan as their recovery has been calculated to be zero under the Entity Priority Concept. The existing shareholders are not

adversely affected by the Settlement Plan, as they are not put in an economically worse situation than they would be in without it.

8.5 Shareholders of Viable EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

Viable EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries will be transferred into the new structure through a transfer of shares in those entities held by EA Entities. As Viable EA Croatian Subsidiaries have a positive equity value, the shareholders of each such Viable EA Croatian Subsidiary will not be impaired by the Settlement Plan and will not receive Depositary Receipts or Convertible Bonds in relation to their shareholdings in the Viable EA Croatian Subsidiaries. Similarly, as Foreign and Non-EA Croatian Subsidiaries are not subject to Extraordinary Administration, shareholders of Foreign and Non-EA Croatian Subsidiaries will also not be affected by the Settlement Plan and will not receive Depositary Receipts or Convertible Bonds pursuant to it.

8.6 Arrangement with Sberbank

Under the Settlement Plan, Sberbank of Russia is granted the Sberbank Contingent Payment Right (Cl. 21 below) and the Sberbank Put Option relating to shares in Mercator (as defined below) (Cl. 25 below), while releasing its litigation.

8.7 Arrangement to the Benefit of Holders of Border Claims

Under the Settlement Plan, certain creditors holding Border Claims are granted the Supplier Contingent Payment Right pursuant to the terms of Cl. 20 below.

8.8 Acquisition of Shares in Agrolaguna d.d. and Žitnjak d.d.

It is contemplated that immediately after the Implementation Commencement Date, Aisle Dutch TopCo will enter into a transaction for the acquisition of 29,830 shares (51%) in Agrolaguna d.d., Poreč, Matije Vlašića 34, OIB: 8496188473, and 8,508 (4.14%) shares in Žitnjak d.d., Zagreb, Marijana Čavića 8, OIB: 25435300118, for the aggregate consideration of EUR 20 million.

9 LIQUIDATION ANALYSIS

Croatian law and international practice requires that no creditor should receive less than they would in the event of liquidation (Sec. 337 para. 2 Bankruptcy Act). As such, a liquidation scenario is used to demonstrate that this requirement is met and serves to demonstrate both the financial benefits of the Settlement Plan but also the substantial loss of value on liquidation as the only alternative to a going-concern settlement ("**Liquidation Analysis**").

The Liquidation Analysis in respect of each claim is performed under the same principles as the Entity Priority Concept; for each entity, the Distributable Value is based on liquidation estimates in the Liquidation Analysis rather than the going-concern values. Overall, the Distributable Value in a liquidation of the EA Group is estimated to be EUR 1,962 million, which is EUR 892 million less than the going-concern value of EUR 2,854 million this Settlement Plan is based on. The Liquidation Analysis makes clear that the distributions made to creditors under the Settlement Plan are materially greater than those anticipated in any liquidation of the EA Group.

9.1 Lower Distributable Value in Liquidation

In a liquidation scenario, Distributable Value is typically lower than in a going-concern scenario. This is due to the high likelihood of ceasing business operations and/or a forced sale at a significant discount of either business units or, more likely in liquidation, their assets, which will generally realise a significantly lower value (and therefore recovery) than if the business would continue to operate as a going concern. Furthermore, a liquidation bankruptcy process would give rise to additional court and administrative costs and a likely delayed sale process, thereby further lowering the net present Distributable Value.

The Liquidation Analysis is an estimate that depends on the underlying assumptions regarding the development of the proceeding and is subject to uncertainty and insecurity regarding the validity of the underlying assumptions. The following considerations relating to the Distributable Value compared to the going-concern scenario are taken into account:

- Assumption that EA companies generate a recovery value, which is the higher of:
  - realisable value from a fire-sale of the entity (see Cl. 9.1.1 below), taking into account going-concern valuations, or
  - the potential realisable value from asset disposals after operations have been terminated (see Cl. 9.1.2 below).
- Assumption that non-EA companies will be sold at a fire-sale discount.
- The value of non-core assets is adjusted using a discount to reflect a significantly lower realisable value in the context of a forced sale.
- The value of collateralised core assets is discounted to reflect a lower realisable value due to a forced sale.

The assessment is based on the latest available balance sheet of each company being in most cases for the financial year 2017.

9.1.1 Fire-Sale

It was assumed that the value of a going-concern enterprise could be (partially) realised in a distressed sale, which in some cases might lead to higher liquidation values compared to an asset liquidation. The EV estimates derived during the going-concern valuation exercise and asset add-ons were used as input, and subjected to a fire-sale discount. The fire-sale discount was applied to the lower weighted range of the going-concern enterprise value estimates. No transaction costs for fire sales have been applied.

9.1.2 Asset Liquidation

The asset liquidation estimates the proceeds after liquidation costs that would be obtained upon disposal of assets during a hypothetical liquidation based on hypothetical recovery values and applying typical market discounts to carrying values as follow:

	Recovery estimate		
	min.	mid	max.
Cash	100%	100%	100%
Land & Buildings	50%	60%	70%
Equipment	10%	18%	25%
Biological assets	40%	50%	60%
Leased PP&E	0%	0%	0%
Tangible assets under construction	0%	25%	50%
Share in related parties	0%	0%	0%
Financial assets (3rd party)	20%	30%	40%
Other assets	0%	25%	50%
Receivables (3rd party)	10%	25%	40%
Receivables (state)	80%	90%	100%
Receivables (intragroup)	0%	0%	0%
Inventories (finished goods)	40%	50%	60%
Inventories (raw material)	20%	25%	30%
Advance payments / prepaid expenses	0%	13%	25%
Intangibles	0%	0%	0%

9.2 Comparison of Treatment under the Settlement Plan versus Liquidation Proceedings

As described in more detail in Cl. 7 above, the recovery of each creditor is determined on claim-by-claim and an entity-by-entity basis. The Settlement Plan applying the Distributable Value on a going concern leaves the creditors no worse off in relation to what they receive on account of their claims than the recovery expectation in a liquidation scenario. The estimated recovery in liquidation is set forth for each claim in Annex 4 (*Claims*) in the column "liquidation scenario".

– **Unsecured Creditors**: The recovery of unsecured creditors is determined by the Distributable Value of the respective entity. As described in Cl. 9.1 above, the liquidation leads to lower value available for distribution, unless in rare circumstances the going-concern value equals the value in liquidation.

– **Secured Creditors**: The recovery of Secured Creditors is determined by the value of the collateral in relation to the secured part of the claim and recovery on the unsecured portion if any. The collateral value applied in the going-concern analysis is at least the value as in liquidation, regularly higher due to more effective use in the going concern and any discounts to be applied in a liquidation sale.

For the shareholders, the Settlement Plan results in no worse position than in a liquidation:

– **Shareholders of the Debtor and Non-Viable EA Croatian Subsidiaries**: The shareholders of the Debtor and of Non-Viable EA Croatian Subsidiaries will recover both under the going concern of the Settlement Plan and in the Liquidation Analysis only after the unsecured creditors are satisfied in full (Art. 285 sent. 2 Bankruptcy Act). Accordingly, the recovery is alike for the unsecured creditors a function of the Distributable Value in the respective entity which is no worse under the Settlement Plan (see above at unsecured creditors). At the conclusion of a standard liquidation proceeding, the EA Entity would be dissolved and shares of the former shareholders would be cancelled. Under the Settlement Plan, all shareholders of non-viable entities will be left behind in the old structure.

– **Shareholders and other Stakeholders of Viable EA Croatian Subsidiaries**: The shareholders of Viable EA Croatian Subsidiaries will not be affected by the Settlement Plan and are therefore not worse off than in a liquidation. Claims of creditors of Viable EA Croatian Subsidiaries will remain unimpaired and are therefore not adversely affected by the Settlement Plan.

10 IMPLEMENTATION OF GROUP RESTRUCTURING BY THE SETTLEMENT PLAN

10.1 Timeline

10.1.1 Voting, Confirmation and Appeal Period

Following submission of the Settlement Plan to creditors, the Court will invite creditors to a Hearing to vote on the Settlement Plan that will take place five to 15 days after the Submission Date (Art. 43 para. 9 EA Act) (see Cl. 4.1.5.1 above). If the Settlement Plan is approved by the creditors, the Court will issue an order confirming or withholding confirmation of the Settlement Plan (Art. 43 para 15, 16 EA Act) (see Cl. 4.1.5.4 above). The order may be challenged by the Debtor and each creditor (Art. 8 EA Act, Art. 339 Bankruptcy Law), within eight days following the date the order is delivered (Art. 8 EA Act, Art. 19 Bankruptcy Law).

If a settlement plan is not approved by the creditors and confirmed by the Court by 10th July 2018, the Extraordinary Administration will automatically terminate (Art. 47 item 3 EA Act) and be followed by standard bankruptcy proceedings over the EA Group's assets. The same result may occur if a settlement plan is approved by the creditors, but is not confirmed by the Court or if it is confirmed by the Court but the confirmation order is set aside by a resolution of the High Commercial Court of the Republic of Croatia upon appeal.

10.1.2 Implementation and Termination

Pursuant to the Settlement Plan, the Extraordinary Administrator will take all necessary measures on and from the Settlement Confirmation Date to procure that the Public Announcement Date (as defined below) will occur as soon as reasonably practicable following the Finality of the Court Order (as defined below).

The Debtor shall make a public announcement on the web-page agrokor.hr and on the Court`s e-bulletin board website and cause a notice to be issued through the clearing systems once the Condition Precedent to implementation of the Settlement Plan has been satisfied (or waived in accordance with Cl. 28.3 below).

The date of such publication is the "**Public Announcement Date**". In the public announcement, the Extraordinary Administrator will announce the date on which the implementation of the restructuring measures envisaged by the Settlement Plan and additionally elaborated on in the Steps Plan (as defined below) will occur, being a date no earlier than 15 business days and no later than 30 business days from the Public Announcement Date and to be determined by the Court per the mutual proposal of the Extraordinary Administrator and the Creditors' Council (the "**Implementation Commencement Date**").

On the Implementation Commencement Date the following steps will take place:

- effectiveness of obligation for Cash-out Payments with regard to Minor Impaired Claims (as further provided in Cl. 23.4 below);

- discharge of claims subject to discharge by virtue of this Settlement Plan (as further provided in Cl. 16.1 below);

- assignment of Assigned Claims to Aisle Dutch TopCo (as further provided in Cl. 18 below);

– issuance of New Instruments to New Instruments Beneficiaries or to the Securities Escrow Agent (as further provided in Cl. 19 below);

– issuance of the Supplier Loan Note and, (if the condition precedent to issuance has been satisfied), the Sberbank Loan Note;

– implementation of the Sberbank Put Option to the extent exercised in accordance with Cl. 25 below;

– effectiveness of the terms of settlement of Secured Claims (as further provided in Cl. 23.2 and 23.2.2 below) and Unimpaired Claims (as further provided in Cl. 23.1 below);

– establishment of the obligation to transfer and/or transfer of the business of the EA Entities to the New Group (as further provided in Cl. 22.1.1 below); and

– the Initial DR Holder Meeting will be held (as further described in Cl. 5.7.1 above).

The other steps required for the implementation will be taken on the same day as the Implementation Commencement Date or, if that is not possible, they shall take place (together with any of the above steps which in accordance with their terms have not been implemented on the Implementation Commencement Date) as soon as possible thereafter in the immediately following day(s), subject to the provisions of Cl. 22.3 below.

The Creditors, EA Entities and New Group Companies acknowledge and agree that no steps taken to implement the Settlement Plan on and from the occurrence of the Implementation Commencement Date will be capable of being unwound or otherwise reversed except as provided under Cl. 16.4 below.

Upon completion of the restructuring measures, the Extraordinary Administration will terminate (Art. 47 item 2 EA Act). The termination of EA Proceedings and the winding-down of Non-Viable EA Subsidiaries will be done pursuant to Cl. 29.1 below.

10.2 Steps Plan

The steps required for the implementation of the group restructuring are set out in more detail in the steps plan in Annex 21 (*Steps Plan*) (the "**Steps Plan**").

10.3 Implementation Risks

Please note that this sections only addresses certain specific risks associated with the implementation of the restructuring measures.

The Settlement Plan may be overturned by one or more successful appeals. In this case, the Settlement Plan would have no legal effect and already implemented measures might need to be reversed.

The Settlement Plan is concluded and confirmed under the EA Act which has not been applied in practice before; thus there are no court precedents where a restructuring under the EA Act was successfully completed in the past.

The Agrokor Group is active in various jurisdictions outside of the Republic of Croatia, some of which have so far not recognised the EA Proceedings. This means that there is a risk that

the Settlement Plan may not be recognised in those jurisdictions, including the effectiveness of the transfer of Foreign Subsidiaries to the New Group and the proposed assignments of the Assigned Claims.

The change of the ultimate control of the Agrokor Group may trigger change-of-control provisions in certain business or financing contracts (including material financings of Foreign Subsidiaries) and a mandatory take-over for the entities of the Agrokor Group outside of the EA Group contemplated to be transferred to the New Group under this Settlement Plan. Further limitations or impediments may apply to effect transfers under applicable laws, contracts, articles of association, by-laws or any other basis.

The implementation of the Settlement Plan is subject to certain conditions precedent, *inter alia*, merger and regulatory clearance and tax confirmation which as of the Submission Date were not or not fully granted or resolved.

10.4 Conditions Precedent to the Implementation of the Settlement Plan

The implementation of this Settlement Plan will be subject to conditions precedent as prescribed in the Constructive Part (see Cl. 28 below).

10.5 Foreign Recognition of the Settlement Plan

Upon confirmation of the Settlement Plan by the Court, the Extraordinary Administrator may seek recognition, or other applicable local law relief, in respect of the Settlement Plan to the extent such recognition is required or helpful for the completion of certain restructuring measures, in particular (but not exclusively) in the following jurisdictions: Bosnia-Herzegovina, England and Wales, Montenegro, the Netherlands, Serbia, Slovenia and the U.S.

11 CLASSIFICATION OF CREDITORS FOR VOTING PURPOSES

The EA Act requires classification of creditors in groups per their claims and legal position (Art. 29 para. 2 and Art. 18 para 2 EA Act). Each group (class) of creditors votes on the Settlement Plan individually pursuant to Art. 43 para. 14 EA Act.

The plan must create separate classes for creditors with claims with different legal positions; creditors with claims of the same legal position may be classified into separate subclasses per their same economic interests (Art. 308 para. 1 and 2 Bankruptcy Act).

Creditors are classified by claim type, which means a creditor holding several types of claims may therefore be a creditor represented in multiple classes.

Following the above statutory basis, Creditors of pre-petition claims have been classified into classes pursuant to the resolution of the Commercial Court of Zagreb, docket no. St-1138/17, of 13th April 2017, whereby the ICC has been established. Such classification shall be used for the purposes of voting on this Settlement Plan pursuant to Art. 43 EA Act.

The classification of Creditors per the above Court resolution is as follows:

– small suppliers, in which class Creditors whose claims do not exceed HRK 100,000 are classified;

– large suppliers, in which class Creditors whose claims exceed HRK 100,000 are classified;

– noteholders, in which class Creditors who are holders of notes issued by the Debtor are classified;

– unsecured creditors, in which class Creditors whose claims are not secured by a separate satisfaction right are classified; and

– secured creditors, in which class Creditors whose claims are secured by a separate satisfaction right are classified.

12 TAX IMPLICATIONS

12.1 Transfers of Business Units of Non-Viable EA Croatian Subsidiaries to the New Group

In accordance with Art. 43 para. 5 point 1 EA Act, transfers of business operations from Non-Viable EA Croatian Subsidiaries to relevant New Croatian Subsidiaries in the New Group will constitute transfers of business units for tax purposes.

Transfers of business units from Non-Viable EA Croatian Subsidiaries to relevant New Croatian Subsidiaries in the New Group will not be considered as supplies for Croatian VAT purposes and no VAT will need to be charged or financed.

Any tax liabilities that would arise in the Non-Viable EA Croatian Subsidiaries upon execution of the Settlement Plan (including, but not limited to, tax liabilities arising on the basis of gains generated on transfers of business units at fair value, gains generated on transfers (disposals) of non-core assets and shareholdings at fair value, gains as a result of debt discharge and any other tax liabilities tha twould arise as a result of Settlement execution) do not transfer to the New Group pursuant to the provisions of Art. 43 para. 5 point 1 EA Act.

Only the post-petition tax and other liabilities towards the State that arise in the ordinary course of business and which would be reported as such by the Non-Viable EA Croatian Subsidiaries in the period from 10th April 2017 until the day of the transfer of the business units would transfer to the the relevant New Croatian Subsidiaries pursuant to the provisions of Art. 43 para. 5 point 1 EA Act; for the avoidance of doubt any post-petition tax liabilities and other liabilities towards the State which arise upon or as a result or in connection to execution of the Settlement Plan do not transfer to the the relevant New Croatian Subsidiaries pursuant to the provisions of Art. 43 para. 5 point 1 EA Act..

12.2 Transfers of Assets (that are not part of business units) of Non-Viable EA Croatian Subsidiaries to the New Group

Transfers of assets which are not part of business units to relevant New Croatian Subsidiaries are as follows:

1. Transfers of new buildings (*i.e.* unoccupied buildings or buildings where less than two years has elapsed from initial occupation), construction land and assets that are not real estate will be subject to 25% VAT which will need to be reported and paid by Non-Viable EA Croatian Subsidiaries. Relevant New Croatian Subsidiaries will be entitled to reclaim the input VAT (if they are VAT registered at the time of transfer and will use the assets to perform supplies subject to VAT and to the extent that VAT was settled by Non-Viable EA Croatian Subsidiaries);

2. Transfers of other real estate will be subject to 4% RETT which is payable by relevant New Croatian Subsidiaries and represents an irrecoverable expense. Exceptionally, where:

   a) Non-Viable EA Croatian Subsidiaries and New Croatian Subsidiaries are VAT registered; and

   b) New Croatian Subsidiaries intend to use such real estate to perform VAT-able supplies,

   it will be opted to subject the transfer of such real estate to 25% VAT instead, where the VAT reverse-charge mechanism will apply and there will be no need to finance any VAT.

Any gains arising on the transfer of assets that are not part of business units will be subject to corporate profit tax at the level of the Non-Viable EA Croatian Subsidiaries which are disposing of the assets (subject to any carry-forward tax losses being available to offset any such taxable gains).

Corporate profit tax liabilities that arise in Non-Viable EA Croatian Subsidiaries as a result of transfers of assets which are not part of business units will not transfer to relevant New Croatian Subsidiaries pursuant to the provisions of Art. 43, para. 5, point 1 EA Act.

12.3 Transfers of Shares of Viable EA Croatian Subsidiaries and Foreign Subsidiaries

The transfers of shareholdings in Viable EA Croatian Subsidiaries and Foreign Subsidiaries by the Debtor or any other Croatian company from Agrokor Group to Aisle HoldCo in lieu of settling outstanding liabilities towards Aisle HoldCo or any other company from the New Group will not be subject to Croatian VAT.

Any gains arising on the transfer of such shareholdings will be subject to corporate profit tax at the level of the Debtor or any other Croatian company from Agrokor Group transferring the shareholdings (subject to any tax losses that may be available to offset taxable gains). Corporate profit tax liabilities that arise as a result of transfers of shareholdings in the Debtor or any other Croatian company from Agrokor Group will not transfer to Aisle HoldCo pursuant to the provisions of Art. 43 para. 5 point 1 EA Act.

Any gain from sale of shares of Foreign Subsidiaries resident in the Federation of Bosnia-Herzegovina will be subject to 10% withholding tax to the extent that the shares subject to sale derive the majority of their value from immovable property located in the Federation of Bosnia-Herzegovina. No withholding taxes will arise on transfer of shares of Foreign Subsidiaries in Slovenia, Serbia, Montenegro and Hungary.

Part II: Constructive Part (*Provedbena osnova*)

13 INTRODUCTORY PROVISIONS

The Settlement Plan governs the relationship of:

– creditors (legal and natural persons with a claim against the debtor and its controlled and affiliated companies at the time of the opening of the EA Proceedings within the meaning of Art. 29 para 1 EA Act ("**Creditors**"));

– the debtor in the EA Proceedings (being Agrokor d.d., defined as the Debtor, and its controlled and affiliated companies over which the EA Proceedings have been opened, defined as EA Entities or EA Group, which term includes the Debtor as well); and

– the New Group Companies and the Supplier Payment Agent as other parties involved in the implementation of the Settlement Plan to the extent a declaration or consent is provided or an obligation assumed in relation to the Settlement Plan.

The Settlement Plan governs the amount and method of satisfaction of Creditors, the legal position of EA Entities and other participants in the EA Proceedings, and sets out measures required to implement the Settlement Plan.

The measures and actions required to be taken under the Settlement Plan are mutually conditional and must therefore operate incrementally. In order to assist in the interpretation of the Settlement Plan with respect to its implementation, the measures and actions to be taken are further described in the Steps Plan (attached as Annex 21 (*Steps Plan*)).

The Extraordinary Administration is conducted over the estates of each EA Entity by means of procedural, but not substantive, consolidation. Therefore, the scope of the Settlement Plan encompasses the estate of the EA Group as a whole, whereas the recovery of each Creditor is determined on claim-by-claim and an entity-by-entity basis regarding each individual EA Entity towards the respective claim has been filed. Each claim has been, on the basis of its objective characteristics, assigned a ranking in the Entity Priority Concept according to which that claim participates in the allocation of Distributable Value of each EA Entity. The result of this calculation provides an amount and method of satisfaction of each claim.

The New Group Companies and the Supplier Payment Agent consent to this Settlement Plan and agree to be bound by it as if the New Group Companies or Supplier Payment Agent as applicable had entered into contractual relations directly with the appropriate parties. The New Group Companies and Supplier Payment Agent have undertaken to support and take all actions reasonably necessary to implement and fulfil this Settlement Plan. The form support and consent letter is attached as Annex 22 (*Support and Consent Letters by New Group*).

Each Creditor, New Group Company, the Debtor and each other EA Entity undertakes to support the Settlement Plan and take the steps required of it to implement the Settlement Plan as prescribed herein and as explained in the Steps Plan and not to take any steps that would prevent or be contradictory to the implementation steps.

By virtue of the Settlement Plan,

– Aisle Dutch TopCo, Aisle HoldCo and Aisle STAK are authorised to execute all documents required to implement the transactions and steps contemplated hereunder (save for the completion and submission of the KYC Form) on behalf of each Creditor; and

– the Supplier Payment Agent is authorised to execute all documents required to implement the transactions and steps contemplated hereunder (save for the completion and submission of the KYC Form) on behalf of each Eligible Incumbent Supplier (as defined below).

14 EFFECTIVENESS OF THE SETTLEMENT PLAN

This Settlement Plan is effective from the issuance of the Court order confirming it and from this Settlement Confirmation Date is binding on the EA Entities and all Creditors (Art. 43 para. 18 EA Act).

The implementation of this Settlement Plan shall commence on the Implementation Commencement Date. For the avoidance of doubt, no changes to the ownership structure or governance of the Debtor, other EA Entities or any Agrokor Group company, which could be deemed to constitute a change of control within the meaning of statutory and contractual provisions and obligations, shall occur until the Implementation Commencement Date.

15 CLASSIFICATION OF PRE-PETITION CREDITORS FOR VOTING PURPOSES

Creditors of pre-petition claims were classified into classes pursuant to the resolution of the Commercial Court of Zagreb, St-1138/17, of 13th April 2017, whereby the ICC has been established. Creditors have been classified into classes on the basis of claim type, meaning a single creditor with several types of claims may be represented in multiple classes.

Such classification shall be used for the purposes of voting on this Settlement Plan pursuant to Art. 43 EA Act.

The classification of Creditors per the above Court resolution is as follows:

– small suppliers, in which class Creditors whose claims do not exceed HRK 100,000 are classified;

– large suppliers, in which class Creditors whose claims exceed HRK 100,000 are classified;

– Noteholders, in which class Creditors who are holders of notes issued by the Debtor are classified;

– unsecured creditors, in which class Creditors whose claims are not secured by a separate satisfaction right are classified; and

– secured creditors, in which class Creditors whose claims are secured by a separate satisfaction right are classified.

16 MANNER OF SETTLEMENT AND ALLOCATION

The manner and terms of settlement of all Creditors' claims, by way of:

– issuing of New Instruments;

– Cash-out Payment;

– amendment of claims' terms (including by assumption of debt);

– discharge of claims; and

– payments made during EA Proceedings,

as well as other provisions relevant for the implementation of this Settlement Plan are stated hereinafter.

16.1 Discharge of Claims

16.1.1 Claims with Zero Recovery

For the avoidance of doubt, claims with a Settlement Recovery under the Entity Priority Concept which is equal to zero shall be discharged in full on the Implementation Commencement Date in the amount of the registered claim and shall not be assigned to Aisle Dutch TopCo and the holders thereof shall not be entitled to receive New Instruments ("**Discharged Claims**"). The discharge does not apply to any part of the claim which was paid or settled during the EA Proceedings in accordance with Cl. 16.2 below. Thus, by virtue of this Settlement Plan, each creditor of a Discharged Claim releases the debt of the debtor(s) of the Discharged Claim, and the debtor(s) accept such debt release.

16.1.2 Minor Impaired Claims

Impaired Claims with a Settlement Recovery amount equivalent to an amount up to HRK 40,000 (forty thousand kuna) (the "**Minor Impaired Claims**") will be settled by a payment of a monetary amount in EUR, corresponding to the Settlement Recovery of such claim, by bank transfer by the original debtor as the payor and the Creditor of the Minor Impaired Claim as the payee, subject to the provisions set out in Cl. 23.4 below (the "**Cash-out Payment**"). The difference between the registered amount of the Minor Impaired Claim and the Settlement Recovery amount so paid as a Cash-out Payment will be written off in full at the Implementation Commencement Date. Thus, by virtue of this Settlement Plan, each Creditor of a Minor Impaired Claim (each, a "**Cashed-out Creditor**") releases the debt of the debtor(s) in an amount equal to the difference between the registered amount of the Minor Impaired Claim and the Settlement Recovery amount, and the debtor(s) accept such debt release.

16.1.3 Claims with Lower Priority Ranking (*tražbine nižeg isplatnog reda*)

Additionally, by virtue of this Settlement Plan, all claims of lower priority ranking are hereby discharged as provided in Cl. 29.6 below. The creditor of a claim of lower priority ranking releases the debt of the debtor(s) under these claims and the debtor(s) accepts such debt release.

16.1.4 Claims Secured by an SSR

In case the claims discharged by virtue of the Settlement Plan as described under Cl. 16.1.1 to 16.1.3 above are secured with a SSR, such SSRs shall cease and any and all entries of such SSRs in public registries and before competent authorities shall be deleted based on the Settlement Plan. The security debtor is authorised to request their deletion from the public registers and before competent authorities based on the Settlement Plan without any need of further approval or action of the security creditor.

16.2 Settlement of Pre-Petition Claims and Consent to Payments on Pre-Petition Claims in accordance with Article 40 EA Act

Pursuant to Art. 40 EA Act, a portion of certain Creditors' claims were settled by EA Entities during the EA Proceedings. The total amount of such settlement is HRK 8.4 billion as specified by claim in Annex 4 (*Claims*), and in Annex 6 (*Claims not Filed*), which Annex specifies the creditors' claims settled after opening of the EA Proceedings, but before the expiry of the filing deadline (as described in Cl. 4.1.4 above) and were therefore not filed by the respective creditors.

For the avoidance of doubt, the paid amounts in this clause include amounts of settlement or termination of claims under other grounds permitted under Croatian law (e.g. unilateral set-off in accordance with bankruptcy rules etc.).

Creditors hereby agree not to dispute the validity of settlement of such claims. The recovery of the remainder of these claims, if any, is determined through the Entity Priority Concept.

16.3 Allocation under the Settlement Plan

The allocation of the Settlement Recovery under the Settlement Plan has been individually determined pursuant to the Entity Priority Concept (see Cl. 7 above).

Claims that are filed in the claims register and determined by the Court by resolution on determined and challenged claims of 15th January 2018 (and its correction dated 2nd, 8th, 9th March and 6th April 2018 and supplement dated 2nd February and 1st, 13th, 14th, 20th, 29th, 30th March and 5th June 2018) or allowed by virtue of a legally effective judgment in a judicial proceeding or a deed of the same effect are entitled to a recovery as determined through the Entity Priority Concept (the "**Settlement Recovery**"). The Entity Priority Concept also takes into account Challenged Claims whose manner of settlement is determined under the Settlement Plan.

