File No 24130/3/2022

To,

BUCHAREST TRIBUNAL – VII CIVIL DIVISION

Amended Restructuring Plan within the Preventive Concordat Proceedings of the debtor VIVRE DECO S.A.

January 12th, 2023

Concordat Administrator	**Debtor**
PricewaterhouseCoopers Business Recovery Services SPRL	**Vivre Deco S.A.**
Represented by Andreea Bocioacă Corneliu Mușat	**Represented by Administrator and General Manager, Călin Fusu**

S.C. Vivre Deco S.A. with corporate seat in Bucharest, 22 Bd. Tudor Vladimirescu, Green Gate Office, 11th floor, registered with the Bucharest Registrar of Companies under No J40/3718/2012, registered as VAT payer under No (CUI) RO30010618, duly represented by Administrator and General Manager, Mr. Călin Fusu, as Debtor

assisted by

PricewaterhouseCoopers Business Recovery Services SPRL, with corporate seat in Bucharest, 1A Bd. Poligrafiei, Ana Tower, 24/7 floor, registered as VAT payer under No (CUI): RO20606444, registered with the Registrar of Forms of Organization of the Romanian Union of Insolvency Practitioners under No II-0010, duly represented by Mrs. Andreea Bocioacă and Mr. Corneliu Mușat.

Based on **article 4(2), article 19(b), article 24** of **Law 85/2014**, hereby lodges this:

AMENDED RESTRUCTURING PLAN PREPARED WITHIN THE PREVENTIVE CONCORDAT PROCEEDINGS REGARDING THE DEBTOR VIVRE DECO S.A.

Recommending the implementation of pre-insolvency specific measures with a view to allow the debtor a real chance to efficiently and effectively recover its business, intended to ensure the optimum satisfaction of claims against the debtor.

Preamble

The use of pre-insolvency proceedings may be beneficial to creditors as well, when compared to the use of insolvency proceedings, which most of the times lead to bankruptcy and, therefore, to a low claim recovery ratio.

One of the pre-insolvency proceedings is the preventive concordat, applicable in the event that the debtors are confronted with a financial *difficulty* (distress), all as defined in **article 5(26^2)** of **Law 85/2014**[1].

Whereas the debtor, i.e. **VIVRE DECO S.A**. (hereinafter referred to as the "**Debtor**" or the "**Company**") is confronted with a difficulty, some of its creditors, i.e. Zooku Solutions SRL and Shopeo Tech SRL filed a joint application for the opening of the preventive concordat proceedings in respect of the Debtor. Based on **article 23** of **Law 85/2014**, amended and supplemented by **Law 216/2022**, the Debtor retained **PricewaterhouseCoopers Business Recovery Services SPRL**, as its concordat administrator. The **Bucharest Tribunal, VII Civil Division** has, based on its **Resolution dated September 8th, 2022**, issued in **file No 24130/3/2022**, admitted the application of these creditors and, based on **article 23(3)** of **Law 85/2014** it ordered the opening of the preventive concordat proceedings against the debtor. Based on **article 23(5)** of the Law, the court appointed **PricewaterhouseCoopers Business Recovery Services SPRL**, insolvency practitioner, as concordat administrator of the debtor (hereinafter also referred to as the "**Concordat Administrator**").

On November 7th, 2022, the Debtor, assisted by the Concordat Administrator, prepared and lodged with the court a Restructuring Plan for VIVRE DECO S.A., according to **article 24 of Lwa 85/2014**, as amended and supplemented by **Law 216/2022**.

The Debtor, assisted by the Concordat Administrator, initiated and conducted negotiations with creditors from each of the categories of creditors laid down in article 27 of Law 85/2014, and collected votes for the Restructuring Plan initially lodged.

In light of the negotiations with the creditors, the Debtor, assisted by the Concordat Administrator, hereby lodges this Amended Restructuring Plan which basically includes the following amendments to the initial Restructuring PlanȘ

1. **Larger amounts are intended to be distributed** to creditors in the categories of creditors listed below:

   - **Budgetary claims** – a larger amount shall be distributed on account of budgetary claims, i.e. 400,000 Euro (the equivalent of approximately 2,000,000 Lei), instead of 100,000 Euro (the equivalent of approximately 500,000 Lei) as intended in the initial Restructuring Plan; hence, 19.6% of the claims of these creditors shall be satisfied instead of 4.7%;

   - **Other claims** – a larger amount shall be distributed on account of other claims, i.e. 1,790,000 Euro (the equivalent of approximately 8,900,000 Lei), instead of 500,000 Euro (the equivalent of approximately 2,500,000 Lei) as intended in the initial Restructuring Plan; hence, 13.8% of the claims of these creditors shall be satisfied instead of 3.8%.

   The amounts indicated above were presented in the schedule of payments and expressed in Lei.

2. In correlation with the changes above, alterations were also made in respect of the measures laid down in the Amended Restructuring Plan, intended to ensure the resources necessary to enhance the amounts to be distributed.

3. Correlative changes were also made in terms of the comparison between the amounts to be distributed according to the concordat Restructuring Plan and the amounts to be

[1] Law on pre-insolvency and insolvency proceedings.

actually distributed via the Plan, all as indicated above, as well as in respect of the adjustment of the simulation in case of bankruptcy of the satisfaction of salary claims and budgetary claims, taking into account the new loan offered to the debtor by its majority shareholder, i.e. NEOGEN S.A.

This document is prepared in accordance with **article 24** and **article 26(3)** of **Law 85/2014**, as amended and supplemented by **Law 216/2022**[2], by the Debtor, with the assistance of the Concordat Administrator.

Whereas via the changes and additions operated in **Law 85/2014** by **Law 216/2022** for implementing in Romania the **Directive (EU) 2019/1023**, the pre-insolvency proceedings were modified, this **Restructuring Plan** (hereinafter also referred to as the "**Plan**") shall take into account these legislative changes.

The amended Plan is mainly intended to ensure the Company's business restructuring in various respects in particular with a view to overcome the temporary financial difficulty so as to allow the recovery of a reasonable portion of the debts included in the list of affected concordat creditors and the viable relaunching of the business of **VIVRE DECO S.A.**

Based on this information and the proposed objectives, a series of working assumptions were put together in respect of the future cashflows, which shall be used as a basis for the payments to creditors.

Although in our opinion, the working assumptions are viable, events might occur in practice, independent of our will, which may result in late payments or revenues in an amount that differ from the estimates (late payments by clients due to objective reasons, changes in the volume of orders depending on the requirements of the end-user, additional resources required to increase the turnover by reference to the estimated amount, market-specific conditions applicable at a specific time etc.), which are impossible to forecast at this time.

In addition, taking into account the time elapsing between the Reference Date of this Plan and the date when it will be implemented, it is quite possible that some of the values considered by our estimations are modified.

Depending on the opportunities available during the implementation of the Restructuring Plan, the Company may suggest economic operations that fall outside the business as usual scope and were not included herein because they are uncertain for the time being and shall be performed after all legal actions necessary are taken and the Restructuring Plan is amended according to the law, if necessary. In addition, depending on the future situation, these actions may refer also to an extension of the preventive concordat timeframe, according to **Law 85/2014**, or the early payment of the claims included in the **Claims Schedule of Payments**.

We underline that the Company's consent to the opening of the preventive concordat proceeding at the request of its creditors and this Restructuring Plan are, but measures intended to ensure the Debtor's recovery and the best opportunities to cover its debts.

The proposed **Implementation Period of the Restructuring Plan**, intended to ensure the payment of Debtors' liabilities, is the maximum period laid down in **article 24(7)** of **Law 85/2014**, as amended and supplemented by **Law 216/2022**, that is, **forty-eight (48) months** from the homologation hereof by enforceable decision with the possibility to extend it for twelve (12) more months, subject to all legal requirements in this respect, if any. A minimum of 10% of the claims affected by the Plan must be covered during the first year and the Claims' Schedule of Payments takes into account this minimum requirement.

The Plan implementation actions (also termed "**Proposed Restructuring Actions**") are laid down in chapter 6.2 of this Restructuring Plan and are in line with the examples mentioned in **article 24(1)(g)** of **Law 85/2014** as amended and supplemented by **Law 216/2022**, and shall be combined to ensure the successful implementation of the Restructuring Plan.

[2] Law amending and supplementing Law 85/2014 on pre-insolvency and insolvency proceedings and other regulations.

