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Convenience Translation

The Croatian version of the draft Settlement Plan prevails

DRAFT 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.

Only the Constructive Part of this Settlement Plan constitutes formal positions according to Art. 8 EA Act.

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 under Cl. 3.1.1 below; 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 it on [●][2].

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.

2 SCOPE AND OBJECTIVE 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 an entity-by-entity basis. Recovery was determined on the basis of an entity and claim priority comcept ("**Entity**

[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.

[2] To come for final submission.

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 therefore 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 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 economical owners of the New Group will be the 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 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 (as defined below) 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, *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 [155][3] direct and indirect subsidiaries, including not fully owned subsidiaries (the "**Agrokor Group**"). A chart showing the current corporate structure is in Annex [●] (*Agrokor Group Corporate Structure*). A list of all members of Agrokor Group indicating the respective holdings is in Annex [●] (*Agrokor Group Entities*).

3.1.3 Governance of the EA Group

3.1.3.1 Debtor

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.

[3] To be confirmed before submission of the Settlement Plan

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

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 organized 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 (1) and (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). 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. It is important to note that further criminal investigations are presumably underway, which means other criminal proceedings may ensue depending on the findings of the aforementioned investigations.

Effective as of the EA Proceedings, the governance is determined by the EA Act with main functions transferred to the Extraordinary Administrator (see Cl. 4.1.2 below).

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 Kološep 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 one-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 the management board and the 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 of the Submission Date. The EA Group employs c. 25,000 people as of the Submission Date.[4]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, in accordance to the mandatory Labor Law provisions. 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.

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 privatization 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 (a producer of water and beverages) and in 1993, Zvijezda (a producer of edible oils, margarine

[4] To be confirmed before submission

and mayonnaise) and Konzum (a food retail and wholesale chain). In 1994, the Debtor acquired Ledo (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 Citluk and Sarajevski kiseljak, 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. In 2004, the group acquired water producer Fonyodi 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 and entered the Serbian food retail and wholesale market through the acquisition of IDEA. In the same year, the group also entered the meat production and processing and agricultural industries by acquiring the Croatian companies PIK Vrbovec and Belje. 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, 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, one of the largest agricultural companies in the Republic of Croatia.

In 2012, Ledo 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 completed the acquisition of the Serbian ice cream and frozen food producer Frikom, making it a fully owned subsidiary, and acquired Ledo Montenegro, 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 has been developing sales in markets outside the region, and has started to export to Germany, Italy, Israel, Slovakia, Sweden and from 2015, the USA.

In September 2014, the group completed the acquisition of Mercator, 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 indirectly held by Ivica Todorić.

3.3 Economic Activity[5]

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 [●][6] 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 ("**APH**") and (v) the central

[5] 2017 numbers will be added as soon as available.

[6] To be aligned with Cl. 3.1.2 before submission of the Settlement Plan.

functions in the Debtor. Distribution markets are organized in Croatia, Slovenia, Bosnia-Herzegovina, Serbia, USA, 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 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 three brands: IDEA, RODA and Mercator;

  - Bosnia-Herzegovina through Konzum and Mercator brands.

- 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.

- Agriculture includes crop growing, animal feed production and livestock breeding; This business is primarily located in 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 annual revenue in 2017 was equivalent to approximately EUR 5.2 billion which represents approximately 11% of the gross domestic product (GDP) 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).

3.3.1 Retail and Wholesale

Agrokor Group is the leading food retailer and wholesaler in terms of combined sales in Croatia, and Slovenia and Bosnia-Herzegovina, and the third largest in Serbia. The group operates ~1.1m square meter (sqm) of space giving the group access to a population of 17.5m. The retail and wholesale segment is the largest segment within the Agrokor Group employing approximately 36,000 people and in 2016 generated EUR 5 billion revenue (restated) and EUR 92 million EBITDA.

The primary retail group companies are:

3.3.1.1 Poslovni sistem Mercator, d.d.

Mercator is the leading retailer in Slovenia and in Montenegro, and active in Serbia and Bosnia-Herzegovina with over 1,000 stores, and approximately 546,000 sqm across these four markets. It also has other operating businesses providing complementary services.

Mercator employs approximately 20,000 people and in 2016, it had revenue of EUR 2.2 billion (restated) and EBITDA of EUR 62 million (restated) with leading market shares of 30% in Slovenia and 21% in Montenegro. Mercator also operates in Serbia with a market share of 9% and re-entered the market in Bosnia-Herzegovina in September 2017.

The Mercator group includes six companies in Slovenia and eight companies in other markets of Southeast Europe.

3.3.1.2 Konzum d.d. (Croatia)

Konzum d.d. is the leading retail chain in the Republic of Croatia. In 2016 its revenue was EUR 1.4 billion and EBITDA was EUR 27 million with a leading market share of 22% Konzum employs approximately 11,000 people and provides services to over 450,000 customers on a daily basis from over 600 stores across its four formats:

– small (which has up to 800 sqm of retail space);

– maxi (800-1,300 sqm);

– super (1,300-4,000 sqm); and

– hyper (over 4,000 sqm);

Konzum also has a fast-growing online offer with a "dark store" (a location for picking online orders which is not open to customers) in Zagreb and three "picking hubs" (stores open to customers which are also used for picking online orders) located in Rijeka, Osijek, Split.

3.3.1.3 Konzum d.o.o. Sarajevo (Konzum BiH)

Konzum entered the Bosnian-Herzegovinian market in 2005 and by 2014 had grown to become the market share leader. In September 2017, Mercator took over operations of 76 stores from Konzum Sarajevo and from that point on the Agrokor Group has been operating in Bosnia-Herzegovina under two brands. Today, 170 stores of Konzum network consist of 114 retail

stores, 48 retail shops and 8 super-format retailers, welcoming more than 101,000 customers daily.

Konzum BiH employs approximately 2,300 people and in 2016 generated revenue of EUR 371 million and an EBITDA loss of EUR 11 million.

3.3.1.4 Velpro - Centar d.o.o.

Velpro is a wholesale business intended primarily for professional hotels, restaurant and café (HoReCa) customers and offers more than 800 products across both a branded and private label assortment. Velpro has been operating as an independent legal entity since January 2016 and has strong brand recognition across the nation with more than 10,000 customers and more than 12,000 delivery points.

Velpro is served from 24 locations and has approximately 1,200 employees. In 2016, it generated revenue of EUR 354 million and an EBITDA loss of EUR 10 million.

3.3.1.5 Tisak d.d.

Tisak is the largest retail newsstand chain in the Republic of Croatia employing c. 3,600 people across c. 900 kiosk locations. It is the leading distributor of print, tobacco products and prepaid top-up cards.

In 2016, Tisak achieved revenue of EUR 384 million and an EBITDA loss of 7.7 million.

3.3.2 Food Production and Distriution and Agriculture

Agrokor Group's food production and distribution and agriculture segment (based on 2016 company segmentation) holds leading positions in each of its primary markets. In aggregate, the food production and distribution and agriculture segment generated EUR of 1.5 billion of revenue and EBITDA of EUR 173 million in 2016.

The food division employs c. 8,500 people. The top four companies within the food division are:

- Jamnica d.d. is presently the largest Croatian producer of mineral and spring waters and soft drinks with a tradition spanning 180 years. It generated EUR 188 million revenue and EBITDA of EUR 33 million in 2016.

- Ledo d.d. is the largest domestic manufacturer of ice cream and the largest distributor of frozen food in Croatia which generated EUR 160 million revenue and EBITDA of EUR 27 million in 2016.

- Zvijezda d.d is the largest producer of edible oils in Croatia and the only producer of margarine, vegetable fat, mayonnaise and mayonnaise-based products. In 2016 it generated EUR 104 million of revenue and EBITDA of EUR 8 million.

- PIK Vrbovec d.d. is the leading Croatian meat producer with 70 years of tradition in the production and processing of meat products. In 2016 it generated EUR 287 million revenue and EBITDA of EUR 19 million.

Agrokor Group's main agriculture activities are contained in three companies which collectively control over 32,000 ha of arable land in Eastern Croatia, of which 95% is leased from the Republic of Croatia. The three companies are:

– Belje (Osijek / Sisak): conducting 12 different businesses; core business is viniculture, agriculture and food production; Belje is the biggest producer of pigs, cattle and cow milk in Croatia. Belje d.d. in 2016 generated EUR 214 million revenue and EBITDA of EUR 20 million.

– PIK Vinkovci (Vinkovci): agriculture production, livestock breeding and commodity trading. PIK Vinkovci d.d. in 2016 generated EUR 69 million revenue and EBITDA of EUR 9 million.

– Vupik (Vukovar): agriculture production, livestock breeding and commodity trading. Vupik d.d. in 2016 generated EUR 56 million revenue and EBITDA of EUR 4 million.

The agriculture group's state of the art production facilities are spread over its 32,000 ha of land and 780 ha of vineyards. The agriculture group also produces 400,000 of 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. Their 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 Croatia.

The agriculture division employs c. 2,800 employees and generated revenue of EUR 573 million in 2016.

3.3.3 Other Business

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

In 2016, these operations generated revenue of EUR 534 million and EBITDA of EUR 13 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 containing 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 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;

– 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 & machinery.

As of 31st December 2016, the Consolidated Group's non-current assets amounted to HRK 29.5 billion and included property, plant and equipment, investment property, intangible assets, 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 the 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 of 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 amounts contested by the Extraordinary Administrator, amount to c. HRK [50.6] billion (c. EUR [6.8] billion), of which c. HRK [39.0] billion from creditors outside of the EA Group. [7] The numbers are subject to ongoing challenging procedures as described in more detail below. The bulk of the claim amounts is consisted 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 therein. The third-party financial liabilities, which include loans and borrowings, financial bills of exchange, leases, and non-trade related liabilities including, advances, interest, fees and other financial obligations, amount to HRK [31.7] billion.

3.5.1.1 Unsecured Notes

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

[7] To be reviewed before submission of the Settlement Plan.

– EUR 325 million 9.125% New York law governed senior notes due to mature in 2020 issued by the Debtor (the "**2020 EUR Senior Notes**");

– USD 300 million 8.875% New York law governed senior notes due to mature in 2019 issued by the Debtor (the "**2019 USD Senior Notes**");

– EUR 300 million 9.875% New York law governed senior notes due to mature in 2019 issued by the Debtor (the "**2019 EUR Senior Notes**"; the 2020 EUR Senior Notes, the 2019 USD Senior Notes and the 2019 EUR Senior Notes together the "**Notes**").

The notes benefit from guarantees of payment from the following 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, 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, 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 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 (the "**EUR 600m Sberbank Loan**");

– 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 (the "**EUR 50m Sberbank Loan**")

– 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 (the "**EUR 350m Sberbank Loan**");

– 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**" and, together with the EUR 600m Sberbank Loan, the EUR 50m Sberbank Loan and the EUR 350m Sberbank Loan, the "**Sberbank Loans**").

– 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 (the "**F1 Club Loan**");

– 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, together with the F1 Club Loan, the "**Club Loans**");

– 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 "**VTB Loan**").

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 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[8]

The EA Group has substantial secured liabilities. The largest of these which are secured with physical assets include:

– 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 va 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

[8] Not prejudicing any claw-back actions, as listed in Annex [●] (*Claw-Back Actions*).

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.

– 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 pledge of shares in subsidiaries. However, many of these shares reflect the equity of Insolvent EA Croatian Subsidiaries (as defined below) and therefore have no value. For example, without prejudice to avoidance actions of certain separate satisfaction rights (see Cl 4.4.3 below), 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 of over shares of Jamnica d.d., Konzum d.d., and Ledo d.d.

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

– 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 of up to HRK 300 million of over business shares of Velpro - Centar d.o.o.

– Other

3.5.2 Trade Liabilities

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 EUR [1.060] billion.

3.5.3 Intra-group Liabilities

Determined Claims of creditors within the EA Group ("**Intra Group Liabilities**") exist in the amount of HRK [11.6] billion in total and relate primarily to financial loans from the Debtor to its subsidiaries and from subseries to the Debtor which, collectively, amount to the nominal amount of HRK [6.5] billion. Trade liabilities between EA Group entities amount to the nominal amount of HRK [2.1] billion.

3.6 Economic Situation

3.6.1 Events Giving Rise to Extraordinary Administration

During 2016, the 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 53.8 billion in 2016 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 4.2 billion in 2016.

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**") by 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.

The 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 only.

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

During the first quarter of 2017, the trust of the 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., 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 Croatian state.

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 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 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 in aggravated 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[9]

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

[9] Numbers to be updated before submission of the plan.

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 in June 2017 (see Cl. 4.2 below), the situation began to stabilize, and the trends and operating metrics of the key operating companies started to slowly recover.

In the financial year ending 2017, the group generated revenue of EUR 5.2 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. 3.7.1 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 stabilize 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, many cost saving activities were undertaken as well as the closure of unprofitable stores. Other improvement measures adopted in retail include the introduction of new assortments/refining the assortment as appropriate.

These measures helped to increase revenues, 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, Konzum BiH, Tisak and Velpro centar.

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 and EBITDA margins expanded as a consequence of good sales results, sales price optimization 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 optimization. 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, Sarajevski kiseljak, Roto dinamic, Ledo, Frikom, Ledo Čitluk, Zvijezda, Dijamant, and PIK Vrbovec.

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 stabilize its relations with suppliers during the EA Proceedings.

Cost optimization 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, PIK Vinkovci and Vupik.

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 were 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 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 Debtor's 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 Administration 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 has become due as of the day of opening the EA Proceedings;

– It is assumed that the settlement will be finalised in 2018;

– In the event a settlement is reached, transfer of assets from the EA Entities to the New Group (as defined below) will be performed as a part of the settlement (transfer of shares of the Debtor in its solvent subsidiaries will be performed as transfer of shares, while transfer of shares of the Debtor in its insolvent subsidiaries will be performed as business unit transfer 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, 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 decerease 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; and

– 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 stabilization; 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);

– 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 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 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 it 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 or 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 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 Bogdanović, Dolički & Partneri and Odvjetničko društvo Gajski, Grlić, Prka i Partneri d.o.o. and Odvjetničko društvo Krajinović i Partneri as Croatian legal advisors;
- Kirkland & Ellis International LLP as international legal advisor;
- Nauta Dutilh as Dutch legal advisor;
- Ithuba Capital AG as financial advisor;
- Intercapital as financial advisor;
- Deloitte;
- Odvetniška družba Rojs, Peljhan, Prelesnik & partnerji o.p., d.o.o. as Slovenian legal advisor;
- Harrison Solicitors and Rukovodilac Odeljenja Za Korporativno Pravo Advokatska Kancelarija Veselinović as Serbian legal advisors;
- Marić & Co as Bosnian-Herzegovinian legal advisor;
- Harrison Solicitors as Montenegrin legal advisor;
- Kroll as forensic investigation firm;
- Squires Patton Boggs as international legal support related to forensic work

In addition, in order to assist from a general creditors' perspective in drafting and evaluating the Settlement Plan and the Annexes hereto, including, *inter alia*, the Step Plan, the Debtor has engaged the following advisors as per a resolution of the Extraordinary Administration:

- 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;

– Egon Zehnder International Kft. as executive search consultant.

The advisors listed in this Cl. 4.1.2.2 above together 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 Step Plan have also individually engaged further 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 which role is performed by an interim body until the permanent one is being 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 the same functions of the CC prior to 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;

– 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 Zvecevo 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 Zagrebacki Holding;

- 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 Interim Creditors' Council

– 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

– [●][10]

The ICC has been involved in the preparation of this Settlement Plan.