The Settlement Plan determines the Settlement Recovery of the following general categories of Creditors, which categories and Settlement Recovery are listed below:

	Creditor Category	**Creditor Subcategory**	**Description of Settlement Recovery**	
			Annex no.	**Relevant Column(s)**
1.a	Impaired Creditors	Impaired Creditors having Minor Impaired Claims and receiving a Cash-Out Payment as set out in Cl. 23.4 below	Annex 4 (*Claims*)	U
1.b		Impaired Creditors having Assigned Claims and receiving New Instruments as set out in Cl. 18 below and Cl. 19 below	Annex 4 (*Claims*)	V to Y

1.c		Impaired Creditors with a Supplier Contingent Payment Right pursuant to Cl. 20 below, in addition to receiving New Instruments as set out in Cl. 18 below and Cl. 19 below	Annex 4 (*Claims*) and Annex 28 (*Supplier Loan Note Instrument*)	V to Y and as specified in Annex 28 (*Supplier Loan Note Instrument*)
1.d		Impaired Creditors with a Sberbank Contingent Payment Right pursuant to Cl. 21 below, in addition to receiving New Instruments as set out in Cl. 18 below and Cl. 19 below	Annex 4 (*Claims*) and Annex 30 (*Sberbank Loan Note Instrument*)	V to Y and as specified in Annex 30 (*Sberbank Loan Note Instrument*)
1.e		Impaired Creditors of Impaired Claims secured by an SSR, which SSR stays in place pursuant to Annex 34 (*Table of SSRs*), and whose terms of claims secured by the SSR are amended pursuant to Cl. 23.2.1 and 23.2.2 below	Annex 4 (*Claims*)	N and V to Y (if any)
2.	Unimpaired Creditors	Unimpaired Creditors whose claims are settled by way of amendment of terms pursuant to Cl. 23.1 below, whereby if the Unimpaired Claim is secured by the SSR, such SSR stays in place pursuant to Cl. Annex 34 (*Table of SSRs*), and the terms of claims secured by the SSR pursuant to Cl. 23.1 below	Annex 4 (*Claims*)	O
3.	Creditors who only have an SSR (without EA Entity being a personal debtor)	Creditors who only have an SSR (without EA Entity being a personal debtor), whose SSR stays in place pursuant to Cl. 23.2.3 below	-	n/a

4.	EA Entities which hold Mutual Claims	EA Entities which hold Mutual Claims and whose terms of claims are amended pursuant to Cl. 23.3 below	Annex 4 (*Claims*)	N or O
5.	Creditors withontingent Claims (subject to suspensive conditions)	Creditors with Contingent Claims (subject to suspensive conditions), whose contingent claims shall be settled conditionally pursuant to Cl. 24 below	Annex 35 (*Contingent Claims*)	n/a

The Impaired Creditors whose claims are reduced in relation to the filed amount thereof are also listed in Annex 4 (*Claims*), whereby their claims are partially or fully discharged pursuant to Cl. 16.1 above.

16.4 Deduction of Amounts recovered by Litigation

The Settlement Recovery of any Creditor will be reduced by any amount obtained in cash or in kind (whether a full or partial settlement of that Creditor's claim) through any collection action taken by such Creditor against a member of Agrokor Group (*e.g.* through enforcement actions) (an "**Enforcement Amount**") during the EA Proceedings. The relevant Creditor will therefore not be entitled to receive a Settlement Recovery in the amount of the Enforcement Amounts.

The same principle shall apply in respect of any Enforcement Amounts received by a Creditor after the Implementation Commencement Date, so that:

(i) in the event a New Instruments Beneficiary receives an Enforcement Amount, New Instruments held by such New Instruments Beneficiary (or if that New Instruments Beneficiary's allocation of New Instruments is held by the Securities Escrow Agent, the Securities Escrow Agent) with an aggregate value equal to the Enforcement Amount shall be cancelled by the Convertible Bonds Issuer and Aisle STAK (as described below); or

(ii) in the event a Creditor not being a New Instruments Beneficiary receives an Enforcement Amount (*e.g.* holding only Minor Impaired Claims, Unimpaired Claims or Secured Claims), no cash payment will be made by the relevant payor in an amount equivalent to the Enforcement Amount. If payments have already been made, the Debtor is entitled to reclaim such payments up to an amount equivalent to the Enforcement Amount.

The cancellation of New Instruments described in paragraph (i) above will be effected in the manner as provided for in Cl. 19.9 below.

If:

(i) the New Instruments Beneficiary (or if that New Instruments Beneficiary's allocation of New Instruments is held by the Securities Escrow Agent, the Securities Escrow

Agent) does not (including not any more) hold New Instruments in the amount of the Enforcement Amount; or

(ii) the amount of payment claims a Creditor has against EA Entities is lower than the Enforcement Amount,

the respective Creditor is obliged to return the Enforcement Amount to the New Instruments issuer or the payor, as applicable.

For the avoidance of doubt, this does not apply to pre-petition claims:

– paid during the course of the EA Proceedings pursuant to Art. 40 EA Act,

– settled by other means in accordance with Croatian law,

as described in Cl. 16.2 above.

17 IMPLEMENTATION COMMENCEMENT

Pursuant to the Settlement Plan, the Extraordinary Administrator will take all necessary measures on and from the Settlement Confirmation Date to procure that the Public Announcement Date will occur as soon as reasonably practicable following the Finality of the Court Order.

17.1 Implementation Commencement Date and Public Announcement Date

The Debtor shall make a public announcement on the web-page agrokor.hr and on the Court`s e-bulletin board website and cause a notice to be issued through the clearing systems once the Conditions Precedent to implementation of the Settlement Plan have been satisfied (or waived in accordance with Cl. 28.3 below).

The date of such public announcement is the Public Announcement Date. In the public announcement, the Extraordinary Administrator will announce the date on which the implementation of the restructuring measures and the settlement steps envisaged by the Settlement Plan and additionally elaborated on in the Steps Plan (as defined above) will occur,

(i) being a date no earlier than 15 and no later than 30 business days from the Public Announcement Date; and

(ii) to be determined by the Court per the mutual proposal of the Extraordinary Administrator and the Creditors' Council

(being defined as the Implementation Commencement Date).

17.2 Steps to Occur on the Implementation Commencement Date

On the Implementation Commencement Date the following steps will take place:

– effectiveness of obligation for Cash-out Payments with regard to Minor Impaired Claims (as further provided in Cl. 23.4 below);

– discharge of claims subject to discharge by virtue of this Settlement Plan (as further provided in Cl. 16.1 above);

– assignment of Assigned Claims to Aisle Dutch TopCo (as further provided in Cl. 18 below);

– issuance of New Instruments to New Instruments Beneficiaries or to the Securities Escrow Agent (as further provided in Cl. 19 below);

– issuance of the Supplier Loan Note and, (if the condition precedent to issuance has been satisfied), the Sberbank Loan Note;

– implementation of the Sberbank Put Option to the extent exercised in accordance with Cl. 25 below;

– effectiveness of the terms of settlement of Secured Claims (as further provided in Cl. 23.2 and 23.2.2 below) and Unimpaired Claims (as further provided in Cl. 23.1 below);

– establishment of the obligation to transfer and/or transfer of the business of the EA Entities to the New Group (as further provided in Cl. 22.1.1 below); and

– the Initial DR Holder Meeting will be held (as further described in Cl. 5.7.1 above).

The other steps required for the implementation will be taken on the same day as the Implementation Commencement Date (including for the avoidance of doubt, the steps required for the implementation of the matters set out in Cl. 25 provided all required conditions or preconditions to allow those steps to occur have been met) or, if that is not possible, they shall take place (together with any of the above steps which in accordance with their terms have not been implemented on the Implementation Commencement Date) as soon as possible thereafter in the immediately following day(s), subject to the provisions of Cl. 22.3 below.

The Creditors, EA Entities and New Group Companies acknowledge and agree that no steps taken to implement the Settlement Plan on and from the occurrence of the Implementation Commencement Date will be capable of being unwound or otherwise reversed except as provided under Cl. 16.4 above.

17.3 Transfer of Impaired Claims prior to the Public Announcement Date

Impaired Creditors may transfer their Impaired Claims to any third party up to and including the date falling five business days after the Public Announcement Date ("**Claims Record Date**"). Such transfer is subject to Art. 146 Bankruptcy Act, which, *inter alia,* binds the assignee to the Settlement Plan, including the mandatory assignment of Assigned Claims to Aisle Dutch TopCo set out in Cl. 18 below (the transferee thereby becoming an Impaired Creditor and, if holding Assigned Claims, a New Instruments Beneficiary).

For the avoidance of doubt, such transfer shall be evidenced by a public or publicly certified deed (a statement on which the signature of the assignor of an Impaired Claim is certified by an authorised public body, whether a Croatian body or a body in the country of issuance, with recognition of effects in the Republic of Croatia under the applicable law). The Extraordinary Administrator is required to be notified, together with evidence, of such transfer on or before the Claims Record Date.

Final lists of:

(i) New Instruments Beneficiaries ("**Final New Instruments Beneficiaries List**"); and

(ii) Cashed-out Creditors ("**Final Cashed-out Creditors List**")

shall be determined by the Extraordinary Administrator based on the transfers which have been duly notified to him on or prior to the Claims Record Date.

18 ASSIGNMENT OF ASSIGNED CLAIMS TO AISLE DUTCH TOPCO

18.1 Assignment

On the Implementation Commencement Date:

- Immediately prior to the Claims Assignment (as defined below), all Assigned Claims shall be converted pursuant to this Settlement Plan into euro at HRK 7.480959 per EUR as of 9th April 2017 based on the Croatian National Bank (CNB) selling rate.

- All Assigned Claims and rights related thereto will be assigned by the New Instruments Beneficiaries as an aggregated contribution to Aisle Dutch TopCo subject to the terms and conditions set out herein and the terms of the Shares Deed of Issue (as defined below) and without the need for any further action on the part of the creditors or debtors of the Assigned Claims or the need to seek any third-party consents or further authority from the Court ("**Claims Assignment**").

- Aisle Dutch TopCo hereby explicitly accepts the Claims Assignment. In this regard, reference is made to the support and consent letters attached as Annex 22 (*Support and Consent Letters by New Group*). In addition, in the Shares Deed of Issue, Aisle Dutch TopCo acknowledges that it has received the Assigned Claims from the New Instruments Beneficiaries.

- Each New Instruments Beneficiary will receive the New Instruments in the relevant amount for the purposes of settlement on the basis of the Claims Assignment.

- Aisle Dutch TopCo hereby agrees to accept each such Claims Assignment and is authorised to execute any document or to take any action required, to further evidence or complete the Claims Assignment.

- Each EA Entity hereby consents to any change of creditors as a result of the Claims Assignment, all in accordance with and as described in or set out in this Settlement Plan.

- Upon the occurrence of the Claims Assignment to Aisle Dutch TopCo, all Assigned Claims against each individual EA Entity shall, for the purposes of the Settlement, be considered as a single aggregated claim held by Aisle Dutch TopCo against that EA Entity, in the amount set out in the following table ("**Aggregated Claims**"):

Debtor and Non-Viable EA Croatian Subsidiary	**Aggregated claim (HRK)**
KONZUM D.D.	25,628,773,831
AGROKOR D.D.	22,715,624,479
JAMNICA D.D.	21,569,375,304
ZVIJEZDA D.D.	19,924,700,066
AGROKOR - TRGOVINA D.O.O.	19,568,405,022

PIK-VINKOVCI D.D.	18,049,981,531
BELJE D.D. DARDA	17,334,405,465
LEDO D.D.	17,069,837,014
VUKOVARSKI POLJOPRIVREDNO INDUSTRIJSKI KOMBINAT D.D.	16,944,376,224
PIK VRBOVEC-MESNA INDUSTRIJA, D.D.	2,451,694,156
TISAK D.D.	1,034,472,631
VELPRO-CENTAR D.O.O.	219,473,402
PROJEKTGRADNJA D.O.O.	201,166,785
MSTART D.O.O.	93,475,943
DALMARINA D.O.O.	52,849,959
ATLAS D.D.	52,482,266
ADRIATICA.NET D.O.O.	38,743,983
SOJARA D.O.O.	27,139,432
MLIJEČNO GOVEDARSTVO KLISA D.O.O.	13,981,457
LATERE TERRAM D.O.O.	10,889,723
VINKA D.D.	7,842,775
TERRA ARGENTA D.O.O.	6,499,211
BELJE AGRO-VET D.O.O.	5,365,607
RIVIJERA D.D.	3,765,018
360 MARKETING D.O.O.	3,041,474
BACKSTAGE D.O.O.	1,964,929
KRKA D.O.O.	1,474,265
SK - 735 D.O.O.	766,732
MLADINA D.D.	423,278
ROTO ULAGANJA D.O.O.	170,727
FELIX D.O.O. VINKOVCI	130,503
PHOTO BOUTIQUE D.O.O.	108,415
EKO BIOGRAD D.O.O.	49,776
Additionally, in relation to creditors whose SSR is subject to avoidance actions (claw back) per Cl. 23.2.4, and if avoidance is successful	126,843,093

- All accessory rights, primary enforcement rights, rights from guarantee contracts, rights to interest, contractual penalties and similar rights, will transfer to Aisle Dutch TopCo along with the Assigned Claim;

  - Aisle Dutch TopCo shall enforce its rights under the Assigned Claims to the extent not excluded by this Settlement Plan. In particular:

    - To the extent a New Instruments Beneficiary seeks to enforce its accessory rights against an entity of the Agrokor Group (which enforcement would be in violation of the Settlement Plan in any case), Aisle Dutch TopCo shall be entitled to enforce the respective rights transferred to it together with the Assigned Claim and thereby effectively block the enforcing creditor from invoking such rights; and

    - Aisle Dutch TopCo shall not enforce its rights, including collection, under Assigned Claims against: (A) persons listed in Annex 23 (*Recourse Debtor*s) (as debtors of New Instruments Beneficiaries listed in Annex 4 (*Claims*), which are a subject of

assignment) if these entities have (i) agreed with the relevant creditors to settle between 30% and 40% of the relevant claim, and (ii) provided the Extraordinary Administrator with evidence of such an agreement no later than on the Settlement Confirmation Date, and (B) entities that are not specified in Annex 23 (*Recourse Debtors*) but which entered into a settlement agreement with the relevant New Instruments Beneficiary that would have had recourse against them prior to the Submission Date.

  - For the avoidance of doubt, the Claims Assignment includes and relates to any guarantees granted by a member of the Agrokor Group. The value of the respective guarantee claim is being taken into account under the Entity Priority Concept (see Cl. 7.5.4 above), so a fair value under a going-concern assumption is being allocated in exchange for the transfer of such guarantee claim.

- the Claims Assignment under the Settlement Plan does not include and shall not affect any foreign (non-Croatian) law-governed guarantees and/or indemnities granted by a third party who is not a current member of the Agrokor Group where such guarantees and/or indemnities represent an independent obligation of the third party under the governing law of the relevant instrument. Such guarantees and/or indemnities were not taken into account under the Entity Priority Concept. The creditors of such guarantees and/or indemnities are entitled to enforce their rights and collect under these guarantees and/or indemnities and keep any proceeds without affecting their Settlement Recovery.

- Aisle Dutch TopCo will recognise a receivable payable by the Debtor and each Non-Viable EA Croatian Subsidiary as applicable in the amount of each Assigned Claim (which will aggregate, in total, an amount equal to the Aggregated Claims).

- Aisle Dutch TopCo hereby instructs the Debtor and each Non-Viable EA Croatian Subsidiary to transfer the Assets Subject to Transfer to Aisle HoldCo and the relevant New Group Companies (as applicable) for the purposes of partial satisfaction of the Aggregated Claims. In exchange, Aisle HoldCo and the New Group Companies will have the right to receive the Assets Subject to Transfer and will simultaneously have a liability to Aisle Dutch TopCo in an amount equal to the fair value of the Assets Subject to Transfer received by the relevant entity.

- Aisle Dutch TopCo hereby instructs each New Group entity which receives Assets Subject to Transfer to settle Aisle HoldCo the respective liability it owes to Aisle Dutch TopCo in an amount equal to the fair value of the Assets Subject to Transfer.

- Following the above steps and instructions, Aisle HoldCo and each New Group Company which receives Assets Subject to Transfer will have rights to receive assets from the Debtor and relevant Non-Viable EA Croatian Subsidiary.

- Following the completion of the above steps, and in consideration for the transfer of Assets Subject to Transfer, (i) Aisle HoldCo will have a liability to Aisle Dutch TopCo in an amount equal to the fair value of the Assets Subject to Transfer received by Aisle HoldCo and each New Group Company and (ii) each New Group Company (other than the Holding Companies) will have a liability to Aisle HoldCo in an amount equal to the fair value of the Assets Subject to Transfer received by the relevant New Group Company. The intragroup receivables held by Aisle Dutch TopCo and payable by Aisle HoldCo described

in (i) above will be evidenced by profit participating loan arrangements, interest bearing loan arrangements or equity arrangements.

18.2 Discharge

The original creditor of the Assigned Claim under this Settlement Plan shall, following the Claims Assignment, have no right to claim any amounts in respect of the principal claim or any corresponding ancillary rights. This shall not prejudice or affect Aisle Dutch TopCo's ability to invoke any such rights against the EA Group or the ability of New Instruments Beneficiaries to continue litigation in respect of Challenged Claims.

18.3 Additional Provisions for the Notes

18.3.1 General

The Assigned Claims of The Bank of New York Mellon and BNY Mellon Corporate Trustee Services Limited in their respective capacities as trustee of the Notes and an Impaired Creditor ("**BNY Mellon**") are the only Assigned Claims recognised against the EA Entities with respect to the Notes. Pursuant to the Indentures and the Notes (a) BNY Mellon shall vote on, consent to, or otherwise present consents or votes on, the approval or rejection of the Settlement Agreement and any related matters pursuant to Article 43(9) of the Law, and (b) BNY Mellon or its designee (as set forth in writing by BNY Mellon) shall receive all distributions on account thereof.

On the Implementation Commencement Date, (i) BNY Mellon's Assigned Claim and rights related thereto will be assigned along with other Assigned Claims to Aisle Dutch TopCo, and (ii) the Indentures, the outstanding Notes, instruments, certificates and other documents evidencing the Impaired Claims and rights related thereto shall be deemed satisfied, discharged and cancelled automatically and, without regard to surrender and the rights of the holders of the Notes (the "**Noteholders**") under the Indentures and the Notes, deemed satisfied and discharged; provided, however, such deemed cancellation, satisfaction and discharge shall not alter, limit or prejudice the rights and remedies of BNY Mellon (including, without limitation, on behalf of the Noteholders): to prosecute the allowance of BNY Mellon's Assigned Claims, to defend against any objections thereto, and to receive the treatment provided herein, or of BNY Mellon, in its capacity as trustee, under such Notes, the Indentures, and related documents.

On and after the Implementation Commencement Date all duties, obligations, and responsibilities of BNY Mellon under the Notes, the Indentures, and related documents shall be automatically and fully discharged and deemed satisfied. Notwithstanding the foregoing and any other provision in this Settlement Plan, or any agreement, instrument, or other document incorporated in this Settlement Plan to the contrary, BNY Mellon as trustee of the Notes under the respective Indentures (together with its successors and assigns) shall have the right:

(i) to receive and facilitate distributions related to its Assigned Claims, the Notes or the Indentures under the Settlement Plan;

(ii) to be reimbursed for its properly incurred and documented fees and expenses (including, for the avoidance of doubt, legal fees) up to an amount to be separately agreed in accordance with the terms of one or more fee letters to be negotiated and agreed in good faith between BNY Mellon and the Debtor, Aisle STAK and Aisle

Dutch TopCo, which may include customary provisions relating to security and indemnification of trustee claims for the benefit of BNY Mellon substantially similar to those provided in the Indentures;

(iii) to disburse distributions related to its Assigned Claims, the Notes or the Indentures under the Settlement Plan to the Noteholders in accordance with the terms of the Indentures and the Settlement Plan;

(iv) arising under the Indentures (a) prescribing the duties and conduct of the Trustee, (b) limiting the Trustee's liability, and (c) exculpating the Trustee from liability; and

(v) for so long as any litigation challenging the allowance of BNY Mellon's Assigned Claims is pending or threatened, BNY Mellon rights and privileges, in its capacity as trustee of the Notes under the respective Indenture, to prosecute the allowance of the Assigned Claims with respect to such Notes and to defend against any objections thereto on behalf of such Noteholders.

For the avoidance of doubt, other than as provided in Cl. 18.3.1(ii), nothing in this Cl. 18.3 shall entitle BNY Mellon to enforce any of the rights set forth in the preceding clauses against Aisle STAK, Aisle Dutch TopCo or any of their respective subsidiaries, properties, assets, directors or officers.

After the Settlement Confirmation Date, the Debtor and its agents will, in addition to publishing the information on the Debtor's website, instruct Lucid Issuer Services Limited to send out an instruction through the clearing systems to Noteholders advising them of the requirement to submit all information and documentation requested in the instruction either to (i) the Debtor or its agents, prior to the Initial KYC Completion Date (as defined below); or (ii) Aisle Dutch TopCo or its agents, on or after the Initial KYC Completion Date.

18.3.2 Trustee Release

To the maximum extent permitted under New York law, having regard for (i) the critical, ministerial services heretofore performed and to be performed by BNY Mellon in its respective capacity as trustee of the Notes under the relevant Indenture and pursuant to this Settlement Plan, (ii) the risk that BNY Mellon could incur further fees and expenses under the broad expense reimbursement and indemnification provisions of the Notes and the Indentures to the detriment of the Debtor, the Bond Guarantors, their Creditors and their estates, and (iii) the reasonable, commercial expectations of the Noteholders, the Debtor and the Bond Guarantors that the terms of the Notes and the Indentures will be upheld and enforced as written under New York law, each of the Debtor, the Bond Guarantors and the Noteholders, as of the Settlement Confirmation Date, shall be deemed to have unconditionally released BNY Mellon in its respective capacity as trustee of the Notes under the relevant Indenture, and its current and former affiliates and subsidiaries, and such entities' and their current and former officers, directors, managers, equity holders (regardless of whether such interests are held directly or indirectly), predecessors, successors, assigns, principals, members, employees, agents, attorneys, consultants, advisors, representatives and other professionals (the "**Trustee Released Parties**") from any and all claims, obligations, suits judgments, damages, rights, causes of action and liabilities arising from, in connection with, or relating to the Notes or the Indentures, which any such party may be entitled to assert, whether known or unknown, foreseen or unforeseen, existing or hereafter arising, in law, equity or otherwise, provided, however that the foregoing shall not be deemed to release the Trustee Released Parties from

(A) any claims based upon or involving the gross negligence or wilful misconduct of BNY Mellon in its respective capacity as trustee of the Notes under the relevant Indenture, or (B) the obligations of BNY Mellon in its capacity as trustee of the Notes under the relevant Indenture to take actions under this Settlement Plan, the Indentures, and/or the Notes (in each case, after taking into account the provisions of this Settlement Plan) after the Settlement Confirmation Date. Notwithstanding anything to the contrary herein, this Cl. 18.3.2 of the Settlement Plan shall be governed by and construed in accordance with New York law solely to the extent it affects claims and rights under the Indentures.

19 NEW INSTRUMENTS ISSUANCE PROCESS

On the Implementation Commencement Date, each New Instruments Beneficiary included in the Final New Instrument Beneficiaries List will, subject to having submitted the KYC Form, as described below, and subject to the provisions of Cl. 19.4 below to Cl. 19.8 below, receive New Instruments denominated in EUR with the relevant Settlement Recovery amounts of Assigned Claims being converted into euro at HRK 7.480959 per EUR as of 9th April 2017 based on the Croatian National Bank (CNB) selling rate.

19.1 Strips of New Instruments

New Instruments will be issued in accordance with applicable law and in strips stapled as follows:

(i) one Depositary Receipt issued in the amount of EUR 1.00 (one euro), which amount is comprised of the nominal amount of the Depositary Receipt of EUR 0.01 (zero euro and one cent) and the amount of EUR 0.99 (zero euro and ninety-nine cents) for which the Depositary Receipt is issued above the nominal amount (share premium, *i.e. agio*); and

(ii) four Bond Interests in the nominal amount of EUR 1.00 (one euro) each,

being a total nominal value of EUR 5.00 (five euros) (each, a "**Strip of New Instruments**").

One Strip of New Instruments is not divisible, and neither issuance of a partial or incomplete strip nor the existence of more than one beneficiary of the same strip is allowed. Any Settlement Recovery calculated under the Entity Priority Concept for an Assigned Claim will be rounded up to the higher integer of EUR 5 (*e.g.* Settlement Recovery valued at EUR 6,000.01 will be rounded up to EUR 6,005.00, resulting in 1,201 bundles of 4,804 Bond Interests and 1,201 Depositary Receipts to be issued to such New Instruments Beneficiary). Such rounding may have very minimal effects on the equity value of the Depositary Receipts.

The stapling of the New Instruments forming a Strip of New Instruments is regulated under their respective terms: The STAK Administrative Conditions and the Convertible Bonds Terms and Conditions will provide that Depositary Receipts may be validly transferred only jointly with the same percentage of the Bond Interests held by the DR Holder and *vice versa*. The stapling requirement will fall away automatically upon the occurrence of an IPO of the New Group. The transfer restrictions applicable to the Depositary Receipts and the Convertible Bonds and Bond Interests are documented in the STAK Administrative Conditions and the Convertible Bonds Terms and Conditions (respectively), and any transfer of Convertible Bonds or Bond Interests and Depositary Receipts must also comply with the Transfer Regulations.

The Transfer Regulations (which may be amended from time to time) will be posted to the New Group's website.

After issuance to a New Instruments Beneficiary and subject to such transfer restrictions and the Transfer Regulations, the Depositary Receipts and Bond Interests may be freely transferred by DR Holders and Bond Interest Holders, provided that: (i) stapling is observed at all times in which it is required to be observed, and (ii) the transfer is effected in accordance with the template written forms of notice of transfer attached to the Transfer Regulations. A transfer will only be effective following notification to Aisle STAK, the Convertible Bonds Issuer, the DR Registrar and the CB Registrar and the subsequent registration of the transfer by the DR Registrar (in respect of the Depositary Receipts) and the CB Registrar (in respect of the Convertible Bonds), each in its capacity as registrar.

Any transfer of Convertible Bonds or Bond Interests and Depositary Receipts will be by private instrument, as no market for these instruments will be maintained by Aisle STAK, the Convertible Bonds Issuer or the New Group. Furthermore, the Convertible Bonds, Bond Interests and Depositary Receipts will not be held in any clearing system.

19.2 Actions prior to Issuance

19.2.1 Amendment Corporate Documents

Prior to the Public Announcement Date, the following actions will be taken by or in respect of the Holding Companies in the following order:

- the general meeting of Aisle HoldCo will adopt a shareholders' resolution for amendment of the articles of association of Aisle HoldCo. The draft form of the amended articles of association is in Annex 10 (*Holding Companies' Articles of Association*);

- the general meeting of Aisle Dutch HoldCo will adopt a shareholders' resolution for amendment of the articles of association of Aisle Dutch HoldCo by means of a deed executed before a Dutch civil law notary. The draft form of the amended articles of association is in Annex 10 (*Holding Companies' Articles of Association*);

- the general meeting of Aisle Dutch TopCo will adopt a shareholders' resolution for amendment of the articles of association of Aisle Dutch TopCo by means of a deed executed before a Dutch civil law notary. The draft form of the amended articles of association is in Annex 10 (*Holding Companies' Articles of Association*);

- the board of Aisle STAK will resolve for the amendment of the articles of association of Aisle STAK by means of a deed executed before a Dutch civil law notary. The draft form of the amended articles of association is in Annex 10 (*Holding Companies' Articles of Association*); and

- the board of Aisle STAK will resolve to establish the STAK Administrative Conditions, by means of a deed executed before a Dutch civil law notary. The draft form of the STAK Administrative Conditions is in Annex 11 (*STAK Administrative Conditions*).

The general meetings of Aisle Dutch HoldCo and Aisle Dutch TopCo will not require any notice periods since both companies have a sole shareholder and as a result, these meetings shall be held without a notice period. The board of Aisle STAK may resolve the resolutions

referred to above outside of a meeting and the general meeting of Aisle HoldCo will be duly convened to allow the resolutions to pass prior to the Public Announcement Date.

The actions referred to above in respect of the Dutch Holding Companies will contain instructions to a(n) (assigned) Dutch civil law notary (*(toegevoegd) notaris*) to immediately execute the relevant notarial deeds and to file the relevant changes with the Dutch trade register.

19.2.2 Resolutions for Implementation

Immediately following the adoption of the STAK Administrative Conditions and the amendment of the articles of association of the Holding Companies, and prior to the Public Announcement Date, the following will have occurred.

The general meeting and the board of Aisle Dutch TopCo, as applicable, will adopt resolutions to approve, authorise, confirm and ratify:

(i) the acknowledgement of acceptance of the Assigned Claims;

(ii) the issuance of the Global Convertible Bonds to the CB Custodian for the benefit of the New Instruments Beneficiaries or for the benefit the Security Escrow Agent (as the case may be) and the instruction to the CB Registrar to register Bond Interests in the CB Register accordingly;

(iii) the issuance of shares by Aisle Dutch TopCo to Aisle STAK; and

(iv) the entering into of the relevant transaction documents and any other resolutions required to implement the Settlement Plan.

The board of Aisle STAK will adopt board resolutions to approve, authorise, confirm and ratify:

(i) the acceptance of shares from Aisle Dutch TopCo;

(ii) the issuance of corresponding Depositary Receipts to the DR Custodian, for the benefit of the New Instruments Beneficiaries or for the benefit of the Security Escrow Agent (as the case may be), and the instruction to the DR Registrar to register the Depositary Receipts in the DR Register accordingly; and

(iii) the entering into of the relevant transaction documents and any other resolutions required to implement the Settlement Plan.