To allow creditors to cast their vote on the Plan the Debtor and the Concordat Administrator may arrange for one or several, individual or collective meetings, to be organized for negotiations with the creditors, according to **article 26(1)** of **Law 85/2014** as amended and supplemented by **Law 216/2022**.

According to **article 27(1)** of **Law 85/2014** as amended and supplemented by **Law 216/2022:**

"***The restructuring plan shall be voted upon solely by the creditors who hold affected claims, whereas the creditors whose claims are not affected shall not be entitled to vote.***"

According to **article 27(3)** of **Law 85/2014,** as amended and supplemented by **Law 216/2022**, the creditors shall forward their vote via rapid communication means to the Debtor's address, i.e. Bucharest, 22 Bd. Tudor Vladimirescu, Green Gate Office, 11th floor and/or by e-mail at concordat@vivre.eu, according to the instructions in the letter accompanying the Restructuring Plan to the creditors, according to **article 26(2)** or, as applicable, **par. (5) and article 27(2),** as applicable, of **Law 85/2014,** as amended and supplemented by **Law 216/2022.**

The unconditional positive vote on the preventive concordat equals the acceptance of the concordat. Any conditional vote shall be deemed to be a dissenting vote.

Considering the presentation above, this Restructuring Plan shall address the content elements referred to in **article 24** of **Law 85/2014**, as amended and supplemented by **Law 216/2022**.

Table of Contents

1. Identification Data of the Concordat Administrator

Name	PricewaterhouseCoopers Business Recovery Services SPRL
Corporate seat	Bucharest, 1A Bd Poligrafiei, Ana Tower, 24/7 floor
RFO UNPIR	II 0010
VAT No	RO 20606444
Insurance policy	Series G No 1029019
Telephone	+4 021.225.3500
Fax	+4 021.225.3650
E-mail	ro_business_recovery@pwc.com
Website	www.pwc.com/ro

2. Identification Data of the Debtor and General Presentation of the Underlying Facts

General Presentation

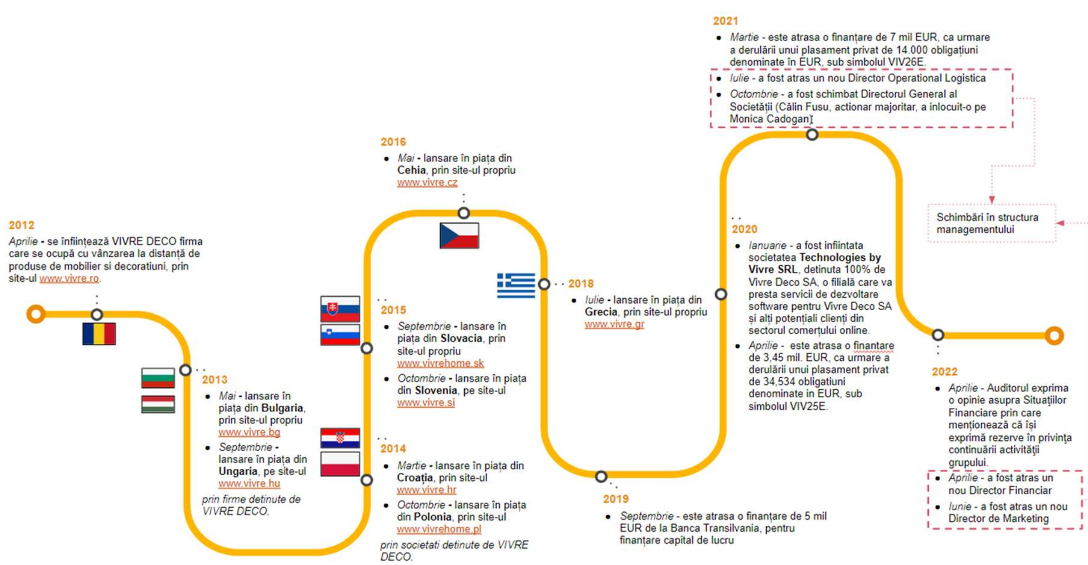
Name	S.C. VIVRE DECO S.A
Corporate seat	Bucharest, 22 Bd. Tudor Vladimirescu, Green Gate Office, 11th floor, 5th district
No of registration with Registrar of Companies	J40/3718/2012
VAT No	RO30010618
Business objects	Retail trade of furniture and decorations via internet
Administrators	Călin Fusu Antoanela Canja Oliver Patrick Cadogan
Shareholders	Neogen SA, 51,81% Advisory Delta SRL, 43,37% Nagy Vajda Andras Peter, 4,82%

Bucharest Stock Exchange	Bonds worth 10.45 million Euro traded on the Bucharest Stock Exchange
Incorporated in	2012
Present in	Romania, Bulgaria, Hungary, Croatia, Poland, Slovakia, Slovenia, the Czech Republic and Greece
Turnover in 2021	246.5 million Lei (104 million Lei during the first 11 months of 2022)
Employees	143 employees (average number of employees over the first 11 months of 2022)
Monthly number of customers	Approx. 15,300
No of SKUs[3]	250.000+

Background and Evolution

The Company was incorporated in 2012, in Romania, and its business objects consist in the online sale of furniture items and decorations. The Company witnessed a significant growth over the last 10 years, and is now present in 9 countries in Central and Eastern Europe, with a turnover of 246.5 million Lei in 2021 (2012: 3.4 million Lei) and an average number of employees of 318 in 2021 (2012: 12 employees), dropping down to 143 until November 2022 (2012: 12 employees).

Fig 1: Evolution chart of the Company from 2012 to present [4]



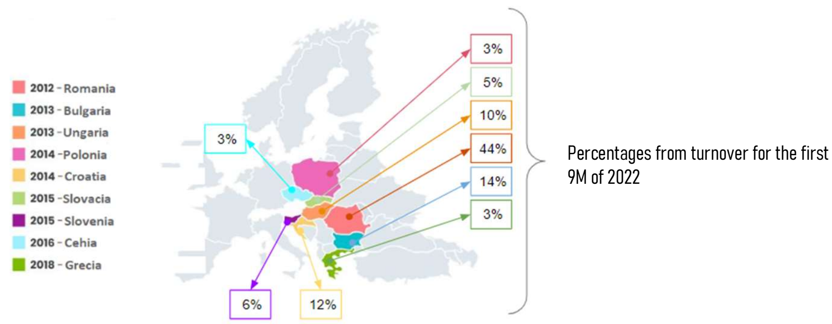
Source: Vivre Deco SA

[3] Stock-Keeping Unit (product code), i.e. the identifier which helps managing products and stocks.
[4] See Annex 1 for the figure above, in legible, larger format.

Geographical Presence

Romania continues to be the Company's main market, which accounts for approx. 44% of its turnover. The figure below illustrates the countries in which the Company operates, the year when it started operating in each of them and their weight in the first 9 months of 2022 Company's turnover.

Fig 2: Geographical coverage, including percentage from the turnover over the first 9 months of 2022



Source: Vivre Deco SA

Business Model and Products Offered

Vivre operates exclusively via its 9 websites in the countries in which it is present, that is www.ro.vivre.eu (formerly www.vivre.ro), www.vivre.bg, www.vivre.hu, www.vivre.hr, www.vivrehome.pl, www.vivrehome.sk, www.vivre.si, www.vivre.cz, www.vivre.gr. These websites are the platforms/the online shops where consumers may order and purchase interior decorations items.

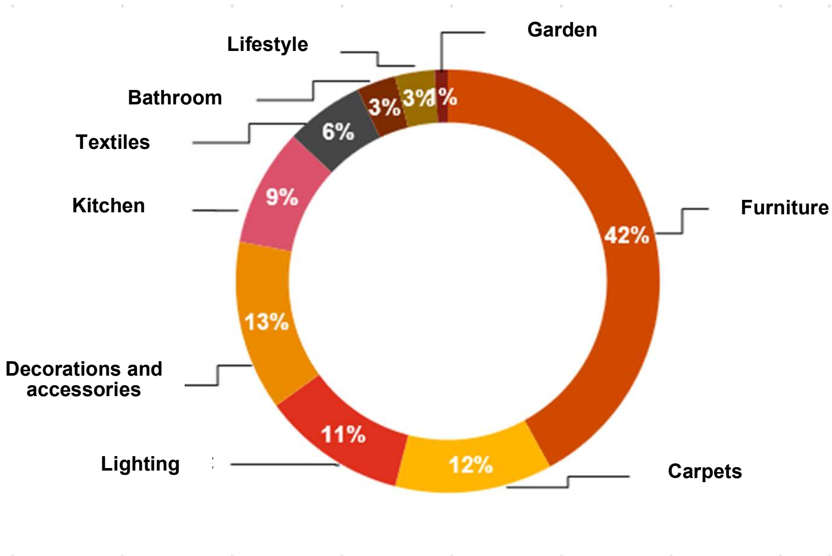
The operational activity of the Company encompasses three main business lines:

- **Retail** – the Company purchases products through wholesale from various international suppliers and then sells the products through retail to the end-users, which represents approx. 77% of the total value of orders;
- **Marketplace** – the Company lists the products of other retailers for a percentage of the sales, which represents approx. 23% of the total value of orders; the Marketplace is going to be migrated towards **Dropshipping** – a platform via which the Company sells products through retail, whereas the goods are delivered directly by the suppliers to clients.