4.1.3.2 Creditors' Council[11]

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 EA; (ii) the claim is secured; (iii) there are guarantees provided by five or more companies subject to EA (widely guaranteed); (iv) the claim is generally traded on a regulated market; and (v) the creditor participated in the SPFA.

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. By expiry of that deadline, [●].]

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. 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 of the Croatian Bankruptcy Act. The Court ordered that all third parties were deemed informed of the opening of the Extraordinary Administration 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.

[10] To be completed before submission of the Settlement Plan.

[11] To be updated when plan is submitted.

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 and 30th March 2018, the Court determined the Determined Claims in the total amount of c. HRK 38 billion and Challenged Claims in the total amount of c. HRK 20 billion, and referred the Challenged Claims to litigation, in accordance to Art. 33 and 34 EA Act. Approximately [●] of such proceedings relating to claims contested by Extraordinary Administration in the total amount of HRK [●] have been initiated and [●] are still pending as of the Submission Date. A list of such proceedings is in Annex [●] (*Proceedings re Claims Challenged by Extraordinary Administrator*).

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

As of the Submission Date claims in the total amount of c. [HRK 38] billion have been determined (not challenged by the Extraordinary Administrator or any third party (the "**Determined Claims**"; the creditors of Determined Claims the "**Determined Creditors**")) and claims in the total amount of c. HRK 20 billion remain challenged (by the Extraordinary Administrator and/or a third party) (claims challenged by the Extraordinary Administrator the "**EA Challenged Claims**"; claims challenged by other creditors only the "**Creditor Challenged Claims**", and together with the EA Challenged Claims the "**Challenged Claims**"; the creditors of Challenged Claims the "**Challenged Creditors**"). The details of such claims are included in Annex [●] (*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 hearing scheduled by the Court in a period of not less than 5 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[12]

The Court, per the proposal of the Extraordinary Administrator, determines the list of creditors and voting rights they are entitled to 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

[12] To be updated before submission of the plan as soon as details are coordinated with the Court.

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 can award voting rights by order against which no appeal is admissible (Art. 32 para. 13 EA Act).

Creditors may attend the Hearing and cast their vote in person or authorise a representative. A recommended power of attorney to use in this case is in Annex [●] (*Voting Power of Attorney*).

The voting in the Court Hearing will be performed electronically. Instructions for the electronic voting are provided [●].

4.1.5.3 Plan Adoption

The Settlement Plan is adopted

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

– in the event (i) is not met, if the aggregate amount of claims of the creditors who voted 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 adoption of the Settlement Plan by the creditors, the Court issues 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 shall *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 adoption 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 in relation to 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[13]

[13] To be completed before submission of the plan.

Costs of the proceedings are estimated at up to EUR [84] 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 of [●] 2018, Administrative Liabilities in the amount of EUR [●] have been paid from the Debtor's cash resources. As of [●] 2018, an amount of EUR [●] is outstanding which will be paid in the ordinary course of business.

[By [31st May 2018], the fees paid to advisors amounted to EUR [●], funded from the Debtor's cash resources. The engagement letters of certain Advisors entitle the respective Advisors to receive success fees which amount up to c. EUR [●].]

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 fulfillment of the Administrative Liabilities as ordinary business expense 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 with their legal effects terminate upon implementation set out under the Constructive Part of the Settlement Plan (Art. 47 item 2 EA Act).

4.2 Post-Petition Financing

4.2.1 Background and Conclusion of SPFA

In 2017, the 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 Creditors' Council 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 normalize 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 group's operations, preserve value for all stakeholders and minimize 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%. 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 after the Creditors' Council's approval, the Debtor informed the Creditors' Council 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 Creditors' Council, the incurrence of new debt was approved by the Creditors' Council in a session held on 8th June 2017.

On 8th June 2017, the Debtor entered into the SPFA. The total amount of the loan 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 capitalizes 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 is 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 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.

[On [●], [●] acceded the SPFA in an amount of EUR [●] million, thereby increasing the outstanding principal amount under the SPFA to EUR [●] million.][14]

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/.[15]

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 shall be available to pay supplier claims and any pre-petition supplier claims.
Refinancing	For every EUR 1 of financing provided by a lender under the SPFA and drawn down by the Debtor, EUR 1 (or the USD equivalent) of that lender's existing unsecured debt principal against the Debtor shall be exchanged for EUR 1 of principal claim under the SPFA.
Borrowers	Borrower is the Debtor, with the ability to on-lend within the 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.
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 earlier of: a) 15 months from commencement of the Extraordinary Administration process (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.

[14] It is currently contemplated that the SPFA may be upsized with the appropriate consents of the SPFA Lenders by up to EUR 160 million (thereof EUR 80 million new financing) under the contemplated principal agreement with Sberbank. Accession and terms subject to discussion; no ICC approval yet, proposed accession may or may not be implemented.

[15] Version to be confirmed.

	Right for the Debtor, in the event that a Settlement Plan (acceptable to 60% of SPFA Lenders, and 50% of SPFA Lenders that are not banks) 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 the claims from the ordinary operations which financing will have priority in satisfaction over other claims of the creditors, save for claims of employees and 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 SPFA claims 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 item 1 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 item 2 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 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 new financing is assumed to reduce systemic risk, continue operations, preserve assets or concerns the settlement of claims from operating activities;

– the new financing is assumed with prior approval of the creditors' council;

– 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 and failed 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. Certain challenges were brought against the SPFA validity but have been determined unsuccessful by the Court and the High Commercial Court.

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 which were paid on regular business terms, including payments to employees and suppliers of goods and services.

4.3.2 Payments on Pre-Petition Claims[16]

During the EA Proceedings, certain claims that arose before the opening of the proceedings were settled in accordance to Art. 40 EA Act.

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 have 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

[16] Preliminary numbers and details only, subject to ongoing review and revision.

Under the above statutory basis of Art. 40 EA Act, the following payments were made during the course of the EA Proceedings which were approved by the Creditors' Council in its meetings held on 26th July 2017 and 31st August 2017 (see Cl. 4.1.3.1 above).

In April 2017, EUR 30 million of business-critical pre-petition payments were made. In the week ending 28th July 2017 it was communicated publicly that there would be a tranche of EUR 150 million made available under the SPFA for settlement of pre-petition trade claims which became due prior to the opening of the EA Proceedings. 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 is a dedicated pool of up to EUR 30 million for 'micro' suppliers, defined as family farms (OPG), small entrepreneurs and micro-suppliers with (i) annual revenue of less than HRK 5.2 million, (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. To date, over 2,500 micro companies, craft trades and small farmers received 100% settlement of their pre-petition debt with Pool A utilisation. EUR 20 million has been paid.

(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 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 claims, taking into account any amounts paid previously for old debt.

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 group company 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.

EUR 83.8 million of funds were approved to be utilised out of Pool B, EUR 27.5 million (rounded) this is a rounding issue for Tranche A and EUR 56.4 million (rounded) for Tranche B. To date, the total amount paid under Pool B is EUR 78 million.

[On the basis that certain corrections to the tables of recognised claims were delivered to the Court on 13th December 2017, any additional requests for payment approval are expected from the creditors in question from Groups A and B. Any residual unused funds from this EUR 150 million will become available for operational use within the Agrokor Group.]

(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 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 paid under Pool C is EUR [●].[17]

In relation to Border Claims, the Extraordinary Administration paid the claims in order to reach a maximum of [47]% of the supplier's Border Claim to those suppliers who signed an agreement with the Agrokor Group to return to historic supplier terms, while taking into account any amounts paid previously for border debt. A total of EUR 25 million has been used to pay Border Claim debt across Pools A, B and C.

The total basket under the SPFA of up to the EUR 150 million of the new finance allocated for the payment of pre-petition debt is now at [EUR 123 million (as of end of March 2018)] which number is subject to any payments to occur within this basket in the future. Any residual unused funds from this EUR 150 million will become available for operational use within the Group.

4.3.2.3 Treatment of Payments in the Settlement

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 has 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 to (i) initiate civil or enforcement proceedings, proceedings securing claims and out-of-court collection proceedings and (ii) exercise 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. Such

[17] To be completed before submission of the plan.

proceedings include temporary injunctions against members of the EA Group, prohibiting the transfer and encumbrance of shares in Foreign Subsidiaries (as defined below) as well as enforcement actions in 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 completed. However, several temporary injunctions are in place banning the transfer and encumbrance of shares.

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 proceedings are stayed pending the outcome of the creditor's appeal of the order recognising the EA Proceedings in England and Wales (as described in Cl. 4.4.2.4 below). [The hearing for the appeal is listed for two days commencing 19th June 2018.][18]

A list of all litigation commenced against EA Group and the status of the proceedings is in Annex [●] (*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 is subject to litigation and/or arbitration. An informative non-exhaustive summary is presented below.

4.4.2.1 England and Wales19

The Extraordinary Administrator filed an application in the Chancery Division of the High Court of England and Wales seeking recognition of the Extraordinary Administration 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 court granted recognition of the Extraordinary Administration 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 for permission to appeal the decision despite the effect of recognition. At a hearing held on 18th December 2017, the court gave a final order, rejecting 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 against the order granting recognition of the Extraordinary Administration process, and for expedition of the appeal process. That application was granted on 27th April 2018.

Following the judgment in the recognition proceedings, on 11th December 2017 the opposing creditor applied to lift the stay imposed by recognition of the EA Proceedings. The parties exchanged evidence, including further expert evidence, and a Hearing was held on 21st February 2018. The court stayed the application pending resolution of the appeal process for the recognition order. The opposing creditor was denied permission to appeal by the court.

[18] To be updated before submission of plan.

[19] To be updated before submission of plan.

They 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 their appeal of the recognition order. These applications were granted. The parties will exchange legal submissions and a hearing will be listed before three justices of the Court of Appeal. The stay of 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. The application was opposed by two creditors. On 28th August 2017, the court rejected the recognition application. The Extraordinary Administrator has 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. Subsequently, the Extraordinary Administrator filed an appeal to the Constitutional Court of Serbia against the decision to reject the recognition application on 20th December 2017.

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 has been 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 has filed an appeal to this decision to the Supreme Court of Slovenia on 1st December 2017, including an expert report from Dr. Aleš Galič from the University of Ljubljana Faculty of Law and a further report from retired Judge of the Supreme Court of the Republic of Croatia, Andrija Eraković. On [●], the appeal was dismissed and the application for recognition rejected. [Subsequently, the Extraordinary Administrator filed an appeal to the Constitutional Court of Slovenia against the decision.]

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 has been rejected on 13th November 2017. The Extraordinary Administrator has appealed that decision. The Supreme Court has rejected the appeal. The Extraordinary Administrator has filed an appeal at the Constitutional Court.

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 has dismissed the application on 17th December 2017. The Extraordinary Administrator has filed an appeal against this decision.

4.4.2.6 US

[*Chapter 15*][20]

4.4.2.7 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 entities under Extraordinary Administration undertaken to the detriment of the creditors if he regards such actions necessary to fulfil the objectives of the proceeding (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.[21]

A full list of pending claw-back actions is in Annex [●] (*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 for any damages incurred. Furthermore, the annexes provided that the company must reimburse all expenses regarding attorney expenses, legal relief and legal advisers and all expenses arising from such proceedings to the respective members of the former management.

All three of the 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 Todrić 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 damage claim within the pending criminal proceeding against all of the 16 defendants in the amount of HRK 1.6 billion (approx. EUR 215 million).

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[20] To be updated before submission of plan to the extent available.

[21] Further updated details to be included before submission.

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 unsecured pre-petition 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 unsecured pre-petition claims against the Debtor and Insolvent EA Croatian Subsidiaries (as defined below) in accordance with Cl. 5.4 below (such claims being the "**Impaired Claims**"; the creditors that hold Impaired Claims being the "**Impaired Creditors**" in that capacity) will receive a combination of two instruments issued by the Dutch holding companies consisting of new equity and a structurally subordinated convertible bond (see Cl. 5.3 below). As a result, the New Group will economically be owned by the Impaired Creditors as holders of new instruments (in this capacity, the "**New Instruments Beneficiaries**") upon the Implementation Commencement Date.

The Impaired Claims are listed in Annex [●] (*Claims*) and the Insolvent EA Croatian Subsidiaries (as defined below) are listed in Annex [●] (*Agrokor Group Entities*). For all purposes of the Settlement Plan, any Secured Claim 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.

Creditors with claims against Solvent 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 transferred to a number of subsidiaries under a new creditor-controlled holding structure consisting of Aisle HoldCo and parent Dutch holding companies above Aisle HoldCo as defined below. See below for further details on the new operative entities (see Cl. 5.5 below) as well as the debt (see Cl. 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. 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 as updated 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[22] 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. 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 the Debtor's advisors.

5.3 Corporate Structure[23]

[22] TBD if further details to be provided on lease contracts.

[23] Update as register details of new companies become available.

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 Netherlands ("*Besloten Vennootschap*", B.V.), has been established, registered with the trade register of the Dutch Chamber of Commerce under number 71635416 with its seat in Amsterdam ("**Aisle Dutch TopCo**") as the parent of the New Group.

The sole shareholder of the 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 ("*Stichting Administratiekantoor*", "**Aisle STAK**"). Having Aisle STAK as the ultimate holding entity of the 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.

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 Netherlands ("*Besloten Vennootschap*", B.V.), has been established, registered with the trade register of the Dutch Chamber of Commerce under number 71642412 with its seat in Amsterdam ("**Aisle Dutch HoldCo**") as a direct, wholly-owned subsidiary of Aisle Dutch TopCo.

The new structure also includes Croatian joint stock company *Aisle HoldCo d.d.* with its seat in Zagreb, ("**Aisle HoldCo**"), which is a wholly-owned subsidiary of Aisle Dutch HoldCo. Aisle HoldCo 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 (business unit) transferees for each insolvent EA Entity. The New Croatian Subsidiaries are listed in Annex [●] (*New Croatian Subsidiaries*).

The Extraordinary Administrator will work with the New Holding Companies to make appropriate changes over time to the company names of the Agrokor Group members and the New Group Companies in order to prepare the transfer of the businesses, taking into consideration the envisaged timing of the implementation of the Settlement Plan.

The articles of association of the Holding Companies are in Annex [●] (*Holding Companies' Articles of Association*).

5.4 Equity and Convertible Bond

Impaired Creditors 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 turn 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 (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 in respect of the Aisle Dutch TopCo shares in respect of which it holds Depositary Receipts; 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. The substantially final form of the administrative conditions of Aisle STAK are attached as Annex [●] (*STAK Administrative Conditions*).

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 all such amounts 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 quorum requirement. Votes shall be cast in the manner decided by the chairman of the meeting and may be cast by electronic means. The administrative conditions for the Depositary Receipts 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 DR Holder consent must be obtained. Subject to such reserved matters, voting the shares in Aisle Dutch TopCo will be executed in a resolution of the general meeting or adopted in lieu of a meeting of Aisle Dutch TopCo. 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 DR Holder vote. No statutory meeting rights 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.

The administrative conditions of Aisle STAK will provide that each DR Holder whose holding of Depositary Receipts, jointly with its affiliates, reaches, exceeds or falls below 15%, 35%, 45%, 50% or 75% of the total issued Depositary Receipts will, without undue delay, notify Aisle Dutch TopCo of its holdings. Aisle Dutch TopCo will without undue delay publish such holdings information on its website.