The transitional provisions in the STAK Administrative Conditions allow the board of Aisle STAK to exercise voting rights in the general meeting of Aisle Dutch TopCo without the need of a prior approval by the meeting of DR Holders and in order to allow the relevant resolutions to be adopted in a timely manner.

19.2.3 KYC Process

New Instruments Beneficiaries will be required to complete the KYC form ("**KYC Form**") (a draft of which is attached as Annex 24 (*KYC Form*) and the final form of which will be uploaded to and obtainable from the website of the Debtor as soon as possible following the Settlement Confirmation Date) and submit all information and documentation requested in it

to either (i) the Debtor or its agents, prior to the Initial KYC Completion Date (as defined below); or (ii) Aisle Dutch TopCo or its agents, on or after the Initial KYC Completion Date. Instructions for submitting the KYC Form will be provided on the Debtor's website.

New Instruments Beneficiaries will receive New Instruments on the Implementation Commencement Date if the Debtor has received their duly completed KYC Form on the Croatian business day falling five Croatian business days prior to the Implementation Commencement Date (such day being the "**Initial KYC Completion Date**"). Failure to submit the duly completed KYC Form prior to the Initial KYC Completion Date will result in the New Instruments which a New Instruments Beneficiary is entitled to receive under the Settlement Plan being initially issued to the Securities Escrow Agent, to be held on the terms of the Securities Escrow Deed, as further described in Cl. 19.4 below.

New Instruments Beneficiaries will be able to submit their KYC Forms after the Initial KYC Completion Date, up to the date falling one year from the Implementation Commencement Date. Following submission of the duly completed KYC Form to Aisle Dutch TopCo and provided that the New Instruments allocable to that New Instruments Beneficiary are not required to be held in escrow by the Securities Escrow Agent for any other reason specified in Cl. 19.4 below, the relevant New Instruments Beneficiary will receive its New Instruments. In the event that a New Instruments Beneficiary fails to return a duly completed KYC Form to Aisle Dutch TopCo within this one-year period, the New Instruments attributable to the relevant New Instruments Beneficiary will be cancelled as described under Cl. 19.9.1 below and any referable Exchange Consideration shall be returned to the original provider of Exchange Consideration.

19.3 Issuance and Beneficiaries

On the Implementation Commencement Date, Aisle Dutch TopCo and Aisle STAK will (pursuant to the resolutions and actions referred to in Cl. 19.2.2 above and subject to Cl. 19.3.2 below) issue the New Instruments to the CB Custodian and the DR Custodian for the benefit of:

(i) each New Instruments Beneficiary entered in the Final New Instrument Beneficiaries List in respect of its Assigned Claims, unless issued to the Securities Escrow Agent as per (ii) to (v) below;

(ii) the Securities Escrow Agent in respect of any Assigned Claims in respect of which the relevant New Instruments Beneficiary has not submitted a duly completed KYC Form prior to the Initial KYC Completion Date in accordance with the procedure specified in Cl. 19.2.3 above;

(iii) the Securities Escrow Agent in respect of any Assigned Claims in order to ensure compliance with Sanctions relating to a certain New Instruments Beneficiary (as defined below) in accordance with the procedure specified in Cl. 19.5 below;

(iv) the Securities Escrow Agent in respect of Assigned Claims in order to ensure compliance with securities laws relating to a certain New Instruments Beneficiary in accordance with the procedure specified in Cl. 19.6 below; and

(v) the Securities Escrow Agent in respect of Secured Claims where the related SSR is subject to pending avoidance actions in accordance with the procedure specified in Cl. 19.8 below.

The New Instruments Beneficiaries and the Securities Escrow Agent undertake to perform all actions required under applicable law to complete the issuance to them of the New Instruments as envisaged by this Settlement Plan.

The New Instruments are capitalised by means of contribution of the Assigned Claims, as further set out below. The Assigned Claims are contributed on an aggregated basis. Hence, in the context of contribution on the New Instruments, no direct link exists between any individual Assigned Claim and the contribution on individual New Instruments. For the avoidance of doubt, it is clarified that the contribution on New Instruments on this basis does not alter or affect the allocation of New Instruments pursuant to the Entity Priority Concept and the Settlement Agreement.

The New Instruments Beneficiaries and the Escrow Agent hereby acknowledge that the STAK Administrative Conditions apply to all DR Holders (and to any assignees or successors) and thus agree to the terms and conditions for the Depositary Receipts.

19.3.1 Depositary Receipts

19.3.1.1 Issuance

The issuance of the Depositary Receipts will be effected by way of the following on the Implementation Commencement Date:

– the issuance pursuant to a deed of issue (the "**Shares Deed of Issue**", a draft of which is attached at Annex 25 (*Shares Deed of Issue*)) to be executed before a Dutch civil law notary by Aisle Dutch TopCo, of a number of shares to Aisle STAK that corresponds to the total number of Depositary Receipts to which all New Instruments Beneficiaries are entitled in accordance with the terms of the Settlement Plan. In the Shares Deed of Issue, Aisle Dutch TopCo will acknowledge that for the purposes of an aggregated contribution on such shares it has received the Assigned Claims from the New Instruments Beneficiaries pursuant to this Settlement Plan. Aisle STAK and Aisle Dutch TopCo will acknowledge that 20% (twenty percent) of the Assigned Claims (the "**Contributed Claims**") that Aisle Dutch TopCo has received will constitute a contribution in kind to pay-up in full the shares issued by Aisle Dutch TopCo to Aisle STAK, which contribution is equal in value to 20% (twenty percent) of the value of the Settled Claims. Aisle STAK and Aisle Dutch TopCo will also acknowledge that the difference between (i) the value of the Contributed Claims and (ii) the nominal value of such shares will be reflected in the books of Aisle Dutch TopCo as share premium. Aisle STAK will acknowledge that the shares in Aisle Dutch TopCo are issued to it for the sole purpose that Aisle STAK shall issue Depositary Receipts to the DR Custodian as described below, and in consideration for the contribution of the Contributed Claims to Aisle Dutch TopCo pursuant to this Settlement Plan;

– subject to the execution of the Shares Deed of Issue, the issuance (by Aisle STAK to the DR Custodian) of the Depositary Receipts by Aisle STAK equal to such number of Depositary Receipts for which all New Instruments Beneficiaries are entitled in accordance with the terms of the Settlement Plan. The Depositary Receipts will be issued pursuant to a deed of issuance before a Dutch civil law notary to be entered into among Aisle Dutch

TopCo, Aisle STAK and the DR Custodian (the "**DR Deed of Issue**"), a draft of which is attached at Annex 26 (*DR Deed of Issue*); and

– the updating by Aisle Dutch TopCo of its register of shareholders in relation to, and the notification by Aisle Dutch TopCo of the Dutch trade register of, the capital increase resulting from the issuance of shares to Aisle STAK.

The shares issued by Aisle Dutch TopCo shall, pursuant to the Settlement Plan, be fully paid up by means of the contribution of the Contributed Claims and, as a result, the Depositary Receipts shall be fully paid up as well.

Immediately following the issuance of the Depositary Receipts, the Initial DR Holder Meeting will be held. The Initial DR Holding Meeting will be held to, amongst other things, approve, authorise, confirm or ratify (as the case may be) the appointment of the new Aisle HoldCo Board and new members of the boards of the Dutch Holding Companies. In case the Initial DR Holder Meeting approves (or authorises, confirms or ratifies, as the case may be) these appointments, the Dutch Holding Companies will procure that all actions are taken to effect the same at Aisle HoldCo (see Cl. 5.7.2 above).

The transitional provisions in the STAK Administrative Conditions allow the board of Aisle STAK to convene the Initial DR Holder Meeting on the Implementation Commencement Date after the issuance of Depositary Receipts. Aisle STAK will procure that the DR Holders (with the exception of the Security Escrow Agent) are in a position to exercise their voting rights (be it by proxy or by electronic means).

To the extent that additional or new appointments are required for the Aisle HoldCo Board, Aisle STAK will – in accordance with the STAK Administrative Conditions – convene a meeting of DR Holders, with the aim to effect the same.

19.3.1.2 The Role of the DR Custodian and DR Registrar

All Depositary Receipts will be issued to and held by a third-party custodian (the "**DR Custodian**") for the benefit of the New Instrument Beneficiaries or, as the case may be, for the benefit of the Securities Escrow Agent, as described in Cl. 19.2.3 above.

A third-party registrar (the "**DR Registrar**") will be appointed to hold and maintain the register of Depositary Receipts (the "**DR Register**"). The DR Register provides full and final evidence of the entitlements to Depositary Receipts held by each DR Holder.

Each of the DR Registrar and the DR Custodian will benefit from standard indemnities and protections under the documents in which they are appointed, including, but not limited to, the right to be indemnified and/or pre-funded before taking any action. These indemnities may be given by any Holding Company.

On the Implementation Commencement Date, the DR Registrar will be instructed by Aisle STAK to promptly update the DR Register to show the allocation of Depositary Receipts amongst DR Holders (including those allocated initially to the Securities Escrow Agent), such allocation to be made in accordance with the Settlement Plan.

One business day following the Implementation Commencement Date, the DR Register will have been updated to show and record the allocation of Depositary Receipts amongst DR Holders (including those allocated initially to the Securities Escrow Agent), such allocation to

have been made in accordance with the Settlement Plan and the Final New Instruments Beneficiaries List provided to Aisle Dutch TopCo and Aisle STAK by the Extraordinary Administrator.

The DR Registrar will keep two sub-ledgers within the DR Registers: (i) for Depositary Receipts attributable to Assigned Claims that are Determined Claims (the "**DR Register A**") and (ii) for Depositary Receipts attributable to Assigned Claims that are Challenged Claims (the "**DR Register B**"). The DR Register B will contain sufficient information next to the relevant DR Holder's entry to denote each Challenged Claim attributable to that DR Holder, and the Depositary Receipts allocated to that Challenged Claim, including (i) a description of the applicable Challenged Claim and the challenge thereto, (ii) which entity is challenging the Challenged Claim, and (iii) the court number of the relevant court case relating to the challenge.

Subject to data protection rules being observed, the DR Registrar will publicly disclose the DR Register (as at the business day immediately following the Implementation Commencement Date) for a three-week period following the Implementation Commencement Date, but on the basis that this published document will not be updated at any time to take into account any changes to the DR Register after the Implementation Commencement Date.

At any time after the Implementation Commencement Date, DR Holders will be entitled to request that the DR Registrar issue an extract of the DR Register showing that DR Holder's holding of Depositary Receipts at that time. The DR Registrar may charge a fee for providing such extract. The DR Register (including the ledgers described above) shall be conclusive evidence of the holdings of Depositary Receipts from time to time.

In preparing the allocations and records in the DR Register, and subject to any requirement to make records for the benefit of the Security Escrow Agent, the DR Registrar and Aisle STAK shall rely on the Final New Instruments Beneficiaries List (see Cl. 17.3 above).

19.3.2 Convertible Bonds

19.3.2.1 Issuance

The issuance of the Convertible Bonds will be effected on the Implementation Commencement Date by way of the following:

– the Convertible Bonds Trust Deed (a draft of which is attached at Annex 13 (*Convertible Bond Trust Deed*)) will be executed by Aisle Dutch TopCo and Lucid Trustee Services Limited in its capacity as bond trustee (or any other appropriate service provider appointed for such purpose) (the "**Bond Trustee**");

– two Global Convertible Bonds will be issued. One will be issued in respect of the Convertible Bonds allocated to New Instrument Beneficiaries who are U.S. persons, and the other in respect of Convertible Bonds allocated to all other New Instrument Beneficiaries. The Global Convertible Bonds will evidence the debt created pursuant to the Convertible Bonds Trust Deed and the Settlement Plan and attached thereto will be the Convertible Bonds Terms and Conditions. The issuance of the Convertible Bonds is made in consideration for the aggregated contribution comprising 80% (eighty percent) of the Assigned Claims, which contribution is equal in value to 80% (eighty percent) of the Settled Claims. These will be issued to the CB Custodian; and

– Aisle Dutch TopCo will appoint the CB Registrar to establish and maintain the CB Register for the Global Convertible Bonds and the Bond Interests under each Convertible Global Bond. The Global Convertible Bonds will be registered in the CB Register in the name of the CB Custodian. In addition, the CB Registrar will establish separate ledgers within the CB Register in which it will register the Bond Interests allocated to each New Instrument Beneficiary or, as applicable, to the Securities Escrow Agent.

Neither the Convertible Global Bonds nor the Bond Interests will be held or traded within a clearing system. The sole evidence of entitlement to the Convertible Bonds and the Bond Interests will be the CB Register and the ledgers established within the CB Register.

19.3.2.2 The Roles of the CB Custodian, the Bond Trustee and the CB Registrar

The CB Custodian will hold legal title to the Convertible Global Bonds for the benefit of the New Instrument Beneficiaries and the Securities Escrow Agent (to the extent of Bond Interests allocated to the Securities Escrow Agent in the circumstances described in Cl. 19.2.3 above). The CB Custodian will not have any economic interest in the Convertible Global Bonds.

The Bond Trustee will act as trustee for and on behalf of the holders of the Convertible Bonds and the Bond Interests. It will have limited discretionary rights and must, in general, act in accordance with instructions and directions given to it by the requisite majority of the holders of the Bond Interests, as specified in the Convertible Bonds Trust Deed, subject to being indemnified, pre-funded and/or secured to its satisfaction. Any enforcement action under or in respect of the Convertible Bonds and the Bond Interests may be taken only by the Bond Trustee, and not by any individual holder of a Convertible Bond or a Bond Interest.

One business day following the Implementation Commencement Date, the CB Register will be updated to show and record in the CB Register (a) the CB Custodian, as holder of the Global Convertible Bonds, and (b) the allocation of Bond Interests under the Convertible Bonds amongst the New Instrument Beneficiaries and the Securities Escrow Agent, such allocation to be made in accordance with the Settlement Plan and the Final New Instrument Beneficiaries List.

The CB Registrar will establish and maintain two ledgers within the CB Register: (i) a ledger for Convertible Bonds attributable to Assigned Claims that are Determined Claims (the "**CB Register A**"), and (ii) a ledger for Convertible Bonds attributable to Assigned Claims that are Challenged Claims (the "**CB Register B**"). The CB Register B will contain sufficient information next to the entry against each Bond Interests Holder recorded in that ledger to denote each Challenged Claim attributable to that holder and the Bond Interests allocated to that Challenged Claim, including (i) a description of the applicable Challenged Claim and the challenge thereto, (ii) which entity is challenging the Challenged Claim, and (iii) the court number of the relevant court case relating to the challenge.

Subject to data protection rules being observed, the CB Registrar will publicly disclose the CB Register (as at the business day immediately following the Implementation Commencement Date) for a three-week period following the Implementation Commencement Date, but on the basis that this published document will not be updated at any time to take into account any changes to the CB Register after the Implementation Commencement Date.

At any time after the Implementation Commencement Date, a Bond Interest Holder will be entitled to request that the CB Registrar issue an extract of the CB Register showing its holding

of Bond Interests at that time. The CB Registrar may charge a fee for providing such extract. The CB Register (including the ledgers described above) shall be conclusive evidence of the beneficial holdings of Convertible Bonds (*i.e.* Bond Interests) from time to time.

In preparing the allocations and records in the CB Register, and subject to any requirement to make records for the benefit of the Security Escrow Agent, the CB Registrar and Aisle Dutch TopCo shall rely on the Final New Instruments Beneficiaries List (see Cl. 17.3 above).

Each of the CB Custodian, the Bond Trustee and the CB Registrar will benefit from standard indemnities and protections under the documents in which they are appointed, including, but not limited to, the right to be indemnified and/or pre-funded before taking any action. These indemnities may be given by any Holding Company.

19.4 Securities Escrow and Release of New Instruments

Aisle STAK and Aisle Dutch TopCo will appoint Lucid Issuer Services Limited to act as securities escrow agent (the "**Securities Escrow Agent**") for the purpose of holding certain Depositary Receipts and Bond Interests in escrow in accordance with Cl. 19.3 above.

The Securities Escrow Agent will hold the New Instruments issued to it in accordance with the terms of the Securities Escrow Deed (the "**Securities Escrow Deed**"), a draft of which is attached at Annex 27 (*Securities Escrow Agreement*). New Instruments held by the Securities Escrow Agent shall have no voting rights. However, the New Instruments Beneficiaries may direct the Securities Escrow Agent with respect to the acceptance of any tag offer or mandatory offer in connection with the New Instruments to which they are provisionally entitled. Any payments made on the New Instruments while held by the Securities Escrow Agent, whether by way of redemption of Bond Interests, repayments or repurchases of capital on the Depositary Receipts, or by way of interest or dividends on those New Instruments, on payment of cash consideration on a drag-along sale, tag-along sale or completion of a mandatory offer under the terms of the STAK Administrative Conditions ("**Cash Consideration**") or on payment of non-cash consideration on a drag-along sale or a tag-along sale under the terms of the STAK Administrative Conditions ("**Non-Cash Consideration**" and together with Cash Consideration, the "Exchange Consideration") (together, "**New Instrument Receipts**"), shall be held by the Securities Escrow Agent, or, in the case of Exchange Consideration, a separate escrow agent appointed for these purposes, and shall be transferred to the relevant New Instrument Beneficiary with or in place of the transfer of the New Instruments to that New Instrument Beneficiary or upon the sale of those New Instruments, or as may otherwise in accordance with the terms of the Securities Escrow Deed, or, in the case of Exchange Consideration, a separate escrow agreement entered into for these purposes. References below to the Securities Escrow Agent holding or transferring Exchange Consideration subject to the terms of the Securities Escrow Deed shall include references to a separate escrow agent appointed for the purposes of holding any Exchange Consideration in escrow subject to the terms of a separate escrow agreement entered into for these purposes.

The Securities Escrow Agent will transfer New Instruments (or derivative Exchange Consideration) to a New Instrument Beneficiary once each of the following is, so far as applicable, satisfied in respect of such New Instrument Beneficiary:

– in the case of New Instruments issued to the Securities Escrow Agent where the New Instruments Beneficiary has not duly submitted a KYC Form prior to the Initial KYC

Completion Date, as described and in accordance with the procedure specified in Cl. 19.2.3 above and otherwise in accordance with the Transfer Regulations;

– in the case of New Instruments issued to the Securities Escrow Agent in order to ensure compliance with Sanctions, as described and in accordance with the procedure specified in Cl. 19.5 below and otherwise in accordance with the Transfer Regulations;

– in the case of New Instruments issued to the Securities Escrow Agent in order to ensure compliance with securities laws, as described and in accordance with the procedure specified in Cl. 19.6 below and otherwise in accordance with the Transfer Regulations; and

– in the case of New Instruments issued to the Securities Escrow Agent in respect of a Secured Claim where the related SSR is subject to pending avoidance actions, as described and in accordance with the procedure specified in Cl. 19.8 below and otherwise in accordance with the Transfer Regulations.

Following transfer by the Securities Escrow Agent of New Instruments to New Instrument Beneficiaries, the Securities Escrow Agent will pay to the relevant New Instrument Beneficiary any New Instrument Receipts received by the Securities Escrow Agent at any time in respect of those New Instruments.

19.5 Issuance to the Securities Escrow Agent for Sanctions Compliance

If the issuance of New Instruments to certain New Instrument Beneficiaries who are the subject of or targeted by Sanctions (the "**Impacted New Instrument Beneficiaries**") would result in any New Group Company becoming the subject of or targeted by Sanctions due to such Impacted New Instrument Beneficiaries individually or collectively holding 50% or more by value of the total New Instruments with voting rights in issue or to be issued by Aisle STAK at about that time, then those Impacted New Instrument Beneficiaries will be issued only such New Instruments that would result in the Impacted New Instrument Beneficiaries individually or collectively holding less than 50% by value of the total Depositary Receipts with voting rights in issue or to be issued by Aisle STAK at about that time and the remaining New Instruments to which the Impacted New Instrument Beneficiaries are entitled will be issued to the Securities Escrow Agent.

The New Instruments to be issued to the Securities Escrow Agent shall be taken from the New Instruments to which the Impacted New Instrument Beneficiaries are entitled as follows: (a) first, New Instruments to which any such Impacted New Instrument Beneficiary is entitled by virtue of an assignment subsequent to the Finality of the Court Order, pro rata among themselves, and (b) second, if all such New Instruments referred to in (a) have been or would be issued to the Securities Escrow Agent, if any, the New Instruments to which all other such Impacted New Instrument Beneficiaries (the "**Original Creditors**") are entitled, pro rata among themselves. Where any of those Impacted New Instrument Beneficiaries holds both Determined Claims and Challenged Claims, New Instruments shall first be issued to the Securities Escrow Agent in respect of its Challenged Claims.

Following the Implementation Commencement Date, upon receipt of confirmation from Aisle Dutch TopCo or the Debtor (as applicable) that they have received a duly completed KYC Form, the Securities Escrow Agent will from time to time transfer, without consideration, New Instruments held by it pursuant to this Cl. 19.5, together with any New Instrument Receipts in respect of those New Instruments and Exchange Consideration received in respect of New

Instruments that would otherwise have been transferred to Impacted New Instrument Beneficiaries if such New Instruments had not been placed in escrow, to Impacted New Instrument Beneficiaries (allocated among them as provided below) (i) to the extent such transfer would not result in Impacted New Instrument Beneficiaries individually or collectively holding 50% or more by value of the total New Instruments with voting rights in issue at that time, or (ii) as soon as evidence satisfactory to Aisle Dutch TopCo has been delivered that such release will not result in any New Group Company becoming subject to or the target of Sanctions. The Securities Escrow Agent will transfer all or part of the New Instruments held by it pursuant to this Cl. 19.5 to the Impacted New Instrument Beneficiaries as follows: (a) first, to those Impacted New Instrument Beneficiaries that are Original Creditors, pro rata among themselves, and (b) second, once the Securities Escrow Agent has released to such Impacted New Instrument Beneficiaries that are Original Creditors all of their entitlement to such New Instruments, to the Impacted New Instrument Beneficiaries that are not Original Creditors, pro rata among themselves. Where the Securities Escrow Agent will transfer New Instruments issued in respect of Challenged Claims, those New Instruments shall be released to the Impacted New Instrument Beneficiaries who previously held such Challenged Claims. Exchange Consideration received by the Securities Escrow Agent pursuant to this Cl. 19.5 will be transferred to those Impacted New Instrument Beneficiaries to whom the applicable New Instruments would have been issued had those Impacted New Instrument Beneficiaries not been the subject of or targeted by Sanctions.

If the Securities Escrow Agent holds New Instruments pursuant to this Cl. 19.5 one year after the Implementation Commencement Date, Aisle Holdco will initiate a sale process for the New Instruments held by the Securities Escrow Agent at that time pursuant to this Cl. 19.5. In initiating and conducting such sale process, Aisle Holdco shall be required to take all necessary steps to achieve the best price reasonably obtainable at that time for such New Instruments, provided however such New Instruments will not be sold, either directly or indirectly, to any party the subject of or targeted by Sanctions. Aisle Holdco shall notify the Impacted New Instrument Beneficiaries of proposed sales, and the Impacted New Instrument Beneficiaries shall be entitled to block such a proposed sale by notification to Aisle Holdco within 30 days after being notified of such a proposed sale. The consideration received for these New Instruments will be transferred to the Impacted New Instrument Beneficiaries, less the costs incurred for the sale process. Where the New Instruments sold were issued in respect of Challenged Claims, the consideration for those New Instruments shall be transferred to the Impacted New Instrument Beneficiaries respectively who previously held such Challenged Claims.

"**Sanctions**" means those trade, economic and financial sanctions laws, regulations, embargoes, and restrictive measures administered, enacted or enforced from time to time by (a) the United States (including without limitation the Department of Treasury, Office of Foreign Assets Control), (b) the European Union and its member states, (c) the United Kingdom (including without limitation HM Treasury, the Office of Financial Sanctions Implementation) (d) the Netherlands and (e) the United Nations.

19.6 Issuance to the Securities Escrow Agent for Securities Laws Compliance

If the Extraordinary Administrator, Aisle Dutch TopCo or Aisle STAK determine before the Implementation Commencement Date that there is a prohibition under the securities laws of any applicable jurisdiction, other than Croatia, the Netherlands, Germany, the European Economic Area, the United States of America or Russia, to an issuance of New Instruments to a New Instrument Beneficiary or if a local regulator, other than a local regulator in Croatia, the

Netherlands, Germany, the European Economic Area, the United States of America or Russia, raises concerns before the Implementation Commencement Date that the issuance of New Instruments to that New Instrument Beneficiary may constitute a violation of securities law applicable to a New Instrument Beneficiary, the respective New Instruments which would be issued to the relevant New Instruments Beneficiaries, will instead be issued to the Securities Escrow Agent to be held in accordance with the terms of the Securities Escrow Agreement.

Following the issuance of the New Instruments to the Securities Escrow Agent, Aisle Dutch TopCo and Aisle STAK shall use commercially reasonable efforts to liaise with the relevant authority to resolve any open securities law questions with such authority and to seek to ensure that the issuance of New Instruments to New Instrument Beneficiaries resident in relevant jurisdictions qualifies for one or more public offer exemptions under the relevant securities law. Notwithstanding anything in this Cl. 19.6 to the contrary, under no circumstances shall Aisle Dutch TopCo or Aisle STAK be required to prepare, file or otherwise distribute a prospectus, registration statement, offering memorandum or other offer document in connection with any issuance of the New Instruments.

The Securities Escrow Agent will hold such New Instruments or any Exchange Consideration received in respect of such New Instruments until directed by Aisle Dutch TopCo, in its sole discretion, to either (i) release the New Instruments to the affected New Instruments Beneficiaries or (ii) procure that Aisle HoldCo initiate a sale process for the New Instruments and, upon completion of such sale process, instruct the Securities Escrow Agent to release such New Instruments to the purchaser(s) or (iii) transfer over Exchange Consideration received in respect of New Instruments to the relevant New Instruments Beneficiaries. Release of the New Instruments or Exchange Consideration to the New Instruments Beneficiaries will be conditional upon Aisle Dutch TopCo, in its sole discretion and upon consultation with the Aisle STAK, determining that all necessary securities clearances have been obtained. In the event that such New Instruments are sold pursuant to a sale process, the consideration received pursuant to the sale process will be paid out to the affected New Instruments Beneficiaries, less the costs incurred for the sale process.

19.7 Treatment of Challenged Impaired Claims

Creditors in respect of impaired Challenged Claims that are not Minor Impaired Claims (the "**Challenged Impaired Claims**") shall be entitled to receive New Instruments on the Implementation Commencement Date.

If and to the extent it is determined, on the basis of a final, unappealable court resolution or a deed with the same effect, that all or part of such Challenged Impaired Claim exists in whole or in part, the following shall occur:

(i) the Extraordinary Administrator or, if the Extraordinary Administrator is no longer in office at that time, Aisle Holdco will notify Aisle Dutch TopCo, Aisle STAK, the DR Registrar and the CB Registrar that all or, if applicable, what part of the relevant Challenged Impaired Claim has become a Determined Claim;

(ii) upon receipt of an instruction or notice to this effect from Aisle Dutch TopCo, the DR Registrar will delete the applicable number of Depositary Receipts attributable to that Determined Claim from the DR Register B and enter them into the DR Register A in the name of the applicable New Instrument Beneficiary or the Securities Escrow Agent, as applicable; and

(iii) following receipt of an instruction or notice to this effect from Aisle Dutch TopCo, the CB Registrar will delete the applicable number of Bond Interests attributable to such Determined Claim from the CB Register B and enter them into the CB Register A in the name of the applicable New Instrument Beneficiary or the Securities Escrow Agent, as applicable.

If and to the extent it is determined, on the basis of a final, unappealable court resolution or a deed with the same effect, that such Challenged Impaired Claim does not exist in whole or in part, the Extraordinary Administrator or, if the Extraordinary Administrator is no longer in office at that time, Aisle Holdco will notify Aisle Dutch TopCo, Aisle STAK, the DR Registrar and the CB Registrar that the applicable number of New Instruments relating to the whole or part, as applicable, of the relevant Challenged Impaired Claim shall be treated in accordance with Cl. 19.9 below.

Exchange Consideration in respect of New Instruments issued in respect of Challenged Impaired Claims shall be paid to an escrow agent appointed by Aisle Dutch TopCo for this purpose under the terms of a separate escrow agreement. Such Exchange Consideration will be distributed to the holders of Determined Claims pro rata to the share of New Instruments received (or that would have been received) by holders of Determined Claims or where a Challenged Impaired Claim (or any part of it) is determined not to exist pursuant to this Cl. 19.7, the referable Exchange Consideration shall be treated in accordance with Cl. 19.9 below.

If a final, unappealable court resolution, or a deed with the same effect, and in either case issued or entered into before the Implementation Commencement Date, determines that an Impaired Challenged Claim does not exist, in whole or in part, and the Entity Priority Concept had attributed a Settlement Recovery to that Impaired Challenged Claim, prior to that court resolution or deed, in excess of EUR 50 million, the Entity Priority Concept shall be re-run as envisaged by the procedure described in Cl. 19.9.2 below to reflect the adjustment to the Settlement Recovery Value of that Impaired Challenged Claim, and the entitlements of the New Instrument Beneficiaries to New Instruments to be issued on the Implementation Commencement Date shall be adjusted accordingly.