Approximately 70% of the products are in stock with the suppliers and the delivery period is 3-4 weeks, whereas the remaining 30% of the products are in the logistic centers of Vivre. The Company keeps in its storages the faster selling products. These products are destined for quick delivery: 1-2 days in Romania and up to 5 days in other countries, depending on the local logistics.

The products sold via the three business lines above are: furniture, decorations and accessories, kitchen, lighting units/fixtures, carpets, products for bathroom, organization and lifestyle.

Fig 3: Turnover structure for the first 9M of 2022, by categories of products



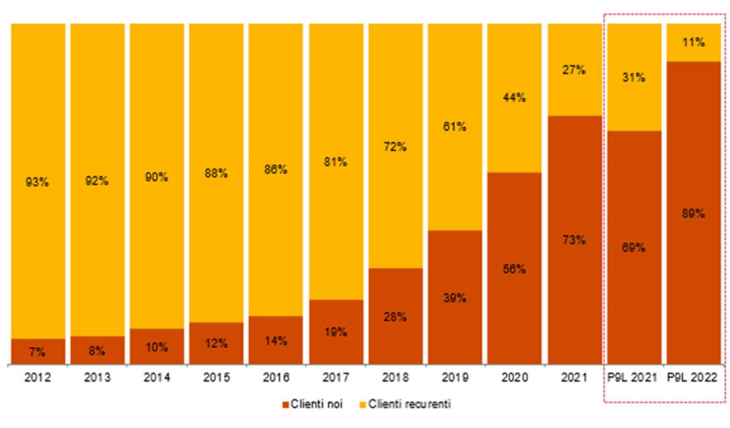
Source: Vivre Deco SA

Customers

The mix of new and recurrent customers is of the essence for the Company, which is constantly monitoring it and striving to widen the pool of new clients while retaining the existing customers.

The number of customers grew continuously and reached its peak in 2020 when, due to the Covid-19 pandemic and the restrictions of travels, people invested in re-decorating homes. New clients tend to replace the recurrent clients over the first 9 months of 2022, and the number of recurrent clients account for merely 11% of the total customers.

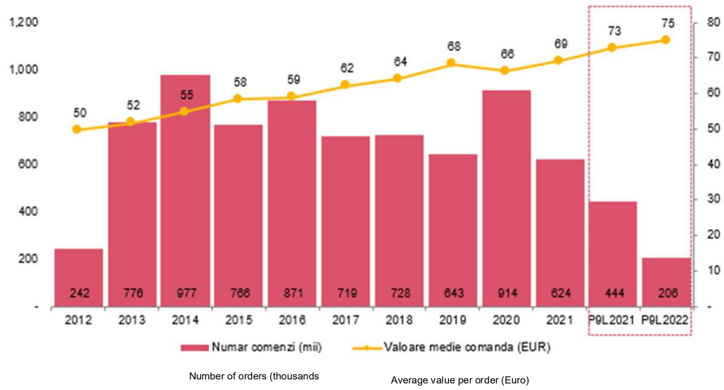
Fig 4: Evolution of structure of new customers vs. recurrent clients



Source: Vivre Deco SA

In terms of orders, the trend was similar but the average value of an order appears to have stabilized around 75 Euro/order starting with 2021.

Fig 5: Evolution of the number of orders and average value per order



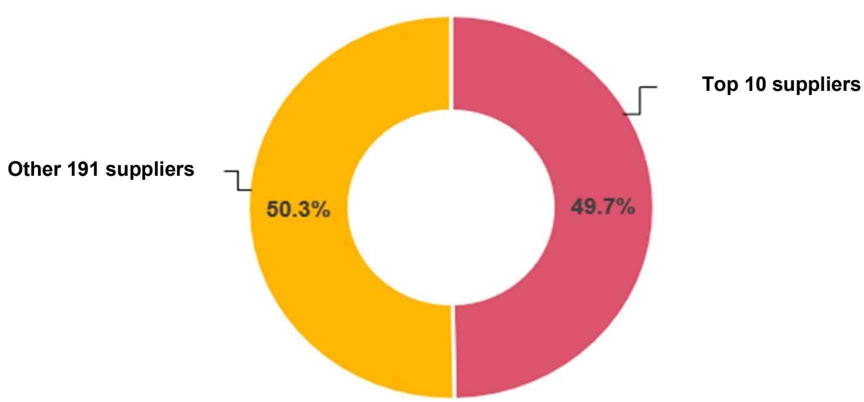
Source: Vivre Deco SA

Suppliers

The Company carries out its online sales of interior decoration products purchasing goods from approximately 200 different suppliers (over the period September 2021 – September 2022). In respect of 10 of them, the Company has a high rate of dependence – they account for approximately 50% of the total value of purchases, as illustrated in Figure 6 below.

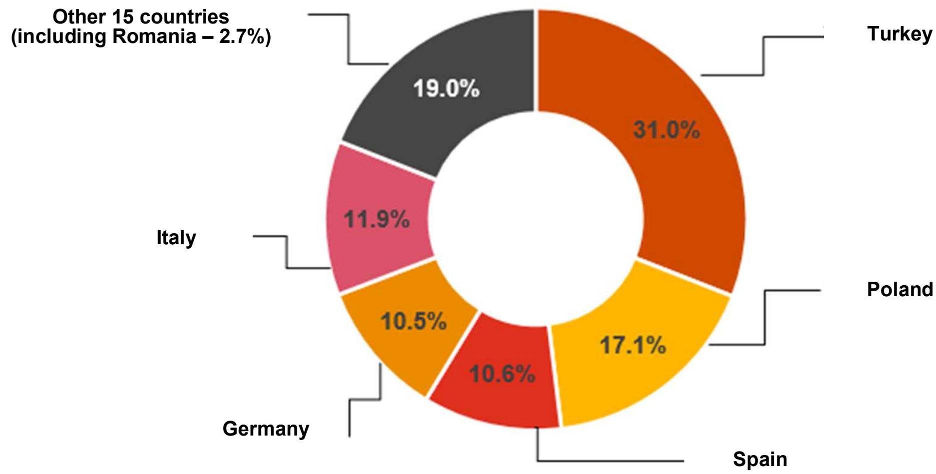
As regards the origin of suppliers, approximately 50% of the goods (over the period September 2021 – September 2022) were purchased in Turkey, Poland and Spain, as shown in Figure 8 below.

Fig 6: Main suppliers' share depending on the value of purchases over the last 12 months (September 2021 – September 2022)



Source: Vivre Deco SA

Fig 7: Geographical distribution depending on the origin country of goods and services suppliers over the last 12 months (September 2021 – September 2022)



Source: Vivre Deco SA

Main Competitors

Vivre is one of the main companies that sells Home & Deco products on the markets where it operates. The main competitors identified by Vivre on the 9 markets it is present on are: Ikea, Jysk, XXXLutz, Bonami, Videnov, VidaXL, Westwing and Mobexpert. Most of them, except for Mobexpert, are present in almost all countries in which Vivre operates as well.

Fig 8. Presence of main competitors on Vivre's markets

	Romania	Bulgaria	Hungary	Croatia	Slovakia	Slovenia	Czech Republ ic	Poland	Greece
Ikea	✓	✓	✓	✓	✓	X	✓	✓	✓
Jysk	✓	✓	✓	✓	✓	✓	✓	✓	✓
XXXLutz	✓	✓	✓	X	✓	✓	✓	✓	X
Bonami	✓	X	✓	X	✓	X	✓	✓	X
Westwing	X	X	X	X	✓	X	✓	✓	X
Mobexpert	✓	X	X	X	X	X	X	X	X
Emag	✓	✓	✓	X	X	X	X	X	X

Source: Vivre Deco SA

Despite the low return on marketing investments over the last 3 years, which did not yield the expected growth in sales – as presented in chapter 4, dedicated to the main circumstances and facts that lead to the state of distress, Vivre has a series of **competitive advantages** against its main competitors:

- The constant growth and diversification of its products portfolio (the Company currently sells over 250,000 products);
- A platform dedicated to suppliers, which allows processing of a large number of products and accelerated assortment diversification;

- The existence of a modular, technological platform developed in-house, which allows rapid and low-cost expansion into new markets;
- The Company's own logistic and fulfilment structure which allows higher flexibility and adaptability.