Each DR Holder has the right to tag along its Depositary Receipts in respect of a sale of 45 % or more of all Depository Receipts. In addition, where a DR Holder and its concert parties acquire more than 45% of all Depository Receipts, the acquiring DR Holder must make a mandatory offer for the remaining Depository Receipts not held by such DR Holder and its concert parties. A DR Holder transferring more than 70% of Depositary Receipts has the right to drag along all other DR Holders at the same price per Depository Receipt paid by a third party buyer, or where the buyer is not a third party based up the higher of the sale price or the highest price paid in historical acquisitions of Depository Receipts by such buyer and its concert parties over the previous 12 month period.

5.4.2 Convertible Bonds

In addition to the Depositary Receipts, Aisle Dutch TopCo will issue debt instruments in the form of registered convertible bonds with an aggregate nominal value of up to EUR [●] (the "**Convertible Bonds**").

The Convertibe Bonds shall be issued in the form of two registered global bonds (each a "**Global Convertible Bond**") (one in respect of New Instrument Beneficiaries who are U.S. persons, the other in respect of all other New Instrument Beneficiaries). These Convertible Bonds will be held by a custodian (the "**CB Custodian**") for the benefit of the applicable New Instrument Beneficiary upon the Implementation Commencement Date.

Aisle Dutch TopCo will appoint a registrar (the "**CB Registrar**") to establish and maintain a register (the "**CB Register**") for (i) the global bonds and (ii) the interests of each New Instrument Beneficiary (each a "**Bond Interest**").

The global bonds will be registered in the CB Register in the name of the CB Custodian. In relation to the Bond Interest, the CB Registrar will register in the CB Register the Bond Interests allocated in respect of each Determined Claim and Challenged Claim, by reference to the holder of each such Claim.

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**"; and the Depositary Receipts and the Convertible Bonds are referred to collectively as the "**New Instruments**". In certain circumstances, the Bond Interests allocable to New Instrument Beneficiaries will initially be allocated to a Securities Escrow Agent, as described in Cl. 19.1 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 [substantially final form/draft] of the Convertible Bonds Trust Deed and the Convertible Bonds Terms and Conditions is attached as Annex [●] (C*onvertible Bonds Trust Deed*) and Annex [●] (*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; or (ii) prior to the final maturity date, automatically if an event of default has occurred. In addition, the Convertible Bonds will be converted into Depositary Receipts in advance of an exit by an initial public offering or by a sale of the New Group upon 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.

– 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 Bond for as long as the Exit Facility is outstanding. The Bond Interest Holders will have no recourse against any of the subsidiaries of Aisle Dutch TopCo. The Convertible Bond will not be guaranteed and will not benefit from security.

– Maturity: 10 years

– Interest: interest at the fixed rate of [2.5]% per annum will accrue from day to day on the Convertible Bonds for so long as they are outstanding, and will be capitalised annually by adding the accrued amount to the outstanding principal amount of the Convertible Bonds on each anniversary of the date of issuance of the Convertible Bonds.

– The Convertible Bonds Issuer shall 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 Bonds will generally require the consent of the Bond Interest Holders of 75% by value 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 terms and conditions governing the Depositary Receipts and the Convertible Bonds will provide that Depositary Receipts can be validly transferred only jointly with the Bond Interests held by the DR Holder and *vice versa*. The transfer restrictions applicable to the Depositary Receipts and the Convertible Bonds and Bond Interests are documented in their respective terms and in a separate memorandum specifying the transfer regulations for transfers of the New Instruments (the "**Transfer Regulations**"). The Transfer Regulations (which may be amended from time to time) will be posted to the website maintained by the Convertible Bonds Issuer. The substantially final form of the Transfer Regulations are attached as Annex [●]

(*Transfer Restrictions*) which forms part of each of Depositary Receipts and the Convertible Bond Terms and Conditions.

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; and (ii) the transfer is effected using the template written transfer instruments attached to the Transfer Regulations. A transfer will only be effective following notification to Aisle STAK and the Convertible Bonds Issuer 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.[24]

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. Further, the Convertible Bonds and Depositary Receipts will not be held in any clearing system.

5.5 Operating Group Reorganisation

The current group structure will be replaced by 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: (1) a reduction of systemic risk; (2) the focus on core businesses with the potential to exit non-essential businesses; (3) transparency and accountability of the individual businesses; and (4) 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).

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

[24] To be updated in the event a third party registrar is appointed.

– 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 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 business each insolvent EA Entity (the "**Insolvent EA Croatian Subsidiaries**") (for the approach taken to determine solvency and insolvency 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 [●] (*New Group Companies*);

– solvent Croatian subsidiaries in Extraordinary Administration (the "**Solvent EA Croatian Subsidiaries**", as listed in Annex [●] (*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 (for the approach taken to determine solvency and insolvency see 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 [●] (*Agrokor Group Entities*)) will be transferred to the New Group by way of share transfer.

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 with more than a marginal enterprise value 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 business unit transfer under the Settlement Plan is derived from Art. 43 para. 5 tiret 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 he, and any entities in which he 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[25]

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. Therefore, the Settlement Plan may provide (i) for asset transfers from each Insolvent EA Croatian Subsidiary with more than a marginal enterprise value and (ii) for share transfers in respect of each Solvent EA Croatian Subsidiary and each Foreign and Non-EA Croatian Subsidiary with more than a marginal enterprise value.

In determining whether any EA Entity is an Insolvent EA Croatian Subsidiary, two assessments have been made. The underlying principles of these two assessments is the fair and equitable treatment of stakeholders and the sustainability of each entity. This approach provides a framework from which a determination for each entity can be based, whilst retaining the flexibility to consider the specific circumstances of each entity.

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 business unit 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 will be 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.

[25] To be updated and completed in line with final test criteria applied.

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 (ie 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 (ie 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 business unit 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 extraordinary administration 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 will fail 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.

– 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 Insolvent EA Croatian Subsidiaries

As provided under the Constructive Part of this Settlement Plan, all core assets of the Debtor and each Insolvent EA Croatian Subsidiary, as business units, will be transferred to the New Group at fair market value. Material non-core assets of Insolvent EA Croatian Subsidiaries will be transferred at fair value to an appropriate subsidiary (not necessarily mirror subsidiary) in the New Group in a tax efficient manner and structure. A list of assets subject to transfer including the respective transferee and transferor is in Annex [●] (*Assets Subject to Transfer*) (the "**Assets Subject to Transfer**"). The Assets Subject to Transfer regularly consist of all assets and post-petition liabilities of a respective entity. Their transfer therefore regularly 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 Solvent 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 licenses, 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 (note: as the transfer would entail also the transfer of the contract under which the public right was granted, the provider of the concession or other right should be contacted prior to the conclusion of the settlement in order to facilitate a smooth administrative registration of the transfer. 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;

– stock, products.

Outstanding post-petition liabilities of the Debtor and Insolvent 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 Insolvent EA Croatian Subsidiaries and the New Group will have no liability for such claims.

The existing shareholders of the Debtor and the Insolvent 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 Insolvent 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 Insolvent 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 Solvent EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

The Solvent 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 Solvent EA Croatian Subsidiary will be transferred at fair market 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 Solvent EA Croatian Subsidiaries held by the Agrokor Group will be transferred, the minority and majority shareholders and creditors of each such Solvent 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 solvent or insolvent), as the Foreign and Non-EA Croatian Subsidiaries are not subject to the EA Proceedings.

5.5.2.4 Resolution of Non-Performing Subsidiaries

Shares in certain subsidiaries with de-minimis assets only, i.e. non-viable entities (the "**Non-Performing Subsidiaries**", listed in Annex [●] (*Agrokor Group Entities*)) will remain in the old structure and will be liquidated.

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 the implementation steps in Cl. 10.2 below and the Steps Plan (as defined

below). The transfer of the business to the New Group will be effected at fair market 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. It has been determined that the total amount of debt in the new structure should not exceed an amount equal to [●], which is the equivalent of the amount outstanding under the SPFA and EUR [530] million of unimpaired claims (the "**Unimpaired Claims**") of which only EUR [426] million relates to non-APH operating companies. Unimpaired Claims consist of claims against Solvent EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries and claims secured by the realisable value of collateral held by EA Group entities (see Cl. 5.6.3 below). This determination has been made through a collateral appraisal analysis conducted by Trezor Invest and based on the outcome of discussions with the Secured Creditors, and through a debt capacity analysis conducted by financial advisors 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 amounts outstanding under the SPFA and the Unimpaired Claims (which implies a total leverage of more than [10]x LTM EBITDA as at [31st March] 2018), 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, eleven 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'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), the terms of such extension have not yet been agreed.][26]

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

[26] To be updated before submission of plan.

– 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 in Cl. 5.6 above) to have priority ranking over any additional debt at Aisle HoldCo.

– Secured Claims will be reinstated up to the value of associated collateral at either the level of Aisle HoldCo or the new subsidiaries (the "**Reinstated Secured Claims**"). Any deficiency claims (i.e., claim value in excess of collateral value) will be treated consistently with all other pre-petition unsecured claims of insolvent 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 solvent 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 will be as follows:

– EUR [●][27] of Convertible Bonds at Aisle Dutch TopCo

– A non-recourse, up to [EUR [●] million] for the arrangement on the Contingent Payment Right; at Aisle Dutch TopCo

– EUR [1,060] million plus interest [●] Extended SPFA at Aisle HoldCo

– Up to EUR [425] million of Unimpaired Debt (including both secured and unsecured debt) at core operating companies

– Up to EUR [104] million of Unimpaired Debt (including both secured and unsecured debt) at non-core operating companies

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

5.6.2 Extension of SPFA[28]

On 10th April 2018, the Debtor submitted an SPFA extension request in compliance with clause 2.4 of the SPFA.

[27] To be inserted before submission of the plan.

[28] To be updated. Subject to ongoing discussions.

The extension of the SPFA requires the approval of 60% of SPFA Lenders and 50 % of SPFA Lenders who are not banks. [As of the Submission Date, this approval has been obtained on the terms of the Extended SPFA.][29][30]

The total amount owed under the Extended SPFA will equal the aggregate outstanding amounts owed to the SPFA Lenders under the SPFA as at the [*date TBD*] and any upfront fees or original issue discount (OID) which would all subsequently need to be refinanced by the Exit Facility. As of the Submission Date the amount is EUR [1,060] million; the Extended SPFA is expected to be EUR [1,060] million subject to changes.[31]

If the required approvals are obtained, 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 super senior term loan facility, *i.e.* it will rank ahead of any of the financial debt at Aisle HoldCo.

The [anticipated key] terms of the Extended SPFA are:

Interest	Euribor + [●]% per annum in cash monthly. Euribor floor at 0. Step up of [●]% each month from [●]. Debtor can elect to PIK half of the coupon in a given month.
Default interest	The greater of a) the prevailing interest rate above plus [●] % and b) Euribor + [●] % (with Euribor floor at 0).
Final maturity date	[●]
Borrower	Until [completion of the settlement implementation], the borrower will be the Debtor After [completion of the settlement implementation], the borrower will be the New Group upon the transfer of assets.
Repayment price	Par plus accrued and unpaid interest / no prepayment penalties.
Pre-payment	Prepayment permitted.
Ranking	Until Implementation Effective Date, no change. After the Implementation Effective Date, the Exit Facility will receive senior priority over all unencumbered assets of the New Group and its subsidiaries, as well as all share pledges.

[29] To be confirmed before submission.

[30] TBD extension only up to the implementation date.

[31] To be updated before submission of plan.

Other terms	As per existing SPFA. Structure to be such to allow the Implementation and transfer of assets to the New Group, and the exchange of the Extended SPFA into the Exit Facility
Conditions precedent	Confirmation of Settlement Plan by Court
Governing law	To be governed by English law, any security documents to be governed by appropriate local law.

5.6.3 Reinstatement 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 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. 22.2 to 22.4 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 Solvent EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

Claims against Foreign and Non-EA Croatian Subsidiaries will remain in place unaffected. Claims against Solvent EA Croatian Subsidiaries will be reinstated as per Cl. 22.1 below.

5.6.5 Release from Pre-Petition Liabilities and Guarantees

The Settlement Plan will release 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. The release will occur in accordance with the following steps which are set forth in more detail under Cl. 10.2 below and in the Steps Plan:

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

– Pursuant to the Settlement Plan, each Impaired Creditor will release and waive any claims under or in connection with the Assigned Claims, and all rights related thereto, including guarantees.

– All rights in connection with the Assigned Claims will be solely held by Aisle Dutch TopCo (other than the rights of Creditors in respect of Challenged Claims as described in Cl. 6.5 below).

– Aisle Dutch TopCo will hold a receivable from the Debtor and each Insolvent EA Croatian Subsidiary in an amount equal to the face amount of the Assigned Claims, recognised at their fair market value.

– Aisle Dutch TopCo will instruct the Debtor and each Insolvent EA Subsidiary to transfer the Assets Subject to Transfer (as defined below) (via share and asset transfer), to Aisle HoldCo in partial satisfaction of the receivable referred to in paragraph 4 above. In exchange, Aisle HoldCo will recognise a right to receive Assets Subject to Transfer and liability (compensation debt) to Aisle Dutch TopCo in an amount equal to the fair market value of the Assets Subject to Transfer.

– Aisle Dutch TopCo will simultaneously instruct each New Group entity which receives Assets Subject to Transfer to pay Aisle HoldCo the respective liability (compensation debt) towards Aisle Dutch TopCo in the amount amount equal to the fair market value of the Assets Subject to Transfer.

– As a result, Aisle HoldCo and each New Group Company will have rights to receive assets from the Debtor and relevant Insolvent EA Croatian Subsidiary in preparation for the transfers of business units, shares and non-core assets.

– With the effectiveness of the above instructions by which the rights to receive Assets Subject to Transfer are effective, Aisle HoldCo will have a debt claim against Aisle Dutch TopCo, in the amount equal to (i) consideration for the right to receive the Debtor's Assets Subject to Transfer and (ii) consideration for Aisle Dutch TopCo's instruction to each New Group Company to pay to Aisle HoldCo the consideration for the relevant acquisition of Assets Subject to Transfer. The intragroup receivables of the New Group under (i) and (ii) above will be regulated under Profit Participating Loan arrangements or converted to equity arrangements.

– Please refer to section [●][32] of the Steps Plan for further details of the steps to be taken on the Implementation Commencement Date (and the steps to be taken between the Implementation Commencement Date and the Implementation Effective Date).

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

[32] To be updated before submission of the plan.

The DR Holders' rights are included in the administrative conditions of Aisle STAK. The 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**"). These DR Holder Reserved Matters are set out in Annex [●] (*DR Holder Reserved Matters*) and reflected in the articles of association of each Holding Company and OpCo to ensure that DR Holder consent must be obtained in connection with such matters.

In the event a DR Holder Reserved Matter is to be put to the management board of an OpCo or Holding Company, the articles of association of such OpCo or Holding Company will provide that any such resolution will require the prior approval of the general meeting of shareholders of that OpCo or Holding 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 shareholders, 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 requisite majority of the DR Holders votes against the reserved matter, 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 Holding Companies or OpCo, as the case may be, 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 board member. In order for the company to be deemed domiciled in the Netherlands for tax purposes, 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 new 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. Aisle HoldCo will have a one-tier board structure by the Implementation Commencement Date (the "**Aisle HoldCo Board**").

On the Implementation Commencement Date, immediately following the issuance of the Depository Receipts, a meeting of DR Holders will be held with the purpose of authorizing and confirming authorization 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 of a new Aisle HoldCo Board; and

(ii) 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 board of Aisle Dutch TopCo and the 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 DR Holder Meeting.