19.8 Allocation Mechanics for Creditors whose SSRs are Subject to Avoidance Actions (*claw back*)

Secured Claims with an SSR against the Debtor or any Non-Viable EA Croatian Subsidiaries where the SSR is subject to pending avoidance actions (*pobijanje pravnih radnji*) shall keep their right to partial payment in instalments, provided such payments are escrowed pending resolution of the avoidance action, in accordance with Cl. 23.2.4 below.

In addition to the above, the respective Creditors shall be allocated New Instruments as if the Secured Claims (in respect of which the related SSR is subject to pending avoidance actions) were not secured with an SSR, provided that the respective Creditor in that case would qualify as a New Instruments Beneficiary. However, such New Instruments allocated in accordance with this paragraph shall be issued to the Securities Escrow Agent to be held in accordance with the Securities Escrow Deed, together with any Exchange Consideration received in respect of such New Instruments, until the relevant avoidance action is finally resolved.

If and to the extent the SSR is determined as valid in the avoidance action (as determined by final and unappealable court judgment or a deed with the same effect), the following shall occur:

(i) the Extraordinary Administrator will notify Aisle Dutch TopCo, Aisle STAK, the DR Registrar and the CB Registrar that the relevant SSR has been determined as valid and inform about the changes to the Settlement Recovery in New Instruments which should be reduced accordingly;

(ii) the relevant New Instruments issued to the Securities Escrow Agent will be transferred by the Securities Escrow Agent to Aisle Dutch TopCo and Aisle STAK (as the case may be) effective as of the moment that the Securities Escrow Agent is notified that the SSR is determined as valid; and

(iii) the relevant New Instruments will be cancelled and any Exchange Consideration received in respect of such New Instruments shall be returned to the initial provider of such Exchange Consideration as per Cl. 19.9 below.

If and to the extent to the SSR is determined as invalid in the avoidance action (as determined by a final and unappealable court judgment or a deed with the same effect), then provided the respective claim secured by the (invalid) SSR is a Determined Claim, the following shall occur:

(i) the respective claim secured by the (invalid) SSR is assigned to Aisle Dutch TopCo as per Cl. 18.1 above;

(ii) upon (a) receipt of confirmation from the Debtor or Aisle Dutch TopCo that it has received a duly completed KYC Form, (b) receipt of a written certificate issued by the New Instruments Beneficiary in respect of that Determined Claim that it is not the subject of Sanctions, and is in compliance with securities law should it acquire any Depositary Receipts, and (c) such other information as is required by the Transfer Regulations, the New Instruments (or referable Exchange Consideration) held by the Securities Escrow Agent for the relevant creditor shall be transferred to the respective New Instruments Beneficiary;

(iii) upon receipt of an instruction to this effect from Aisle Dutch TopCo and such information in respect of the applicable New Instruments Beneficiary as required by the Transfer Regulations, the DR Registrar will update the DR Register B and the DR Register A to reflect the transfer of the Depositary Receipts attributable to the respective Determined Claim from the Securities Escrow Agent to the respective New Instruments Beneficiary, by deleting the entry in respect of the respective Determined Claim from the DR Register B and entering the Depositary Receipts in the name of the relevant creditor, in the DR Register A (unless such Depositary Receipts have already been transferred); and

(iv) upon receipt of an instruction to this effect from Aisle Dutch TopCo and such information in respect of the applicable New Instruments Beneficiary as required by the Transfer Regulations, the CB Registrar will update the CB Register B and the CB Register A to reflect the transfer of Bond Interests attributable to the respective Determined Claim from the Securities Escrow Agent to the respective New Instruments Beneficiary (unless such Bond Interests have already been transferred). The update shall be executed by deleting the entry in respect of the respective Determined Claim from the CB Register B and entering the Bond Interests in the name of the relevant New Instruments Beneficiary, in the CB Register A.

19.9 Cancellation and Reallocation Mechanism

This Cl. 19.9 shall only apply if and to the extent any of Cl. 19.2 to 19.8 above refer to a cancellation or reallocation pursuant to Cl. 19.9. The relevant Strips of New Instruments or Exchange Consideration shall be treated in the following manner:

– If applied in relation to claims (Assigned Claims, Secured Claims or Challenged Impaired Claims) in each case with a Settlement Recovery in a value equal or below EUR 50 million, the relevant New Instruments will be cancelled as described under Cl. 19.9.1 below and any referable Exchange Consideration shall be returned to the original provider of Exchange Consideration.

– If applied in relation to or in connection with claims (Assigned Claims, Secured Claims or Challenged Impaired Claims) in each case with a Settlement Recovery in a value above EUR 50 million, the relevant New Instruments or any referable Exchange Consideration shall be re-allocated by re-running the Entity Priority Concept as described under Cl. 19.9.2 below.

19.9.1 Cancellation

The cancellation of Strips of New Instruments will be effected in the following manner ("**Cancellation of Instruments**"):

(a) Strips of New Instruments, with an aggregate total value equal to the amount to be cancelled will be deemed to have been transferred to the Convertible Bonds Issuer and Aisle STAK (as the case may be).

(b) Subsequently, Aisle STAK will cancel the relevant Depositary Receipts by transferring the corresponding shares in Aisle Dutch TopCo to Aisle Dutch TopCo for nil consideration against cancellation of the Depositary Receipts and the DR Registrar will be instructed by Aisle STAK to update the DR Register accordingly. Subsequently, Aisle Dutch TopCo will cancel the shares without any repayment being due and its value will be added to the general reserves of Aisle Dutch TopCo.

(c) Concurrently with (b), the relevant Bond Interests will be cancelled upon their transfer to Aisle Dutch TopCo and the CB Registrar will be instructed by the Convertible Bonds Issuer to update the CB Register accordingly.

A Creditor will not have any claim for or entitlement to the cancellation proceeds of the cancelled Strips of New Instruments, nor does it have any entitlement to a reallocation of any Strips of New Instruments.

19.9.2 Reallocation by EPC Re-run

The result of the EPC Re-Run will serve the purposes of reallocation of Strips of New Instruments or Exchange Consideration relating to claims which were the subject of the EPC Re-Run to New Instrument Beneficiaries (and, if applicable, the Securities Escrow Agent) pursuant to Cl. 19 above. The reallocation of Strips of New Instruments shall be performed by Aisle HoldCo re-running the Entity Priority Concept on the following basis:

a) the relevant claim(s) will be removed from the Entity Priority Concept;

b) all other claims will remain the same as at the time the Entity Priority Concept was last run; and

c) all other parameters of the Entity Priority Concept including the input on EV and Distributable Value (see Cl. 7 above) remain unchanged,

d) the result shall show the new New Instruments Beneficiary in relation to the concerned claims.

(the "**EPC Re-Run**").

Given that a Strip of New Instruments cannot be issued partially nor can there be multiple beneficiaries on the same strip, in the case where the result of the EPC Re-Run provides for amounts of Strips of New Instruments which is not an integer, rounding down to the closest lower integer will be applied (*e.g.* if a Settlement Recovery would correspond to 4.9 Strips of New Instrument 4 Strips of New Instruments would be issued) for the purposes of the re-allocation. To the extent that due to the above-described rounding down to the first closest integer, following the allocation to New Instrument Beneficiaries pursuant to the EPC Re-Run, certain Strips of New Instrument remain unallocated those shall be retained by their respective issuers as treasury instruments or cancelled. Any fractions of currency in respect of entitlements to Cash Consideration arising as a result of an EPC Re-Run shall be ignored for this purpose and aggregated and applied as Aisle STAK and Aisle Dutch TopCo may direct. Fractions of Non-Cash Consideration shall be aggregated and sold in the market for cash with the resulting proceeds applied as Cash Consideration in accordance with this Cl. 19. If no such sale is possible such fractions of Non Cash Consideration shall be applied as Aisle STAK or Aisle Dutch TopCo may direct.

The reallocation to the new New Instruments Beneficiary or beneficiaries (or to the Securities Escrow Agent if applicable to the reallocation to a new New Instruments Beneficiary) of New Instruments shall be performed in the following manner:

(i) Aisle HoldCo shall notify Aisle Dutch TopCo about the outcome of the EPC Re-Run which notification shall be countersigned by Aisle Dutch TopCo;

(ii) upon receipt of the countersigned notification from Aisle Dutch TopCo, the DR Registrar will update the DR Register A or the DR Register B, as applicable, to reflect the changes of the applicable number of Depositary Receipts to the benefit of the new beneficiary or beneficiaries, respecting the method of issuance of New Instruments pursuant to Cl. 19.3 above. If and to the extent a Challenged Claim becomes a Determined Claim the change is to be reflected by deleting the entry in respect of that Challenged Claim from the DR Register B and entering into the DR Register A; and

(iii) upon receipt of the countersigned notification from Aisle Dutch TopCo, the CB Registrar will update the CB Register A or the CB Register B, as applicable, to reflect the changes of the applicable number of Bond Interests to the benefit of the new beneficiary or beneficiaries, respecting the method of issuance of New Instruments pursuant to Cl. 19.3 above. If and to the extend a Challenged Claim becomes a Determined Claim the change is to be reflected by deleting the entry in respect of that Challenged Claim from the CB Register B and entering into the CB Register A.

20 SUPPLIER CONTINGENT PAYMENT RIGHT

Impaired Creditors holding Border Claims (whether Assigned Claims or Minor Impaired Claims) ("**Eligible Incumbent Suppliers**") will also receive pursuant to this Settlement Plan a contingent claim (a "**Supplier Contingent Payment Right**") against a Dutch stichting (*Aisle SPRC Stichting*, registered with the trade register of the Dutch Chamber of Commerce under number 71822259 and with its seat in Amsterdam, the Netherlands, "**Aisle SPRC**"), acting in the capacity of the supplier payment agent (the "**Supplier Payment Agent**"). The Supplier Payment Agent will, in turn, hold a contingent conditional loan note (the "**Supplier Loan Note**") issued by Aisle Dutch TopCo pursuant to a contingent, conditional loan note instrument (the "**Supplier Loan Note Instrument**") to the Supplier Payment Agent for the benefit of the Eligible Incumbent Suppliers. A draft of the Supplier Loan Note Instrument is attached at Annex 28 (*Supplier Loan Note Instrument*).

The Supplier Payment Agent will only be obliged to pay the Eligible Incumbent Suppliers pursuant to the Supplier Contingent Payment Right upon (i) receiving an instruction in writing to do so from the Association of Suppliers of Agrokor, OIB: 27930124777, Ravnice 48, Zagreb (the "**Eligible Incumbent Suppliers Association**") and (ii) receiving a payment under the Supplier Loan Note Instrument.

Any payments by the Supplier Payment Agent to the Eligible Incumbent Suppliers will be made in accordance with the Contingent Payment Distribution Mechanism as described in Cl. 20.2 below.

The terms of the Supplier Loan Note Instrument will, subject as described below, require Aisle Dutch TopCo to make a payment to the Supplier Payment Agent (for the benefit of the Eligible Incumbent Suppliers) if the Determined Konzum EBITDA (as defined below) for Aisle 1 d.o.o., the New Croatian Subsidiary mirroring Konzum d.d. ("**New Konzum**"), exceeds EUR 38.8 million in any of the calendar years 2018 (calculated, for this year, on a pro forma basis by reference to the financial statements of both Konzum d.d. and New Konzum), 2019, 2020 and 2021 (each such calendar year being a "**Reference Period**"), up to a maximum cumulative amount of EUR 80 million minus the Supplier In-Kind Amount (as defined below) (such maximum cumulative amount being the "**Supplier Total Payment Amount**").

20.1 Supplier Loan Note Instrument

The principal commercial terms of the Supplier Loan Note Instrument are as follows:

- the Supplier Loan Note will be a conditional, contingent debt instrument issued by Aisle Dutch TopCo to the Supplier Payment Agent pursuant to the Supplier Loan Note Instrument. References in this Cl. 20.1 to the Supplier Loan Note Instrument include the Supplier Loan Note issued pursuant thereto. The Supplier Payment Agent will hold all rights arising to it under or in respect of the Supplier Loan Note Instrument (including, without limitation, each amount (if any) owed thereunder and any amount which becomes payable thereunder) for the benefit of the Eligible Incumbent Suppliers.

- the aggregate principal amount owed or payable by Aisle Dutch TopCo under the Supplier Loan Note Instrument will never be more than the Supplier Total Payment Amount.

– the principal amount owed under the Supplier Loan Note Instrument with respect to a Reference Period (the "**Supplier Yearly Payment Amount**") will be the amount determined in accordance with the following formula:

the greater of:

a) zero; and

b) the Base EBITDA Amount in respect of that Reference Period *minus* the applicable Annual Hurdle Amount,

where:

"**Base EBITDA Amount**" means the greater of (a) zero, and (b) the sum of (x) the euro-equivalent (determined as specified below) of the amount of the Determined Konzum EBITDA (as defined below) determined with respect to that Reference Period, *minus* (y) EUR 38,800,000;

"**Annual Hurdle Amount**" means, with respect to that Reference Period, the sum of (i) the Initial Hurdle Amount, *plus* (ii) the amount of any Carried Over Adjustment Amount determined in respect of the immediately preceding Reference Period, *provided that*, for avoidance of doubt, the Annual Hurdle Amount in respect of the first Reference Period shall be the Initial Hurdle Amount;

"**Initial Hurdle Amount**" means, in respect of each Reference Period, the amount in euro equal to 25% of the Supplier In-Kind Amount;

"**Carried Over Adjustment Amount**" means, in respect of a Reference Period, the greater of (a) zero, and (b) the amount, if any, by which the Annual Hurdle Amount in respect of that Reference Period exceeds the Base EBITDA Amount determined in respect of that Reference Period; and

"**Supplier In-Kind Amount**" means the aggregate value of Bond Interests and Depositary Receipts allocated to the Eligible Incumbent Suppliers in respect of their Border Claims pursuant to the EPC and the Settlement Plan.

If the Supplier Yearly Payment Amount determined with respect to a Reference Period is zero, no Supplier Yearly Payment Amount will be owed under the Supplier Loan Note Instrument with respect to that Reference Period, but that does not preclude the possibility of a Supplier Yearly Payment Amount being owed by Aisle Dutch TopCo under the Supplier Loan Note Instrument in respect of subsequent Reference Periods if the Supplier Yearly Payment Amount determined in respect of any such subsequent Reference Period is greater than zero.

– the euro-equivalent of the Determined Konzum EBITDA in respect of a Reference Period will be calculated on the basis of the average HRK/EUR exchange rate for that Reference Period, as determined by the Croatian National Bank.

– Aisle Dutch TopCo will be required to provide the Supplier Payment Agent with a calculation of the Determined Konzum EBITDA for each Reference Period on the date of publication (the "**Publication Date**") of the annual audited financial statements of New

Konzum pursuant to which Determined Konzum EBITDA for that Reference Period is determined. The Supplier Payment Agent (either itself or upon the instruction of the Eligible Incumbent Suppliers Association) may request a review of the calculation of the Determined Konzum EBITDA determined with respect to any Reference Period by any Audit Firm (being any one of the Croatian affiliates of PwC, Deloitte, EY or KPMG). Any such request must be made in writing to Aisle Dutch TopCo within 15 days of the Publication Date for the applicable Reference Period, and Aisle Dutch TopCo will appoint an Audit Firm promptly upon receiving any such request, requiring the Audit Firm to audit Aisle Dutch TopCo's calculation of Determined Konzum EBITDA and to report its determination to Aisle Dutch TopCo, the Supplier Payment Agent and the Eligible Incumbent Suppliers Association by no later than the date falling 45 days after the Publication Date (such day being the "**Supplier Final Determination Date**" unless that day is not a business day in Croatia, in which case the immediately following business day in Croatia shall be the Supplier Final Determination Date). If the calculation of Determined Konzum EBITDA originally determined by Aisle Dutch TopCo in respect of a Reference Period is deemed to be materially correct by the appointed Audit Firm, the costs and expenses incurred by Aisle Dutch TopCo in appointing the Audit Firm to review the applicable financial statements and to recalculate the Determined Konzum EBITDA shall be borne by the Supplier Payment Agent. Any determination made by the Audit Firm in respect of the Determined Konzum EBITDA in respect of a Reference Period shall be final and binding on Aisle Dutch TopCo, the Supplier Payment Agent, the Eligible Incumbent Suppliers Association and the Eligible Incumbent Suppliers, unless made grossly negligently or in bad faith.

- each Supplier Yearly Payment Amount determined in respect of a Reference Period will become a debt owed by Aisle Dutch TopCo under the Supplier Loan Note Instrument (a) if (i) no challenge is made by the Supplier Payment Agent to the calculation of Determined Konzum EBITDA in respect of that Reference Period, and (ii) no challenge is made by Sberbank of Russia to the calculation of Determined Aggregate Material Company EBITDA (as defined below) in respect of that same Reference Period pursuant to the corresponding provision of the Sberbank Loan Note Instrument, on the day falling 30 days after (and excluding) the Publication Date on which the annual audited financial statements of New Konzum in respect of that Reference Period are published by Aisle Dutch TopCo; or (b) if (i) the Supplier Payment Agent challenges the calculation of the Determined Konzum EBITDA in respect of that Reference Period, or (ii) Sberbank of Russia challenges the calculation of "Determined Aggregate Material Company EBITDA" in respect of that same Reference Period, on the day falling 15 days after the Supplier Final Determination Date in respect of that Reference Period (each date referred to in (a) and (b) above being a "**Supplier Obligation Date**" in respect of such Supplier Yearly Payment Amount). The Supplier Final Determination Date and the Sberbank Final Determination Date will always fall on the same date, if in respect of the relevant Reference Period, an amount is determined to be owing under both the Supplier Loan Note Instrument and the Sberbank Loan Note Instrument. Notwithstanding that a Supplier Yearly Payment Amount may be owed by Aisle Dutch TopCo with effect from a Supplier Obligation Date, no amount shall be payable by Aisle Dutch TopCo in respect of that Supplier Yearly Payment Amount (including any interest accrued thereon) except in the circumstances described below.

- if a Supplier Yearly Payment Amount is not paid in full on the Supplier Obligation Date on which it becomes a debt owed under the Supplier Loan Note Instrument, it or any amount which remains outstanding in respect of that Supplier Yearly Payment Amount shall accrue

interest at the rate of 4% per annum for the first 12 months following that Supplier Obligation Date, and 6% per annum thereafter. Notwithstanding that such accrued interest may be owed by Aisle Dutch TopCo, no amount of accrued interest shall be payable by Aisle Dutch TopCo except in the circumstances described below. The right to, and any amounts owed in respect of, interest shall be held by the Supplier Payment Agent for the benefit of the Eligible Incumbent Suppliers.

- Aisle Dutch TopCo shall, on each Publication Date, calculate the cash reserves available to Aisle Dutch TopCo at the time of such calculation (being the "**Available Cash Reserve Amount**" at that time) after taking into account all amounts which Aisle Dutch TopCo reasonably believes will be owing by it and by Aisle STAK over the period of six months commencing on that Publication Date in respect of (a) taxes, duties and similar imposts of any nature to which Aisle Dutch TopCo and Aisle STAK are subject or assessable, (b) fees, costs and expenses accruing or owing to the service providers engaged by Aisle Dutch TopCo and Aisle STAK, (c) fees, costs and expenses accruing or owing to the Bond Trustee, the CB Custodian, the DR Custodian, the CB Registrar, the DR Registrar, the Securities Escrow Agent, the Supplier Payment Agent and any other agent appointed by Aisle Dutch TopCo or Aisle STAK in respect of the Convertible Bonds or the Depositary Receipts, and (d) external legal fees incurred or likely to be incurred, at reasonable rates.

- the Supplier Payment Agent may, by notice in writing to Aisle Dutch TopCo, also request a calculation of the Available Cash Reserve Amount as at the date on which Aisle Dutch TopCo publishes the semi-annual unaudited management accounts for New Konzum (such date being the "**Mid-Year Publication Date**"). Any such recalculation shall be undertaken by reference to the six-month period commencing on the applicable Mid-Year Publication Date.

- if Aisle Dutch TopCo determines that the Available Cash Reserve Amount calculated by it as at a Publication Date or as at a Mid-Year Publication Date and allocable to the Supplier Loan Note Instrument, as determined in accordance with the *pro rata* allocation of the Available Cash Reserve Amount described below, is less than the aggregate of all outstanding Supplier Yearly Payment Amounts plus interest accrued thereon, Aisle Dutch TopCo will provide to the Supplier Payment Agent forthwith a written statement setting out its calculation of the Available Cash Reserve Amount. Each such statement shall contain a breakdown in reasonable detail of the calculations made in order to determine the applicable Available Cash Reserve Amount.

- notwithstanding that a Supplier Yearly Payment Amount shall have become a debt owed by Aisle Dutch TopCo under the Supplier Loan Note Instrument, or that interest is accruing thereon, no amounts shall be due and payable by Aisle Dutch TopCo under the Supplier Loan Note Instrument, or recoverable from it by the Supplier Payment Agent, unless and until the date on which Aisle Dutch TopCo determines that the Available Cash Reserve Amount is an amount equal to at least the sum of EUR 100,000 (such amount being the "**Supplier Minimum Instalment Amount**") and the Sberbank Minimum Instalment Amount (as defined below).

- if the Available Cash Reserve Amount as determined by Aisle Dutch TopCo as at a Publication Date is sufficient to pay all amounts that will be owed under the Supplier Loan Note Instrument and under the Sberbank Loan Note Instrument on the Supplier Obligation Date immediately following that Publication Date, Aisle Dutch TopCo shall pay to the Supplier Payment Agent on that Supplier Obligation Date all of the outstanding Supplier

Yearly Payment Amounts plus any interest accrued to that date (and that Supplier Obligation Date shall be a payment date for these purposes).

– if the Available Cash Reserve Amount as determined by Aisle Dutch TopCo as at a Publication Date is an amount sufficient to pay at least the Supplier Minimum Instalment Amount and the Sberbank Minimum Instalment Amount but is less than the sum of (i) the aggregate of all outstanding Supplier Yearly Payment Amounts plus interest accrued thereon to the Supplier Obligation Date immediately following that Publication Date (the "**Accrued Supplier Payment Amount**"), plus (ii) the aggregate of all outstanding amounts then owed by Aisle Dutch TopCo under the Sberbank Loan Note Instrument (including any interest accrued thereon to the Supplier Obligation Date immediately following that Publication Date) (the "**Accrued Sberbank Payment Amount**", and together with the Accrued Supplier Payment Amount, the "**Aggregate Loan Notes Payment Amount**"), the Available Cash Reserve Amount shall be applied by Aisle Dutch TopCo on that Supplier Obligation Date (and for these purposes, that Supplier Obligation Date shall be a payment date) in partial payment to the Supplier Payment Agent, in an amount determined on a *pro rata* basis by reference to the ratio which the Accrued Supplier Payment Amount bears to the Aggregate Loan Notes Payment Amount, of amounts owed under the Supplier Loan Note Instrument as at that Supplier Obligation Date.

– the same principles as described in the two preceding paragraphs apply to any allocation of the Available Cash Reserve Amount determined as at a Mid-Year Publication Date, to ensure that any allocation of the Available Cash Reserve Amount to payments on the Sberbank Loan Note and the Supplier Loan Note are made on a *pro rata* basis. The payment date in respect of any allocations made following the calculation of the Available Cash Reserve Amount as at a Mid-Year Publication Date shall be the date which is the earlier to occur of (1) if no challenge has been made to the calculation of the Available Cash Reserve Amount as at that Mid-Year Publication Date by the Supplier Payment Agent (see below), or by Sberbank of Russia under the Sberbank Loan Note Instrument, on the day falling 15 Croatian Business Days after that Mid-Year Publication Date; and (2) if a challenge has been made to the calculation of the Available Cash Reserve Amount as at that Mid-Year Publication Date by the Supplier Payment Agent or by Sberbank of Russia, on the day falling 5 Croatian Business Days following receipt by Aisle Dutch TopCo of the written decision of its auditors delivered pursuant to the dispute mechanism described below, provided that all other conditions to payment have been satisfied.

– no amounts may be paid to the Supplier Payment Agent under the Supplier Loan Note Instrument at any time at which an amount is also owing by Aisle Dutch TopCo under the Sberbank Loan Note Instrument unless a corresponding payment is made under the Sberbank Loan Note Instrument.

– no payments may be made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds if a Supplier Yearly Payment Amount, any part thereof or interest thereon is owed under the Supplier Loan Note Instrument, until the Supplier Yearly Payment Amount and any interest accrued and unpaid thereon has been paid in full.

– the Supplier Payment Agent may notify Aisle Dutch TopCo in writing at any time, but no more than once in any twelve month period, if it has reasonable grounds to consider (a) that a calculation of the Available Cash Reserve Amount as at a Publication Date or as at a Mid-Year Publication Date is not accurate, or (b) that any part of a Supplier Yearly Payment

Amount has become payable by Aisle Dutch TopCo but has not been paid, or (c) that a payment has been made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds notwithstanding that a Supplier Yearly Payment Amount and/or interest thereon remains owed by Aisle Dutch TopCo, stating clearly in its written notice the grounds for its determination. The Supplier Payment Agent and Aisle Dutch TopCo shall, during the period of 28 days commencing on the day following the date of any such notice, seek to resolve any dispute amicably, and may allow the Eligible Incumbent Suppliers Association to join in any meetings, calls or correspondence held or undertaken for the purpose of reaching an amicable resolution to such dispute. If no amicable resolution is achieved by the end of that period of 28 days, Aisle Dutch TopCo shall promptly appoint its auditors for the time being as an expert to determine whether such grounds as have been notified by the Supplier Payment Agent are justified. The auditors shall be instructed to prepare a written decision in the English language and to give notice of the decision to the Supplier Payment Agent and Aisle Dutch TopCo within a maximum of three months from the date of their appointment as an expert for these purposes. The auditors shall act as an expert and not as an arbitrator, and their written decision on the matters referred to them shall be final and binding on Aisle Dutch TopCo, the Supplier Payment Agent, the Eligible Incumbent Suppliers Association and the Eligible Incumbent Suppliers in the absence of manifest error or fraud. The Supplier Payment Agent and Aisle Dutch TopCo shall act reasonably and co-operate to give effect to the expert determination by the auditors and otherwise do nothing to hinder or prevent the auditors from reaching their determination. The auditors shall have no liability for any act or omission in relation to this appointment, save in the case of gross negligence or bad faith.

- any notice issued by the Supplier Payment Agent to Aisle Dutch TopCo pursuant to the paragraph above shall be without prejudice to, and shall not prevent, a Supplier Obligation Date occurring in respect of a Supplier Yearly Payment Amount.

- the Supplier Payment Agent may not in any circumstances initiate any insolvency proceedings (*faillissements aanvraag*) or similar proceedings against Aisle Dutch TopCo in any jurisdiction, nor take any action, step or proceeding against Aisle Dutch TopCo which would render it unable to pay its debts as they fall due. Nor may the Supplier Payment Agent take any step, action or proceeding (including, without limitation, the commencement of litigation in any jurisdiction) against Aisle Dutch TopCo, save that the Supplier Payment Agent may bring proceedings in the competent courts either (a) to enforce payment of any Supplier Yearly Payment Amount or portion thereof and any interest accrued thereon that has become payable by Aisle Dutch TopCo out of any Available Cash Reserve Amount but has not been paid (including, without limitation, following any expert determination of the Available Cash Reserve Amount made by an auditor as described above), or (b) seeking damages by reason of payments having been made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds at a time when a Supplier Yearly Payment Amount, any portion thereof or interest thereon was owed by Aisle Dutch TopCo.

- if the Supplier Total Payment Amount is paid in full, the Supplier Loan Note Instrument will be automatically cancelled.

- if the aggregate amount of Supplier Yearly Payment Amounts paid on or before the Supplier Obligation Date relating to the final Reference Period ending on 31st December 2021 (the "**Supplier Final Payment Date**") is less than the Supplier Total Payment

Amount, but there is no debt owed under the Supplier Loan Note Instrument on the Supplier Final Payment Date, the Supplier Loan Note Instrument will be cancelled automatically on the Supplier Final Payment Date.

– if, on the Supplier Final Payment Date, any Supplier Yearly Payment Amounts remain owed by Aisle Dutch TopCo, then unless otherwise agreed in writing by Aisle Dutch TopCo and the Supplier Payment Agent, the Supplier Loan Note Instrument will only be cancelled once all Supplier Yearly Payment Amounts owed as at the Supplier Final Payment Date, together with any accrued and unpaid interest thereon, have been paid by Aisle Dutch TopCo to the Supplier Payment Agent.

– in the event of an Exit or an IPO (each as defined in the Convertible Bonds Terms and Conditions), Aisle Dutch TopCo will covenant to use its best endeavours either (i) to transfer the Supplier Loan Note Instrument to the ultimate holding company of the New Group following that Exit or IPO (the "**New HoldCo**"), or (ii) to substitute, replace or exchange the Supplier Loan Note with an instrument or agreement issued or entered into by the New HoldCo on substantially the same commercial and financial terms as the Supplier Loan Note. Any such transferred, replacement or exchanged instrument or agreement shall be on terms which will ensure that amounts owed by New Holdco under the transferred, replacement or exchanged instrument or agreement will benefit from the same senior unsecured status against New Holdco as the senior unsecured status of amounts owed by Aisle Dutch TopCo under the Supplier Loan Note Instrument, including, without limitation, insofar as concerns the covenant not to make any payments on any instrument equivalent to the Convertible Bonds or Depositary Receipts if, at the relevant time, an amount is owing from the New Holdco under the transferred, replacement or exchanged instrument or agreement.