Management Team

The Company operates in a constantly growing industry which requires, among others, advanced technical knowledge. Hence, the Company has embarked on a mission to hire qualified management personnel while retaining the qualified employees.

Consequently, in 2021 and 2022, new members joined the management team of the Company, who are highly qualified in management positions, in an effort to use key-personnel to positively impact the business, financial standing and operational results of the Company.

Vivre Deco S.A. is a company under a one-tier administration. The management is entrusted to a Board of Directors comprised of 3 members.

On the date hereof the executive management of the Company includes 4 persons, as presented in the table below:

Călin Fusu, General Manager He joined the management team of the Company in October 2021	Călin is co-founder of the Company since 2012 and a member of the Board of Directors. He is a graduate from the Bucharest University of Economic Studies and has a diploma in International Relations obtained back in 1995. He began his career as Equity Trader with NCH Capital. Later, the founded and was the CEO of BestJobs, between 2000 and 2019. Since February 2012 he is a co-founder of VIVRE DECO S.A Professional background: • October 2021 – present, General Manager of VIVRE DECO SA • February 2012 - present, Co-founder and Member of the Board of Directors of VIVRE DECO • August 2000 – March 2019, Founder & CEO of BestJobs • June 1995 – July 2000, Equity Trader with NCH Capital
Cătălin Ana, CFO He joined the management team of the Company in April 2022	Cătălin is a 2008 graduate from the Bucharest University of Economic Studies and holds a double diploma in Trade and Finances. He is a Chartered Financial Analyst since 2012 and a Chartered Alternative Investment Analyst since 2016. His career debuted in the consulting department of Ernst & Young of Bucharest. Since 2012 Cătălin worked in London for the European Bank for Reconstruction and Development (EBRD), with a focus on project financing in Central Europe. Professional background: • April 2022 - present, CFO VIVRE DECO SA • January 2022 - present, Chief Investment officer, Neogen SA • February 2017 – January 2022, Country Manager Romania, First Property Group • August 2012 – January 2017, Investment Banker, BERD • June 2008 – July 2012, Senior Corporate Advisor, EY • February – May 2008, Intern, KPMG

Ana Visian, Marketing Manager She joined the management team of the Company in June 2022	Ana is a graduate of and obtained a master's degree from the Faculty of Marketing attached to the Bucharest University of Economic Studies. Ana has a wealth of experience in the area and she worked for companies such as Good People S.A., OLX Group, IAB România or Mediacafe. Professional background: • June 2022 – present, Marketing Manager, Vivre Deco SA • October 2020 – present, Group Marketing Manager – Neogen S.A., including BestJobs Recrutare S.A. • January 2016 – present, Co-founder of Piscina Urbana • April 2020 – October 2020, Ecommerce Manager Urban Monkey, GOOD PEOPLE S.A. • December 2018 – April 2020, OLX Growth & Goods Manager, OLX Group România • April 2018 – April 2020, Head of Advertising Sales, OLX Group România • April 2016 – April 2018, Advertising Sales Manager, OLX Group România
Andras Nagy, Technology Manager He joined the management team of the Company in March 2012	Andras is a Co-founder of the Company and Chief Technology Officer Andras is a graduate of Petru Maior University of Targu Mures, with a diploma in Mathematics and Computer Science. His career debuted at Neogen as Product Developer where he developed the project BestJobs, the largest product of Neogen SA, now a separate company (BestJobs Recrutare S.A.). He is currently a Founder and Technology Manager of VIVRE DECO S.A. Professional background: • March 2012 – present, Technology Manager and Co-founder of VIVRE DECO SA • August 2000 – present, Founder & member of the Board of Directors of Neogen SA (BestJobs)

3. A Look into the Debtor's Standing

3.1. Debtor's Estate by Assets and Liabilities at the Time the Restructuring Plan Was Prepared, their Value at the Time the Plan Was Prepared

3.1.1. Analysis of the Assets

On September 30th, 2022 (when the concordat proceedings were opened)[5]

[5] The value of assets referred to in this chapter is the Net Book Value ("NBV") on September 30th, 2022.

Fig 9: Assets

Lei	NBV achieved Dec 20	NBV achieved Dec 21	NBV achieved Sep 2021	NBV achieved Sep 2022	NBV variation Dec 21 vs Dec 20	NBV variation Sep 22 vs Sep 21	Values based on the valuation report MV Sep 22	Values based on the valuation report FSV Sep 22
Concessions, patents, licenses, trademarks	72,496	36,221	49,023	29,189	(50%)	(40%)	80,069,155	4,034,578
Success fee for bonds listing	443,890	1,201,824	1,277,687	974,232	171%	(24%)	n/a	n/a
Vivre platform	18,234,005	17,425,863	23,035,659	16,385,503	(4%)	(29%)	12,580,358	6,290,179
Other non-current intangible assets	260,072	219,964	274,805	60,632	(15%)	(78%)	28,829	17,297
INTANGIBLE ASSETS	**19,010,463**	**18,883,872**	**24,637,174**	**17,449,556**	**(1%)**	**(29%)**	**20,678,342**	**10,342,054**
Equipment and technical installations	3,340,983	5,559,156	5,721,687	4,605,594	66%	(20%)	5,178,727	3,625,109
Furniture, stationery, others	2,260,098	1,742,964	2,104,608	842,989	(23%)	(60%)		
Tangible assets in progress	229,086	267,194	370,851	267,194	17%	(28%)	n/a	n/a
TANGIBLE ASSETS	**5,830,167**	**7,569,314**	**8,197,146**	**5,715,776**	**30%**	**(30%)**	**5,178,727**	**3,625,109**
Shareholding in affiliates	2,292	164,292	164,292	164,292	7068%	0%	2,600,000	-
Fixed claims	2,519,281	2,524,333	2,524,332	1,035,080	0%	(59%)	1,035,080	-
FINANCIAL ASSETS	**2,521,273**	**2,688,625**	**2,688,624**	**1,199,372**	**7%**	**(55%)**	**3,635,080**	**-**
FIXED ASSETS	**27,362,203**	**29,141,811**	**35,522,944**	**24,364,704**	**7%**	**(31%)**	**29,492,149**	**13,967,163**
Inventories	37,583,786	22,148,715	36,973,780	8,139,506	(41%)	(78%)	8,394,662	5,808,806
Customers	10,829,398	2,234,036	7,728,023	1,257,854	(79%)	(84%)	1,085,200	1,085,200
Other claims	1,343,527	2,225,390	4,215,246	2,367,710	66%	(44%)	2,512,178	1,654,482
Cash available and equivalent	21,253,968	9,202,681	4,712,953	1,083,286	(57%)	(77%)	1,084,286	1,084,286
CURRENT ASSETS	**71,010,679**	**35,810,823**	**53,630,003**	**12,848,357**	**(50%)**	**(76%)**	**13,076,327**	**9,632,775**
Accrued expenses	32,838,017	659,690	38,171,558	431,610	(98%)	(99%)	n/a	n/a
TOTAL ASSETS	**131,210,899**	**65,612,324**	**127,324,504**	**37,644,671**	**(50%)**	**(70%)**	**42,568,476**	**23,599,938**

Source: Vivre Deco SA

Note: NBV = net book value, MV = market value, FSV = forced sale value (on September 30th, 2022) based on the report issued by Darian DRS SA

The comments below refer to the net book value as of September 30th, 2022; the values under the valuation report are presented as an example, as they are detailed in Annex 4.

At the end of September 2022, the Company's **asset** is approximately **37 million Lei**, i.e. 70% lower than the 127.3 million Lei asset on September 30th, 2021. This decrease is mainly due to: i) the reduction in operational activity in the last 12 months which affected the level of current assets (-76%, equivalent to a decrease of 40.7 million lei in absolute value), and ii) the change in accounting policy at the end of 2021, regarding the recognition in the financial year of the amounts spent on attracting visitors and customers on the website and TV advertising, in the marketing expenses category. Until December 2021, these amounts were capitalized as accrued expenses, as it was considered at that time that they would benefit the Company for a minimum period of 5 years.