Following completion of the Settlement Plan, the appointment of the Aisle HoldCo Board is to be approved by each shareholder Holding Company above Aisle HoldCo, to enable the DR Holders to control the composition of the Aisle HoldCo Board pursuant to the DR Holder meeting resolutions.

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 subsidiary 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 [●] (*OpCo Reserved Matters*).

6 TREATMENT OF PRE-PETITION CLAIMS AGAINST EA ENTITIES

The allocation under the Settlement Plan is determined respecting the following general categories:

– Impaired Claims that are settled pursuant to Art. [18],

– Impaired Claims with a Contingent Payment Right settled pursuant to Art. [●],

– Creditors secured by a separate satisfaction right, listed in table [●] and settled pursuant to Cl. 6.1 below

– Unimpaired creditors of Solvent EA Croatian Subsidiaries, listed in table [●] and settled pursuant to Cl. 6.1 below

6.1 Claims secured by Separate Satisfaction Right (Secured 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. 22.2 to 22.4 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.

6.2 Unimpaired Claims

Claims against Solvent EA Croatian Subsidiaries will be reinstated as per Cl. 22.1 below.

6.3 Impaired Claims

Impaired Creditors will:

– assign their pre-petition claims under the Settlement Plan to Aisle Dutch TopCo; and

– receive Convertible Bonds and Depositary Receipts.

6.4 Impaired Claims with a Contingent Payment Right

Impaired Creditors holding the Border Claims are to become New Instruments Beneficiaries and will:

– assign their pre-petition claims, for avoidance of any doubt including the Border Claims, under the Settlement Plan to Aisle Dutch TopCo;

– receive Convertible Bonds and Depositary Receipts; and

– receive the Contingent Payment Right as described under Cl. 20 below.

In addition to receiving New Instruments Impaired Creditors holding Border Claims will also have a claim against the Supplier Payment Agent as set out in Cl. 20 below (*Contingent Payment Right*).

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 15 January 2018 as suppliers of the respective New Retail OpCos for the five years following the Settlement Implementation 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.

6.5 Challenged Claims

Challenged Claims are be treated as set out under Cl. 19.4 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.

The value allocation 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 paid 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 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 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. Unimpaired Claims will be reinstated at nominal value. Impaired Claims will be allocated New Instruments 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 Convertible Bonds and Depositary Receipts 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.

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.[33]

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 of 9th April 2017 less subsequent repayments as at [30th May 2018];

– 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 have been developed in EUR using an exchange rate of HRK 7.4353 per EUR as of 30th March 2018 based on Bloomberg.

All pre-petition claims have been submitted to the Extraordinary Administrator in HRK. Claims that were originally denominated in EUR were converted at HRK 7.4810 per EUR as of 9th April 2017 based on the Croatian National Bank (CNB) selling rate.

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. 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

[33] Consider further details.

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. This includes EA Challenged Claims and Creditor Challenged Claims (each as defined below). 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). To the extent that a claim is rejected following the litigation process, the recovery reserved for that claim will be applied in satisfaction of other claims in accordance with the Entity Priority Concept. This is further described in Cl. 19.4 below.

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 advisers which has been reviewed by the ICC and relevant other advisers [*TBD Statement with ICC*].

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 solvent subsidiaries (both in and outside Extraordinary Administration) contributes to its Distributable Value. 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 solvent. In a few exceptional cases, entities outside Extraordinary Administration

have provided guarantees for claims against EA Group entities. 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).

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 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.

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 of 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 satisfied 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 EA

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 these claims guarantees 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 solvent and whether or not the claim is secured.

7.7.2 Solvent EA Croatian Subsidiaries

The Solvent 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 solvent 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 Insolvent EA Croatian Subsidiaries

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

If an Insolvent 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. 7.4 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 insolvent 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 solvent entities. Then EUR 25 would remain for distribution to claims within insolvent 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 Solvent Entities Holding Intercompany Claims against Insolvent Entities

In certain situations, solvent entities will have intercompany receivables arising from intercompany claims against EA Group entities. If the debtor is solvent, the intercompany receivables/claims will exist in the new structure (and offset each other on a consolidated basis). However, if the debtor is insolvent, intercompany receivables/claims are treated as third-party claims and the relevant inter-company creditor would be entitled to an allocation of new recovery instruments. In these circumstances, the entity would receive its recovery on the pre-petition intercompany claim in the form of a new intercompany loan to Aisle HoldCo at a principal amount equal to the value of the recovery with a neutral effect on the Distributable Value of the intercompany lender.

8 TREATMENT OF OTHER STAKEHOLDERS

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 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 Pre-Petition 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 Insolvent EA Croatian Subsidiaries

Shareholders of the Debtor and Insolvent 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 Solvent EA Croatian Subsidiaries and Foreign and Non-EA Croatian Subsidiaries

Solvent 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 Solvent EA Croatian Subsidiaries have a positive equity value, the shareholders of each such Solvent 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 Solvent 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.

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 [●], which is [●] less than the going concern value of EUR [●] 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 below Fire-Sale), taking into account going concern valuations, or

  – the potential realisable value from asset disposals after operations have been terminated (see below Asset Liquidation).

– 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 / all] 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 [●], 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 [●] (*Claims*) in the column [liquidation recovery].

– **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**: For 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 Insolvent EA Croatian Subsidiaries**: The shareholders of the Debtor and of Insolvent 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 insolvent entities will be left behind in the old structure and these entities will enter liquidation proceedings.

– **Shareholders and other Stakeholders of Solvent EA Croatian Subsidiaries**: The shareholders of Solvent 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 Solvent 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 5 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 8 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 the resolution of the High Commercial Court of the Republic of Croatia upon appeal.

10.1.2 Implementation and Termination

The Debtor will make a public announcement on Court`s e-bulletin board website once:

– the Condition Precedent to implementation of the Settlement Plan has been satisfied (or waived in accordance with Cl. 26.2 below);

– duly completed KYC Forms (as defined below) have been submitted to the Debtor by sufficient Impaired Creditors so as not to trigger anti-trust, merger control issues and/or regulatory issues, holding at least [60]% by value of the Impaired Claims; [and

– the New Group and the Agrokor Group are otherwise in a position to implement the Settlement Plan in full].

The date of such publication is the "**Public Announcement Date**". In the public announcement, the Extraordinary Administrator will determine the date the implementation of the restructuring measures envisaged by the Settlement Plan and Settlement Steps in the Steps Plan (as defined below) will occur, being a date no earlier than 15 buiness 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:

– the assignment of Impaired Claims to Aisle Dutch TopCo (as further described in Cl. 18 below);

– the issuance of New Instruments to Impaired Creditors (as further described in Cl. 19 below);

– the transfer of the business of the EA Entities to the New Group (as further described in Cl. 21 below); and

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

The other steps required to implement the Settlement Plan will be taken on the same day as the Implementation Commencement Date or, if that is not possible, as soon as possible thereafter in the immediately following day(s). The implementation effective date will occur once all steps required to implement the Settlement Plan have been completed (the "**Implementation Effective Date** "). The Creditors, the EA Entities and the 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.

The envisioned preliminary and non-binding implementation timeline is as follows: [*to be included before plan submission*]

Upon completion of the restructuring measures, the Extraordinary Administration will terminate (Art. 47 item 2 EA Act) (the "**EA Termination Date**").

10.2 Implementation Steps

The steps required for the implementation of the group restructuring are set out in detail in the steps plan in Annex [●] (*Steps Plan*) (the "**Steps Plan**"). The steps include:

– Assignment of Impaired Claims to Aisle Dutch TopCo;

– Issuance of New Instruments to Impaired Creditors;

– Transfer of the business of the EA Entities to the New Group.

None of the implementation steps mentioned in this Cl. 10.2 above will be taken before the Implementation Commencement Date.

10.3 Implementation Risks

Please note that this sections only addresses 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 jurisdiction, 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 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.

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. 26 below).

10.5 Foreign Recognition of the Settlement Plan

The Extraordinary Administrator intends to apply for recognition of the Settlement Plan upon Court confirmation where such recognition is required for or helpful to the completion of certain restructuring measures, in particular in the following jurisdictions: Bosnia-Herzegovina, England and Wales, Montenegro, the Netherlands, Serbia, Slovenia and the US.

11 CLASSIFICATION OF CREDITORS FOR VOTING PURPOSES

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

The plan must create separate classes for claims with different legal positions; 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).

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

Per Art. 308 para. 1 and 2 Bankruptcy Act, to the extent applicable under the EA Act, the following classes of Impaired Claims are formed for the purpose of voting on the Settlement Plan:

[●]

12 TAX IMPLICATIONS

12.1 Transfers of business units of Insolvent EA Croatian Subsidiaries to the New Group

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

Transfers of business units will not be considered as supplies for Croatian VAT purposes and no VAT will need to be charged or financed.

Any gains arising on the transfer of business units will be subject to corporate profit tax at the level of the of Insolvent EA Croatian Subsidiaries which are disposing of the business units (subject to any carry forward tax losses being available to offset any such taxable gains).

Corporate profit tax liabilities that arise at the level of Insolvent EA Croatian Subsidiaries as a result of transfers of business units upon Settlement (if any) are not transferred to relevant New Group Companies in the New Group pursuant to the provisions of Art. 43, para. 5, point 1 EA Act.

Post-petition tax liabilities which arise in the ordinary course of operations of business units of the Insolvent EA Croatian Subsidiaries, and which are reported as such within the Insolvent EA Croatian Subsidiaries, transfer with business units to relevant New Group Company in the New Group.

12.2 Transfers of assets (that are not part of business units) of Insolvent EA Croatian Subsidiaries to the New Group

Transfers of assets which are not part of business units to relevant New Group Company are as follows:

1. Transfers of new buildings (i.e. unoccupied buildings or buildings where less than 2 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 Insolvent EA Croatian Subsidiaries. Relevant New Group Companies 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 VATable supplies and to the extent that VAT was settled by Insolvent EA Croatian Subsidiaries);

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

    a) Insolvent EA Croatian Subsidiaries and New Group Companies are VAT registered; and

    b) New Group Companies intend to use such real estate to perform VATable 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 Insolvent 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 Insolvent EA Croatian Subsidiaries as a result of transfers of assets which are not part of business units will not transfer to relevant New Group Company's pursuant to the provisions of Art. 43, para. 5, point 1 EA Act.

12.3 Transfers of shares of Solvent EA Croatian Subsidiaries and Foreign Subsidiaries

The transfers of shareholdings in Solvent 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.

No stamp duty liabilities will arise on transfer of shares of Foreign Subsidiaries in Slovenia, Serbia, Bosnia-Herzegovina, Montenegro or Hungary.

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*)[34]

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 Proceeding 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, legal position of EA Entities and other participants in the EA Proceedings, and sets out measures required to implement the Settlement Plan.

The measures required to be taken under the Settlement Plan are mutually conditional and must therefore operate incrementally.

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 have undertaken to support and take all actions reasonably necessary to implement and fulfil this Settlement Plan. The consent letter is in Annex [●] (*Support and Consent Letters by New Group*). For assistance in interpretation of the Settlement Plan with respect to its implementation, the steps to be taken are described in the Steps Plan.

Each Creditor, New Group Company, the Debtor and each EA Entity undertakes to support and implement the Settlement Plan as prescribed herein and as set out in the Steps Plan [and to omit any steps that would prevent or be contradictory to the implementation steps].

[34] To be aligned with steps plan.

By virtue of the Settlement Plan, Aisle Dutch TopCo, Aisle STAK and the Supplier Payment Agent are authorised to execute all documents required to implement the transaction and steps contemplated hereunder (save for the KYC Form) on behalf of each Impaired Creditor.

14 EFFECTIVENESS OF THE SETTLEMENT PLAN

This Settlement Plan is effective from the issuance of the Court order confirming it and from this 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.

15 CLASSIFICATION OF PRE-PETITION CREDITORS[35] FOR VOTING PURPOSES

The creditors of pre-petition claims were classified pursuant to the resolution of the Commercial court of Zagreb, St-1138/17, [●] 2018 as follows, and will be referred to for the voting on this Settlement Plan pursuant to Art. 43 EA Act:[36]

[●]

16 MANNER OF SETTLEMENT AND ALLOCATION

The manner and terms of settlement of all Creditors' claims, by way of issuing of New Instruments and/or claims for payments, as well as other provisions relevant for the implementation of this Settlement Plan are stated hereinafter.

16.1 Consent to Payments on Pre-Petition Claims

Pursuant to the EA Act, a portion of certain Creditors' claims has been settled by payments by EA Entities in the period from the opening of the proceedings up to the date of submission of this Settlement Plan to the Court.

The EA Group has, until the Submission Date, based on the provision of Art. 40 EA Act, paid or settled HRK [●] in total to creditors listed in Annex [●] (*Claims*). Creditors hereby agree not to dispute the validity of payments or settlement made in accordance with the provision of Article 40 of the EA Law.

Therefore, the recovery allocation is done as follows:

16.2 Allocation under the Settlement Plan

The allocation under the Settlement Plan has been individually determined pursuant to the Entity Priority Concept.

Claims that are filed in the claims register and determined by the Court by Resolution on Determined and Challenged Claims of 15th January 2018 or allowed by virtue of a legally

[35] Classification to be confirmed.

[36] To be updated.

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 Settlement Plan determines the recovery to the following general categories of Creditors:

1. Impaired Creditors, whose claims are treated pursuant to Cl. 18 below and Cl. 19 below, are listed in table [●][37];

2. Impaired Creditors who also have the benefit of a Contingent Payment Right, whose claims are settled pursuant to Cl. 18 below and 19 below (as Impaired Creditors) and pursuant to Cl. 20 below (Contingent Payment Right), are listed in table [●];

3. Creditors secured by a SSR,

    a. having unimpaired or impaired recovery whose claims are settled pursuant to Cl. 22.2 and 22.3 below are listed in table [●];

    b. who only have an SSR (without EA Entity being a personal debtor) are regulated pursuant to Cl. 22.4 below.

4. Unimpaired Creditors of Solvent EA Croatian Subsidiaries whose claims are settled pursuant to Cl. 22.1 below, are listed in table [●].

A list showing the individual Settlement Recovery:

– per each Impaired Creditor is in Annex [●] (*Claims*), columns [●],

– per each Impaired Creditors, who also have the benefit of a Contingent Payment Right, is in Annex [●] (*Claims*), columns [●],

– per each creditor secured by a SSR, is in Annex [●] (*Claims*), columns [●], and

– per each Unimpaired creditor of Solvent EA Croatian Subsidiaries, is in Annex [●] (*Claims*), columns [●].

16.3 Deduction of Amounts recovered by Litigation

The Settlement Recovery of an Impaired Creditor will be reduced by any amount obtained during EA Proceedings (whether a full or partial settlement) by any collection action taken by the Impaired Creditor against a member of Agrokor Group (e.g. through enforcement actions). The relevant Impaired Creditor will therefore not be entitled to receive New Instruments for such amounts.

The same principle shall apply in respect of any amounts settled after the Implementation Commencement Date, and an equivalent amount of New Instruments held by the relevant Impaired Creditor shall be cancelled or redeemed and retained in treasury by its issuer.

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[37] A reference to ordinal numbers in Annes [●] (*Claims),* or separate lists (tables) of Creditors extracted from the Annex [●] (*Claims)*

For the avoidance of doubt, this does not apply to pre-petition claims paid during the course of EA Proceedings pursuant to Art. 40 EA Act as described in Cl. 4.3.2 above.