– governing law: English law.

For the purposes of this Cl. 20 the "**Determined Konzum EBITDA**" in respect of a Reference Period means the following: the net revenues of New Konzum *minus*, without double-counting, (a) the total cost of goods sold (COGS); (b) selling, general and administrative expenses (SG&A, comprising distribution costs, marketing costs, employee costs and other like general and administrative expenses); (c) operating rental expenses; and (d) other operating expenses, in each case incurred during that Reference Period, plus other operating income received during that Reference Period, but excluding finance lease costs, determined (in the case of the net revenues and each deduction and addition listed above) in accordance with the financial statements for New Konzum delivered in respect of that Reference Period. Determined Konzum EBITDA shall, furthermore, exclude (i) any one-off items incurred or received by New Konzum during the applicable Reference Period (such that Determined Konzum EBITDA is calculated on the basis of normalised net revenues and expenses); (ii) any management fees incurred by New Konzum during the applicable Reference Period; and (iii) any impact on the applicable financial statements of any merger, acquisition, divestment, disposal or similar transaction. Each component of and the methodology and calculation of Determined Konzum EBITDA are to be determined in accordance with, and reported pursuant to, IFRS and the Viability Plan. For the avoidance of doubt, any changes to accounting principles, e.g. relating to the recognition of operating leases, will not be applied for purposes of calculating the Determined Konzum EBITDA.

Each amount paid by Aisle Dutch TopCo under the Supplier Loan Note Instrument will, upon receipt by the Supplier Payment Agent and after deduction of all costs foreseen below,

subsequently be paid out by the Supplier Payment Agent to the Eligible Incumbent Suppliers in accordance with the contingent payment distribution mechanism, as described in Cl. 20.2 below. The Supplier Payment Agent will distribute each such amount (each, a "**Contingent Payment Consideration**") to the Eligible Incumbent Suppliers pursuant to the written instructions identifying each Eligible Incumbent Supplier entitled to receive a portion of that Contingent Payment Consideration and the amount it is entitled to receive, and from which the costs of bank transfers from the account of the Supplier Payment Agent to the account of the Eligible Incumbent Suppliers shall be settled. The instructions referred to above will be given by the Eligible Incumbent Suppliers Association, no later than 15 days after the receipt by the Supplier Payment Agent of each amount paid to it under the Supplier Loan Note Instrument.

The reasonable operational costs of the Supplier Payment Agent and the costs of its liquidation shall be borne by Aisle Dutch TopCo.

20.2 Contingent Payment Consideration Distribution Mechanism

Each Contingent Payment Consideration shall be distributed by the Supplier Payment Agent first in respect of the Border Claims held by the Eligible Incumbent Supplier on 5th April 2018, which Eligible Incumbent Supplier, also by 5th April 2018, entered into the agreement on continuation of business cooperation under essentially the same terms with the debtors of those Border Claims ("**Eligible Claims A**") and whose percentage of recovery of Border Claims at that moment is the lowest. For avoidance of doubt, the calculation of the percentage of recovery will include also the amount of Depositary Receipts and Convertible Bonds received by each such Eligible Incumbent Supplier in its capacity as a New Instruments Beneficiary. The Contingent Payment Consideration will be distributed to such Eligible Incumbent Supplier(s) up to the amount and until such Eligible Incumbent Supplier(s) are equalized with the next lowest of the Eligible Incumbent Supplier(s) holding the Eligible Claims A, until the recovery of Eligible Claims A of all Eligible Incumbent Suppliers is 100% (the "**Levelling Principle**"). The list of Eligible Claims A and the amount that would be received if the aggregate amount of Contingent Payment Consideration would equal the Supplier Total Payment Amount is attached as Annex 29 (*Eligible Supplier Claims*).

After the full recovery by Eligible Claims A as set out above any remaining Contingent Payment Consideration shall be firstly distributed in satisfaction of the Border Claims of the Eligible Incumbent Supplier that were the original creditors of those Border Claims and reacquired them by 30th April 2018, which Eligible Incumbent Supplier, by 5th April 2018, entered into the agreement on continuation of business cooperation under the essentially same terms with the debtors of those Border Claims ("**Eligible Claims B**"), using the same Levelling Principle as set out above. The list of Eligible Claims B and the amount that would be received if the Contingent Payment Consideration would equal the Supplier Total Payment Amount is attached as Annex 29 (*Eligible Supplier Claims*).

After full recovery by Eligible Claims A and Eligible Claims B as set out above, any remaining Contingent Payment Consideration shall be distributed to the satisfaction of Border Claims that do not qualify as Eligible Claims A or Eligible Claims B ("**Eligible Claims C**"). The list of Eligible Claims C and the amount that would be received if the Contingent Payment Consideration would equal Supplier Total Payment Amount is attached as Annex 29 (*Eligible Supplier Claims*).

20.3 Disposal of New Konzum

Aisle Dutch TopCo will agree under the Supplier Loan Note Instrument that it will not enter into or agree to enter into, and will procure that none of its subsidiaries enters into or agrees to enter into, any sale, divestment, disposal or other transfer (any such action being a "**Disposal**") which, alone or when aggregated with any previous Disposals, comprises 50.1% of the shares or other economic rights and/or interests held by Aisle Dutch TopCo or any of its subsidiaries in New Konzum (collectively, the "**Konzum Assets**") unless (i) the conditions specified below are met, to the satisfaction of the Supplier Payment Agent (acting on the instructions of the Eligible Incumbent Suppliers Association, acting reasonably), and (ii) the Supplier Payment Agent (acting on the instructions of the Eligible Incumbent Suppliers Association) provides its prior written consent to the Disposal. The conditions referred to above are as follows:

a) the terms of the Disposal require the purchaser of the Konzum Assets (the "**Purchaser**"), or any subsidiary of the Purchaser acceptable to the Supplier Payment Agent, to accept a transfer of Aisle Dutch TopCo's obligations under the Supplier Loan Note Instrument and the Supplier Loan Note, without amendment, waiver or supplement except as may be necessary in order to effect the transfer of obligations and reflect the new ownership structure of New Konzum; and

b) the terms of the Disposal require the Purchaser to ensure, and to procure that any of its relevant subsidiaries ensures, that the agreement reached pursuant to the Settlement Plan to provide shelf space to the suppliers at stores operated by New Konzum continues for the period of five years commencing on the Implementation Commencement Date.

The prior written consent of the Supplier Payment Agent to the Disposal shall be deemed to have been given if the Financial Resources Test (as defined below) is satisfied. The "Financial Resources Test" means the following, in each case determined as at the proposed date of the Disposal:

(i) the unguaranteed, unsubordinated and unsecured long-term debt of the Purchaser is rated at least "BB" by Standard & Poor's Global Ratings Europe Limited and/or Fitch Ratings Ltd., and/or is rated at least "Ba2" by Moody's Investors Service Ltd; and/or

(ii) Aisle Dutch TopCo has demonstrated to the Supplier Payment Agent that the Purchaser has sufficient cash (including cash available under drawn or undrawn financing commitments) to support the operations of New Konzum and to fund the payment of amounts which may be or become owing under the Supplier Loan Note from the date of the Disposal to and including the Supplier Final Payment Date.

If the Financial Resources Test is not satisfied, the consent of the Supplier Payment Agent required in respect of a Disposal pursuant to the Supplier Loan Note Instrument shall be based solely on an objective assessment by the Eligible Incumbent Suppliers Association of the financial resources of the Purchaser available to support the operations of New Konzum and to fund any amounts which may be or become owing under the Supplier Loan Note following the Disposal. For these purposes, Aisle Dutch TopCo will agree, pursuant to the Supplier Loan Note Instrument, to provide to the Supplier Payment Agent and the Eligible Incumbent Suppliers Association all such information in its possession, or which it is entitled to request from the Purchaser, concerning the financial resources of the Purchaser, subject to complying

with any confidentiality obligations imposed by the Purchaser in respect of any such information. The Supplier Payment Agent will agree, pursuant to the Supplier Loan Note Instrument, to consider, and to procure that the Eligible Incumbent Suppliers Association considers, all such information received by it concerning the Purchaser in good faith, and that it will not withhold its consent to any such Disposal on unreasonable grounds (including any grounds unrelated to the financial resources of the Purchaser), or cause any undue delay in providing its consent.

21 SBERBANK CONTINGENT PAYMENT RIGHT

No rights will arise under this Cl. 21 unless and until Sberbank of Russia, a company incorporated in the Russian Federation with General Banking License No. 1481 dated 11th August 2015, issued by the Bank of Russia whose registered address is 19 Vavilova St., 117997, Moscow, Russia ("**Sberbank of Russia**") votes in favour of the Settlement Plan at the Hearing.

21.1 Sberbank Loan Note Instrument

In addition to the right to become New Instruments Beneficiaries, Sberbank of Russia will also receive pursuant to this Settlement Plan a contingent conditional loan note (the "**Sberbank Loan Note**"), issued by Aisle Dutch TopCo pursuant to a contingent conditional loan note instrument (the "**Sberbank Loan Note Instrument**"). A draft of the Sberbank Loan Note Instrument is attached as Annex 30 (*Sberbank Loan Note Instrument*).

The terms of the Sberbank Loan Note Instrument will, subject as described below, require Aisle Dutch TopCo to make a payment to Sberbank if the Determined Aggregate Material Company EBITDA (as defined below) in any of the Reference Periods exceeds the Threshold Amount (as defined below) specified for that Reference Period, up to a maximum cumulative amount of EUR 60 million (such maximum cumulative amount being the "**Sberbank Total Payment Amount**").

- the Sberbank Loan Note will be a conditional, contingent debt instrument issued by Aisle Dutch TopCo to Sberbank pursuant to the Sberbank Loan Note Instrument. References in this Cl. 21 to the Sberbank Loan Note Instrument include the Sberbank Loan Note issued pursuant thereto.

- the aggregate principal amount owed or payable by Aisle Dutch TopCo under the Sberbank Loan Note Instrument will never be more than the Sberbank Total Payment Amount.

- the principal amount owed under the Sberbank Loan Note Instrument with respect to a Reference Period (the "**Sberbank Yearly Payment Amount**") will be the amount determined in accordance with the following formula:

  the greater of:

  a) zero; and

  b) the sum of (x) the euro-equivalent (determined as specified below) of the amount of the Determined Aggregate Material Company EBITDA (as defined below) determined with respect to that Reference Period, *minus* (y) the Threshold Amount applicable to that Reference Period;

"**Threshold Amount**" means the following: (a) for the Reference Period of calendar year 2018, EUR 246 million; (b) for the Reference Period of calendar year 2019, EUR 245 million; (c) for the Reference Period of calendar year 2020, EUR 263 million; and (d) for the Reference Period of calendar year 2021, EUR 288 million.

If the Sberbank Yearly Payment Amount determined with respect to a Reference Period is zero, no Sberbank Yearly Payment Amount will be owed under the Sberbank Loan Note Instrument with respect to that Reference Period, but that does not preclude the possibility of a Sberbank Yearly Payment Amount being owed by Aisle Dutch TopCo under the Sberbank Loan Note Instrument in respect of subsequent Reference Periods if the Sberbank Yearly Payment Amount determined in respect of any such subsequent Reference Period is greater than zero.

- the euro-equivalent of the Determined Aggregate Material Company EBITDA in respect of a Reference Period will be calculated on the basis of the average HRK/EUR exchange rate for that Reference Period, as determined by the Croatian National Bank.

- Aisle Dutch TopCo will be required to provide Sberbank with a calculation of the Determined Aggregate Material Company EBITDA for each Reference Period on the Publication Date of the annual audited consolidated financial statements pursuant to which Determined Aggregate Material Company EBITDA for that Reference Period is determined. Sberbank may request a review of the calculation of the Determined Aggregate Material Company EBITDA determined with respect to any Reference Period by any Audit Firm (being any one of the Croatian affiliates of PwC, Deloitte, EY or KPMG). Any such request must be made in writing to Aisle Dutch TopCo within 15 days of the Publication Date for the applicable Reference Period, and Aisle Dutch TopCo will appoint an Audit Firm promptly upon receiving any such request, requiring the Audit Firm to audit Aisle Dutch TopCo's calculation of Determined Aggregate Material Company EBITDA and to report its determination to Aisle Dutch TopCo and Sberbank by no later than the date falling 45 days after the Publication Date (such day being the "**Sberbank Final Determination Date**" unless that day is not a business day in Croatia, in which case the immediately following business day in Croatia shall be the Sberbank Final Determination Date). If the calculation of Determined Aggregate Material Company EBITDA originally determined by Aisle Dutch TopCo in respect of a Reference Period is deemed to be materially correct by the appointed Audit Firm, the costs and expenses incurred by Aisle Dutch TopCo in appointing the Audit Firm to review the applicable financial statements and to recalculate the Determined Aggregate Material Company EBITDA shall be borne by Sberbank. Any determination made by the Audit Firm in respect of the Determined Aggregate Material Company EBITDA in respect of a Reference Period shall be final and binding on Aisle Dutch TopCo and Sberbank, unless made grossly negligently or in bad faith.

- each Sberbank Yearly Payment Amount determined in respect of a Reference Period will become a debt owed by Aisle Dutch TopCo under the Sberbank Loan Note Instrument (a) if (i) no challenge is made by Sberbank to the calculation of Determined Aggregate Material Company EBITDA in respect of that Reference Period, and (ii) no challenge is made by the Supplier Payment Agent to the calculation of Determined Konzum EBITDA in respect of that same Reference Period pursuant to the corresponding provision of the Supplier Loan Note Instrument, on the day falling 30 days after (and excluding) the Publication Date on which the annual audited financial statements of the Material Companies in respect of that same Reference Period are published by Aisle Dutch TopCo; or (b) if (i) Sberbank challenges the calculation of the Determined Aggregate Material Company EBITDA in

respect of that Reference Period, or (ii) the Supplier Payment Agent challenges the calculation of Determined Konzum EBITDA in respect of that Reference Period, on the day falling 15 days after the Sberbank Final Determination Date in respect of that Reference Period (each date referred to in (a) and (b) above being a "**Sberbank Obligation Date**"). Notwithstanding that a Sberbank Yearly Payment Amount may be owed by Aisle Dutch TopCo with effect from a Sberbank Obligation Date, no amount shall be payable by Aisle Dutch TopCo in respect of that Sberbank Yearly Payment Amount (including any interest accrued thereon) except in the circumstances described below.

– if a Sberbank Yearly Payment Amount is not paid in full on the Sberbank Obligation Date on which it becomes a debt owed under the Sberbank Loan Note Instrument, it or any amount which remains outstanding in respect of that Sberbank Yearly Payment Amount shall accrue interest at the rate of 4% per annum for the first 12 months following that Sberbank Obligation Date, and 6% per annum thereafter. Notwithstanding that such accrued interest may be owed by Aisle Dutch TopCo, no amount of accrued interest shall be payable by Aisle Dutch TopCo except in the circumstances described below.

– Aisle Dutch TopCo shall, on each Publication Date, calculate the Available Cash Reserve Amount. Sberbank may, by notice in writing to Aisle Dutch TopCo, also request a calculation of the Available Cash Reserve Amount as at a Mid-Year Publication Date. Any such recalculation shall be undertaken by reference to the six-month period commencing on the applicable Mid-Year Publication Date.

– if Aisle Dutch TopCo determines that the Available Cash Reserve Amount calculated by it as at a Publication Date or as at a Mid-Year Publication Date and allocable to the Sberbank Loan Note Instrument, as determined in accordance with the *pro rata* allocation of the Available Cash Reserve Amount referred to below, is less than the aggregate of all outstanding Sberbank Yearly Payment Amounts plus interest accrued thereon, Aisle Dutch TopCo will provide to Sberbank forthwith a written statement setting out its calculation of the Available Cash Reserve Amount. Each such statement shall contain a breakdown in reasonable detail of the calculations made in order to determine the applicable Available Cash Reserve Amount.

– notwithstanding that a Sberbank Yearly Payment Amount shall have become a debt owed by Aisle Dutch TopCo under the Sberbank Loan Note Instrument, or that interest is accruing thereon, no amounts shall be due and payable by Aisle Dutch TopCo under the Sberbank Loan Note Instrument, or recoverable from it by Sberbank, unless and until the date on which Aisle Dutch TopCo determines that the Available Cash Reserve Amount is an amount equal to at least EUR 100,000 (such amount being the "**Sberbank Minimum Instalment Amount**").

– if the Available Cash Reserve Amount as determined by Aisle Dutch TopCo as at a Publication Date is sufficient to pay all amounts that will be owed under the Sberbank Loan Note Instrument and under the Supplier Loan Note Instrument on the Sberbank Obligation Date immediately following that Publication Date, Aisle Dutch TopCo shall pay to Sberbank on that Sberbank Obligation Date all of the outstanding Sberbank Yearly Payment Amounts plus any interest accrued to that date (and that Sberbank Obligation Date shall be a payment date for these purposes).

– if the Available Cash Reserve Amount as determined by Aisle Dutch TopCo as at a Publication Date is an amount sufficient to pay at least the Sberbank Minimum Instalment

Amount and any Supplier Minimum Instalment Amount outstanding under the Supplier Loan Note Instrument but is less than the sum of (i) the aggregate of all outstanding Sberbank Yearly Payment Amounts plus interest accrued thereon to the Sberbank Obligation Date immediately following that Publication Date (the "**Sberbank Owed Amount**"), plus (ii) the aggregate of all outstanding amounts then owed by Aisle Dutch TopCo under the Supplier Loan Note Instrument (including any interest accrued thereon to the Supplier Obligation Date immediately following that Publication Date) (the "**Supplier Owed Amount**", and together with the Sberbank Owed Amount, the "**Aggregate Loan Notes Owed Amount**"), the Available Cash Reserve Amount shall be applied by Aisle Dutch TopCo on that Sberbank Obligation Date (and for these purposes, that Sberbank Obligation Date shall be a payment date) in partial payment to Sberbank, in an amount determined on a *pro rata* basis by reference to the ratio which the Sberbank Owed Amount bears to the Aggregate Loan Notes Owed Amount, of amounts owed under the Sberbank Loan Note Instrument as at that Sberbank Obligation Date.

- the same principles as described in the two preceding paragraphs apply to any allocation of the Available Cash Reserve Amount determined as at a Mid-Year Publication Date, to ensure that any allocation of the Available Cash Reserve Amount to payments on the Sberbank Loan Note and the Supplier Loan Note are made on a *pro rata* basis. The payment date in respect of any allocations made following the calculation of the Available Cash Reserve Amount as at a Mid-Year Publication Date shall be the date which is the earlier to occur of (1) if no challenge has been made to the calculation of the Available Cash Reserve Amount as at that Mid-Year Publication Date by Sberbank (see below), or by Supplier Payment Agent under the Supplier Loan Note Instrument, on the day falling 15 Croatian Business Days after that Mid-Year Publication Date; and (2) if a challenge has been made to the calculation of the Available Cash Reserve Amount as at that Mid-Year Publication Date by Sberbank or by the Supplier Payment Agent, on the day falling 5 Croatian Business Days following receipt by Aisle Dutch TopCo of the written decision of its auditors delivered pursuant to the dispute mechanism described below, provided that all other conditions to payment have been satisfied.

- no amounts may be paid to Sberbank under the Sberbank Loan Note Instrument at any time at which an amount is also owing by Aisle Dutch TopCo under the Supplier Loan Note Instrument unless a corresponding payment is made under the Supplier Loan Note Instrument.

- no payments may be made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds if a Sberbank Yearly Payment Amount, any part thereof or interest thereon is owed under the Sberbank Loan Note Instrument, until the Sberbank Yearly Payment Amount and any interest accrued and unpaid thereon has been paid in full.

- Sberbank may notify Aisle Dutch TopCo in writing at any time, but no more than once in respect of any twelve month period, if it has reasonable grounds to consider (a) that a calculation of the Available Cash Reserve Amount as at a Publication Date or as at a Mid-Year Publication Date provided to it by Aisle Dutch TopCo is not accurate, or (b) that any part of a Sberbank Yearly Payment Amount has become payable by Aisle Dutch TopCo but has not been paid, or (c) that a payment has been made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds notwithstanding that a Sberbank Yearly Payment Amount and/or interest thereon remains owed by Aisle Dutch TopCo, stating clearly in its written notice

the grounds for its determination. Sberbank and Aisle Dutch TopCo shall, during the period of 28 days commencing on the day following the date of any such notice, seek to resolve any dispute amicably. If no amicable resolution is achieved by the end of that period of 28 days, Aisle Dutch TopCo shall promptly appoint its auditors for the time being as an expert to determine whether such grounds as have been notified by Sberbank are justified. The auditors shall be instructed to prepare a written decision in the English language and to give notice of the decision to Sberbank and Aisle Dutch TopCo within a maximum of three months from the date of their appointment as an expert for these purposes. The auditors shall act as an expert and not as an arbitrator, and their written decision on the matters referred to them shall be final and binding on Aisle Dutch TopCo and Sberbank in the absence of manifest error or fraud. Sberbank and Aisle Dutch TopCo shall act reasonably and co-operate to give effect to the expert determination by the auditors and otherwise do nothing to hinder or prevent the auditors from reaching their determination. The auditors shall have no liability for any act or omission in relation to this appointment, save in the case of gross negligence or bad faith.

- any notice issued by Sberbank to Aisle Dutch TopCo pursuant to the paragraph above shall be without prejudice to, and shall not prevent, a Sberbank Obligation Date occurring in respect of a Sberbank Yearly Payment Amount.

- Sberbank may not in any circumstances initiate any insolvency proceedings (*faillissements aanvraag*) or similar proceedings against Aisle Dutch TopCo in any jurisdiction, nor take any action, step or proceeding against Aisle Dutch TopCo which would render it unable to pay its debts as they fall due. Nor may Sberbank take any step, action or proceeding (including, without limitation, the commencement of litigation in any jurisdiction) against Aisle Dutch TopCo, save that Sberbank may bring proceedings in the competent courts either (a) to enforce payment of any Sberbank Yearly Payment Amount or portion thereof and any interest accrued thereon that has become payable by Aisle Dutch TopCo out of any Available Cash Reserve Amount but has not been paid (including, without limitation, following any expert determination of the Available Cash Reserve Amount made by an auditor as described above), or (b) seeking damages by reason of payments having been made by Aisle Dutch TopCo to Aisle STAK in respect of the Depositary Receipts or to the Bond Interest Holders on the Convertible Bonds at a time when a Sberbank Yearly Payment Amount, any portion thereof or interest thereon was owed by Aisle Dutch TopCo.

- if the Sberbank Total Payment Amount is paid in full, the Sberbank Loan Note Instrument will be automatically cancelled.

- if the aggregate amount of Sberbank Yearly Payment Amounts paid on or before the Sberbank Obligation Date relating to the final Reference Period ending on 31st December 2021 (the "**Sberbank Final Payment Date**") is less than the Sberbank Total Payment Amount, but there is no debt owed under the Sberbank Loan Note Instrument on the Sberbank Final Payment Date, the Sberbank Loan Note Instrument will be cancelled automatically on the Sberbank Final Payment Date.

- if, on the Sberbank Final Payment Date, any Sberbank Yearly Payment Amounts remain owed by Aisle Dutch TopCo, then unless otherwise agreed in writing by Aisle Dutch TopCo and Sberbank, the Sberbank Loan Note Instrument will only be cancelled once all Sberbank Yearly Payment Amounts owed as at the Sberbank Final Payment Date, together with any accrued and unpaid interest thereon, have been paid by Aisle Dutch TopCo to Sberbank.

– in the event of an Exit or an IPO (each as defined in the Convertible Bonds Terms and Conditions), Aisle Dutch TopCo will covenant to use its best endeavours either (i) to transfer the Sberbank Loan Note Instrument to New HoldCo, or (ii) to substitute, replace or exchange the Sberbank Loan Note with an instrument or agreement issued or entered into by the New HoldCo on substantially the same commercial and financial terms as the Sberbank Loan Note. Any such transferred, replacement or exchanged instrument or agreement shall be on terms which will ensure that amounts owed by New Holdco under the transferred, replacement or exchanged instrument or agreement will benefit from the same senior unsecured status against New Holdco as the senior unsecured status of amounts owed by Aisle Dutch TopCo under the Sberbank Loan Note Instrument, including, without limitation, insofar as concerns the covenant not to make any payments on any instrument equivalent to the Convertible Bonds or Depositary Receipts if, at the relevant time, an amount is owing from the New Holdco under the transferred, replacement or exchanged instrument or agreement.

– governing law: English law.

For the purposes of this Cl. 21, the "**Determined Aggregate Material Company EBITDA**" means, with respect to a Reference Period, the amount equal to the sum of the Determined Material Company EBITDA for each of the Material Companies in respect of that Reference Period, and "**Determined Material Company EBITDA**" means, with respect to a Reference Period and a Material Company, the net revenues of that Material Company minus, without double-counting, (a) the total cost of goods sold (COGS); (b) selling, general and administrative expenses (SG&A, comprising distribution costs, marketing costs, employee costs and other like general and administrative expenses); (c) operating rental expenses; and (d) other operating expenses incurred by that Material Company, in each case incurred during that Reference Period, plus other operating income received during that Reference Period, but excluding finance lease costs, determined (in the case of the net revenues and each deduction and addition listed above) in accordance with the financial statements for that Material Company delivered in respect of that Reference Period. Determined Material Company EBITDA shall, furthermore, exclude (i) any one-off items incurred or received by the applicable Material Company during the applicable Reference Period (such that Determined Material Company EBITDA is calculated on the basis of normalised consolidated net revenues and expenses); (ii) any management fees incurred by that Material Company during the applicable Reference Period, if applicable; (iii) any impact on the applicable financial statements of any merger, acquisition, divestment, disposal or similar transaction; and (iv) any non-realised profits arising from any transactions among Material Companies during that Reference Period. Each component of and the methodology and calculation of Determined Aggregate Material Company EBITDA are to be determined in accordance with, and reported pursuant to, IFRS and the Viability Plan. For the avoidance of doubt, any changes to accounting principles, e.g. relating to the recognition of operating leases, will not be applied for purposes of calculating the Determined Aggregate Material Company EBITDA.

The "**Material Companies**" are the following persons or, where applicable, its corresponding New Group Company upon implementation of the Settlement Plan: Konzum d.d., VELPRO-CENTAR d.o.o., Konzum d.o.o. Sarajevo, Tisak d.d., Jamnica d.d., Roto dinamic d.o.o., Sarajevski kiseljak d.d., Ledo d.d., Vinkovci d.d. Citluk, Frikom d.o.o., Zvijezda d.d., Dijamant a.d., PIK Vrbovec d.d., Vupik d.d., PIK Vinkovci d.d., Belje d.d., and Agrokor-trgovina d.d.

21.2 Alignment of Core Principles of the Supplier Loan Note Instrument and the Sberbank Loan Note Instrument

Amounts owing under the Sberbank Loan Note and the Supplier Loan Note are intended to rank *pari passu* and *pro rata* with each other, to the intent that if, at any time, an amount is owing to Sberbank under the Sberbank Loan Note and also to the Supplier Payment Agent under the Supplier Loan Note, the Available Cash Reserve Amount determined as at or in respect of that time shall be applied on a *pro rata* basis. In order to ensure that this principle is respected, the Supplier Loan Note Instrument and the Sberbank Loan Note Instrument contain covenants to ensure, among other things, that:

(i) the Publication Date and the Mid-Year Publication Date in respect of each Reference Period is the same date in each calendar year for the purposes of the Supplier Loan Note Instrument and the Sberbank Loan Note Instrument;

(ii) the Available Cash Reserve Amount calculated as at any Publication Date and as at any Mid-Year Publication Date is an identical amount, determined in the identical manner, under each of the Supplier Loan Note Instrument and the Sberbank Loan Note Instrument;

(iii) if, with respect to any Reference Period, a Sberbank Yearly Payment Amount is determined to be owed, and a Supplier Yearly Payment Amount is determined to be owed, the Supplier Obligation Date and the Sberbank Obligation Date in respect of the debts so arising occur on the same date; and

(iv) if, with respect to any Reference Period, an amount becomes payable under both the Sberbank Loan Note and the Supplier Loan Note, the amounts so payable shall be paid on the same payment date.

22 PARTIAL SETTLEMENT OF ASSIGNED CLAIMS BY TRANSFER OF ASSETS

For the avoidance of doubt, the transfers of assets (business units and assets not part of particular business units) set out below constitute a transfer under Art. 43 para. 5 EA Act under exclusion of application of the general rule of adherence to debt, including any tax liabilities, in the case of takeover of a property unit from the law governing contractual relations and duty to give a statement on non-existence of debts from the law governing the procedure in the court register.

The Debtor and each Non-Viable EA Croatian Subsidiaries shall transfer its Assets Subject to Transfer in partial settlement of the Aggregated Claims that each EA Entity owes to Aisle Dutch TopCo, as set out below. For the avoidance of doubt, Assets Subject to Transfer do not include shares in Non-Viable EA Croatian Subsidiaries which shall remain with their original shareholders without the obligation or right to be transferred to the New Group. The Non-Viable EA Croatian Subsidiaries shall be ultimately merged with the Debtor and terminated pursuant to Cl. 29.1.2 below.