The ***main intangible asset*** held by the Company (16.4 million Lei, i.e. 44% of total assets as of September 2022) is the ***software related to the online platform*** via which Vivre Deco S.A. carries out its activity. This platform was developed both internally (by partially capitalizing the costs of the software development team employees) and by purchasing software from various developers. More specifically, this asset includes the capitalization percentage of the costs of Technologies by Vivre's software development team employees and a corresponding portion of overheads as well as development services contracted from third parties. All other costs associated with software maintenance are registered directly as expenses. Over the first 9 months of 2022, approximately 50% of the costs of software development team's employee were recorded as an asset on the Company's balance sheet and 50% were recorded directly as expenses.

The ***tangible assets*** of the Company mainly refer to investments made in equipment for the logistics center operated by the Company and amount to 5.7 million Lei at the end of September 2022. Assets in progress refer to the Company's improvements to its warehousing facilities.

Financial assets consist mainly in the securities created by the Company for leased premises and other services which required the Company to issue guarantees. Their level decreased by 1.4 million lei during September 2022 compared to August 2022, due to the enforcement of the security by the storage space provider (2 million Lei) and an additional guarantee (0.6 million Lei) established in favor of the payment processor Adyen due to the drop in the Company's risk rating. Hence, as of 30 September 2022, a total guarantee of 872 thousand Lei is established in favor of Ayden, and the difference up to the amount of approx. 1 million Lei represents a guarantee in favor of Green Gate for the premises, which was used to pay the rents before and after the opening of the concordat proceedings.

The Company's shareholding refers to the shares held by the Company in its affiliate, i.e. Technologies by Vivre (99%), and Vivre Eood, respectively, a Bulgarian branch.

The reduced ***inventories*** as of September 30th, 2022 (approx. 8.1 million Lei) are the result of the decrease in the Company's sales, the difficulties faced by the Company in building up inventories as a result of reduced payment deadlines by suppliers of goods, and the optimization of storage activities.

The ***trade receivables*** decreased significantly, i.e. by 84% as of 30 September 2022 compared to the level recorded after the first 9 months of the previous year, as a result of the contraction in the Company's operational activity.

Other receivables outstanding at 30 September 2022 mainly relate to tax receivables, namely VAT to be recovered (1 million Lei - 43% of the total in this category) and amounts related to sick leaves (0.3 million Lei) to be recovered (in dispute) and advances to suppliers (0.4 million Lei).

The ***accrued expenses*** recorded a significant decrease as at 30 September 2022 compared to the threshold reported 12 months before (-99%) strictly as a result of the change in the accounting treatment, i.e. the correction of marketing expenses (37.5 million Lei) which by the end of 2021 were recorded as an asset in the Company's balance sheet (being it considered that they would bring multi-year economic benefits) and their classification during December 2021 as current costs.

On November 30th, 2022[6]

At the end of November 2022, the company has an **asset** worth approximately **35.5 million Lei**, i.e. 6% lower than the 37.6 million Lei on September 30th, 2021. This reduction is mainly due to (i) the amortization of intangible non-current assets (50% of the variation in assets' value); (ii) the variation in current assets (45% of the variation of assets during the period), and in particular the reduction of stocks due to the accelerated sales from stocks by the Company; and (iii) the depreciation of some assets (fitting-out, equipment) pursuant to the reduction in the leased areas corresponding to two lease agreements for warehouses and offices.

Fig. 10: Assets, including November 2022

Lei	NBV achieved September 22	NBV achieved November 22	NBV variation November 2022 v. September 2022
Concessions, patents, licenses, trademarks	29,189	26,442	(9%)
Success fee for bonds listing	974,232	923,657	(5%)
Vivre platform	16,385,503	15,364,083	(6%)
Other intangible assets	60,632	25,068	(59%)
INTANGIBLE ASSETS	**17,449,556**	**16,339,250**	**(6%)**
Equipment and technical installations	4,605,594	4,192,328	(9%)
Furniture, stationery, others	842,989	794,486	(6%)
Tangible assets in progress	267,197	409,885	53%
TANGIBLE ASSETS	**5,715,776**	**5,396,699**	**(6%)**
Shares in affiliates	164,292	164,292	0%
Non-current receivables	1,035,080	1,423,354	38%
FINANCIAL ASSETS	**1,199,372**	**1,587,646**	**32%**
FIX ASSETS	**24,364,704**	**23,323,595**	**(4%)**
Stocks	8,139,506	5,035,447	(38%)
Customers	1,257,854	2,336,225	86%
Other receivables	2,367,710	2,469,874	4%
Cash available and similar	1,083,286	1,970,610	82%
CURRENT ASSETS	**12,848,357**	**11,812,156**	**(8%)**
Accrued expenses	**431,610**	**437,912**	**1%**
TOTAL ASSETS	**37,644,671**	**35,573,663**	**(6%)**

Source: Vivre Deco SA
Note: NBV = net book value

[6] The assets' values referred to in this chapter are Net Book Values ("NBV") as of November 30th, 2022.

3.1.2. Analysis of the Liabilities

On September 30th, 2022[7]

Fig 11: Liabilities

Lei **BALANCE SHEET**	**NBV achieved Dec 20**	**NBV achieved Dec 21**	**NBV achieved Sep 2021**	**NBV achieved Sep 2022**	**Dec 21 vs Dec 20**	**NBV variation Sep 22 vs Sep 21**
Bonds - interest	50,793	427,396	896,639	1,126,215	741%	26%
Loans (BT) – working capital	353,009	19,077,588	21,587,758	22,759,248	5304%	5%
Suppliers	76,683,093	45,185,057	47,900,757	18,746,136	(41%)	(61%)
Suppliers of non-current assets	709,862	703,909	2,565,037	1,390,180	(1%)	(46%)
Debts employees	2,485,054	1,248,194	1,497,647	608,822	(50%)	(59%)
Debts to budget	5,513,094	2,834,627	2,923,912	12,076,191	(49%)	313%
Advances received	4,778,979	3,612,373	3,511,624	2,381,451	(24%)	(32%)
Other debts	1,373,465	1,897,577	1,015,286	1,792,516	38%	77%
SHORT TERM DEBTS (<1 YEAR)	**91,947,349**	**74,986,722**	**81,892,661**	**80,880,759**	**(18%)**	**(26%)**
Bonds – principal – long term	16,815,986	51,724,469	51,714,015	51,733,877	208%	0%
Debts (claims) to affiliates	129,375	1,960,575	(27,823)	239,651	1415%	(961%)
Debts (claims) to shareholders	-	-	-	6,096,099	n/a	n/a
LONG TERM DEBTS (> 1 YEAR)	**16,945,361**	**53,685,722**	**51,686,192**	**58,069,626**	**217%**	**12%**
Provisions	3,116,889	2,620,732	3,109,454	2,361,744	(16%)	(24%)
Deferred income	85,243	-	94,994	-	(100%)	(100%)
Share capital	7,250,800	7,250,800	7,250,800	7,522,710	0%	4%
Issuance premium	-	-	-	7,147,390	n/a	n/a
Legal reserves and other reserves	10,881,919	10,874,414	10,874,414	10,874,414	(0%)	0%
Retained earnings	(6,452,899)	1,016,112	1,016,122	(83,805,387)	(116%)	(8348%)
Current result	7,436,237	(84,821,499))	(28,600,118)	(25,406,585)	(1241%)	(11%)
TOTAL CAPITAL AND RESERVES	**19,116,057**	**(65,680,173)**	**(9,458,793)**	**(83,667,458))**	**(444%)**	**785%**
TOTAL EQUITY AND DEBTS	**131,210,899**	**65,612,324**	**127,324,504**	**37,644,671**	**(50%)**	**(70%)**

Source: Vivre Deco SA
Note: NBV = net book value

As one can also infer from the table above, the financing of both marketing expenses and the development and purchase of software for the Vivre platform was mainly done through *2 bond issues*, respectively: i) €3.4 million (equivalent to 17 million Lei) in March 2020 at a fixed interest rate of 5.25% (payable every 3 months) maturing in March 2025 ("VIV25E") and ii) €7 million (equivalent to 34.6 million Lei) in April 2021 at a fixed interest rate of 5.5% (payable every 6 months) maturing in April 2026 ("VIV26E").