17 IMPLEMENTATION COMMENCEMENT DATE

The Debtor will make a public announcement on Court`s e-bulletin board website once:

– the Condition Precedent to implementation of the Settlement Plan has been satisfied (or waived in accordance with Cl. 26.2 below);

– duly completed KYC Forms (as defined below) have been submitted to the Debtor by sufficient Impaired Creditors so as not to trigger anti-trust, merger control issues and/or regulatory issues, holding at least [60]% by value of the Impaired Claims; [and

– the New Group and the Agrokor Group are otherwise in a position to implement the Settlement Plan in full].

The date of such publication is defined as the Public Announcement Date. In the public announcement, the Extraordinary Administrator will determine the date the implementation of the restructuring measures envisaged by the Settlement Plan and Settlement Steps in the Steps Plan (as defined below) will occur, being a date no earlier than 15 buiness days from the Public Announcement and 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).

As of the Implementation Commencement Date the following steps will take place:

– the assignment of Impaired Claims to Aisle Dutch TopCo (as further described in this Cl. 18 below);

– the issuance of New Instruments to Impaired Creditors (as further described in Cl. 19 below);

– the transfer of the business of the EA Entities to the New Group (as further described in Cl. 21 below); and

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

The other steps required for the Implementation Effective Date will be taken on the same day as the Implementation Commencement Date or, if that is not possible, as soon as possible thereafter in the immediately following day(s).

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.

18 ASSIGNMENT OF IMPAIRED CLAIMS TO AISLE DUTCH TOPCO

18.1 Assignment

On the Implementation Commencement Date:

- all Impaired Claims and rights related thereto will be assigned from the Impaired Creditors to Aisle Dutch TopCo subject to the terms and conditions set out herein and without the need for any further action on the part of the creditors or debtors of the Impaired Claims or the need to seek any third-party consents or further authority from this Court ("**Claims Assignment**";);

- Aisle Dutch TopCo hereby agrees to accept each such assignment and it 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 Impaired 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 ("**Aggregated Claims**"), in the amount set out in the following table [●]

  [INSERT TABLE]

- all accessory rights, as a primary enforcement right, rights from guarantee contracts, rights to interest, contractual penalties and similar rights, will transfer to the Aisle Dutch TopCo along with the Assigned Claim. To the extent an Impaired Creditor seeks to enforce its accessory rights against an entity of the Agrokor Group, Aisle Dutch TopCo shall be entitled to enforce the respective rights transferred to it and thereby effectively block the enforcing creditor from invoking such rights.

- Aisle Dutch TopCo will recognise a receivable from the the Debtor and each insolvent EA Croatian Subsidiary in an amount equal to the face amount of each Assigned Claim

- Aisle Dutch TopCo will instruct the Debtor and each Insolvent EA Subsidiary to transfer the Assets Subject to Transfer to Aisle HoldCo and New Group Companies for the purposes of partial satisfaction of the Aggregated Claims. In exchange, Aisle HoldCo and New Group Entities will have a right to receive Assets Subject to Transfer and will have a liability to Dutch TopCo in an amount equal to the fair market value of the Assets Subject to Transfer.

- Aisle Dutch TopCo will also instruct each New Group entity which receives Assets Subject to Transfer to pay Aisle HoldCo the respective liability towards Aisle Dutch TopCo in the amount equal to the fair market value of the Assets Subject to Transfer.

- Pursuant to the above instructions, Aisle HoldCo and each New Group Company will have rights to receive assets from the Debtor and relevant Insolvent EA Croatian Subsidiary in form of transfers of business units, shares and non-core assets.

- With the effectiveness of the above instructions by which the rights to receive Assets Subject to Transfer are effective, Aisle HoldCo will have a debt to Aisle Dutch TopCo, in the amount equal to the sum of (i) consideration for the right to receive the Debtor's Assets subject to Transfer and (ii) consideration for the Aisle Dutch TopCo's instruction to each New Group Company to pay to Croatian HoldCo the consideration for the relevant acquisition of Assets Subject to Transfer.

18.2 Discharge

The original Impaired 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 as against the EA Group.

18.3 Release of Guarantees towards Non-EA Entities

[●]

18.4 Additional Provisions for the Notes

[●]

18.5 Trading of Impaired Claims prior to Issuance

Impaired Creditors may transfer their Impaired Claims upto and including the date falling 5 business days after the Public Announcement Date ("**Claims Record Date**") to any third party. Such transfer is subject to Art. 146 Bankruptcy Act, which *inter alia* binds the assignee to the Settlement Plan, including the mandatory assignment of Impaired Claims to Aisle Dutch TopCo set out in Cl. 18 above (the transferee thereby becoming an Impaired Creditor and, upon issuance of the New Instruments, a New Instruments Benefiary).

For the avoidance of doubt, such transfer shall be evidenced by a public or publicly certified deed. The Extraordinary Administrator is required to be notified of such transfer on or before the Claims Record Date. The final list of Impaired Creditors ("**Final New Instruments Beneficiaries List**") shall be determined by the Extraordinary Administrator based on the transfer which have been notified to him on or prior to the Claims Record Date.

19 NEW INSTRUMENTS ISSUANCE PROCESS

On the Implementation Commencement Date, each Impaired Creditor entered in the Final New Instrument Beneficiaries List will, subject to having submitted the necessary KYC documentation, as described below, receive New Instruments denominated in EUR, the Impaired Claims converted into euro at EUR1/HRK 7.4365, being the spot rate of exchange of HRK into EUR as at 10th April 2017.

19.1 KYC Process

- Impaired Creditors will be required to complete the KYC Form, (obtainable from the website of the Debtor) and submit all information and documentation requested in it to either (i) the Debtor, prior to the Implementation Commencement Date; or (ii) Aisle Dutch TopCo, on or after the Implementation Commencement Date.

- Impaired Creditors will receive New Instruments on the Implementation Commencement Date if the Debtor has received their KYC Form on the Croatia 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 KYC Form prior to the Initial KYC Completion Date will result in the New Instruments which an Impaired Creditor is entitled to receive under the Settlement Plan being initially issued to the Securities Escrow Agent, as more fully described in Cl. 19.3 below.

– Impaired Creditors will be able to submit their KYC Forms after the Initial KYC Completion Date, up to the date falling 1 year from the Implementation Commencement Date. Upon submission of the duly completed KYC Form to Aisle Dutch TopCo, the relevant Impaired Creditor will receive their New Instruments in the manner described in Cl. 19 above. Failure to return a duly completed KYC Form within this 1 year period will result in the New Instruments attributable to the relevant Impaired Creditor being reallocated in accordance with the Reallocation Mechanism.

19.2 Issuance to Impaired Creditors

Prior to the Implementation Commencement Date the following will have occurred:

(i) the adoption of Board and shareholders' resolutions of Aisle Dutch TopCo, to authorise and confirm, amongst other things (i) acknowledgment of the acceptance of the Assigned Claims, (ii) the issuance of the Convertible Bonds and shares by Dutch TopCo and (iii) the entering into of the relevant transaction documents; and

(ii) the adoption of a board resolution of Aisle STAK, to authorise, amongst other things (i) the acceptance of shares from Aisle Dutch TopCo, (ii) the issuance of the corresponding Depositary Receipts to the relevant Impaired Creditors and (iii) the entering into of the relevant transaction documents.

On the Implementation Commencement Date, Aisle Dutch TopCo and Aisle STAK will issue the New Instruments to:

(i) each Impaired Creditor who has properly submitted a KYC Form prior to the Initial KYC Completion Date in respect of Impaired Claims that are Determined Claims or Creditor Challenged Claims;

(ii) the Securities Escrow Agent in respect of Impaired Claims that are EA Challenged Claims; and

(iii) the Securities Escrow Agent in respect of Impaired Claims that are Determined Claims but, in respect of which, the relevant Impaired Creditor has not submitted a duly completed KYC Form prior to the Initial KYC Completion Date; and

(iv) the Securities Escrow Agent in respect of Secured Claims where the related SSR is subject to pending avoidance actions.

19.2.1 Depositary Receipts

19.2.1.1 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 "**DR Deed of Issue**", substantially in the form attached at Annex [●] (*DR 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 Impaired Creditors are entitled in accordance with the terms of the Settlement Plan. In the DR Deed of Issue Aisle Dutch TopCo will acknowledge that it has received the Aggregated Claims. Aisle STAK and Aisle Dutch

TopCo will acknowledge that a portion of the Aggregated 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. Aisle STAK will acknowledge that the shares in Aisle Dutch TopCo are issued to it with the aim that Aisle STAK shall issue Depositary Receipts to the DR Custodian for the benefit of the Impaired Creditors as described in the next paragraph;

- subject to the issuance of shares by Aisle Dutch TopCo as referred to in the previous paragraph, the issuance, pursuant to a deed of issue to be executed before a Dutch civil law notary to be entered into among Aisle Dutch TopCo, Aisle STAK and the DR Custodian, of the Depositary Receipts by Aisle STAK equal to such number of Depositary Receipts for which all Impaired Creditors are entitled in accordance with the terms of the Settlement Plan; 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.

19.2.1.2 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, in the case of the Depositary Receipts which are to be issued to the Securities Escrow Agent, as described in Cl. 19.1 above, the Securities Escrow Agent.

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.

DR Holders will be entitled to request that the DR Registrar issue an extract of the DR Register showing that holder's holding of Depositary Receipts from time to time. The DR Registrar may charge a fee for providing such extract. The DR Register shall be conclusive evidence of the holdings of Depositary Receipts from time to time.

On the Implementation Commencement Date, the DR Registrar will be instructed by Aisle STAK to update the DR Register to show the allocation of Depositary Receipts amongst New Instrument Beneficiaries (including those allocated initially to the Securities Escrow Agent), such allocation to be made in accordance with the Settlement Plan.

The DR Registrar will keep two sub-ledgers within the DR Registers: (i) for Depositary Receipts attributable to Impaired Claims that are Determined Claims (the "**DR Register A**") and (ii) for Depositary Receipts attributable to Impaired 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.

19.2.2 Convertible Bonds

19.2.2.1 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 (substantially in the form at Annex [●] (*Convertible Bond Trust Deed*) – subject to the ability to amend the form) will be executed by Aisle Dutch TopCo and [●], in its capacity as bond trustee (the "**Bond Trustee**");

– two global 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. These will be issued to [●], in its capacity as CB Custodian; and

– Aisle Dutch TopCo will appoint the CB Registrar to establish and maintain the CB Register for the global bonds and the Bond Interest under the applicable Convertible Global Bond. The Convertible Global 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.

19.2.2.2 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. 19.1 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. 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.

Each holder of Bond Interests will be entitled, at any time and from time to time, 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 and below) shall be conclusive evidence of the beneficial holdings of Convertible Bonds (i.e. Bond Interests) from time to time.

On the Implementation Commencement Date, the CB Registrar will be instructed by Aisle Dutch TopCo to 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, such allocation to be made in accordance with the Settlement Plan. The CB Registrar will establish and maintain two ledgers within the CB Register: (i) a ledger for Convertible Bonds attributable to Impaired Claims that are Determined

Claims (the "**CB Register A**"), and (ii) a ledger for Convertible Bonds attributable to Impaired Claims that are Challenged Claims (the "**CB Register B**"). The CB Register B will contain sufficient information next to the entry against each holder of Bond Interests 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.

19.3 Issuance of New Instruments to Securities Escrow Agent

Aisle Dutch TopCo will appoint [●] to act as securities escrow agent (the "**Securities Escrow Agent**") for the purpose of holding the beneficial title to interests in Depositary Receipts and Bond Interests which cannot immediately be allocated to Impaired Creditors. The Securities Escrow Agent will hold the New Instruments issued to it in accordance with the terms of the Securities Escrow Agreement (the "**Securities Escrow Agreement**") substantially in the form at Annex [●] (*Securities Escrow Agreement*). New Instruments held by the Securities Escrow Agent shall have no voting rights. Any payments made on the New Instruments held by the Securities Agent shall be held by the Securities Escrow Agent and shall be transferred to the relevant Impaired Creditor with the release of the New Instruments to that Impaired Creditor.

The Securities Escrow Agent will transfer New Instruments to an Impaired Creditor:

- in respect of Determined Claims, upon receipt of written confirmation from Aisle Dutch TopCo that it has received duly completed KYC Forms from that Impaired Creditor;

- in respect of an EA Challenged Claim, upon receipt of written confirmation from the Extraordinary Administrator that the EA Challenged Claim has become a Determined Claim (on the basis of a final, unappealable court resolution or a deed with the same effect);

- in the case of New Instruments issued to the Securities Escrow Agent in order to ensure compliance with international sanctions, as described and in accordance with the procedure specified in Cl. 19.3.1 below;

- in the case of New Instruments issued to the Securities Escrow Agent in order to ensure compliance with merger control, as described and in accordance with the procedure specified in Cl. 19.3.2 below; 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 in Cl. 19.5 below, as described and in accordance with the procedure specified in Cl. 19.5 below.

The nominal amount of each Convertible Bond transferred by the Securities Escrow Agent to an Impaired Creditor shall take into account (by way of a reduction in the principal amount outstanding thereof) any repayments made on the Convertible Bonds in the period from the Commencement Effective Date to the date of such transfer. The Securities Escrow Agent will pay to the relevant Impaired Creditor its entitlement in respect of each such repayment made.

The nominal amount of each Bond Interest and Depositary Receipt transferred to an Impaired Creditor in respect of an EA Challenged Claim, following the resolution of that EA Challenged

Claim, shall be (in each case) the amount allocable to the Determined Claim finally resolved in respect of that EA Challenged Claim, as described in Cl. [●].

19.3.1 Issuance to the Securities Escrow Agent for Sanctions Compliance

If international sanctions would be breached by reason of the issuance to certain Impaired Creditors of Depositary Receipts to which they are entitled under the Settlement Plan together amounting to 50% or more by value of the total Depositary Receipts in issue or to be issued by the Aisle STAK at about that time, then those Impaired Creditors will be issued only with such number of Depositary Receipts which would result in such sanctions not being breached (pro rata among those Impaired Creditors). The remaining New Instruments to which those Impaired Creditors are entitled will instead be issued to the Securities Escrow Agent.

The Securities Escrow Agent will release such Depositary Receipts and Convertible Bonds to those Impaired Creditors (pro rata among themselves) as soon as evidence satisfactory to Aisle Dutch TopCo has been delivered that the respective sanctions will no longer be breached.

If [6] months after the Implementation Effective Date evidence satisfactory to Aisle Dutch TopCo that international sanctions are not triggered will not be delivered, the Securities Escrow Agent will initiate a sale process for the respective New Instruments. The consideration received for these New Instruments will be paid out to the respective Impaired Creditor, less the costs incurred for the sale process.

19.3.2 Issuance to the Securities Escrow Agent for Merger Control Compliance

If merger control clearance is required for the issuance of New Instruments to certain Impaired Creditors and that clearance is not received by the Implementation Commencement Date, the New Instruments which would be issued to the relevant Impaired Creditors, will instead be issued to the Securities Escrow Agent to be held in accordance with the terms of the Securities Escrow Agreement substantially in the form as in Annex [●] (*Securities Escrow Agreement*).

The Securities Escrow Agent will release the New Instruments to the respective Impaired Creditors upon the relevant Impaired Creditor providing evidence that all necessary merger control clearances have been obtained, are deemed to have been obtained or that the prohibition on consummation under each applicable merger control law no longer applies.