Partial settlement of Aggregated Claims means the *pro rata* partial settlement of each individual claim held by Aisle Dutch TopCo towards the Debtor and individual Non-Viable EA Croatian Subsidiaries in an amount equal to the fair value of the Assets Subject to Transfer, as determined on the Implementation Commencement Date (the "**Settled Claims**"). Partial

settlement of an Aggregated Claim by a guarantor correspondingly settles the principal claim. The said determination of the value of Assets Subject to Transfer as of the date of transfer shall not impact the settlement of Creditors in the manner determined by this Settlement Plan.

Aisle Dutch TopCo shall, on the Implementation Commencement Date, recognise a claim against the Debtor and individual Non-Viable EA Croatian Subsidiaries in an amount equal to the difference between the Aggregated Claims and Settled Claims (the "**Residual Claims**").

Upon fulfilment of the steps described above, Aisle HoldCo and each New Group Company, on the one hand, and all EA Entities, on the other hand, shall have no mutual claims whatsoever other than the Residual Claim held by Aisle Dutch TopCo, other than expressly set out in the Settlement Plan. The Residual Claims shall be settled by the revenues and assets which the Debtor and any Non-Viable EA Croatian Subsidiary owns or acquires after the Implementation Commencement Date as further described in Cl. 22.1.2 below, in each case as soon as reasonably practical as determined by the Extraordinary Administrator.

22.1 Transfer Arrangement

22.1.1 Transfer of Assets and Viable EA Croatian Subsidiaries

Each EA Entity agrees with Aisle Dutch TopCo as applicable that:

(i) its Assets Subject to Transfer (including share in Viable EA Croatian Subsidiaries and Non-EA Croatian Subsidiaries) unless they are shares in Foreign Subsidiaries, comprising of rights and obligations specified in Annex 16 (non-exhaustively) (*Assets Subject to Transfers*) shall be transferred to members of the New Group by operation of law pursuant to this Settlement Plan as specified in Cl. 22.2 below; whereas

(ii) its shares in Foreign Subsidiaries shall be transferred to members of the New Group as instructed by Aisle Dutch TopCo and as specified in Cl. 22.1.2 below,

as instructed by Aisle Dutch TopCo (each, a "**Transfer Arrangement**"); the consideration for such transfers shall be the partial settlement of the Assigned Claims held by Aisle Dutch TopCo in an amount equal to the fair value of the Assets Subject to Transfer.

The transfer of assets shall be performed as follows:

1. The Assets Subject to Transfer of **AGROKOR d.d.**, with its registered seat in Zagreb, Marijana Čavića 1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80020970, OIB 05937759187, are transferred to **Aisle HoldCo d.d.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179147, OIB 88035992407.

2. The Assets Subject to Transfer of **KONZUM d.d.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80000926, OIB 29955634590, are transferred to **AISLE 1 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180016, OIB 62226620908 .

3. The Assets Subject to Transfer of **JAMNICA d.d.**, with its registered seat in Zagreb, Getaldićeva 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80001412, OIB 05050436541, are transferred to **AISLE 2 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180379, OIB 02233362849.

4. The Assets Subject to Transfer of **LEDO d.d.**, with its registered seat in Zagreb, Čavićeva 1a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80002964, OIB 87955947581, are transferred to **AISLE 3 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180418, OIB 07179054100.

5. The Assets Subject to Transfer of **ZVIJEZDA d.d.**, with its registered seat in Zagreb, Ulica Marijana Čavića 1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80001822, OIB 91492011748, are transferred to **AISLE 4 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180571, OIB 63603498763.

6. The Assets Subject to Transfer of **TISAK d.d.**, with its registered seat in Zagreb, Slavonska avenija 11a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80001453, OIB 75917721668, are transferred to **AISLE 5 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180506, OIB 32497003047.

7. The Assets Subject to Transfer of **PIK VRBOVEC-MESNA INDUSTRIJA, d.d.**, with its registered seat in Vrbovec, Zagrebačka 148, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80025974, OIB 78909170415, are transferred to **AISLE 6 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180282, OIB 41976933718.

8. The Assets Subject to Transfer of **BELJE d.d. Darda**, with its registered seat in Darda, Svetog Ivana Krstitelja 1a, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30023435, OIB 92404445155, are transferred to **AISLE 7 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180395, OIB 35385249539.

9. The Assets Subject to Transfer of **VUPIK d.d.**, with its registered seat in Vukovar, Sajmište 113/C, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30041432, OIB 06849543412, are transferred to **AISLE 8 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180426, OIB 81523019624.

10. The Assets Subject to Transfer of **PIK-VINKOVCI d.d.**, with its registered seat in Vinkovci, Matije Gupca 130, registered with the court register of the Commercial court

in Osijek under registration number (MBS) 30001628, OIB 17774531631, are transferred to **AISLE 9 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180073, OIB 16730830330.

11. The Assets Subject to Transfer of **mStart d.o.o.**, with its registered seat in Zagreb, Slavonska avenija 11a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80630332, OIB 19895453012, are transferred to **AISLE 10 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180024, OIB 34164006371.

12. The Assets Subject to Transfer of **ROTO ULAGANJA d.o.o.**, with its registered seat in Rijeka, Tome Strižića 8, registered with the court register of the Commercial court in Rijeka under registration number (MBS) 80628950, OIB 28189962659, are transferred to **AISLE 11 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179899, OIB 88047314512.

13. The Assets Subject to Transfer of **PROJEKTGRADNJA d.o.o.**, with its registered seat in Gornja Vrba, Vrbska ulica 3, registered with the court register of the Commercial court in Osijek – Standing Office in Slavonski Brod under registration number (MBS) 50001467, OIB 19659143269, are transferred to **AISLE 12 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179920, OIB 99639891810.

14. The Assets Subject to Transfer of **VINKA d.d.**, with its registered seat in Vinkovci, Jarminačka cesta 1, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30066607, OIB 45295422526, are transferred to **AISLE 13 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180032, OIB 89513708297.

15. The Assets Subject to Transfer of **L.G. Moslavina d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80011238, OIB 55613437019, are transferred to **AISLE 16 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180081, OIB 77220645630.

16. The Assets Subject to Transfer of **ATLAS, d.d.**, with its registered seat in Dubrovnik, Dr. Ante Starčevića 45, registered with the court register of the Commercial court in Split – Standing Office in Dubrovnik under registration number (MBS) 60000638, OIB 02041978827, are transferred to **AISLE 17 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180387, OIB 54046512596.

17. The Assets Subject to Transfer of **ADRIATICA.NET d.o.o.**, with its registered seat in Zagreb, Izidora Kršnjavog 1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80427370, OIB 20350489217, are transferred to **AISLE 18 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80,

registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180090, OIB 16539277548.

18. The Assets Subject to Transfer of **A007 d.o.o.**, with its registered seat in Zagreb, Slavonska avenija 11a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80956478, OIB 42312821469, are transferred to **AISLE 19 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180129, OIB 43353526751.

19. The Assets Subject to Transfer of **MLADINA d.d.**, with its registered seat in Jastrebarsko, Bana Josipa Jelačića 85, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80018508, OIB 00233318664, are transferred to **AISLE 20 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179987, OIB 42886023569.

20. The Assets Subject to Transfer of **FELIX d.o.o. Vinkovci**, with its registered seat in Vinkovci, Matije Gupca 130, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30020654, OIB 94397504836, are transferred to **AISLE 21 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180196, OIB 03636433694.

21. The Assets Subject to Transfer of **HU-PO d.o.o.**, with its registered seat in Vinkovci, Matije Gupca 130, registered with the court register of the Commercial court in Osijek under registration number (MBS) 80609091, OIB 24143874559, are transferred to **AISLE 22 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180299, OIB 06058207512.

22. The Assets Subject to Transfer of **RIVIJERA, d. d.**, with its registered seat in Ičići, Liburnijska 46, registered with the court register of the Commercial court in Rijeka under registration number (MBS) 40024493, OIB 80911267020, are transferred to **AISLE 23 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179903, OIB 70118961255.

23. The Assets Subject to Transfer of **BELJE AGRO-VET d.o.o.**, with its registered seat in Darda, -Mece, Kokingrad 4, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30087902, OIB 78769491591, are transferred to **AISLE 24 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179911, OIB 90274379825.

24. The Assets Subject to Transfer of **EKO BIOGRAD d.o.o.**, with its registered seat in Vinkovci, Matije Gupca 130, registered with the court register of the Commercial court in Osijek under registration number (MBS) 80695940, OIB 42005576448, are transferred to **AISLE 25 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081179962, OIB 49226936693.

25. The Assets Subject to Transfer of **DALMARINA d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 100002895, OIB 88061796935, are transferred to **AISLE 26 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180400, OIB 33800222984.

26. The Assets Subject to Transfer of **KHA pet d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80931384, OIB 83931898966, are transferred to **AISLE 27 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180475, OIB 14036023716.

27. The Assets Subject to Transfer of **KHA tri d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80931368, OIB 23699589651, are transferred to **AISLE 28 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180483, OIB 51422190894.

28. The Assets Subject to Transfer of **KRKA d.o.o.**, with its registered seat in Šibenik, Bana Josipa Jelačića 13, registered with the court register of the Commercial court in Zadar – Standing Office in Šibenik under registration number (MBS) 60013336, OIB 45256190469, are transferred to **AISLE 29 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180491, OIB 82505664954.

29. The Assets Subject to Transfer of **LATERE TERRAM d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80889320, OIB 68289779337, are transferred to **AISLE 30 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180522, OIB 43761524368.

30. The Assets Subject to Transfer of **MLIJEČNO GOVEDARSTVO KLISA d.o.o.**, with its registered seat in Vukovar, Sajmište 113/c, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30115547, OIB 03831063279, are transferred to **AISLE 31 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180555, OIB 52081700399.

31. The Assets Subject to Transfer of **PET-PROM ULAGANJA d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80770808, OIB 77713684270, are transferred to **AISLE 32 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180580, OIB 03676008968.

32. The Assets Subject to Transfer of **PLODOVI PODRAVINE d.o.o.**, with its registered seat in Ferdinandovac, Grgura Karlovčana 2/a, registered with the court register of the

Commercial court in Varaždin under registration number (MBS) 70094977, OIB 40177414551, are transferred to **AISLE 33 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180258, OIB 90342712060.

33. The Assets Subject to Transfer of **SK-735 d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80767636, OIB 81441487023, are transferred to **AISLE 34 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180346, OIB 63640469545.

34. The Assets Subject to Transfer of **TERRA ARGENTA d.o.o.**, with its registered seat in Vukovar, Sajmište 113/C, registered with the court register of the Commercial court in Osijek under registration number (MBS) 80765353, OIB 20453182684, are transferred to **AISLE 35 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180338, OIB 79471867747.

35. The Assets Subject to Transfer of **VELPRO - CENTAR d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 60334075, OIB 46660800468, are transferred to **AISLE 37 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180303, OIB 81169150175.

36. The Assets Subject to Transfer of **PHOTO BOUTIQUE d.o.o.**, with its registered seat in Zagreb, Heinzelova 60/1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80693667, OIB 73727912033, are transferred to **AISLE 38 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180188, OIB 65963665340.

37. The Assets Subject to Transfer of **Industrija mesa d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80939705, OIB 75501147946, are transferred to **AISLE 41 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180266, OIB 21972735700.

38. The Assets Subject to Transfer of **BIO-ZONE d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80976878, OIB 69838261198, are transferred to **AISLE 44 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180231, OIB 13031164281.

39. The Assets Subject to Transfer of **360 MARKETING d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80755954, OIB 76677251901, are transferred to **AISLE 45 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80,

registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180223, OIB 99721211145.

40. The Assets Subject to Transfer of **ADRIA RETAIL d.o.o.**, with its registered seat in Zagreb, Marijana Čavića 1/a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80913480, OIB 776795695, are transferred to **AISLE 46 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180207, OIB 75744460609.

41. The Assets Subject to Transfer of **AGROKOR - TRGOVINA d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80041079, OIB 40715974731, are transferred to **AISLE 47 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180170, OIB 99331593131.

42. The Assets Subject to Transfer of **ALIQUANTUM ULAGANJA d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80588075, OIB 25317715808, are transferred to **AISLE 48 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180354, OIB 29184277164.

43. The Assets Subject to Transfer of **BELJE ABC d.o.o.**, with its registered seat in Beli Manastir, Imre Nagya 1, registered with the court register of the Commercial court in Osijek under registration number (MBS) 30172805, OIB 00051870955, are transferred to **AISLE 49 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180362, OIB 72326318442.

44. The Assets Subject to Transfer of **Hotel Forum d.o.o.**, with its registered seat in Zagreb, Trg Dražena Petrovića 3, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80995887, OIB 62755106142, are transferred to **AISLE 50 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180153, OIB 04375050693.

45. The Assets Subject to Transfer of **SOJARA d.o.o.**, with its registered seat in Zadar, Ulica 84 Gardijske bojne HV Termiti 40, registered with the court register of the Commercial court in Zadar under registration number (MBS) 80013325, OIB 87720689078, are transferred to **AISLE 51 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180215, OIB 79415977336.

46. The Assets Subject to Transfer of **go.adriatica d.o.o.**, with its registered seat in Zagreb, Izidora Kršnjavog 1, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 30146289, OIB 75299430948, are transferred as to **AISLE 52 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180320, OIB 52230604264.

47. The Assets Subject to Transfer of **BACKSTAGE d.o.o.**, with its registered seat in Zagreb, Slavonska avenija 11a, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 80776653, OIB 84411860203, are transferred to **AISLE 53 d.o.o.** with its registered seat in Zagreb, Radnička cesta 80, registered with the court register of the Commercial court in Zagreb under registration number (MBS) 081180137, OIB 78012006441.

Under the Transfer Arrangements,

– no party provides any representations or warranties;

– the employees' employment contracts transfer with the transfer of the business units with the employees preserving all rights acquired until the day of transfer (for the avoidance of doubt, including, but not limited to, all rights with respect to severance payments accrued at Agrokor Group companies), in accordance to the mandatory Labor Law provisions, with the existing collective bargaining agreements remain in effect until new collective bargaining agreements are concluded but will extend for no more than one year from the day of transfer of business units;

– no pre-petition liability shall be transferred along as permitted pursuant to Art. 43 para. 5, item 1 EA Act;

– all other EA Entity's rights, not expressly stated in Annex 4 (*Claims*), are transferred to the New Group Company;

– only EA Entity's post-petition obligations incurred up to day of transfer and that will be specified as liabilities in the opening financial statements of New Group Company are transferred to the New Group Company; for the avoidance of doubt, all liabilities arising out of regular business operations shall be transferred to the New Group Company;

– business documentation, archives and personal data registers, whether in material or non-material form, are transferred along with other parts of a business unit, not excluding the right of the Debtor and Non-Viable EA Croatian Subsidiaries to access and use these data for the purposes of conducting proceedings which the Debtor and Non-Viable EA Croatian Subsidiaries continue pursuant to Cl. 29.1, 29.3 and 29.4 below; and

– New Group Company is the authorised holder of promissory notes (*zadužnica*) and other relevant deeds for collection of receivables it acquired with the transfer of Assets Subject to Transfer, which promissory notes and other relevant deeds are issued to the name of the Debtor or Non-Viable EA Croatian Subsidiary.

The Transfer Arrangements shall be implemented pursuant to Cl. 22.2 below on the Implementation Commencement Date.

22.1.2 Additional Provisions for the Transfer of Foreign Subsidiaries

As per Cl. 22.1.1 above, each EA Entity agrees with Aisle HoldCo that all shares, stocks and interests (including claims arising under any loans made by the Debtor or a Non-Viable EA Croatian Subsidiary) that such EA Entity holds in Foreign Subsidiaries (the "**Transferring Foreign Subsidiaries**"), if any, as provided by Annex 31 (*Transferring Foreign Subsidiaries*), which is not an exhaustive list and shall not operate to limit the transfer of shares directly held by any EA Entity, shall be transferred to Aisle HoldCo.

The EA Group and the New Group shall execute any and all documents and take any and all steps and shall procure that any and all actions are taken, which are required under any applicable laws to effectuate valid transfers of shares, stocks and interests in such Transferring Foreign Subsidiaries and the registration of such transfers. The documents to be executed might include, amongst others, powers of attorney, shareholder resolutions, commercial registry extracts, share transfer agreements, financial statements and any documents required to achieve competition clearance or for works council consultation, as well as translations thereof. The steps to be taken might include, amongst others, correspondence with the financial regulators in the jurisdictions where the Transferring Foreign Subsidiaries are registered, in order to get a better view on the necessity of cash consideration and mandatory takeover requirements and on exceptions thereof. Shares, stocks or interests which are directly or indirectly held by a Transferring Foreign Subsidiary will remain held by such Transferring Foreign Subsidiary.

The transfer of shares, stocks and interests, which EA Entities hold in Transferring Foreign Subsidiaries, will, as far as reasonably practical, follow a cost and time efficient manner in a way that maximises value for the New Group and at the same time provides for the highest degree of transaction security. This will include, amongst others, steps (the "**Preparatory Steps**") such as continuing the dialogue with the regulators in the relevant jurisdictions, the payment of cash consideration for the shares in Transferring Foreign Subsidiaries which are organised as stock corporations if required by local laws and the delisting and the conversion or change of corporate form of any Transferring Foreign Subsidiaries prior to the implementation of the transfers.

The transfer of shares, stocks and interests that EA Entities hold in Transferring Foreign Subsidiaries to Aisle HoldCo shall be subject to the occurrence of the Implementation Commencement Date and be implemented on or immediately after the Implementation Commencement Date where legally or practically possible. As set out in Cl. 10.1.2 above, the Implementation Commencement Date is subject to the satisfaction (or waiver) of the Condition Precedent. A draft form of transfer agreement is attached as Annex 32 (*Foreign Share Transfer STA*), which may be used (and notarised and translated, as necessary) in the event a transfer agreement is required to effect the transfer of Transferring Foreign Subsidiaries that are organised as limited liability companies or, to the extent applicable, non-public joint stock companies.

For the avoidance of doubt, and without limiting the generality of the foregoing, Agrokor d.d. shall, on the basis of this Settlement Plan; be obliged to transfer 261,987 ordinary shares (ISIN: RSDIJME46577, CFI: ESVUFR) it holds in Dijamant a.d. Zrenjanin, Temišvarski drum 14, 23101 Zrenjanin, Republic of Serbia, identification number 08000344, to Aisle HoldCo, which transfer shall be registered with the Central Securities Depositary and Clearing House in the Republic of Serbia.[2]

22.2 Transfer of Croatian Assets

In performance of obligations to transfer under Cl. 22.1 above, each EA Entity transfers by operation of law its Assets Subject to Transfer (including share in Viable EA Croatian Subsidiaries and Non-EA Croatian Subsidiaries) unless they are shares in Foreign Subsidiaries, comprising of rights and obligations specified in Annex 16 (non-exhaustively) (*Assets Subject*

[2] This clause explicitly mentions Dijamant a.d. Zrenjanin due to requirements of the Central Securities Depository and Clearing House in the Republic of Serbia.

to Transfers) to Aisle HoldCo or a New Croatian Subsidiary as applicable as set out in Annex 16 (*Assets Subject to Transfer*), which is not an exhaustive list and shall not operate to limit the transfer of assets by any EA Entity.

Any assets not specifically listed also transfer and the EA Entity is obligated to give any additional statements and consents or perform additional actions in order for the transfer to be performed. For the avoidance of doubt, this applies to all assets existing at the time of Submission Date, as well as at the time of the day of transfer of Assets Subject to Transfer and any time thereafter.

Due to the volume and number of individual assets, the Extraordinary Administrator is authorized to supplement and correct this list to the extent necessary to evidence and register the asset transfer.

Each EA Entity and New Group Company undertakes to do all actions and to support the completion of the transfers, including by giving all declarations needed to register the transfers.

Each EA Entity hereby authorizes the acquiring Aisle HoldCo or New Croatian Subsidiary to give all statements and declarations on its behalf.

The time of asset transfer, being the time of the Implementation Commencement Date, is considered to be the time of possession transfer to the transferee over all Assets Subject to Transfer.

The specific Assets Subject to Transfer which are subject to registration in public registers and before competent bodies, and specific statements of transfer required to effect the transfer, are contained in Annex 33 (*Statements of Transfer*). Any such perfection steps to effect the transfers will be taken by the relevant EA Entity and New Group Company on or as soon as reasonably possible following the date of transfer.

All New Group Companies hereby explicitly accept all transfers of Assets Subject to Transfer envisaged by this Settlement. In this regard, reference is made to the support and consent letters attached as Annex 22 (*Support and Consent Letters by New Group*).

22.3 Remaining Assets

It is anticipated that there will be certain Assets Subject to Transfer:

(i) that will not be capable of being transferred by the EA Group to the relevant New Group Company on or immediately following the Implementation Commencement Date;

(ii) where transfer immediately following the Implementation Commencement Date would result in substantial decrease of value of a particular Asset Subject to Transfer or would result in unreasonable financial or legal obligations for the New Group, or

(iii) that will not transfer by operation of law under the Settlement Plan due to the law governing that particular Asset Subject to Transfer

(the "**Remaining Assets**"). The Extraordinary Administrator and his advisors continue to work to identify the Remaining Assets and a list of the Remaining Assets will have been prepared by the Implementation Commencement Date. From the implementation Commencement Date,

the New Group Companies shall have the position of creditors with segregation right with respect to the Remaining Assets. It is acknowledged and agreed that the shares of the Company in the Slovenian joint stock company Poslovni sistem Mercator d.d. (registration number 5300231000) will not transfer on the Implementation Commencement Date to the New Group but at a later point in time (the "**Mercator Share Transfer Date**"). The Mercator Share Transfer Date will be determined by the Extraordinary Administrator with the agreement of Aisle HoldCo.

The Debtor and each Non-Viable EA Croatian Subsidiary that owns a Remaining Asset will manage the Remaining Assets in accordance with Cl. 29.1 below. The Extraordinary Administrator, the Debtor and each such Non-Viable EA Croatian Subsidiary acknowledges and agrees that the intention under the Settlement Plan is for the Remaining Assets (or the value thereof) to transfer to the New Group and will take all steps reasonably necessary to ensure such transfer takes place as soon as reasonably and commercially practicable following the Implementation Commencement Date.

The Extraordinary Administrator with the agreement of Aisle HoldCo shall be authorised to structure the transfer of the Remaining Assets to the New Group (including any of the Preparatory Steps) in a way that is reasonably suitable to achieve the Settlement Plan goal of transferring the Remaining Assets to the New Group, and may evaluate and pursue alternative options in order to realise the value of the Remaining Assets for the New Group to the extent those options are legally and commercially viable, including, amongst others, the wind-down or liquidation or the sale to a third party of the Remaining Assets. For that purpose, the Extraordinary Administrator and Aisle HoldCo can jointly relieve the Debtor and each Non-Viable EA Croatian Subsidiary from their obligation to transfer individual Remaining Assets to the New Group. Following the Implementation Commencement Date, Aisle HoldCo may instruct the Extraordinary Administrator to terminate or settle any litigation proceedings relating to claw-back actions at any time.

The EA Group and the New Group shall execute any and all documents and take any and all steps and shall procure that any and all actions are taken, which are required under any applicable laws, to effectuate valid transfers of the Remaining Assets and to effectuate any Preparatory Steps.

Any value relating to the Remaining Assets and any deferred transfers or alternative arrangements in connection with the Remaining Assets shall be attributed commercially as if the Remaining Assets were transferred to the New Group on the Implementation Commencement Date. To effect this proposal:

(i) to the extent commercially reasonable the Extraordinary Administrator, the Non-Viable EA Croatian Subsidiary and Aisle Dutch TopCo will seek to effect first ranking security interest or, if not available, security interests in the next available rank in favour of Aisle Dutch TopCo (or another New Group Company) over all Remaining Assets to secure the Residual Claims and any funding provided to the Debtor and each Non-Viable EA Croatian Subsidiary by Aisle Dutch TopCo or another New Group Company; and

(ii) any value, income or revenues realised in connection with the Remaining Assets will be applied in repayment of the Residual Claims and any funding provided to the Debtor and each Non-Viable EA Croatian Subsidiary by Aisle Dutch TopCo or another New Group Company.

23 SETTLEMENT RECOVERY BY WAY OF AMENDMENT OF TERMS OF CLAIMS AND PAYMENT OF MINOR IMPAIRED CLAIMS

For the avoidance of doubt,

– any payments contemplated under or in connection with Cl. 23.1 to 23.4 below shall only be made to creditors of Determined Claims, while the manner of payment relating to Challenged Claims is provided in Cl. 23.5 below;

– the Settlement Recovery on the basis of this Cl. 23, with the exception of Cl. 23.4 below (Minor Impaired Claims Payable in Cash), means the effectiveness (entry into force) of the below amendments to claims' terms, while the actual performance of monetary obligations pursuant to the below amendments to terms is outside the scope of the Settlement Plan, and

– each Creditor of claims from this Cl. 23 hereby agrees to the below amendments to claims' terms.

23.1 Unimpaired Claims against Viable EA Croatian Subsidiaries

On the Implementation Commencement Date, the Creditor of each Unimpaired Claim against a Viable EA Croatian Subsidiary is settled by way of the Viable EA Croatian Subsidiary continuing to owe the relevant Unimpaired Claim under the following terms:

(i) in case the final maturity of the Unimpaired Claim under original contractual terms does not fall within 12 months after the Settlement Confirmation Date - with their original contractual terms as if no statutory acceleration had occurred (*i.e.* immediately prior to the opening of the EA Proceedings; excluding interest accrued during the EA Proceedings and other contractual rights and obligations incurred due to or in connection to the effects of opening of EA Proceedings), except that individual portions of that claims that would become due under the original contractual terms (during the EA Proceedings up to the Implementation Commencement Date) shall become due after expiry of the here stated 12 months grace period which starts from the Implementation Commencement Date;

(ii) in case the final maturity of the Unimpaired Claim under original contractual terms falls within 12 months after the Settlement Confirmation Date, the claim in question will be settled under the following amended terms, as a restructured claim, whereas the total amount of the determined Unimpaired Claim is considered as principal amount for the purpose of repayment:

a) no restructured claim, or any of its part, shall become due until the later of one year of the Implementation Commencement Date and the original contractual maturity date (grace period);

b) the principal amount of the restructured claim shall be repaid quarterly over a one-year term, which starts after expiration of the grace period, in equal instalments, with the first payment falling due on the first working day after expiration of the grace period, and the last one year after the maturity of the first instalment;

c) contractual interest at 5% p.a., calculated on the outstanding amount of the restructured claim, will be paid quarterly with the same maturity dates as the

above principal payment, whereby it also accrues during the grace period starting from the Implementation Commencement Date; and

d) default interest, at the above contractual interest rate increased by 2% two percentage points p.a., will accrue on any outstanding amounts of the restructured claim from maturity until payment.

Any SSR securing Unimpaired Claims in this Cl. 23.1 the Settlement Recovery overview provided in Cl. 16.3 above and in Annex 4 (*Claims*) in connection with Annex 34 (*Table of SSRs*) shall survive in their current form and, where applicable, shall remain unchanged as registered in the public registries, and shall secure Unimpaired Claims of creditors under the terms set out above regardless of whether the security debtor is a Viable EA Croatian Subsidiary or a Non-Viable EA Croatian Subsidiary.

23.2 Separate Satisfaction Rights with Respect to Non-Viable Croatian EA Subsidiaries

23.2.1 Secured Claims (with an SSR) against Non-Viable EA Croatian Subsidiaries being Both the Personal Debtor and the Sole or the Main Security Debtor

For the purposes of this Cl. 23.2 and 23.2.2 below,

– "**Sole Security Debtor**" shall mean the Non-Viable EA Croatian Subsidiary which is the owner of the only object (collateral) of the relevant SSR, as set out in the Settlement Recovery overview provided in Cl. 16.3 and in Annex 4 (*Claims*) in connection with Annex 30 (*Table of SSRs*) Annex 34 (*Table of SSRs*); and

– "**Main Security Debtor**" shall mean one of several Non-Viable EA Croatian Subsidiaries (where multiple EA Entities granted SSRs) which is the owner of an object (collateral) of the SSR which has an appraised value of more than half of the total value of objects of SSR granted by all relevant EA Entities for the securing of the relevant Claim, or is the owner of an object of SSR with an appraised value that exceeds the amount of the relevant Claim it secures, as set out in the Settlement Recovery overview provided in Cl. 16.3 and in Annex 4 (*Claims*) in connection with Annex 34 (*Table of SSRs*)].

On the Implementation Commencement Date, Creditors' claims secured with SSRs against a Non-Viable EA Croatian Subsidiary which is both the personal and

– the Sole Security Debtor, or

– the Main Security Debtor,

shall hereby receive Settlement Recovery by way of the New Group Company assuming debt (obligation) under the following terms.

The above-mentioned Creditors have a monetary claim in an amount equal to the appraised value of all objects of the SSR, up to the amount of the Determined claim, against the New Group Company which is receiving the object of the SSR from the Sole or the Main Security Debtor pursuant to Cl. 22 above.