Insofar as the Company's financial performance deteriorated during the first 9 months of 2022, the liquidity shortfall was supported by Neogen S.A, the main shareholder, through capital contribution and a loan, as follows:

- 1,5 million Euro, offered in February 2022 as a *contribution to the share capital*. In February 2022, the share capital of the Company was increased by 7.4 million Lei, out of which 0.3 million Lei for the increase in the share capital and 7.1 million Lei issuance premiums; and
- A loan worth 1 million Euro, offered in April 2022, based on the Loan Agreement No 23 of April 7th, 2022, maturing in April 2023, with an option for debt-to-equity swap. The loan is unsecured and bears an annual interest rate of 9%. This loan has been fully drawn until the end of August 2022. Thus, during September 2022, an Addendum to this loan agreement was signed whereby the majority shareholder commits to further finance the Company's activity with an additional 1 million Euro, under similar conditions to the installment initially granted. The new amount will be invested in the development of the Company's activity and products, i.e. for the implementation of the Company's Restructuring Plan. It should be noted that up to the date of the Plan 200 thousand Euro have already been used.

In addition to the funds provided by investors via the two bond issues and by the majority shareholder, the Company also benefits of some loans granted by Banca Transilvania S.A., based on the Loan Agreement No 8154999/27.09.2019 and the Addenda thereto Nos 1/8154999/24.09.2020, 2/8154999/02.09.2021, 3/8154999/29.09.2021, 4/8154999/15.11.2021, 5/8154999/22.03.2022, 6/8154999/27.05.2022 and 7/8154999/02.09.2022, that is:

- a multi-purpose product consisting of a credit line with a current ceiling of 4 million Euro, maturing on 22.03.2023; and

[7] The assets' values referred to in this chapter are Net Book Values ("NBV") as of September 30th, 2022.

- a non-revolving short-term loan, with a balance of 550 thousand Euro, payable based on a monthly repayment schedule, with final maturity on 20.03.2023.

These credit facilities bear a variable interest of EURIBOR 3M + 1.90% the margin of the Bank. These facilities are secured via:

- a movable mortgage in the stock of commodities, decorations and household appliances in the Company's warehouses, based on the Mortgage Agreement No 8154999/MOB/1/27.09.2019 and the addenda thereto;
- a movable mortgage in the universality of receivables, current and future money which the debtor has to collect from its Romanian partners based on the contracts, invoices and/or existing/accepted orders or to be signed/accepted by the debtor with its partners, based on the Mortgage Agreement No 8154999/CES/2/27.09.2019 as amended and updated by the Addendum No 01/8154999/CES/2/29.09.2021;
- a mortgage established based on the Mortgage Agreement No 8154999/MOB/2/02.09.2022, in the assets relating to the activity of the company, as follows: all movable and immovable assets, whether current or future, tangible or intangible, relating to the Company's activity. The mortgaged assets include:
  - intangible non-current assets consisting in patents, licenses and trademarks (acc. 205);
    The mortgage includes the trademark: graphical reproduction VIVRE registered with the SOPT based on the Certificates of registration Nos M 2012 01269, M 2020 04547, M 2017 01153, M 2012 0761;
  - tangible assets consisting in furniture, installations and equipment (acc. 213 and 214);
  - intangible non-current assets consisting in software and other IT systems, developed or purchased (acc. 208).
- a movable mortgage in the current and future amounts to be collected and the balance in the current account and sub-accounts of the Debtor opened with Banca Transilvania S.A., based on the Mortgage Agreement No 8154999/CES/1/27.09.2019 and the addenda thereto;
- promissory note issued by the borrower Vivre in favor of the Bank, "without protest";

The *debts to suppliers* decreased by approx. 61% when compared to the debts recorded at 30 September 2021 as a result of the Company's initiatives to reduce its exposure to some commodity suppliers, the decrease in sales, which resulted in a decrease in orders placed by the Company with commodity suppliers, and the increasing difficulties in taking out supplier credit as a result of the increased credit risk perceived by the Company's suppliers.

The *payables to suppliers of fixed assets* consist in the outstanding obligations towards the services provided by Technologies by Vivre.

The *debts to the state budget* increased significantly in the last year (a 313% increase on September 30th, 2022, compared to September 30th, 2021, i.e. an increase in absolute value of 9.2 million Lei), mainly representing VAT from activities carried out on foreign markets.

On November 30th, 2022[8]

Over the period September – November the Company witnessed a 6% increase in its short-terms debts, mainly due to an increase in the VAT payable by the Company for the remote sales performed in Q4 of 2022, with a due date at the end of January. The Company has also witnessed an increase in the advances received from clients consisting in the orders undergoing processing by the Company.

[8] The assets' values referred to in this chapter are Net Book Values ("NBV") as of November 30th, 2022.

Fig 12: Liabilities, including November 2022

Lei	NBV achieved September 22	NBV achieved November 22	NBV variation November 2022 v. September 2022
Bonds – interests	1,126,215	1,584,742	41%
Bank loans (BT) – working capital	22,459,248	22,371,035	(2%)
Suppliers	18,746,136	18,959,867	1%
Suppliers of non-current assets	1,390,180	1,602,521	15%
Debts to employees	608,822	565,161	(7%)
Debts to the budget	12,076,191	13,334,016	10%
Advances received	2,381,451	3,074,307	29%
Other debts	1,792,516	2,615,432	46%
SHORT-TERM DEBTS (<1 YEAR)	**60,880,759**	**64,107,081**	**5%**
Principal related bonds – long-term	51,733,877	51,414,003	5%
Debts (receivables) to affiliates	239,651	240,241	0%
Debts (receivables) to shareholders	6,096,099	6,147,496	1%
LONG-TERM DEBTS (>1 YEAR)	**58,069,626**	**57,801,745**	**(0%)**
Provisions	**2,361,744**	**2,362,662**	**0%**
Deferred income	**-**	**-**	**n/a**
Share capital	7,522,710	7,522,710	0%
Issuance premiums	7,147,390	7,147,390	0%
Legal reserves and other reserves	10,874,414	10,874,414	0%
Retained earnings	(83,805,387)	(83,805,387)	0%
Current result	(25,406,585)	(30,436,952)	20%
TOTAL CAPITAL AND RESERVES	**(83,667,458)**	**(88,697,825)**	**6%**
TOTAL CAPITAL AND DEBTS	**37,644,671**	**35,573,663**	**(6%)**

Source: Vivre Deco SA
Note: NBV = net book value

3.2. Analysis of the Economic Standing of the Debtor – Profit and Loss Account

January 2020 – December 2021

In 2020, a year significantly impacted by the Covid-19 pandemic, the Company achieved a turnover 52% higher than the level recorded in the previous year, with an excess in the threshold of 280 million Lei, due both to internal efforts to increase the pool of customers and as a result of the appreciation of the online segment of interior decoration trade. Taking into account the peculiarities of the year 2020, i.e. the restrictions imposed by the authorities that limited the possibilities for people to travel outside their homes, the consequences thereof had a beneficial impact on the sales made by the Company, as they were positively influenced by an increased appetite of buyers for interior decoration items delivered to their homes.

In 2021, one the restrictions imposed during the epidemic were lifted, the Company's turnover decreased by 18% compared to 2020, reaching the level of 246 million Lei, yet still 25% higher than 2019, the last year not affected by the impact of the Covid-19 pandemic.

Insofar as the Company had successive and growing earnings from the operational activity (EBITDA[9]) worth 6.8 million Lei in 2019 and 15.6 million Lei in 2020, 2021 witnessed a loss of 65.6 million Lei, mainly caused by:

- A loss of gross margin (18.8 million Lei), pursuant to a contraction of sales;
- An increase in the marketing expenses (51.5 million Lei), as a result of:
  - The change in the accounting policy in 2021 by reference to the previous years – in the matter, some expenses which were capitalized until 2020 (they were recorded in the balance sheet as long-term assets), considering that they would generate economic benefits over the next years as well, were considered current costs beginning with 2021; thus, this change in the accounting policy had a negative impact worth 38.2 million Lei on the Company's profitability in 2021.
  - An increase by 66% (13,4 million Lei) in the marketing expenses, let alone the impact of the change in the accounting policy, pursuant to an increase in competition on the online market, which led to a significant increase in the purchasing costs of new clients and of recurrent clients altogether;

[9] Earnings before interests, taxes, depreciation and amortization.

- The increase in other operational costs, such as:
    - Costs of rents and salaries, in anticipation of a high volume of sales;
    - Costs of collaborators (software services – 7.6 million Lei provided Tehnologies by Vivre, a branch of the Company) pursuant to the change in the accounting policy at the end of 2021, due to which these services were reclassified as current costs and no longer capitalized costs[10].