19.4 Allocation Mechanics for Challenged Claims[38]

19.4.1 Issuance to Escrow Agent for Claims Challenged by the Extraordinary Administrator

Creditors of the EA Challenged Claims will not be entitled to receive New Instruments on the Implementation Commencement Date.

The New Instruments attributable to each EA Challenged Claim will be transferred to the Securities Escrow Agent to be held pursuant to the terms of the Securities Escrow Agreement

[38] Section to be revisited and concept of EA Challenged Claims and Creditor Challenged Claims changed to voting vs von-voting

until such time as there is a final, unappealable court resolution or a deed with the same effect in relation to such EA Challenged Claim.

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 EA Challenged Claim exists, the following shall occur:

(i) the Extraordinary Administrator will notify Aisle Dutch TopCo, Aisle STAK, the Securities Escrow Agent, the DR Registrar and the CB Registrar that the EA Challenged Claim has become a Determined Claim;

(ii) the Securities Escrow Agent will transfer the New Instruments attributable to that EA Challenged Claim to the applicable Impaired Creditor;

(iii) the DR Registrar will update the DR Register B and the DR Register A to reflect the transfer of the Depositary Receipts attributable to that EA Challenged Claim from the Securities Escrow Agent to the applicable Impaired Creditor, by deleting the entry in respect of that EA Challenged Claim from the DR Register B and entering the Depositary Receipts in the name of the relevant New Instrument Beneficiary, in the DR Register A; and

(iv) the CB Registrar will update the CB Register B and the CB Register A to reflect the transfer of Bond Interests in respect of that EA Challenged Claim from the Securities Escrow Agent to the applicable Impaired Creditor. The update shall be executed by deleting the entry in respect of that EA Challenged Claim from the CB Register B and entering the Bond Interests in the name of the relevant Impaired Creditor in the CB Register A.

If and to the extend it is determined, on the basis of a final, unappealable court resolution or a deed with the same effect, that such EA Challanged Claim does not exist, the following shall occur:

(i) the Extraordinary Administrator will notify Aisle Dutch TopCo, Aisle STAK, the Securities Escrow Agent, the DR Registrar and the CB Registrar that the EA Challenged Claim should be reallocated and transferred in accordance with the Reallocation Mechanism (as described below);

(ii) the DR Registrar will update the DR Register B and the DR Register A to reflect the transfer of Depositary Receipts attributable to such EA Challenged Claim from the Securities Escrow Agent to the Impaired Creditors who were allocated the respective Depository Receipts in accordance with the Reallocation Mechanism. The update shall be executed by deleting the entry in respect of that EA Challenged Claim from the DR Register B and entering into the DR Register A the allocations made in respect of that EA Challenged Claim to the relevant New Instrument Beneficiaries; and

(iii) the CB Registrar will update the CB Register B and the CB Register A to reflect the transfer of Bond Interests attributable to such EA Challenged Claim from the Securities Escrow Agent to the Impaired Creditors who were allocated the respective Bond Interests in accordance with the Reallocation Mechanism. The update shall be executed by deleting the entry in respect of that EA Challenged Claim from the CB Register B and entering into the CB Register A the allocations made in respect of that EA

Challenged Claim to the relevant New Instrument Beneficiaries, in accordance with the Reallocation Mechanism.

19.4.2 Issuance to Impaired Creditors holding Creditor Challenged Claims

Creditors in respect of Creditor Challenged 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 such Creditor Challenged Claim exists, the following shall occur:

(i) the Extraordinary Administrator will notify Aisle Dutch TopCo, Aisle STAK, the DR Registrar and the CB Registrar that the respective Creditor Challenged Claim has become a Determined Claim;

(ii) the DR Registrar will delete the Depositary Receipts attributable to such Creditor Challenged Claim from the DR Register B and enter them into the DR Register A in the name of the applicable New Instrument Beneficiary; and

(iii) the CB Registrar will delete the Bond Interests attributable to such Creditor Challenged Claims from the CB Register B and enter them into the CB Register A in the name of the applicable New Instrument Beneficiary.

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 Creditor Challenged Claim does not exist, the following shall occur:

(i) the Extraordinary Administrator will notify Aisle Dutch TopCo, Aisle STAK, the DR Registrar and the CB Registrar that the Creditor Challenged Claim should be reallocated and transferred in accordance with the Reallocation Mechanism (as described below);

(ii) the DR Registrar will delete the Depositary Receipts attributable to such Creditor Challenged Claim from the DR Register B and enter them into the DR Register B in the names of the New Instrument Beneficiaries who were allocated the respective Depository Receipts in accordance with the Reallocation Mechanism; and

(iii) the CB Registrar will delete the Bond Interests attributable to such Creditor Challenged Claim from the CB Register B and enter them into the CB Register A in the names of the New Instrument Beneficiarieswho were allocated the respective Bond Interests in accordance with the Reallocation Mechanism.

The steps under paragraphs (ii) and (iii) above will take place on the date of the next EPC Re-Run in accordance with the Reallocation Mechanism.

19.4.3 The Reallocation Mechanism

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 Challenged Claim does not exist, the reallocation of Depositary Receipts and Convertible Bonds shall be performed by Aisle HoldCo re-running the Entity Priority Concept on the following basis:

(i) the relevant Challenged Claim(s) will be removed from the Entity Priority Concept;

(ii) all other Impaired Claims will remain the same as at the time the Entity Priority Concept was last run; and

(iii) all other parameters of the Entity Priority Concept including the input on EV and Distributable Value (see Cl. 7 above) remain unchanged,

(the "**EPC Re-Run**")

and be performed by Aisle HoldCo at the following times and only to the extent it has been determined that a Challenged Claim does not exist (as described above):

(i) immediately, if the amount of a successfully Challenged Claim which was determined not to exist exceeds EUR 100 million,

(ii) immediately, if the cumulative amount of any successfully Challenged Claims which was determined not to exist since the last EPC Re-Run exceeds EUR 100 million;

(iii) each year on the first Croatian business day following the annual anniversary of the Implementation Effective Date; or

(iv) at any earlier time as may be determined at the discretion of the [Aisle HoldCo].

Aisle HoldCo will inform Aisle Dutch TopCo, the CB Registrar and the DR Registrar of the process and results of such EPC Re-Run.

19.5 Allocation Mechanics for Creditors whose SSRs are subject to avoidance actions (*claw back*)

Secured Claims with an SSR against any EA Entity where the SSR is subject to pending avoidance actions (*pobijanje pravnih radnji*) shall keep their entitlements for partial cash payment in installments subject to conditions under Cl. 22.5 below.

In addition to the above, the respective Creditors shall be allocated New Instruments as if the Secured Claim (in respect of which the related SSR is subject to pending avoidance actions) were not secured with a SSR. 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 Agreement 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 a final court judgment or a deed with the same effect), the New Instruments held by the Securities Escrow Agent for the relevant creditor shall be [cancelled and/or redeemed and retained in treasury by Aisle Dutch TopCo/Aisle STAK].

If and to the extent to the SSR is determined as invalid in the advoidance action (as determined by a final and enforceable court judgment or a deed with the same effect), the New Instruments held by the Securities Escrow Agent for the relevant creditor shall be transferred to the respective Creditor.

20 CONTINGENT PAYMENT RIGHT

In addition to the right to become New Instruments Beneficiaries, Impaired Creditors holding Border Claims ("**Eligible Incumbent Suppliers**") will also receive pursuant to this Settlement Plan a contingent claim (a "**Contingent Payment Right**") against a Dutch Stichting, 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 instrument (the "**Supplier Loan Note Instrument**") issued by Aisle Dutch TopCo to the Supplier Payment Agent for the benefit of the Eligible Incumbent Suppliers. The Supplier Loan Note Instrument will be substantially in the form as set out in Annex [●] (*Supplier Loan Note Instrument*).

The Supplier Payment Agent will only be obliged to pay the Eligible Incumbent Suppliers pursuant to the 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 [Konzum d.d. Mirror OpCo] ("**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 Loan Note Instrument

The principal commercial terms of the Supplier Loan Note Instrument are as follows:

– the Supplier Loan Note Instrument will be a conditional, contingent debt instrument issued by Aisle Dutch TopCo to the Supplier Payment Agent.

– the aggregate principal amount payable under the Supplier Loan Note Instrument will never be more than the Supplier Total Payment Amount.

– the principal amount owing 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 sum of (a) 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* (b) 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 cumulative amount of any Carried Over Adjustment Amounts determined in respect of any earlier Reference Period;

"**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 amount, if any, by which the Base EBITDA Amount determined in respect of that Reference Period is less than the Initial Hurdle Amount in respect of that Reference Period; and

"**Supplier In-Kind Amount**" means the aggregate nominal amount 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 due or owing with respect to that Reference Period, but that does not preclude the obligation to pay a Supplier Yearly Payment Amount 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.

– each Supplier Yearly Payment Amount determined in respect of a Reference Period will become due and owing from Aisle Dutch TopCo under the Supplier Loan Note Instrument (a) if no challenge is made by the Supplier Payment Agent to the calculation of Determined Konzum EBITDA in respect of that Reference Period, on the date falling 30 business days after the date of publication of the audited financial statements of New Konzum pursuant to which the Determined Konzum EBITDA is determined with respect to that Reference Period; or (b) if the Supplier Payment Agent does challenge the calculation of the Determined Konzum EBITDA in respect of that Reference Period, on the date falling [15] business days after the final determination of the Determined Konzum EBITDA pursuant to its recalculation by an Audit Firm, as described below (each date referred to in (a) and (b) above being a "**Payment Date**").

– if a Supplier Yearly Payment Amount is not paid on the Payment Date on which it becomes due and owing, it shall accrue default interest at the rate of 4% per annum for the first 12 months following that Payment Date, and 6% per annum thereafter. The right to, and any amounts owing in respect of, default interest shall be held by the Supplier Payment Agent for the benefit of the Eligible Incumbent Suppliers. Any such default interest shall be

payable on the same date as the related Supplier Yearly Payment Amount (or a portion thereof) is finally paid to the Supplier Payment Agent.

- each Supplier Yearly Payment Amount paid under the Supplier Loan Note Instrument in respect of a Reference Period will be a repayment of principal and the Supplier Loan Note Instrument will not bear any interest other than default interest in the circumstances described above.

- the Supplier Payment Agent may not initiate any insolvency proceedings (*faillissement aanvraag*) or similar proceedings against Aisle Dutch TopCo in any jurisdiction in respect of any failure to pay a Yearly Supplier Payment Amount or any default interest thereon, nor may take any step, action or proceeding (including, without limitation, the commencement of litigation in any jurisdiction) against Dutch TopCo in order to enforce payment of any Yearly Supplier Payment Amount or default interest accrued thereon if such step, action or proceeding would result in the initiation of any insolvency proceedings.

- no payments may be made on the Convertible Bonds or the Depository Receipts if a Supplier Yearly Payment Amount or default interest thereon is due but unpaid under the Supplier Loan Note Instrument, until the Supplier Yearly Payment Amount and any default interest accrued and unpaid thereon has been paid in full.

- 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 Payment Date relating to the final Reference Period ending on 31st December 2021 (the "**Final Payment Date**") is less than the Supplier Total Payment Amount, but there is no debt owing under the Supplier Loan Note Instrument on the Final Payment Date, the Supplier Loan Note Instrument will be cancelled automatically on the Final Payment Date.

- if, on the Final Payment Date, any Supplier Yearly Payment Amounts remain owing but unpaid, 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 owing as at the Final Payment Date, together with any accrued and unpaid default interest thereon, have been paid by Dutch TopCo to the Supplier Payment Agent.

- if the Convertible Bonds are converted into Depositary Receipt at any time before the end of the final Reference Period in December 2021, then (a) if the conversion has occurred because an Event of Default has occurred under the Convertible Bonds Terms and Conditions, the Supplier Yearly Payment Amount in respect of each Reference Period ending after the date of conversion (including the then current Reference Period) shall be deemed to be zero, and the Supplier Loan Note Instrument shall be automatically cancelled upon the occurrence of the Event of Default; and (b) if the conversion has occurred because of an Exit or an IPO (each as defined in the Convertible Bonds Terms and Conditions), Aisle Dutch TopCo will undertake to transfer its contingent, conditional obligations in respect of the Supplier Loan Note Instrument to the entity which is the ultimate holding company ("**New Holdco**") of Aisle HoldCo following the Exit or IPO. The Supplier Payment Agent will irrevocably agree with Aisle Dutch TopCo to enter into any such agreements, deeds and documents as are necessary to ensure that it receives the benefit of any obligations assumed by New Holdco in this regard.

– Aisle Dutch TopCo will be required to provide the Supplier Payment Agent and the Eligible Incumbent Suppliers Association[39] with a calculation of the Determined Konzum EBITDA for each Reference Period on the date of publication of the audited financial statements 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 recalculation of the Determined Konzum EBITDA determined with respect to any Reference Period by any one of the Croatian affiliates of PwC, Deloitte, EY or KPMG (each an "**Audit Firm**"). Any such request must be made in writing within [15/20] business days of the date on which Aisle Dutch TopCo has provided its calculation of Determined Konzum EBITDA for the applicable Reference Period to the Supplier Payment Agent and the Eligible Incumbent Suppliers Association. 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 an Audit Firm, the costs and expenses incurred by Aisle Dutch TopCo in obtaining the recalculation by the Audit Firm shall be borne by the Eligible Incumbent Suppliers Association.[40]

– governing law: English law.

For the purposes of this Cl. 19.1 above, the "**Determined Konzum EBITDA**" in respect of a Reference Period means the following: the consolidated net revenues of New Konzum[41] *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 consolidated 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); (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 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

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[39] In the case of the Eligible Incumbent Suppliers Association, this will be a third party right only because it will not be a party to the Supplier Loan Note Instrument.

[40] The obligation to pay these costs will be an obligation of the Stichting to Aisle Dutch TopCo, backed by an obligation from the Suppliers' Association to pay the Stichting.

[41] May require adjustment for the 2018 and possibly 2019 financial statements, depending on when the asset transfers into New Konzum are completed.

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 operational costs of the Supplier Payment Agent and the costs of its liquidation shall be borne by the Supplier Payment Agent out of the payments it receives from Aisle Dutch TopCo under the Supplier Loan Note Instrument. If no amount is owing by Aisle Dutch TopCo under the Supplier Loan Note Instrument in respect of a Reference Period, Aisle Dutch TopCo will, to the extent that it has funds available to it for this purpose, pay to the Supplier Payment Agent an amount sufficient to cover the operational costs of the Supplier Payment Agent for the then current Reference Period together with (in the case of the final Reference Period) an amount sufficient to cover the costs of the liquidation of the Supplier Payment Agent. Any amount so paid by Aisle Dutch TopCo shall be deducted from any Supplier Yearly Payment Amount determined to be owing in respect of any subsequent Reference Period.[42]

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 April 5, 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 [●] (*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 April 5, 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

[42] This proposal does not cater for a situation in which there is no Supplier Yearly Payment Amount owing in respect of the final Reference Period. Who, in these circumstances, pays the costs of liquidating the Supplier Payment Agent?

if the Contingent Payment Consideration would equal the Supplier Total Payment Amount is attached as Annex [●] (*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 [●] (*Eligible Supplier Claims*).

21 PARTIAL SETTLEMENT OF ASSIGNED CLAIMS BY TRANSFER OF ASSETS (BUSINESS UNITS)

For the avoidance of doubt, the transfers of assets (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.