The above-restructured claim will be amended and settled by payment in cash by the corresponding New Group Company on the following terms:

(i) no restructured claim, or any of its part, shall become due until the later of two years of the Implementation Commencement Date and the original contractual maturity date (grace period);

(ii) the principal amount of the restructured claim shall be repaid within an eight-year term, which starts after expiration of the grace period, in equal instalments which fall due quarterly, with the first payment falling due on the first working day after expiration of the grace period, and the last one, eight years after the maturity of the first instalment;

(iii) contractual interest at 3% p.a., calculated on the outstanding amount of the restructured claim, will be paid quarterly with the same maturity dates as the above principal payment, whereby it also accrues during the grace period starting from the Implementation Commencement Date; and

(iv) default interest, at the above contractual interest rate increased by 2% two percentage points p.a., will accrue on any outstanding amounts of the restructured claim from maturity until payment.

Any amount of the Secured Claim that exceeds the appraised value of all objects of the SSR, in case where applicable, shall be treated as an Impaired Claim pursuant to Cl. 19 above as set out in columns V to Y of Annex 4 (*Claims*).

All SSRs securing claims from this Cl. 23.2 shall survive in their current form and, where applicable, shall remain unchanged as registered in the public registries, and shall secure restructured claims of creditors, as set out under this Cl. 23.2.

Claims secured by SSRs of lower priority ranking which could not, or not even partially, be settled as the value of the SSR object is not sufficient to even fully settle Secured Claims with SSRs of a higher priority ranking, shall be settled as Unsecured Claims. Such SSRs cease and any such registration of such SSRs in public registers and before competent authorities shall be deleted based on this Settlement Plan, and the secured debtor is authorised to request their deletion from the public registers and before competent authorities based on this Settlement Plan, without any need for further approval or action of the Secured Creditor. The Secured Creditor is obliged to issue any and all additional deeds and to perform any other actions required to effect the here stated SSR deletion.

Claims from the preceding paragraph are determined under the title “Claims with Nil SSR Recovery” in Annex 34 (*Table of SSRs*).

23.2.2 Secured Claims (with an SSR) against Non-Viable EA Croatian Subsidiaries with Different Personal Debtor and Sole or Main Security Debtor

On the Implementation Commencement Date, Creditors' claims secured with SSRs against Non-Viable EA Croatian Subsidiaries in the Settlement Recovery overview provided in Cl. 16.3 and in Annex 4 (*Claims*) in connection with Annex 34 (*Table of SSRs*) where the personal debtor is not the Sole or the Main Security Debtor, hereby receive Settlement Recovery by way of Aisle HoldCo assuming debt (obligation), but under the following terms.

The above-mentioned Creditors have a monetary claim in an amount equal to the appraised value of all objects of the SSR, up to the amount of the claim, against Aisle HoldCo, as a restructured claim.

The above-restructured claim will be amended and settled by payment in cash by the corresponding New Group Company on the following terms:

(i) no restructured claim, or any of its part, shall become due until the later of two years of the Implementation Commencement Date and the original contractual maturity date (grace period),

(ii) the principal amount of the restructured claim shall be repaid within an eight-year term, which starts after expiration of the grace period, in equal instalments which fall due quarterly, with the first payment falling due on the first working day after expiration of the grace period, and the last one, eight year after the maturity of the first instalment,

(iii) contractual interest at 3% p.a., calculated on the outstanding amount of the restructured claim, will be paid quarterly with the same maturity dates as the above principal payment, whereby it also accrues during the grace period starting from the Implementation Commencement Date; and

(iv) default interest, at the above contractual interest rate increased by 2% two percentage points p.a., will accrue on any outstanding amounts of the restructured claim from maturity until payment.

Any amount of the Secured Claim that exceeds the appraised value of all objects of the SSR, in case where applicable, shall be treated as an Impaired Claim pursuant to Cl. 19 above as set out in column V to Y of Annex 4 (*Claims*).

All SSRs securing claims from this Cl. 23.2.2 shall survive in their current form and, where applicable, shall remain unchanged as registered in the public registries, and shall secure restructured claims of creditors, as set out under this Cl. 23.2.2.

Claims secured by SSRs of lower priority ranking which could not, or not even partially, be settled as the value of the SSR object is not sufficient to even fully settle Secured Claims with SSRs of a higher priority ranking, shall be settled as Unsecured Claims and such SSRs cease and any registration of such SSRs in public registers and before competent authorities shall be deleted based on this Settlement Plan, and the secured debtor is authorised to request their deletion from the public registers and before competent authorities based on this Settlement Plan, without any need for further approval or action of the Secured Creditor. The Secured Creditor is obliged to issue any and all additional deeds and to perform any other actions required to effect the here stated SSR deletion.

Claims from the preceding paragraph are determined under the title “Claims with Nil SSR Recovery” in Annex 34 (*Table of SSRs*).

23.2.3 SSR where the Main Debtor is a Non-EA Entity

SSRs securing claims against non-EA entities on assets of EA Entities shall remain unchanged as registered in public registries or shall survive in their current form.

23.2.4 SSR Subject to Avoidance Actions (*claw back*)

SSR creditors whose SSR is subject to avoidance actions (commenced or to be commenced) are referred to in Annex 8 (*Claw Back Actions*).

If an SSR is subject to pending avoidance actions (*pobijanje pravnih radnji*),

– any payments to the Creditor, under obligations set in Cl. 23.1 to 23.2, shall be court escrowed pursuant to Croatian law until the avoidance action is resolved by a final and unappealable court resolution or a deed with the same effect, and

– the relevant New Instruments shall be subject to Cl. 19.3 above.

If the finally resolved avoidance action determined the validity of the SSR, the escrowed amounts shall be paid to the respective Creditor and the New Instruments shall be treated as under Cl. 19.8 above.

If the finally resolved avoidance action determines the SSR invalid, all escrowed amounts shall be released to the payor of the payments and the New Instruments shall be treated as under Cl. 19.8 above.

If, concurrently with or independently of the final determination on invalidity of the SSR, it is also finally determined that the claim secured by that SSR does not exist, the New Instruments shall be treated as under Cl. 19.9 above.

The above provision will not apply to the following SSR creditors.

(i) FRANCK d.d., Zagreb, Vodovodna 20, OIB: 07676693758,

(ii) Saponia d.d., Osijek, Matije Gupca 2, OIB: 37879152548, and

(iii) SOKOL MARIĆ d.o.o., Zagreb, Ulica Vjekoslava Klaića 64, OIB: 11543074213.

Each of them shall renounce its right to separate satisfaction on the basis of the SSR securing the claim of such Creditor and shall receive a recovery entitlement by receiving New Instruments. For the purposes of calculating the New Instruments entitlement, the respective claim shall be divided into two parts, where the first part of the claim relates to its amount up to the appraised value of the object of the SSR and the other part relates to the claim amount exceeding the appraised value of the object of the SSR. The Settlement Recovery shall be calculated as a sum of the amounts calculated as follows:

(i) the claim amount up to the appraised value of the object of the SSR which is pursuant to the provisions of this Cl. 23 not subject to the Entity Priority Concept, but receives the New Instrument entitlement in an amount equivalent to the face amount of the claims;

(ii) the claim amount exceeding the appraised value of the object of the SSR is subject to the Entity Priority Concept (Settlement Recovery under the model for Impaired Claims),

which Settlement Recovery amount, for each of the above stated SSR creditors, is determined in column Y to Z in Annex 4 (*Claims*)].

Entries of the subject SSRs, specifically:

(i) SSR held by **FRANCK d.d**., Zagreb, Vodovodna 20, PIN (OIB): 07676693758, which right is a pledge established over the shares owned by JAMNICA d.d., Getaldićeva 3, PIN (OIB): 05050436541 in the company Roto Dinamic d.o.o., Zagreb, Samoborska Cesta 102, PIN (OIB): 24723122482, namely on share in nominal amount of HRK 2,800,000.00, registered under ordinal number 5, on share in nominal amount of HRK 2,800,000.00, registered under ordinal number 6, on share in nominal amount of HRK 2,800,000.00, registered under ordinal number 7, on the basis of Pledge Agreement regarding shares of 20 February 2017, solemnized by the Notary Public Katica Valić, Trg N.Š. Zrinskog 17, Zagreb, docket number: OV-1613/17, entered in Registry of Judicial and Notary Securities before FINA, on the basis of the FINAs decision docket number 767-301/17 of 27 February 2017,

(ii) SSR held by **SAPONIA d.d**., Osijek, Matije Gupca 2, PIN (OIB): 37879152548, which is a pledge on real estates, established on the basis of the Mortgage Agreement regarding real estates of 16 March 2017, solemnized on the same day by the Notary Public Katica Valić, Trg N.Š. Zrinskog 17, Zagreb, docket number: OV-2414/17, over the following real estates (*certain details left out, as unnecessary for convenience translation*):

- cadastral plot number 4712/1, registered in the Land Registry of the Municipal Civil Court in Zagreb, in Land Registry folio no. 25814 c.m. Trnje, ideal part: 1096/100000, for the securing of claim in the amount of HRK 12,400,000.00 under no. Z-14694/2017,

- cadastral plot number 1865/1, registered in the Land Registry of the Municipal Court in Novi Zagreb, Land Registry folio no. 6153, c.m. Samobor, for the securing of claim in the amount of HRK 121,400,000.00 under no. Z-7802/2017,

- cadastral plot number 2400/1, cadastral plot number 2400/2, cadastral plot number 2402 all registered in the Land Registry of the Municipal Court in Split, Land Registry folio no. 5700, c.m. Stari Grad, for the securing of claim in the amount of HRK 121,400,000.00 under no. Z-10488/2017,

- cadastral plot number 2399/2, registered in the Land Registry of the Municipal Court in Split, Land Registry folio no. 2709, c.m. Stari Grad, for the securing of claim in the amount of HRK 121,400,000.00 under no. Z-10488/2017,

- cadastral plot number 2399/1, registered in the Land Registry of the Municipal Court in Split, Land Registry folio no. 5872, c.m. Stari Grad, for the securing of claim in the amount of HRK 121,400,000.00 under no. Z-10488/2017,

- cadastral plot number 2399/8, cadastral plot number 2399/15, all registered in the Land Registry of the Municipal Court in Split, in the Land Registry folio no. 5873, c.m. Stari Grad, ideal part: 1122/3016, for the securing of claim in the amount of HRK 121,400,000.00 under no. Z-10488/2017,

(iii) SSR held by SOKOL MARIĆ d.o.o., Zagreb, Ulica Vjekoslava Klaića 64, PIN (OIB): 11543074213, which is a pledge over real estates, established on the basis of the Mortgage Agreement regarding real estates of 20 March 2017, solemnized on 21 March 2017 by the Notary Public Katica Valić, Trg N.Š. Zrinskog 17, Zagreb, docket number: OV-2545/17, on the following real estates (*certain details left out, as unnecessary for convenience translation*):

- ideal part of real estate under subfolder. no. 57205, in the Land Registry folio no. 14296 c.m. Grad Zagreb, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- ideal part of real estate under subfolder. no. 54847 c.m. Trnje, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- ideal part of real estate under subfolder. no. 54073, in the Land Registry folio no. 4214 c.m. Grad Zagreb for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- ideal part of real estate cadastral plot no. 306/1, c.m. Grad Zagreb for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- cadastral plot no. 1085/40, in the Land Registry folio no. 18096 c.m. Grad Zagreb, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- cadastral plot no. 1238/2 in the Land Registry folio no. 1029 c.m. Zaprudski otok, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-8754/2017,

- cadastral plot no. 37/5 for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- cadastral plot no. 1580/7 in the Land Registry folio no. 8287 c.m. Gornje Vrapče, for the securing of claim in the amount of HRK144,000,000.00 under no. Z-15028/2017,

- cadastral plot no. 3193/62 cadastral plot no.3193/98 in the Land Registry folio no. 3645 c.m. Markuševec, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- cadastral plot no. 1348/81 in the Land Registry folio no. 10884, c.m. Vrapče, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- 54/100 part of cadastral plot no. 8153/1 in the Land Registry folio no. 100006 c.m. Grad Zagreb, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-15028/2017,

- Ideal part of grč. 676 in the Land Registry folio no. 1135 c.m. Lovran, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 720/1 the Land Registry folio no. 42 k.o. Pobri, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 1608/1 in the Land Registry folio no. 658 c.m. Poljane, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 855/1, in the Land Registry folio no. 1281 c.m. Ika-Oprić, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 7212/1 in the Land Registry folio no.1798 c.m. Kastav, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-13900/2017,

- cadastral plot no. 1595/1 in the Land Registry folio no. 25, c.m. Rukavac Gornji, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 7203/1 in the Land Registry folio no.1422 c.m. Tuliševica, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 325/5 in the Land Registry folio no. 1981 c.m. Lovran, for the securing of claim in the amount of 144,000,000.00 kn under no. Z-12218/2017,

- cadastral plot no. 618 in the Land Registry folio no. 1040 c.m. Volosko, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 3566/13 in the Land Registry folio no. 1465 c.m. Draga, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 3566/19 in the Land Registry folio no. 1278 c.m. Draga for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

- cadastral plot no. 3566/20 in the Land Registry folio no. 75 k.o. Draga, for the securing of claim in the amount of HRK 144,000,000.00 under no. Z-12218/2017,

shall be deleted in public registries and before competent bodies on the basis of this Settlement Plan and the security debtor is authorized to request their deletion in public registries and before competent bodies without the need for further consents or actions by the security debtor.

23.3 Mutual Claims of EA Entities

Claims of EA Entities towards other EA Entities, listed in Annex 4 (*Claims*), are not subject to Claims Assignment to Aisle Dutch TopCo or Cash-out Payment and instead are settled by effectiveness (entry into force) of the amended terms of claims on the Implementation Commencement Date pursuant to this Cl. 23.3 ("**Mutual Claim**").

If an EA Entity has a Mutual Claim against a Non-Viable EA Croatian Subsidiary, Aisle HoldCo shall assume the debt under that claim. Aisle HoldCo, as the entity assuming the debt, shall be obligated to settle the Mutual Claim held by an EA Entity against a Non-Viable EA Croatian Subsidiary pursuant to its Settlement Recovery. The settlement shall be performed by payment under the terms as set out for restructured claims under Cl. 23.2.1 above, with the exception that the interest rate shall be at 4.97 % p.a. instead of the 3% p.a. The New Group Company which acquired the relevant Non-Viable EA Croatian Subsidiary's assets (the debtor of the Mutual Claim) shall not have an obligation nor a liability in the connection with the above settlement.

If an EA Entity has a Mutual Claim against a Viable EA Croatian Subsidiary, that Viable EA Croatian Subsidiary shall remain obligated with respect that claim. The Viable EA Croatian Subsidiary shall be obligated to settle that claim by payment pursuant to its Settlement Recovery under the terms as set out for restructured claims under Cl. 23.2 above with the exception that the interest rate shall be at 4.97 % p.a. instead of the 3% p.a.

The Settlement stated in the previous two paragraphs applies regardless of whether the Creditor is:

– a Viable EA Croatian Subsidiary, in which case the Creditor remains the same; or

– another Non-Viable EA Croatian Subsidiary, in which case the Creditor is the relevant New Group Company which acquired the Assets Subject to Transfer (which claim is a part of those assets) of that Non-Viable EA Croatian Subsidiary.

Aisle HoldCo and the New Group Company, as well as New Group Companies amongst themselves, are authorized to perform set-offs by way of unilateral statements of set-off immediately upon the occurrence of the mutuality requirement (acquisition of mutual claims), regardless of their maturity.

All SSRs securing the claims under this Cl. 23.3 shall remain unchanged as registered in the public registries or shall survive in their current form, and shall secure claims of creditors as set out in this Cl. 23.3.

23.4 Minor Impaired Claims Below HRK 40,000 Payable in Cash

Minor Impaired Claims shall be settled by Cash-out Payments.

Agrokor Group entities which are original debtors of Minor Impaired Claims shall provide for funds required for their Cash-out Payment and such funds shall be excluded from the transfer of Assets Subject to Transfer. The payment shall be made in EUR within 30 (thirty) days of the Implementation Commencement Date, provided that the Creditor of a Minor Impaired Claim has delivered by the Implementation Commencement Date to the debtor proper and complete information on the creditor and the creditor's account (SWIFT and IBAN) to which payment shall be performed. Default interest at the rate of 2% p.a. shall accrue on due and

payable, but outstanding amounts. If a Creditor does not deliver said information by the Implementation Commencement Date, the debtor shall have no obligation to make payment until the obligation to deliver information has been duly fulfilled and no default interest shall accrue on the amount of Settlement Recovery until that time.

For the avoidance of doubt,

– Minor Impaired Claims under this Cl. 23.3 shall not be assigned to Aisle Dutch TopCo,

– the difference between the registered amount of the Minor Impaired Claim and the Settlement Recovery amount so paid in cash will be written off in full at the Implementation Commencement Date as provided for in Cl. 16.1.2 above. By virtue of this Settlement Plan, each Creditor of Minor Impaired Claims releases the debt of the debtor(s) equal to the difference of the between the registered amount of the Minor Impaired Claim and the Settlement Recovery amount, and the debtor(s) accept such debt release.

Creditors, the Debtor, Aisle STAK and Aisle Dutch TopCo acknowledge that New Instruments shall be issued, under applicable law, in Strips of New Instruments containing one Depositary Receipt and four Bond Interests, in a total nominal value of EUR 5.00 (five euros).

Given the administrative and regulatory cost of issuance of New Instruments, it is acknowledged that for certain smaller amounts of Settlement Recovery of Impaired Claims, the costs incurred by Aisle STAK, Aisle Dutch TopCo, the Debtor and creditors of said claims for the issuance of New Instruments would exceed the value of Settlement Recovery allocated to creditors of said claims. In order to ensure that such creditors receive adequate economic benefit from the Settlement Recovery allocated to their Impaired Claims (whilst not incurring the abovementioned disproportionate costs), the Creditors, the Debtor, Aisle STAK, Aisle Dutch TopCo and Aisle HoldCo acknowledge that said claims shall be settled by a single Cash-out Payment performed by the Debtor.

Said Impaired Claims whose settlement under the Entity Priority Concept calculation amounts to lower than HRK 40,000 under the exchange rate HRK 7.480959 per EUR as of 9th April 2017 based on the Croatian National Bank (CNB) selling rate shall be settled by a single Cash-out Payment by the relevant EA Entity that is the original debtor of such claim, pursuant to the table in Annex 4 (*Claims*) and in accordance with the payment mechanics set out above.

23.5 Treatment of Payments on Challenged Claims

If claims under this Cl. 23 are Challenged Claims, any payments due on or after the Implementation Commencement Date to a creditor shall be held in court escrow pursuant to Croatian law until the final resolution of the proceedings for determination of those claims.

If and to the extent it is determined by a final, unappealable court resolution or a deed with the same effect that:

– the Challenged Claim exists, all amounts held in escrow shall be paid out to the relevant Creditor, or

– the Challenged Claim does not exist, all amounts held in escrow shall be returned to the payer (debtor) of such payments.

For the avoidance of doubt, if claims referred to in this Cl. 23 are Challenged Claims, and that claim is determined, on the basis of a final, unappealable court resolution or a deed with the same effect, to not exist in whole or in part before or following the Implementation Commencement Date, then that Challenged Claim (or part thereof) that has been so determined to not exist will not be entitled to any Settlement Recovery (including under this Cl. 23).

24 CONTINGENT CLAIMS (CLAIMS UNDER SUSPENSIVE CONDITION)

Claims listed in Annex 35 (*Contingent Claims*) ("**Contingent Claims**"), whose main debtor is an entity outside of EA Proceedings, are claims under suspensive condition (contingent claims) against EA Entities. Until the suspensive condition occurs due to which the relevant claim should be settled by the relevant EA Entity, such claim will not be settled.

Following the Implementation Commencement Date and if and to the extent the suspensive condition occurs, the above-mentioned claims shall be settled as follows:

- if the debtor of the claim is a Non-Viable EA Croatian Subsidiary, the respective Contingent Claim shall be settled up to the Settlement Recovery amount by way of issuance of New Instruments under application of Cl. 18 and 19 above, while retaining the right of recourse against the main debtor pursuant to the agreed contractual terms;

- if the debtor of the claim is a Viable EA Croatian Subsidiary, the obligation up to its Settlement Recovery amount shall remain with that Viable EA Croatian Subsidiary, which shall settle that amount under the terms of the restructured claims set in Cl. 23.2 above, while retaining the right of recourse against the main debtor pursuant to the agreed contractual terms.

The above term "up to its Settlement Recovery" means that the determined Settlement Recovery shall be calculated by the Entity Priority Concept on the day of the occurrence of the suspensive condition by subjecting the claim to the calculation in its amount as of that day in the calculation, but no more than the amount of the claim as determined in Annex 4 (*Claims*).

25 MERCATOR SHARES SWAP

No rights will arise under this Cl. 25 unless and until Sberbank of Russia vote in favour of the Settlement Plan at the Hearing.

It is acknowledged and confirmed under this Settlement Plan that Aisle Dutch TopCo shall grant free of any option premium or other consideration a put option (the "**Sberbank Put Option**") to Sberbank of Russia. The Sberbank Put Option gives Sberbank of Russia the right (but not the obligation) to contribute to Aisle Dutch TopCo and to require Aisle Dutch TopCo to accept up to 1,128,803 ordinary shares with the security code MELR, ISIN SI0031100082 (each of them a "**Sberbank Mercator Share**") constituting as at the date hereof up to roughly 18.5% of shares in Poslovni Sistem Mercator d.d. ("**Mercator**"), a joint stock corporation under Slovenian law having its registered seat in Ljubljana and its business address at Dunajska cesta 107, 1000 Ljubljana, Slovenia and being registered with the Slovenian commercial register under registration number 5300231000, with all rights and obligations pertaining thereto, including all rights to undistributed profits against transfer of the Consideration (as defined below) whereas such Sberbank Mercator Shares are currently fiduciary held by Clearstream Banking SA ("**Clearstream**") on behalf of Sberbank of Russia. The Sberbank Put Option can only be exercised once and at that time either for the full number or for a part of

the Sberbank Mercator Shares (the Sberbank Mercator Shares, for which the Sberbank Put Option is exercised, together the "**Sold Shares**").

The Sberbank Put Option can only be exercised after the Finality of the Court Order.

Once these conditions precedents have been satisfied, the Sberbank Put Option can be exercised only until and will expire ("**Put Option Exercise Period**") with the earlier of (i) the transfer of the 4,237,376 shares, which the Debtor holds in Mercator, constituting roughly 69.6% of shares in Mercator, to Aisle HoldCo, (the "**First Termination Event**"), and (ii) the date following six months after the Implementation Commencement Date (the "**Second Termination Event**"). Without prejudice to the Put Option Exercise Period, Aisle Dutch TopCo will use reasonable endeavours to notify Sberbank of Russia of the expected occurrence of the First Termination Event at least 30 (thirty) calendar days prior to the expected occurrence of such event. Such notice period shall commence on the date notice is given by email and sent to the following recipients: A_legal@sberbank.ru; Sergei.Volk@sberbank.ru; and EVKorolkova@sberbank.ru.

If Aisle Dutch TopCo fails to give notice of the First Termination Event in time, the Put Option Exercise Period will continue for a period equal to the number of days by which such notification was delayed, up to a maximum of 30 (thirty) calendar days. The Put Option Exercise Period will end on the Second Termination Event at the latest.

The consideration ("**Consideration**") will be in form of Strips of New Instruments with a nominal value EUR 5 each. The number of Strip of New Instruments issued to Sberbank of Russia will be determined by dividing the Sold Shares Equity Value (as defined below) by EUR 5. Aisle Dutch TopCo and Sberbank of Russia are of the opinion that the Sold Shares and the Consideration are of equivalent value.

For purposes of calculating the Consideration, the following definitions shall be applied:

- **"Sold Shares Equity Value"**: Share Equity Value multiplied with the Sold Shares. The Sold Shares Equity Value will be rounded up to the higher integral number which can be divided by 5.

- **"Share Equity Value"**: The Mercator Equity Value divided by 6,090,943, which is the total number of shares issued by Mercator.

- "**Mercator Equity Value**": EUR 219,444,258.

Aisle Dutch TopCo agrees to issue to Sberbank of Russia the respective number of Bond Interests. Aisle Dutch TopCo agrees to issue the respective number of shares to Aisle STAK and Aisle STAK agrees to issue a corresponding number of Depositary Receipts to Sberbank of Russia, subject to Cl. 19.3 above, if issuance occurs on the Implementation Commencement Date, and to compliance by Sberbank of Russia with the requirements of the Transfer Regulations, if issuance occurs after the Implementation Commencement Date.

Examples: if Sberbank of Russia exercises the Sberbank Put Option for all 1,128,803 Sberbank Mercator Shares, the Sold Shares Equity Value would amount to EUR 40,668,475 and Sberbank of Russia would therefore receive 8,133,695 Strips of New Instruments, i.e. 32,534,780 Bond Interests in a nominal amount of EUR 1 each and 8,133,695 Depositary Receipts. If Sberbank of Russia exercises the Sberbank Put Option for 500,000 Sberbank

Mercator Shares, the Sold Shares Equity Value would amount to EUR 18,013,985 and Sberbank of Russia would therefore receive 3,602,797 Strips of New Instruments, i.e. 14,411,188 Bond Interests in a nominal amount of EUR 1 each and 3,602,797 Depositary Receipts.

The Consideration is fixed and not subject to any mark-to-market adjustments. For the avoidance of doubt, the issue of Depositary Receipts and Bond Interests or any other step taken to fulfil obligations of the New Group under the Sberbank Put Option shall not be subject to DR Holder Reserved Matters and/or OpCo Reserved Matters.

If Sberbank of Russia decides to exercise the Sberbank Put Option, it shall exercise the Sberbank Put Option by written notice to both Aisle STAK and Aisle Dutch TopCo in accordance with Cl. 29.14 below. The transaction shall be implemented within a period of ten (10) business days following such notice (or to the extent necessary, following anti-trust and other regularly approvals). If Sberbank of Russia exercises the Sberbank Put Option more than (10) business days before the Implementation Commencement Date, it will contribute the Sold Shares and receive the Consideration on the Implementation Commencement Date only, subject to and in accordance with the issuance procedure specified in Cl. 19.3 above. Aisle Dutch TopCo and Sberbank of Russia undertake to give all necessary instructions to and/or via their respective security agents (incl. Clearstream) to and to take all necessary steps to effect the transfer through the clearing system operated by the Slovenian Central Securities Clearing Corporation (KDD – Centralna Klirinško Depotna Družba d.d.) and shall otherwise take all actions necessary to implement the transfer as promptly as practicable, and not take any action intended or having the effect of frustrating, impeding or delaying the transfer, including the use of reasonable endeavours to obtain regulatory clearance or assist Sberbank of Russia to obtain such approvals.

By exercising the Sberbank Put Option, Sberbank of Russia implicitly guarantees to Aisle Dutch TopCo that the Sold Shares are transferred free of any encumbrances and rights of third parties. By transferring the Consideration, Aisle STAK and Aisle Dutch TopCo implicitly guarantee that the respective Strips of New Instruments are issued free of any encumbrances and rights of third parties. The provisions of Cl. 19.3 above shall apply *mutatis mutandis*.

Aisle STAK and the other New Group Companies shall procure that the Sold Shares will be contributed to the capital reserves of Aisle HoldCo after consummation of the Sberbank Put Option, including, amongst others, the opening of securities accounts to contribute the Sold Shares to Aisle HoldCo. To the extent practical and only upon the joint approval of Aisle Dutch HoldCo and Aisle STAK such increase of the capital reserves might be effected by a direct transfer of the Sold Shares from Sberbank of Russia to Aisle HoldCo.

26 REFINANCING OF THE SPFA / ISSUANCE OF EXIT FACILITY

The Creditors acknowledge that the terms of the Extended SPFA (as set out in Annex 17 (*Terms of Extended SPFA*)) are to be implemented by the Agrokor Group and the New Group, and that as part of that the lenders under the Extended SPFA require security and guarantees from the New Group. Each New Group Company shall be authorised and instructed by the Creditors including in their capacity as New Instrument Beneficiaries to perform all actions to complete and give effect to the steps required to implement the terms of the Extended SPFA. It is anticipated that the Debtor will propose a scheme of arrangement under English law with a view to novating the SPFA to the New Group.

If the Exit Facility is to be put in place and funded prior to the Implementation Commencement Date, the terms of that Exit Facility must receive the prior approval of the Creditors' Council.

27 RESOLUTIONS AND CONSENT

27.1 Corporate Law Resolutions

This Settlement Plan replaces all required corporate law resolutions in accordance with the provision of Art. 43 para. 19 EA Act.

27.2 Third-Party Consents

This Settlement Plan replaces all required third-party consents in accordance with the provision of Art. 43 para. 19 EA Act.

28 CONDITIONS TO IMPLEMENTATION OF THE SETTLEMENT PLAN AND WAIVER

28.1 Execution of CP Satisfaction Notice

As a condition precedent ("**Condition Precedent**") to the implementation of the Settlement Plan, the notice attached as Annex 36 (*CP Satisfaction Notice*) must be signed and delivered to the Court (the "**CP Satisfaction Notice**").