January – September 2022

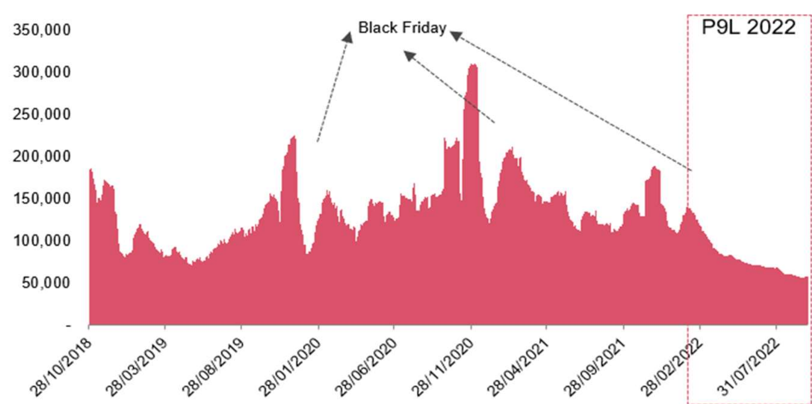
The turnover of 92.7 million Lei during the first 9 months of 2022 is 49% lower compared to the same period of the previous year, being influenced by i) the contraction of the post-pandemic interior decoration online trade segment and ii) the volatility in the market due to the macroeconomic situation, in particular the increase in inflation (15.1% in September 2022 compared to 8.2% in December 2021 - according to the economic stability reports published quarterly by the NBR). The contraction of the online home decoration segment is also exemplified by a reduction with more than 20% of the turnover of some major global players such as West Wing, Wayfair and Made.com.

The company continued to develop its marketplace services, i.e. the revenue from placing products offered by other retailers on the Vivre website. Revenue generated from this activity in the first 9 months of 2022 is approximately 50% higher than the level recorded for the full year 2021. This increase in revenue generated from marketplace services confirms the viability of the management's strategy to reduce the level of its own stock, to elect to focus on a new business model concentrated on the stocks under the management of suppliers.

However, as illustrated by the chart below, although the number of visitors to the Company's websites has been decreasing beginning with the latest part of 2020, the decrease is much sharper in the first 9 months of 2022, due to:

- A significant cut by the Company of its marketing expenses;
- An adjustment of the client's purchasing preferences from online sales to the offline sales, pursuant to the lifting of restrictions caused by the COVID-19 pandemic; and
- The clients' decreasing purchasing power due to the cumulative effects of the conflict in Ukraine and to the rising prices for commodity products.

Fig 13: Evolution of the number of visits on Vivre platform (mobile average[11] over the last 30 days)



Source: Vivre Deco SA

[10] Cost capitalization means the registration of costs not in the profit and loss account but in the balance sheet of a company, as an investment, whenever the company expects to obtain long-term benefits from such costs.

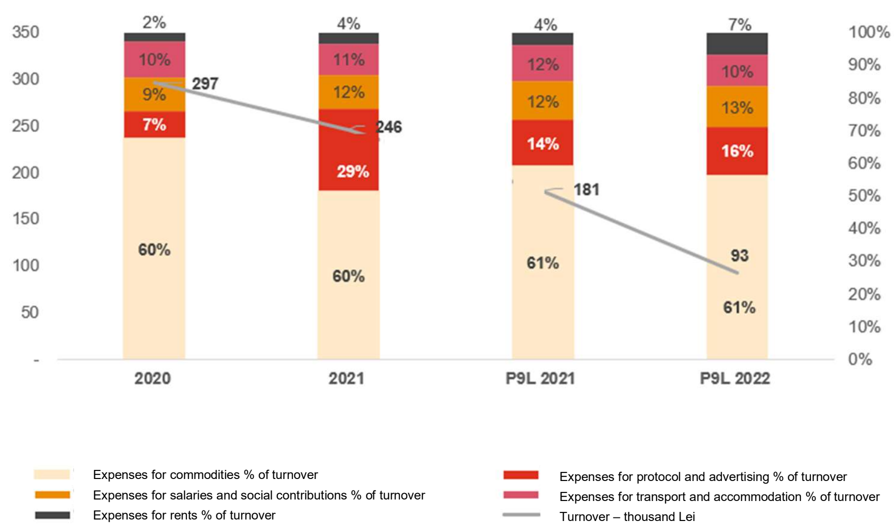
[11] The mobile average is used to identify a set of data (in this case, the number of visits on the Vivre platform) and is calculated as the total of daily visits over the land 30 days on each date, divided by the number of days of the examined period (in this case, 30 days).

In terms of the cost base, the management has implemented a set of measures that have led to significant, almost proportional to turnover, reductions in operating costs (down by ~45%), and in particular in marketing expenses (down 44%) and intends to maintain these measures and implement other new measures to return the Company to profit. Specifically:

- **The advertising and marketing expenses, i.e.** 14.5 million Lei over the first 9 months of 2022 are **44% lower** than the same period of 2021.
- **The expenses for salaries and social contributions, i.e.** 12.4 million Lei over the first 9 months of 2022 are **43% lower** than the same period of 2021.
- **The expenses for collaborators, i.e.** 8.9 million Lei over the first 9 months of 2022 are **17% lower** than the same period of 2021. The reduction is smaller compared to the other cost categories due to the change in accounting policy for recording expenses with Technologies by Vivre (in 2021 only 5% of total expenses were recorded as costs, the rest were recorded as assets; beginning with 2022, 50% are recorded as costs and 50% on the balance sheet). Without the change in this accounting policy, the reduction in this cost category would have been similar to the other types of expenses.
- **Other expenses were cut down to the minimum** (34,477 Lei) over the first 9 months of 2022, compared to 438,771 Lei over the same period of 2021.

The only cost item that has increased significantly is utility expenses, up 47% in the first 9 months of 2022 compared to the same period last year, amid a general increase in energy costs, driven by the war in Ukraine.

Fig 14: Evolution of percentages (%) of the main categories of costs in the turnover achieved in 2021 vs 2020, and the first 9 months of 2022 vs the same period of 2021



Source: Vivre Deco SA

In addition, the cost of office space rented from Green Gate Development SRL has been reduced from approx. 55,000 lei/month to 10,000 lei/month, starting from 1 September 2022, as there have been a number of reductions in the cost of renting office space, as the Company has managed to optimize the work schedule of employees, allowing teleworking, i.e. a hybrid work system (working from home and office):

- For the period 1 - 30 September 2022, the leased area on the 7th floor of Green Gate has been reduced from 945 sq. m. to 207 sq. m., in order to maintain the head office until the formalities for a new head office in the same building but on the 11th floor are completed (October 2022);

- The new lease agreement was signed by Green Gate Development and Neogen SA, which subleased the space to the Company. The office space has been halved from 945 sq. m. to approximately 450 sq. m., and the lease will have a 36 month term (with a 6-month term free of charge), with the Company only paying the equivalent of approximately 150 sq. m. to reflect the hybrid nature of the working hours. Thus, Neogen SA is once again showing its willingness and availability to support the recovery of the Company's activity.

October – November 2022

By reference to the level recorded in September 2022, the Company’s income from operations was relatively stable (5.5 million Lei in November v. 5.7 million Lei in September) despite the unfavorable context governing the market on which the Company operates and a stricter control of the promotion costs.

For the reviewed period, the Company witnessed an increase in the lossese from operations mainly due to the reduction of the gross margin. This result was caused by the priority givern to promoting hard-to-sell products offered by the Company, which involved significant discounts for the products in stock. Despite this result, the Company’s management outlined that, in promoting its own stocks the Company continued to operate without increasing the amounts due to suppliers and the products sold based on a catalogue continued to be sold against good trade markups.