By way of partial settlement of the Aggregated Claims of each EA Entity owed to Aisle Dutch TopCo, each of the Debtor and Insolvent EA Croatian Subsidiaries shall transfer its Assets Subject to Transfer as business units as se out below.

Partial settlement of Aggregated Claims means the pro rata settlement of each individual claim held by Aisle Dutch TopCo towards the Debtor and individual Insolvent EA Croatian Subsidiaries in an amount equal to the value of the business units, as determined on the Implementation Commencement Date (the "**Settled Claims**"). 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 Insolvent EA Croatian Subsidiaries in an amount equal to the difference between the Aggregated Claims and Settled Claims (the "**Residual Claims**").

The Residual Claims shall be settled from the revenues and assets which the Debtor and any Insolvent EA Croatian Subsidiary acquires after the Implementation Commencement Date, e.g. by continuing litigation and other proceedings.

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 HoldCo.

21.1 Transfer Arrangement

21.1.1 Transfer of Assets (Business Units) and Solvent EA Croatian Subsidiaries

Each EA Entity agrees with Aisle Dutch TopCo as applicable that:

– its Assets Subject to Transfer, comprising of rights and obligations specified in Annex [●] (*Assets Subject to Transfers*); and

– the shares it holds in Solvent EA Croatian Subsidiaries as set out in Annex [●] (*Share Transfer*);

shall be transferred to members of the New Group by operation of law pursuant to this Settlement as instructed by Aisle Dutch TopCo and as specified in Cl. 21.2 below ("**Transfer Arrangement**"); the consideration for such transfers shall be the settlement of the Assigned Claims held by Aisle Dutch TopCo at fair market values.

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, 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.

For the avoidance of doubt,

– no pre-petition liability shall be transferred along as permitted pursuant to Art. 43 para 5, item 1 EA Act unless expressly stated in Annex [●] (*Assets Subject to Transfer*).

– all other EA Entity's rights, not expressly stated in the Annex, 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.

The Transfer Arrangements shall be implemented pursuant to Cl. 21.2 below as soon as Aisle HoldCo presents a signed certificate that all conditions precedent have been fulfilled ("**Transfer CP Statement**") to the Extraordinary Administrator and the Extraordinary Administrator countersigns the Transfer CP Statement.

21.1.2 Additional Provisions for the Transfer of Foreign Subsidiaries

Each EA Entity agrees with Aisle HoldCo that all shares, stocks and interests that such EA Entity holds in Foreign Subsidiaries (the "**Transferring Foreign Subsidiaries**", if any, as provided by Annex [●] (*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 without undue delay and that all parties to the Settlement Plan shall execute any and all documents and take any steps required under any applicable laws to effectuate valid transfers of shares, stocks and interests in such Transferring Foreign Subsidiaries. The documents to be executed might include, amongst others, powers of attorney, 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 held by a Transferring Foreign Subsidiary will remain held by such Transferring Foreign Subsidiary.

The transfer of shares, stocks and interest, which EA Entities hold in Transferring Foreign Subsidiaries, will follow the most cost and time efficient manner in a way that maximizes value for the New Group and at the same time provides for the highest degree of transaction security. This will include, amongst others, consideration of steps such as cash payments, delisting and conversion or change of corporate form.

Where a transfer agreement is required to effect the transfer an agreement substantially in the form of Annex [●] (*Foreign Share Transfer STA*) shall be used.

The Extraordinary Administrator and the New Group Companies shall be authorized to structure the transfer of the Transferring Foreign Subsidiaries in a way that is reasonably suitable to achieve the commercial goal of the New Group receiving all shares, stocks and interests which EA Entities hold in the Transferring Foreign Subsidiaries and evaluate and pursue alternative options in order to realize the value of the concerned assets for the New Group to the extent they are legally and commercially viable, including, amongst others, the wind-down of Transferring Foreign Subsidiaries or the sale of the shares, stocks and interests in individual Transferring Foreign Subsidiaries to minority shareholders or other interested parties. For that purpose, the Extraordinary Administrator and the New Group Companies can relieve individual EA Entities from their obligation to transfer the shares, stocks and interests in individual Transferring Foreign Subsidiaries.

All parties to the Settlement Plan shall execute any and all documents required under any applicable law to effectuate valid transfers of shares, stocks and interests in Transferring Foreign Subsidiaries.

For the avoidance of doubt, any value relating to any deferred transfers or alternative arrangements shall be attributed commercially as if the transfers were effected on the Implementation Commencement Date. To that end, the Extraordinary Administrator, the EA Entities and Aisle Dutch TopCo will seek to effect first or, if not available, junior ranking security interest over all assets which are subject to a deferred transfer or alternative arrangements.

21.2 Transfer

[THIS SECTION WILL BE EXPANDED AND COMPLETED WITH THE FORMAL SUBMISSION OF THE SETTLEMENT PLAN FOR EACH EA ENTITY – CURRENTLY PRESENTED ARE TEMPLATES FOR THE TRANSFER THAT WILL USED IN CASE OF EACH ENTITY, AS APPLICABLE]

Each EA Entity transfers its Assets Subject to Transfer to Aisle HoldCo or a New Croatian Subsidiary as applicable as set out in Annex [●] (*Assets Subject to Transfer*), which is not an exhaustive list and shall not operate to limit the transfer of assets by any EA Entity.

Each EA Entity and New Group Company undertakes to do all actions and support the completion of the transfers, including by giving all declarations needed to register the transfers.

Each EA Entity hereby grants a power of attorney to the acquiring Aisle HoldCo or New Croatian Subsidiary to give all statements and declarations on its behalf.

[TEMPLATE FOR TRANSFER OF SHARES IN SOLVENT EA CROATIAN SUBSIDIARIES WHICH ARE LLCs]

The shares in the company Guliver Travel d.o.o., [●], which comprise of [●], which represent [●] % of the company's registered share capital, are transferred from the [transferor] to [the acquirer]. This Settlement, pursuant to Art. 43. para. 19 EA Act, replaces all and any decisions and statements required for the transfer and constitutes a valid legal basis for the perfection of the required changes at the court register and other public registers. The company´s management board and other company bodies are obliged to register the changes into the company´s share register, sign and submit the application to the court register and perform all and any other actions required for the registration of the transfer into the public registers.

[TEMPLATE FOR TRANSFER OF SHARES IN SOLVENT EA CROATIAN SUBSIDIARIES WHICH ARE LLCs]

The shares of the company Hoteli Koločep d.d. i.e. [● number] [●ordinary/preferred] shares, each [in the nominal amount/with no nominal amount] [●], security ticker [●], ISIN [●] which shares in total represent [●] % of the company´s registered share capital are transferred from the account [●] [of the transferor] opened with the Central Depository & Clearing Company Inc. ("**CDCC**") to the account [●] of [acquirer] opened with the CDCC. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements required for the transfer and constitutes a valid legal basis for the perfection of the required changes at the court register, CDCC and other public registers. The company´s management board and other company bodies are obliged to register the changes into the company´s share register, with the CDCC, and, in cases where so required, to sign and submit the application to the court register and perform all and any other actions required for the registration of the transfer into the public registers.

[TEMPLATE FOR TRANSFER OF REAL ESTATE OF INSOLVENT EA CROATIAN SUBSIDIARIES]

[The ownership/co-ownership part- size] of the real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality] is transferred from the transferor [●] as the owner to the transferee [●] as the new owner. The transferor [●] hereby authorises the transferee [●] that on the ground of this Settlement it may, without any additional approval or participation of the transferor, apply and perform the registration of the ownership right in its favour on the previously explained real estate. The time of business units transfer is considered to be time of possession transfer to the transferee over the previously described real estate.

[The co-ownership part - size] of the real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], associated with the ownership over a specific part of the real estate registered in the land register subfolio no. [●] ([insert floor number and ratio]), in nature [insert the specific part of real estate description] is transferred from the transferor [●] as the owner to the transferee [●] as the new owner. The transferor [●] hereby authorises the transferee [●] that on the ground of this Settlement it may, without any additional request or participation of the transferor, apply and perform the registration of the ownership right in its favour on the

previously explained real estate. The time of business units transfer is considered to be time of possession transfer to the transferee over the previously described real estate.

[TEMPLATE FOR TRANSFER OF IPR OF INSOLVENT EA CROATIAN EA SUBSIDIARIES]¶

The right over the trademark registered in the Trademark Register of the State Intellectual Office of the Republic of Croatia under the number of trademark application [●], number of trademark registration [●], trademark type [●], hereby is transferred from the transferor [●] as the current holder to the transferee [●] as the new holder. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the transfer of right in its favour on the previously described trademark. [to be adjusted for other types of IPR]

[TEMPLATE FOR TRANSFER OF SHIPS OF INSOLVENT EA CROATIAN EA SUBSIDIARIES]

The ownership of the [ship] under the name and registration number [●][●], registered in the [Croatian Register of Shipping] under the number [●], ship type [●], build date [●], flag and port of registry [●], engine make [●], HP/KW [●], factory engine number [●] is hereby transferred from the transferor [●] as the current owner to the transferee [●] as the new owner. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the ownership right in the [Croatian Register of Shipping] in its favour on the previously described real estate. The time of business units transfer is considered to be the time of possession transfer to the transferee over the previously described [ship].

[TEMPLATE FOR TRANSFER OF VEHICLES OF INSOLVENT EA CROATIAN SUBSIDIARIES]

Ownership of vehicle with registration (license plate) number: [●], vehicle type: [●], vehicle make: [●], vehicle type: [●], vehicle model: [●], chassis number: [●], state and year of production: [●], motor type: [●], kW: [●], is hereby transferred from the transferor [●] as the current owner to the transferee [●] as the new owner. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the ownership right in its favour on the previously described vehicle before the authorities and in public registers. The time of business units transfer is considered to be the time of possession transfer to the transferee over the previously described vehicle.

[TEMPLATE FOR TRANSFER OF EASEMENT RIGHTS OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The easement right [●] on the encumbered real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], registered under no. Z-[●], based on [●], owned by [●], is transferred from the current user of the servitude right [●] as the transferor to the new user to the new user of the easement right [●] as the transferee. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the

transferor, apply and perform the registration of the easement right in its favour on the previously described real estate.

[TEMPLATE FOR TRANSFER OF REAL BURDENS OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The real burden right [●] on the encumbered real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], registered under no. Z-[●], based on [●], owned by [●], is transferred from the current user of the real burden right [●] as the transferor to the new user to the new user of the real burden right [●] as the transferee. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the real burden right in its favour on the previously described real estate.

[TEMPLATE FOR TRANSFER OF HEREDITARY BUILDING RIGHT OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The hereditary building right constituted based on [●] for the purpose [●] as an encumbrance of the real estate land registry plot no. [●], described as [●], total surface area [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], owned by [●], which hereditary building right is registered in the land register of the same court in the land registry folio [●], land registry municipality [number and name of cadastral municipality], is transferred from the current holder of the hereditary building right [●] as the transferor to the new holder of the hereditary building right [●] as the transferee. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the hereditary building right in its favour on the previously described real estate.

[TEMPLATE FOR TRANSFER OF CONCESSIONS OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The concession [describe the concession subject] from [name of contract] concluded between [●] as the concession grantor and [●] as the concessionaire, dated [date], class: [●], ref. no.: [●], pursuant to the Decision [decision title], dated [date], class: ref. no.: [●], is hereby transferred from the transferor [●] as the current concessionaire to the current transferee [●] as the new concessionaire. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the transfer of the previously described concession in its favour in the Concession Register, land register and other public registers and to perform all and any other actions in this purpose required for before the competent authorities and in public registers. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as the concession grantor, and constitutes a valid legal basis for the perfection of the above change at the Concession Register, other public registers and authorities.

[TEMPLATE FOR TRANSFER OF PUBLIC-PRIVATE PARTNERSHIP OF INSOLVENT EA CROATIAN SUBSIDIARIES]

[Public-Private Partnership Contract ●] concluded between [●] as the public partner and [●] as the private partner, dated [●], [class: [●], ref. no.: [●]], for the purpose [●], is hereby transferred from the transferor [●] as the current private partner to the transferee [●] as the new private partner. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the transfer of the previously described contract in its favour in the Register of Public-Private Partnership Contracts and other public registers and to perform all and any other actions in this purpose required for before the competent authorities and in public registers. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as the public partner, Ministry of Finance or Agency for Investments and Competitiveness, and constitutes a valid legal basis for the perfection of the above change at the Register of Public-Private Partnership Contracts, other public registers and authorities.

[TEMPLATE FOR TRANSFER OF STATUS OF ELIGIBLE PRODUCER OF ELECTRICITY FOR INSOLVENT EA CROATIAN SUBSIDIARIES]

The status of the eligible producer of electricity granted by the Decision of the Croatian Regulatory Agency (HERA) dated [●], class: [●], ref. no.: [●], is transferred from the transferor [●] as the current eligible producer of electricity to the transferee [●] as the new eligible producer of electricity. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as HERA, and constitutes a valid legal basis for the perfection of the above change at the Register of Renewable Energy Sources and Cogeneration and Eligible Producers (Register RESCEP), other public registers and authorities.

[TEMPLATE FOR TRANSFER OF PERMITS OF INSOLVENT EA CROATIAN SUBSIDIARIES]

[Title/name of the permit] issued by the [name of authority] on [●], class: [●], ref. no.: [●], for the purpose [●], is transferred from the transferor [●] as the current holder of the [name of permit] to the transferee [●] as the new holder of the permit in question. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as [●], and constitutes a valid legal basis for the perfection of the above change at the [●], other public registers and authorities.

[TEMPLATE FOR TRANSFER OF LICENCES OF INSOLVENT EA CROATIAN SUBSIDIARIES]

Licences on [item] granted on the ground of [name of contract] dated [●] concluded between [●] as the licesor and [●] as the licensee, is transferred from the transferor [●] as current licensee the to the transferee [●] as the new licensee. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as [the licensor etc.], and constitutes a valid legal basis for the perfection of the above change at the [●], other public registers and authorities.

[TEMPLATE FOR TRANSFER OF DOMAINS OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The registered domain [●] is transferred from the transferor [●] as the current user of the registered domain to the transferee [●] as the new user of the registered domain. This

Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as Croatian Academic and Research Network ("CARnet"), and constitutes a valid legal basis for the perfection of the above change at the Domains Register and authorities.

[TEMPLATE FOR TRANSFER OF CERTIFICATES OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The certificate [●] issued by [●], dated [●], class: [●], ref.no.: [●], is transferred from the transferor [●] as the current holder to the transferee [●] as the new holder. The transferor [●] hereby authorises the transferee [●], on the ground of this Settlement, without any additional approval or participation of the transferor, to apply and perform the registration of the transfer of the described certificate in its favour in [●] and other public registers and before competent authorities and for this purpose to perform all other actions before the competent authorities and in public registers.

[TEMPLATE FOR TRANSFER OF MORTGAGES IN FAVOUR OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The mortgage over the real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], owned by [●], registered under number Z-[●] based on [●] for the purpose of [security of the monetary claim in the amount of ● increased for ●] is transferred from the current security creditor [●] as the transferor to the new security creditor [●] as the transferee, together with the transfer of the secured monetary claim. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the transfer of the described mortgage in its favour on the previously described real estate.

[TEMPLATE FOR TRANSFER OF LEASE OF AGRICULTURAL LAND OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The lease of agricultural land based on [●], concluded on [●], between [●] as the lessor and [●] as the lessee, [class: [●], ref. no.: [●]], i.e the real estate land registry plot no. [●], total surface area [●], described as [●], registered in the land register of the [court name], Land Registry Department [name] in the land registry folio [●], land registry municipality [number and name of cadastral municipality], owned by [●], is transferred from the current lessee [●] as the transferor to the new lessee [●] as the transferee. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of any third party or entity, such as [the lessor/Ministry of Agriculture] and constitutes a valid legal basis for the perfection of the above change at [●], other public registers and authorities.