The CP Satisfaction Notice shall be signed by the Extraordinary Administrator if (i) the following conditions have been met or requested to be waived and (ii) the Creditors' Council approved the execution in light of their fulfilment and/or consenting to their waiver in accordance with Cl. 28.3 below:

28.2 Conditions

28.2.1 Finality of the Court Order Confirming the Settlement Plan

The court order confirming the Settlement Plan pursuant to Art. 43 para. 15 EA Act has become final and unappealable ("**Finality of the Court Order**").

28.2.2 Merger Clearance

(i) The competent merger control authority in Austria having granted (or being deemed to have granted) its consent, approval, clearance, confirmation, licence or non-jurisdiction determination under the applicable merger control law to, of or for implementation of the Settlement Plan (the "**Merger Control Condition**").

(ii) Any party required to obtain merger control consent, approval, clearance, confirmation, licence or non-jurisdiction determination under Cl. 28.2.2(i) (the "**Merger Control Filing Party**") shall cooperate fully in good faith with Agrokor Group and the Creditors' Council and shall take all reasonable steps necessary to obtain this as quickly as reasonably practicable. To ensure that the Merger Control Condition is satisfied as quickly as reasonably practicable, Agrokor Group and the Creditors' Council shall also cooperate fully in good faith with the Merger Control Filing Party, including but not limited to promptly providing the Merger Control Filing Party with any documents, data or any other information relating respectively

to any Agrokor Group company or a member of the Creditors' Council which is reasonably required in connection with the required Austrian merger control filing (provided that information that is commercially sensitive or otherwise confidential shall be provided to the Merger Control Filing Party's legal counsel on a counsel-to-counsel only basis).

28.2.3 Dutch Tax Rulings

Comfort in the form of a tax ruling has been obtained from the Dutch tax authorities on behalf of Aisle Dutch TopCo and Aisle Dutch HoldCo on the following main Dutch tax aspects of the settlement structure:

- Aisle STAK not being liable to Dutch corporate income tax (save for any amounts which are not material) based on section 2 Dutch Corporate Income Tax Act 1969 and being disregarded for Dutch dividend withholding tax purposes in light of payments on the shares held by Aisle STAK;

- Aisle SPRC not being liable to Dutch corporate income tax (save for any amounts which are not material) based on section 2 Dutch Corporate Income Tax Act 1969;

- qualification of the Convertible Bond issued by Aisle Dutch TopCo to the New Instruments Beneficiaries as debt for Dutch tax purposes; and

- application of the participation exemption of section 13 Dutch Corporate Income Tax Act 1969 with regard to the participation in Aisle HoldCo.

28.2.4 Croatian Tax Rulings

Comfort in the form of an official opinion has been obtained from the Croatian tax authorities by Aisle HoldCo on the following main Croatian tax aspects of the settlement structure:

- transfers of businesses (business units) from Non-Viable Croatian EA Entities to the relevant New Croatian Subsidiaries will qualify as transfers of business units for tax purposes pursuant to the provisions of Art. 43 para. 5 item 1 EA Act;

- transfers of business units from Non-Viable Croatian EA Entities to the relevant New Croatian Subsidiaries will not be considered to be supplies for VAT purposes and that no VAT liabilities would arise on that basis and that there will no need to issue invoices in respect of such transfers of business units;

- transfers of non-core assets from Non-Viable Croatian EA Entities to the relevant New Croatian Subsidiaries which are not real estate will be subject to VAT whilst transfers of non-core real estate will be subject to VAT or irrecoverable RETT (which depends on the status of the non-core real estate in question);

- any tax liabilities that would arise in the Non-Viable EA Croatian Subsidiaries upon or as a result of or in connection with execution of the Settlement Plan (including, but not limited to, tax liabilities arising on the basis of gains generated on transfers of business units at fair value, gains generated on transfers (disposals) of non-core assets and shareholdings at fair value, gains as a result of debt discharge and any other tax liabilities that would arise as a result of Settlement execution) do not transfer to the New Group pursuant to the provisions of Art. 43 para. 5 item 1 EA Act;

– corporate profit tax losses of the Non-Viable EA Croatian Subsidiaries will not transfer to the relevant New Croatian Subsidiaries along with the transfers of business units;

– the Settlement Plan, together with all accompanying documentation, represents, in all material respects, sufficient documentary proof for implementation of the Settlement from the tax perspective pursuant to Art. 43 para. 19 EA Act;

– only the post-petition tax and other liabilities towards the State that arise in the ordinary course of business and which would be reported as such by the Non-Viable EA Croatian Subsidiaries in the period from 10th April 2017 until the day of the transfer of the business units would transfer to the the relevant New Croatian Subsidiaries pursuant to the provisions of Art. 43 para. 5 item 1 EA Act; for the avoidance of doubt any post-petition tax and other liabilities towards the State which arise upon or as a result of or in connection with execution of the Settlement Plan do not transfer to the the relevant New Croatian Subsidiaries pursuant to the provisions of Art. 43 para. 5 item 1 EA Act.

28.2.5 SPFA Extension

Either:

(i) the terms of the Extended SPFA are in full force and effect with no defaults or events of defaults outstanding or which would result from the Implementation Commencement Date occurring that have not either been waived or are subject to a forbearance agreement, and (A) Aisle Dutch TopCo, Aisle Dutch HoldCo, Aisle HoldCo and certain of the OpCos have acceded as additional guarantors (in each case, conditional until Implementation Commencement Date) and (B) any new security interests envisaged by the terms of the Extended SPFA (as described in Annex 17 (*Heads of Terms of Extended SPFA*)) have been granted;

(ii) the SPFA has been refinanced; or

(iii) the terms of the SPFA have been amended (via the use of an English law scheme of arrangement or otherwise achieving necessary thresholds) to fully cater for implementation and the transfer of the SPFA to Aisle Holdco.

28.3 Waiving of Conditions

Subject to the prior approval of the Creditors' Council, the Extraordinary Administrator shall be entitled through written notice to the Court to waive or to adjust, either in whole or in part, one or several of the conditions, other than conditions required by law.

Notwithstanding the previous, as regards the Merger Control Condition, this can be waived at the discretion of the Merger Control Filing Party with the agreement of the Agrokor Group (which is not to be unreasonably withheld).

When deciding whether to waive or approve a condition contained in Cl. 28.2 above or in Cl. 28.4 below, the members of the Creditors' Council are entitled to rely upon the information provided by the Debtor without independently verifying it.

28.4 Implementation Impediment

If prior to the issue of the CP Satisfaction Notice, the Extraordinary Administrator receives professional advice from his Croatian legal advisors as of the Submission Date (and the Extraordinary Administrator will be obliged to seek advice on this topic) that:

(i) in the case of the business units of each of Agrokor d.d., Konzum d.d., Jamnica d.d., Ledo d.d., Zvijezda d.d, Tisak, d.d., PIK Vrbovec-Mesna Industrija, d.d., Belje d.d. Darda, Vupik d.d., PIK-Vinkovci d.d. VELPRO - CENTAR d.o.o., Roto dinamic d.o.o. and Agrokor-trgovina d.o.o., sufficient Assets Subject to Transfer owned by such business unit will not be transferred to the New Group under Cl. 22 above such that the business unit will not be a business unit that is capable of operating in a substantially similar manner to the way such business unit operates prior to such transfer; or

(ii) leases of agricultural land in respect of land with a surface area which, in aggregate, exceeds 5% of the total surface area of all agricultural land leased by all Non-Viable EA Croatian Subsidiaries will not be transferred under Cl. 22 above; or

(iii) the concessions, licences and permits in relation to the Jana and Jamnica business units will not be transferred under Cl. 22 above,

if the Implementation Commencement Date were to be announced without undue delay pursuant to Cl. 17 above ("**Implementation Impediment**"), then the Extraordinary Administrator will notify the Creditors' Council with a copy of that advice. In such case, the Creditors' Council may withhold for as long as the Implementation Impediment is continuing, or grant in its sole discretion, approval of the execution of the CP Satisfaction Notice.

29 GENERAL PROVISIONS

29.1 Termination of Extraordinary Administration

The EA Proceedings shall be terminated upon the implementation of the Settlement Plan pursuant to Art. 47 EA Act:

29.1.1 Viable EA Croatian Subsidiaries

EA Proceedings over a Viable EA Croatian Subsidiary, each of them individually, shall be terminated as of date of transfer of their shares to the New Group. The Court shall, upon the occurrence of transfer, issue the resolution on termination of the EA Proceedings in relation to those companies.

29.1.2 The Debtor and Non-Viable EA Croatian Subsidiaries

The Debtor and each Non-Viable EA Croatian Subsidiary will continue to run pending procedures and manage Remaining Assets, if any. The New Group Companies shall have the position of creditors with segregation right with respect to the Remaining Assets.

The Extraordinary Administrator will, under application of Art. 12 EA Act in relation with Art. 89 Bankruptcy Act, with the consent of the Creditors' Council, following the Implementation Commencement Date:

– execute merger of any Non-Viable EA Croatian Subsidiaries with the Debtor in accordance with provisions of the Companies Act if and when reasonable, based on a cost-effectiveness analysis,

– unless such merger would impede the transfer of Assets Subject to Transfer to the New Group.

The Extraordinary Administrator is authorised by this Settlement Plan to undertake any required action and to execute any and all documents in relation to the Non-Viable EA Croatian Subsidiaries in order to complete the merger. Upon occurrence of such merger, the Court shall issue the resolution on termination of the EA Proceedings in relation to such Non-Viable EA Croatian Subsidiaries.

For the purposes of continuing pending procedures and managing the Remaining Assets, and for transfer of Remaining Assets to the New Group or for monetization, Aisle HoldCo will provide financing to the Debtor to cover its reasonable fees, costs and expenses. Obligations arising from such financing will have, to the extent legally permitted, settlement priority before the obligations towards the third parties and obligations arising from the Residual Claims and will be, to the extent possible and useful, secured with securities interests over the Remaining Assets.

Once the merger is completed in favour of the Debtor, the Debtor shall, as the universal successor of all Non-Viable EA Croatian Subsidiaries, continue to run pending procedures and to manage the Remaining Assets, and their transfer to the New Group or encashment.

Upon the completion of the merger of all Non-Viable EA Croatian Subsidiaries and as soon as the protection of the Debtor under the EA proceedings is no longer required for the pending procedures and Remaining Assets (but in any case within three years from the Settlement Confirmation Date), the Settlement Plan is deemed to be implemented with regards to the Debtor and the Extraordinary Administrator shall propose to the Court to terminate the EA Proceedings.

In accordance with the above proposal, the Court shall issue a resolution on EA Proceedings termination, by which the procedure will be completed and the deletion of the Debtor from the court register will be ordered without performing liquidation procedure or bankruptcy procedure.

Debtor's assets which will remain after the deletion, if any, will be formed into bankruptcy estate with corresponding application of the Art. 437 Bankruptcy Act. Formed bankruptcy estate shall continue pending procedures and managing the Remaining Assets, and their transfer to the New Group or their monetization (sale) and transfer of proceeds to the New Group to the extent permitted under applicable laws.

The bankruptcy estate from the previous paragraph will be managed by the Extraordinary Administrator (if he satisfies legal prerequisites for the bankruptcy administrator) or by bankruptcy administrator appointed by the Court, pursuant to provision of the Bankruptcy Act.

Management of the bankruptcy estate shall be done subject to provisions of this Settlement Plan governing the transfer of remaining assets to the corresponding New Group company for the settlement of Residual Claims, with corresponding application of Cl. 22 above of this Settlement Plan on transfer and partial settlement of the Residual Claims.

Upon the conclusion of the bankruptcy procedure over the bankruptcy estate, Aisle Dutch TopCo shall waive any remaining unsettled Residual Claims.

29.2 Bar Dates

The Extraordinary Administrator is entitled to give creditors, subsequent to expiration of any bar dates, the possibility to belatedly exercise time-barred rights, except if such action would decrease the rights of other Creditors. This shall apply in particular if, as a result, plan conditions can be fulfilled, litigation or other proceedings can be avoided or the consummation of the plan can be better facilitated. Creditors shall have no right to any such possibility.

29.3 Continuation of Avoidance Actions

The Extraordinary Administrator is entitled to pursue actions for avoidance of the Debtor's and any EA Entity's actions pursuant to Art. 38 EA Act, up to the termination of the Extraordinary Administration.

29.4 Continuation of Litigation

Without prejudicing any disposal of the subject of dispute, any pending litigation shall continue between the original parties regardless of the fact of transfer of the subject of dispute within the transfer of the Assets Subject to Transfer.

29.5 Rights of Recourse of Third Parties

The Debtor and other EA Entities are released from obligations towards their co-debtors, guarantors and other recourse beneficiaries (Art. 340 para. 2 Bankruptcy Act in connection to Art. 43 para. 21 EA Act) effective as of Implementation Commencement Date.

29.6 Subordinated Creditors

The Debtor and other EA Entities are released from subordinated claims and these shall cease to exist on the basis of this Settlement Plan (Art. 311 Bankruptcy Act in connection to Art. 43 para. 21 EA Act) pursuant to the provisions on discharge of claims, effective as of Implementation Commencement Date.

29.7 Plan's Failure

The Settlement Plan shall have failed if the Implementation Commencement Date has not occurred within 9 months after the Finality of the Court Order (the "**Implementation Long Stop Date**"). The Implementation Long Stop Date may be extended once by 9 months to the date falling 18 months following the Finality of the Court Order with the consent of the Supervisory Bodies.

On the occurrence of the Implementation Long Stop Date, the Extraordinary Administrator shall take actions provided for under Art. 45 EA Act.

Notwithstanding the above, at any time prior to the Implementation Commencement Date, the Extraordinary Administrator may, if he determines that circumstances have arisen due to which the probability for the implementation of the Settlement Plan and/or continuation of EA Group's business operations on a more permanent basis have ceased to exist, apply Art. 45 EA Act accordingly and propose to the Court, with the consent of the Creditors' Council, to

terminate the EA Proceedings and open bankruptcy proceedings over the EA Entities to the extent any of the bankruptcy grounds as defined by Art. 5 of the Bankruptcy Act exist.

29.8 Releases

29.8.1 General

(i) Subject to (ii) below, from and with effect from the Implementation Commencement Date, no Creditor shall (or shall continue to) make, pursue, litigate, commence, re-commence, voluntarily aid in any way or cause the proceedings to be re-commenced or prosecute any proceedings in relation to Pre-Petition Claims, or non-contractual obligations arising out of or in connection with Pre-Petition Claims, against any member of the Agrokor Group or any of their respective present or former officers, directors, employees or agents and any ongoing proceedings involving any member of the Agrokor Group arising out of or in connection with the Pre-Petition Claims shall be finally suspended in accordance with applicable procedural laws relating to such proceeding and shall no longer be pursued and any effects of any litigation, enforcement or injunction in relation to such proceedings shall be withdrawn and reversed. Notwithstanding anything to the contrary, nothing in this Cl. 29.8.1 shall operate or be construed to release any person who was a director and/or officer (or member of the management board or supervisory board) of any member of the Agrokor Group prior to the commencement of the EA Proceedings from any liability arising from his or her conduct in such capacity prior to that time.

(ii) Upon the occurrence of the Implementation Commencement Date, any and all rights or claims that any Creditor may have against any member of the Agrokor Group under or in connection with the Pre-Petition Claims together with all claims (including all claims for interest, costs and orders for costs), actions, proceedings, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs and causes of action, present or future and however arising, prospective or contingent, whether or not for a fixed or unliquidated amount, whether a fixed or unliquidated amount, whether filed or unfiled, whether asserted or un-asserted, whether or not presently known or unknown (including those which arise hereafter upon a change in the relevant law relevant to the Settlement Plan), whether arising by law or statute or by reason of breach of contract or in respect of any tortious act or omission, error, avoidance, adjustment, frustration of contract or otherwise (whether or not damage has yet been suffered) that it has and each of its respective present or former officers, directors, employees or agents ever had, may have or hereafter can, shall or may have or had against any member of the Agrokor Group which arise out of, or relate to, or are in any way connected, with the Pre-Petition Claims, or non-contractual obligations arising out of or in connection with the Pre-Petition Claims (and notwithstanding the discovery or existence of any such additional or different facts) shall be irrevocably and unconditionally waived, released and discharged. This release shall not affect the claims that Aisle Dutch TopCo will have against the Agrokor Group in respect of the Assigned Claims.

(iii) On and from the Settlement Confirmation Date, no Creditor, no member of the Agrokor Group and no member of the New Group shall (or shall continue to) make, pursue, litigate, commence, re-commence, voluntarily aid in any way or cause the proceedings to be re-commenced or prosecute any proceedings against any of: Ante Ramljak and Fabris Peruško (each in his capacity as Extraordinary Administrator)

and Irena Weber (in her capacity as deputy to the Extraordinary Administrator); the members of the Creditors' Council and each of their affiliates and their and their affiliates' present or former officers, directors, members, employees or agents (in each case in connection with the relevant member's capacity as a member of the Creditors' Council only); each member of the New Group, and their respective directors and officers; and the Advisors and any other professional advisor engaged by members of the Creditors' Council (in their capacity as a member of the Creditors' Council only) (each, a "**Protected Party**") and following the Settlement Confirmation Date, any ongoing proceedings involving any of the Protected Parties shall be finally suspended in accordance with applicable procedural laws relating to such proceeding and shall no longer be pursued and any effects of any litigation, enforcement or injunction in relation to such proceedings shall be withdrawn and reversed.

(iv) On and from the Settlement Confirmation Date, any and all rights and claims of any Creditor, any member of the Agrokor Group and any member of the New Group (including all claims for interest, costs and orders for costs), actions, proceedings, damages, counterclaims, complaints, liabilities, liens, rights, demands and set-offs and causes of action, present or future and however arising, prospective or contingent, whether or not for a fixed or unliquidated amount, whether a fixed or unliquidated amount, whether filed or unfiled, whether asserted or un asserted, whether or not presently known or unknown (including those which arise hereafter upon a change in the relevant law relevant to the Settlement Plan), whether arising by law or statute or by reason of breach of contract or in respect of any tortious act or omission, error, avoidance, adjustment, frustration of contract or otherwise (whether or not damage has yet been suffered) that it has and each of its respective present or former officers, directors, employees or agents ever had, may have or hereafter can, shall or may have or had against any Protected Party which arise out of the conduct of (or their conduct in) the Extraordinary Administration, including, without limitation, the preparation, negotiation or implementation of the Settlement Plan (including, without limitation, the giving or withholding by the Creditors' Council of approvals, consents, waivers and proposals, the countersigning by the Extraordinary Administrator and the Creditors' Council of the CP Satisfaction Notice as described in Cl. 28 above and the waiving of conditions as described in Cl. 28.3 above and notwithstanding the discovery or existence of any such additional or different facts) shall be irrevocably and unconditionally waived and released and forever discharged.

(v) This Cl. 29.8.1 shall not apply to nor in any way impair or prejudice any rights of any Creditor against any EA Entity or any New Group Company arising under the Settlement Plan or any document to implement the terms of the Settlement Plan and the New Instruments (including as a consequence of non-compliance with the terms of the Settlement Plan) or any remedy in respect of any such right.

(vi) This Cl. 29.8.1 shall not apply to any claim or liability in respect of fraud, gross negligence, dishonesty or willful misconduct.

29.8.2 Recognition Proceedings

From and with effect from the Settlement Confirmation Date, each Creditor shall not directly or indirectly challenge or otherwise obstruct or interfere in the Recognition Proceedings.

29.8.3 Challenged Claims, Avoidance Actions and Legal Remedies

The right of

– creditors of Challenged Claims to continue and initiate litigation with respect to the challenging of the claims (Art. 34 EA Act); and

– the right of Secured Creditors with SSRs subject to avoidance actions to continue litigation with respect to such avoidance actions (Art. 38 EA Act)

remains unaffected by (i) the release under Cl. 29.8.1 above and (ii) the measures contemplated under the Settlement Plan.

For the avoidance of doubt, the legal remedies against the confirmation of the Settlement Plan shall remain unaffected by (i) the release under Cl. 29.8.1 above and (ii) the measures contemplated under the Settlement Plan.

29.9 Indemnity

Each of the Debtor and Aisle HoldCo has agreed to provide an indemnity to:

(i) Ante Ramljak and Fabris Peruško (each in his capacity as Extraordinary Administrator) and Irena Weber (in her capacity as deputy to the Extraordinary Administrator); and

(ii) the members of the Creditors' Council (in their capacity as a member of the Creditors' Council only),

a draft of which is attached at Annex 37 (*Indemnity*) ("**Indemnity**"). The Indemnity shall apply from the Settlement Confirmation Date.

29.10 Definitive Documentation

The drafts of Holding Companies' Articles of Association, the STAK Administrative Conditions, the Convertible Bonds Trust Deed, the Convertible Bonds Terms and Conditions, the Transfer Regulations, the Shares Deed of Issue, the DR Deed of Issue, the Securities Escrow Deed, the Supplier Loan Note Instrument, Sberbank Loan Note Instrument, the Indemnity, the KYC Form, the Foreign Share Transfer STA, the DR Holder Reserved Matters and the OpCo Reserved Matters ("**Additional Implementation Documents**") are attached to this Settlement Plan in draft form whose material elements correspond to the provisions of the Settlement Plan.

Any amendment of an Additional Implementation Document prior to the Implementation Commencement Date, required for the purposes of the full implementation of the Settlement, must be made without amendment of its material elements provided under the Settlement Plan and without contravention of the governing law of that Additional Implementation Document.

The final form of all Additional Implementation Documents shall be approved by each of the Supervisory Bodies authorized to supervise the Settlement Plan implementation under Cl. 29.11 below.

29.11 Supervision of Settlement Plan Implementation

The implementation will be supervised by the Extraordinary Administrator, Creditors' Council and the Court (together, the "**Supervisory Bodies**"). In respect of the supervision of the implementation of the settlement described in this clause, Art. 346 to 348 and 353 to 355 Bankruptcy Act shall apply accordingly.

From the Settlement Confirmation Date until the Implementation Commencement Date, the Extraordinary Administrator is obligated to submit to the Creditors' Council:

(i) a monthly report on the economic and financial status of the Debtor;

(ii) a monthly progress report on implementation of measures envisaged in the Settlement Plan; and

(iii) any financial statements supplied to the agent under the terms of the SPFA (on the same date that those financial statements are provided to that agent under the terms of the SPFA); and

(iv) a *pro forma* balance sheet for the New Group as at the Implementation Commencement Date, prepared in accordance with IFRS, to be delivered within 30 days of the date on which the financial statements described in paragraph (iii) above were due to be delivered.

After the Implementation Commencement Date, the reporting obligations (other than in respect of subparagraphs (iii) and (iv) above) shall relate to the Remaining Assets, if any, and the status of closure of Extraordinary Administration and discontinuation of the EA Entities in accordance with Cl. 29.1 above.

For the avoidance of doubt, the reporting obligation above shall be a continuation of the current monthly reporting obligation with an appropriate application of Art. 12 para. 9 EA Act.

During this period, the Creditors' Council may by way of a decision request that the Extraordinary Administrator delivers, if reasonably required for the supervision of the implementation process, additional reports on certain matters material for the implementation of measures envisaged by the Settlement Plan.

29.12 Governing law

The Settlement Plan shall be governed by the laws of the Republic of Croatia. Any ancillary documents to be governed by English law except for documents issued before a Dutch civil law notary (which are governed by Dutch law) or as otherwise specified in such ancillary documents.

29.13 Prevailing Language

For the avoidance of doubt, this Settlement Plan, including all annexes, is submitted to the Court in Croatian language. An English convenience translation has been prepared and made available to the Creditors.

The documentation attached in the following annexes in draft form will, once finalised, be binding in the following languages:

Annex	Document	Prevailing language
Annex 10 (*Holding Companies' Articles of Association*)	Articles of association of each of Aisle STAK, Aisle Dutch TopCo and Aisle Dutch HoldCo	Dutch
Annex 10 (*Holding Companies' Articles of Association*)	Articles of association of Aisle HoldCo	Croatian
Annex 11 (*STAK Administrative Conditions*)	STAK Administrative Conditions	English
Annex 13 (*Convertible Bonds Trust Deed*)	Convertible Bonds Trust Deed	English
Annex 14 (*Convertible Bonds Terms and Conditions*)	Convertible Bonds Terms and Conditions	English
Annex 15 (*Transfer Regulations*)	Transfer Regulations	English
Annex 24 (*KYC Form*)	KYC Form	English
Annex 25 (*Shares Deed of Issue*)	Shares Deed of Issue	English
Annex 26 (*DR Deed of Issue*)	DR Deed of Issue	English
Annex 27 (*Securities Escrow Deed*)	Securities Escrow Deed	English
Annex 28 (*Supplier Loan Note Instrument*)	Supplier Loan Note Instrument	English
Annex 30 (*Sber Loan Note Instrument*)	Sber Loan Note Instrument	English
Annex 32 (*Foreign Share Transfer STA*)	Foreign Share Transfer STA	Croatian or official language in respective jurisdiction
Annex 37 (*Indemnity*)	Indemnity	English

29.14 Notices

Any notices hereunder shall be given:

If to the Extraordinary Administrator or the Debtor:

Address: Ulica Marijana Čavića 1, 10000 Zagreb. Croatia
Email: Fabris.Perusko@agrokor.hr
Attn.: Fabris Peruško

If to Aisle HoldCo:

Address: Radnicka cesta 80, 10000 Zagreb, Croatia
Email: aisle@tmf-group.com
Attn.: Ernst Gabriel, executive director

If to Aisle STAK, Aisle Dutch TopCo or Aisle Dutch HoldCo:

Address: Herikerbergweg 23, Luna ArenA, 1101 CM Amsterdam, The Netherlands
Email: AisleDutchCos@tmf-group.com
Att.: The Management Board

30 APPROVAL OF THE CREDITORS' COUNCIL

The Creditor's Council has approved that the Settlement Plan be put to a vote of the Creditors in a meeting of the Creditor's Council held on 19th June 2018.

31 APPLICATION

The Extraordinary Administrator puts the following proposal to the vote of the creditors:

The creditors in the Extraordinary Administration over the EA Group resolve to fully accept the terms of this Settlement Plan.

32 ANNEXES

Annex 1 Definitions

Annex 2 Agrokor Group Entities

Annex 3 Agrokor Group Corporate Structure

Annex 4 Claims

Annex 5 Voting Power of Attorney

Annex 6 Claims not Filed

Annex 7 Litigation against EA Group

Annex 8 Claw-Back Actions

Annex 9 Aisle HoldCo and New Croatian Subsidiaries

Annex 10 Holding Companies' Articles of Association

Annex 11 STAK Administrative Conditions

Annex 12 DR Holder Reserved Matters

Annex 13	Convertible Bonds Trust Deed
Annex 14	Convertible Bonds Terms and Conditions
Annex 15	Transfer Regulations
Annex 16	Assets Subject to Transfer
Annex 17	Heads of Terms of Extended SPFA
Annex 18	OpCo Reserved Matters
Annex 19	EA Entities' Distributable Value
Annex 20	Non-EA Group Guarantors
Annex 21	Steps Plan
Annex 22	Support and Consent Letters by New Group
Annex 23	Recourse Debtors
Annex 24	KYC Form
Annex 25	Shares Deed of Issue
Annex 26	DR Deed of Issue
Annex 27	Securities Escrow Deed
Annex 28	Supplier Loan Note Instrument
Annex 29	Eligible Supplier Claims
Annex 30	Sberbank Loan Note Instrument
Annex 31	Transferring Foreign Subsidiaries
Annex 32	Foreign Share Transfer STA
Annex 33	Statements of Transfer
Annex 34	Table of SSRs
Annex 35	Contingent Claims
Annex 36	CP Satisfaction Notice
Annex 37	Indemnity

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Annex 1 Definitions

Annex 2 Agrokor Group Entities

Annex 3 Agrokor Group Corporate Structure

Annex 4 Claims

[see separate document]

Annex 5 Voting Power of Attorney

Annex 6 Claims not Filed

Annex 7 Litigation against EA Group

Annex 8 Claw-Back Actions

Annex 9 Aisle HoldCo and New Croatian Subsidiaries

Annex 10 Holding Companies' Articles of Association

Annex 11 STAK Administrative Conditions

Annex 12 DR Holder Reserved Matters

Annex 13 Convertible Bonds Trust Deed

Annex 14 Convertible Bonds Terms and Conditions

Annex 15 Transfer Regulations

Annex 16 Assets Subject to Transfer

[see separate document]

Annex 17 Heads of Terms of Extended SPFA

Annex 18 OpCo Reserved Matters

Annex 19 EA Entities' Distributable Value

Annex 20 Non-EA Group Guarantors

Annex 21 Steps Plan

Annex 22 Support and Consent Letters by New Group

Annex 23 Recourse Debtors

Annex 24 KYC Form

Annex 25 Shares Deed of Issue

Annex 26 DR Deed of Issue

Annex 27 Securities Escrow Deed

Annex 28 Supplier Loan Note Instrument

Annex 29 Eligible Supplier Claims

Annex 30 Sberbank Loan Note Instrument

Annex 31 Transferring Foreign Subsidiaries

Annex 32 Foreign Share Transfer STA

Annex 33 Statements of Transfer

[see separate document]

Annex 34 Table of SSRs

Annex 35 Contingent Claims

Annex 36 CP Satisfaction Notice

Annex 37 Indemnity