[TEMPLATE FOR FIDUCIARY OWNERSHIP TRANSFER IN FAVOUR OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The right of ownership over [describe the item] based on [●] received for the purpose of securing of the [monetary claim ●] concluded between [●] as [●] and [●] as[●], dated [●], [OV-●,] is transferred from the [security claimant] [●] as the transferor to [●] as the new transferee, together with the transfer of the secured monetary claim. This Settlement pursuant to Art. 43. para. 19 EA Act replaces all and any decisions and statements of parties to the transfer and

constitutes a valid legal basis for the perfection of the required changes at [the court register, CDCC and other public registers]. The company´s management board and other company bodies are obliged to register the changes into [the company´s share register, with the CDCC, sign and submit the application to the court register] and perform all and any other actions required for the registration of the transfer into the public registers.

[TEMPLATE FOR PLEDGE TRANSFER IN FAVOUR OF INSOLVENT EA CROATIAN SUBSIDIARIES]

The pledge over [●], registered in the [Registry of Court and Notary Public Securities for creditor claims], based on [●] of [●], class: [●], ref. no.: [●],[●] for [securing of the claim in the amount of ● increased for ●] is transferred from the current secured creditor [●] as the transferor to the new secured creditor [●] as the transferee, together with the transfer of the secured monetary claim. The transferor [●] hereby authorises the transferee [●] to, on the ground of this Settlement, without any additional approval or participation of the transferor, apply and perform the registration of the transfer of the described pledge in its favour on the previously described [item] in the [Registry of Court and Notary Public Securities for creditor claims].

[*Further templates to be inserted*]

22 AMENDMENT OF TERMS OF CLAIMS

22.1 Claims against Solvent EA Croatian Subsidiaries

A claim of a creditor against Solvent EA Croatian Subsidiaries shall keep an entitlement for cash payment and be reinstated with the contractual terms as if no statutory acceleration had occurred [(save for interest accrued during the EA Proceedings)], provided that if maturity falls within twelve months after the Implementation Effective Date, no payment of the principal amount shall become due within that period and the repayment shall be owed over [one] years in equal instalments payable quarterly starting on the first anniversary of the Implementation Effective Date with [5]% interest rate accruing on outstanding amounts following the [Implementation Effective Date / contractual maturity date].

Any SSR securing claims from the previous paragraph [as set out in column [●] of Annex [●] (*Claims*)] shall remain unchanged as registered in the public registries or shall survive in their current form, and shall secure claims of creditors with separate satisfaction right as set out above [regardless of whether the security debtor is a Solvent EA Croatian Subsidiary or an Insolvent EA Croatian Subsidiary].

22.2 Secured claims against Insolvent EA Croatian Subsidiaries being both the Personal Debtor and the Main Security Debtor

Claims of Creditors with SSRs against Insolvent EA Croatian Subsidiaries which are both the personal and the security debtor owning more than half of the collateral value in relation to other security debtors or owning collateral value surpassing the respective secured claim [as determined by columns [●] of Annex [●] (*Claims*)] (the "**Main Security Debtor**"), shall hereby obtain a claim for cash payment against the New Group Company that is receiving the SSR Object pursuant to Sec. [21] with a maturity of [2] years after the Implementation Effective Date whose repayment shall be owed over [eight] years in equal instalments payable quarterly starting on the [second] anniversary of the Implementation Effective Date with [3]%

interest rate accruing on outstanding amounts following the Implementation Effective Date. The amount of the claim shall be limited to the appraised value of the SSR Object, while the remaining claim amount, if any, shall be treated as an unsecured claim (deficiency claim) pursuant to Cl. 19 above as set out in column [●] of Annex [●] (*Claims*).

All SSRs securing claims from the previous paragraph 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 the preceding paragraph.

22.3 Secured claims against Insolvent EA Croatian Subsidiaries with different Personal Debtor and Main Security Debtor

A claim of a creditor with SSRs against Insolvent EA Croatian Subsidiaries [as set out in column [●] of Annex [●] (*Claims*)] where the personal debtor is not the Main Security Debtor shall hereby obtain a claim for cash payment against Aisle HoldCo with a maturity of [2] years after the Implementation Effective Date whose repayment shall be owed over eight years in equal instalments payable quarterly starting on the [second] anniversary of the Implementation Effective Date with [3]% interest rate accruing on outstanding amounts following the Implementation Effective Date. The amount of the claim shall be limited to the appraised value of the SSR Object, while the remaining claim amount, if any, shall be treated as an unsecured claim (deficiency claim) pursuant to Cl. 19 above.

All SSRs securing claims from the previous paragraph 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 the preceding paragraph.

22.4 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.

22.5 SSR subject to avoidance actions (*claw back*)

If an SSR referred to in the preceding sub-sections [22.1.1 - 22.1.4] is subject to pending avoidance actions (*pobijanje pravnih radnji*) any payments to the Creditor shall be escrowed [pursuant to [●]] until the avoidance action is finally resolved by binding and unappealable court decision or equivalent.

If the finally resolved avoidance action determined the validity of the SSR, the escrowed amounts under previous paragraph shall be paid to the respective Creditor and the escrowed amount of New Instruments under Cl. 19.5 above shall be cancelled or redeemed.

If the finally resolved avoidance action determines the SSR invalid, the escrowed amounts under previous paragraph shall be released to the payor of the payments and the escrowed New Instruments will be treated as defined Cl. 19.5 above shall be released to the respective Creditor.

23 MERCATOR SHARES SWAP

It is acknowledged and confirmed under this Settlement Plan that the Aisle HoldCo shall receive [●] (constituting roughly 18%) of shares in Poslovni system Mercator d.d. currently

held by Sberbank of Russia, for which Sberbank of Russia will receive an equivalent amount of the New Instruments in the New Group.

Conversion rate will be determined [●] [TBD].

24 REFINANCING OF THE SPFA / ISSUANCE OF EXIT FACILITY

The Creditors acknowledge the extension mechanics of the SPFA as set out in Annex [●] (*Extension Mechanics of the SPFA*). 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 such steps.

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.

25 RESOLUTIONS AND CONSENT

25.1 Corporate Law Resolutions

This Settlement replaces all required corporate law resolutions in accordance with the provision of Art. 43 par. 19 EA Act.

25.2 Third Party Consents

This Settlement replaces all required third-party consents in accordance with the provision of Art. 43 par. 19 EA Act.

25.2.1 Consent for Acquisition of Assets

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 Consent and Support Letters attached as Annex [●] (*Support and Consent Letters by New Group*).

25.2.2 Consent for Assignment of Claims

Aisle Dutch TopCo hereby explicitly accepts the assignment to it of all Assigned Claims as contemplated by the Settlement Plan.

25.2.3 Consent to Issuance of New Instruments

All Impaired Creditors hereby agree to the Settlement. The Impaired Creditors 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 Beneficiaries hereby acknowledge that the administrative conditions of Aisle STAK apply to all DR Holders.

26 CONDITIONS TO IMPLEMENTATION OF THE SETTLEMENT PLAN AND WAIVER

As a condition precedent ("**Condition Precedent**") to the implementation of the Settlement Plan, the notice attached as Annex [●] (*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 and - unless the Creditors' Council or individual members waives such right - countersigned by the Creditors' Council as soon as the following items are delivered (or waived in accordance with Cl. 26.2 below):

26.1 Conditions

26.1.1 Finality of the Court Order confirming the Settlement Plan

[●]

26.1.2 Merger Clearance

The merger control clearances necessary for implementation of the Settlement Plan have been granted by the competent merger control authorities pursuant to the respectively applicable merger control law or are deemed to have been granted pursuant to the respectively applicable merger control law or other circumstances occur, pursuant to which the consummation prohibition under each respectively applicable merger control law no longer applies. [*Specific jurisdictions to be inserted in which merger control clearance will need to be sought and the identity of each party that will provide that the necessary merger control clearances*]

26.1.3 Regulatory Clearance

[*Any regulatory clearances to be determined*]

26.1.4 Dutch Tax Rulings

Certainty in advance in the form of a tax ruling will be requested 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 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;

- STICHTING not being liable to Dutch corporate income tax 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 the tax deductibility of interest expenses;

- Qualification of the Supplier Loan Note Instrument (regarding the Contingent Payment Right) issued by Aisle Dutch TopCo to STICHTING as debt for Dutch tax purposes;

- Qualification of the [Profit Participating Loan] issued by Aisle HoldCo to Aisle Dutch TopCo as equity for Dutch tax purposes;

- Application of the participation exemption of section 13 Dutch corporate income tax act 1969 with regard to the participation in Aisle HoldCo.

Other tax aspects of the settlement structure could be included in the tax ruling request depending on the progress of the tax ruling request process when initiated.

26.1.5 Croatian Tax Rulings

Certainty in advance in the form of an official opinion will be requested from the Croatian tax authorities by the Debtor on the following main Croatian tax aspects of the settlement structure:

– Transfers of businesses (business units) from Croatian Insolvent EA Entities to New Croatian Subsidiaries will qualify as transfers of business units for tax purposes;

– Tax losses of the Agrokor Group will not transfer to the New Group along with the transfers of business units;

– Any tax liabilities that would arise in the Agrokor Group upon execution of the Settlement (i.e. tax liabilities arising on the basis of: taxable gains generated on transfers of business units at FV, taxable gains generated on transfers (disposals) of non-core assets and shareholdings, and any other tax liabilities that would arise as a result of Settlement execution) do not transfer to the New Group;

– Only the post-petition tax liabilities that would arise in the ordinary course of business and which would be reported as such in the Agrokor Group in the period from 10th April 2017 until the day of the transfer of the business units would transfer to the New Group;

– Any other types of obligations of Agrokor Group towards the state (e.g. concessions, excise duties, customs duties, etc.), pursuant to the provisions of Art. 43 para. 5 item 1 EA Act will not follow to the New Group;

– Transfers of business units from Agrokor Group to the New Group 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;

– The Settlement Plan together with all accompanying documentation represent sufficient documentary proof for implementation of the Settlement from the tax perspective pursuant to Art. 43 para. 19 EA Act.

Other tax aspects of the settlement structure could be included in the official opinion request depending on the progress of the official opinion request process when initiated.

26.1.6 SPFA Extension

The extension of the SPFA has been approved by the requisite majority of SPFA Lenders on substantially the terms set out in Cl. 5.6.2 above.

26.1.7 Third Party Approvals

[*Any material required third party approvals to be included.*]

26.2 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.

27 GENERAL PROVISIONS

27.1 Closure of Extraordinary Administration and Discontinuation of the EA Group Companies[43]

The EA Proceedings terminate upon the implementation of the Settlement Plan pursuant of Art. 47 EA Act. Debtor and each Insolvent EA Croatian Subsidiary shall remain in existence under the regime of the EA Act as long as it has pending litigation or assets.

Upon finalization of all litigation / disputes and transfer of all remaining assets to the New Group in accordance with the above described mechanism, each of the Debtor and Insolvent EA Croatian Subsidiaries shall be deleted from the court registry.

27.2 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.

27.3 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.

27.4 Continuation of Litigation

Without prejudicing any disposal of the subject of dispute, any pending litigation shall continue between the original parties from the moment of conclusion of the EA Proceedings.

27.5 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).

27.6 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).

27.7 Plan's Failure and Extension

[43] Funding mechanics to be considered.

The Settlement Plan shall have failed (subject to any extension of the deadlines) if the Implementation Effective Date has not occurred on or before [●] (the "**Implementation Long Stop Date**").

The Debtor has the right, with the consent of the Extraordinary Administrator and the Creditors Council, to extend the Long Stop Date on one or more occasions by announcement to the Court. If the Settlement Plan fails, the regulations of the Settlement Plan and the arrangements contemplated by it shall have no legal effect. The Extraordinary Administrator shall announce immediately the failure of the Settlement Plan to the insolvency court.

The Debtor has the right, with the consent of the Extraordinary Administrator and the Creditors Council, to extend the Implementation Long Stop Date on one or more occasions by announcement to the Court. If the Settlement Plan fails, the Settlement Plan will be of no further force and effect and shall not be binding from the date of failure. The Extraordinary Administrator shall publicly announce without undue delay the failure of the Settlement Plan.

27.8 Releases

27.8.1 General

(i) From and with effect from the Claims Assignment, no Impaired Creditor shall (continue to) make, pursue, litigate, commence or prosecute any proceedings in relation to the Assigned Claims, or non-contractual obligations arising out of or in connection with the Assigned 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 Assigned Claims shall be finally [suspended/dismissed] in accordance with applicable procedural laws relating to such proceedings and will no longer be pursued.

(ii) Upon the occurrence of the Claims Assignment any and all rights or claims that any Impaired Creditor may have against any member of the Agrokor Group under or in connection with the Assigned 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 Assigned Claims, or non-contractual obligations arising out of or in connection with the Assigned Claims (and notwithstanding the discovery or existence of any such additional or different facts) shall be irrevocably and unconditionally waived, released and discharged, provided that all such rights and claims shall have passed to Aisle Dutch TopCo upon the Claims Assignment

(iii) On and from the Settlement Confirmation Date, no Creditor, no member of the Agrokor Group and no member of the New Group shall (continue to) make, pursue, litigate, commence or prosecute any proceedings against any of: the Extraordinary Administrator and Irena Weber (in her capacity as deputy to the Extraordinary Administrator); the members of the Creditors' Council (in their 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.

(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 preparation, negotiation or implementation of the Settlement Plan (including, without limitation, the countersigning by the Extraordinary Administrator and the Creditors' Council of the CP Satisfaction Notice as described in Cl. 26 above, the waiving of conditions as described in Cl. 26.2 above, any extension to the Implementation Long Stop Date as described in Cl. 27.7 above and any amendment to the Settlement Plan) (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) 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 Amending Creditor which arise out of, or relate to, or are in any way connected, with any approval the Amending Creditors may give to an amendment to

the Settlement Plan in accordance with Cl. 27.9 below below shall be irrevocably and unconditionally waived and released and forever discharged.

(vi) This Cl. 27.8.1 above 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.

(vii) This Cl. 27.8.1 above shall not apply to any claim or liability in respect of fraud, dishonesty or willful misconduct.

27.8.2 Challenged Claims

The right of creditors of Challenged Claims to continue and initiate litigation against the original EA Entity with respect to the challenging of the claims remains unaffected by the release under Cl. 27.8.1 above.

27.9 Amendments

[●]

27.10 Severability

Should an individual term of this Settlement Plan be ineffective or lose its effectiveness due to later circumstances, the remaining terms shall survive. The invalid term shall be replaced by an effective term, which comes closest to the intended purpose. The same shall apply for a gap.

27.11 Supervision of Settlement Plan Implementation

The Implementation will be supervised by the Extraordinary Administrator, Creditors Council and the Court. Art. 346 to 348 and 353 to 355 Bankruptcy Act shall apply accordingly.

27.12 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 or as otherwise specified therein.

27.13 Notices

Any notices hereunder shall be given:

If to the Extraordinary Administrator:

[●]

With a copy to:

[●]

If to Aisle STAK:

[●]

If to Aisle Dutch TopCo:

[●]

28 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 [●].

29 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.

30 ANNEXES

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Annex [●] – Definitions

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