Fig 15: Profit and loss account

Lei

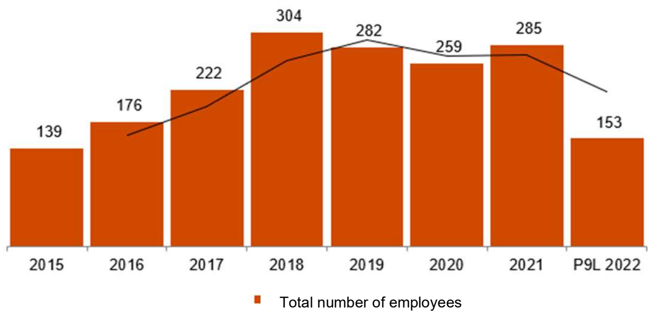
Profit and loss account	Achieved 2020	Achieved 2021	Achieved F9M 2021	Achieved F9M 2022	2021 vs 2020	Variation F9M 2022 vs F9M 2021
Income from sale of commodities	287,153,338	234,803,014	173,158,688	84,763,864	(18%)	(51%)
Income from transport of commodities	7,896,952	7,284,708	5,695,645	3,597,163	(8%)	(37%)
Income from commissions (marketplace)	1,442	2,510,856	895,540	3,687,641	174023%	n/a
Other income	1,924,539	1,898,497	1,000,521	680,549	(1%)	(32%)
Turnover (net)	**296,976,271**	**246,497,075**	**180,750,393**	**92,729,216**	**(17%)**	**(49%)**
Expenses for commodities	(177,418,392)	(147,609,015)	(109,835,699)	(56,454,442))	(17%)	(49%)
Expenses for packaging	(5,139,155)	(3,268,813)	(2,521,364)	(703,390)	(36%)	(72%)
Expense for inventories and consumables	(616,644)	(370,248)	(274,696)	(19,015)	(40%)	(93%)
Expenses for utilities	(525,527)	(483,791)	(308,552)	(453,335)	(8%)	(47%)
Expenses for fuel	(26,542)	(33,236)	(24,352)	(12,874)	25%	(47%)
Expenses for maintenance	(110,078)	(196,778)	(146,903)	(60,374)	79%	(59%)
Expenses for rents	(6,328,136)	(9,015,316)	(6,729,969)	(6,701,026)	42%	(0%)
Expenses for insurance	(39,239)	(43,602)	(33,414)	(38,470)	11%	15%
Expenses for collaborators	(13,335,935)	(21,240,869)	(10,612,881)	(8,859,036)	59%	(17%)
Expenses for protocol and advertising	(20,455,227)	(71,933,600)	(25,874,451)	(14,449,304)	252%	(44%)
Expenses for transport and accommodation	(29,033,183)	(27,813,405)	(20,804,264)	(9,587,680)	(4%)	(54%)
Expenses for postal services	(188,343)	(208,446)	(156,118)	(143,983)	11%	(8%)
Expenses for bank fees, commissions	(667,998)	(627,263)	(474,083)	(393,745)	(6%)	(17%)
Expenses for salaries and social contributions	(27,221,983)	(28,804,192)	(21,653,520)	(12,354,465)	6%	(43%)
Other expenses	(227,172)	(457,551)	(438,771)	(34,477)	**101%**	(92%)
Total costs of operation	**(281,333,554)**	**(312,106,125)**	**(199,889,038)**	**(110,265,616)**	**11%**	**(45%)**
EBITDA	**15,642,717**	**(65,609,049)**	**(19,138,645)**	**(17,536,400)**	**n/a**	**n/a**
% EBITDA margin	5.3%	(26.6%)	(10.6%)	(18.9%)		
Expenses for amortization	(4,586,736)	(7,188,068)	(4,822,920)	(5,619,714)	57%	17%
Provisions (net value)	(3,404,729)	(7,274,066)	(984,532)	258,988	n/a	(126%)
Earnings from sale of assets (net)	2,100	(75,801)	(2,694)	151,640	(3710%)	n/a
Result from operation	**7,653,352**	**(80,146,984)**	**(24,948,790)**	**(22,745,485)**	**n/a**	**9%**
Currency exchange differences (net)	(1,773,122)	(2,050,630)	(1,845,493)	(117,097)	16%	(94%)
Expenses for interests (net)	(1,083,380)	(2,623,884)	(1,805,835)	(2,544,002)	142%	41%
Financial result	**(2,856,502)**	**(4,674,514)**	**(3,651,328)**	**(2,661,100)**	**n/a**	**27%**
Gross result	**4,796,850**	**(84,821,499)**	**(28,600,118)**	**(25,406,585)**	**n/a**	**11%**
Expenses for profit tax	(589,262)	-	-	-	n/a	n/a
Net result	**4,207,588**	**(84,821,499)**	**(28,600,118)**	**(25,406,585)**	**n/a**	**11%**

Source: Vivre Deco SA

3.3. Analysis of Debtor’s Employee Standing

The number of employees of the Company has evolved with the development of the Company's business. In the first 9 months of 2022, the average number of employees was 153, 132 fewer than in 2021, mainly as a result of staff redundancies related to warehouses used below their available capacity (about 80 employees). On the date of the opening of the concordat proceedings (8 September 2022) the Company had a total of 128 employees, of which 112 active and 16 on maternity leave.

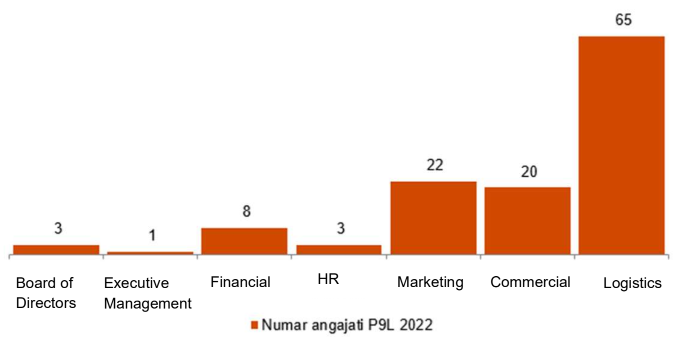
Fig. 16: Average number of direct employees of Vivre Deco SA (evolution from 2015 - P11L 2022)



Source: Vivre Deco SA

The largest number of employees (approximately 50% of the number of employees in September 2022) are still present in the Logistics Department and they are used to process clients' orders (packing-unpacking, loading-unloading).

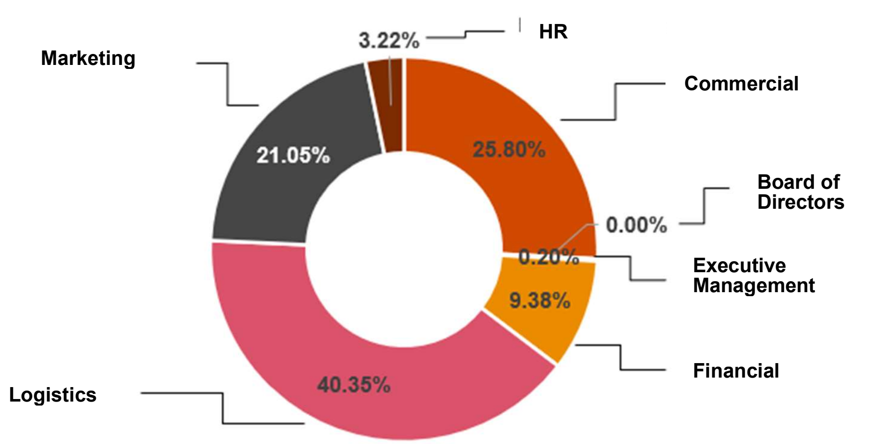
Fig. 17: Distribution by departments of Company's employees on September 30th, 2022:



Source: Vivre Deco SA

The monthly (gross) expenses for salaries amount to approximately 800 thousand Lei.

Fig 18: Structure of expenses for salaries by Company departments on September 30th:



Source: Vivre Deco SA

4. Description of the Causes and Intensity of Debtor's Distress at the Time the Restructuring Plan Was Proposed

4.1. Causes of the Debtor's Difficulty

The Company's financial performance was significantly impaired during the first 9 months of 2022 as a result of i) internal factors, i.e. the Company's business strategies implemented during 2020 and 2021, the effect of which is only visible in 2022, and ii) external factors, i.e. the behavior of Company's indispensable suppliers as well as geopolitical elements, which caused an increase in inflation and financing costs for the bank loan.

- **Less successful management strategies**

In 2020 and 2021 the strategy focused on Company's growth via marketing activities, extension of the storage capacities and attracting human resources (see the details below). In the post-pandemic context, these strategies did not yield the expected results in terms of sales growth but, on the contrary, they deepened the current state of distress of the Company.

➢ **Marketing investments that did not yield the expected profits**

Between 2020 and 2021, approx. 75 million Lei were used to support marketing efforts to attract new customers, promote the VIVRE brand. These costs were partly financed from the funds obtained from the bond issue, i.e. from the 51.6 million Lei as reflected in the issue prospectus in the section Destination of funds. The Company's expectation was that these marketing costs would attract recurrent customers that would support the sales growth in the near future.

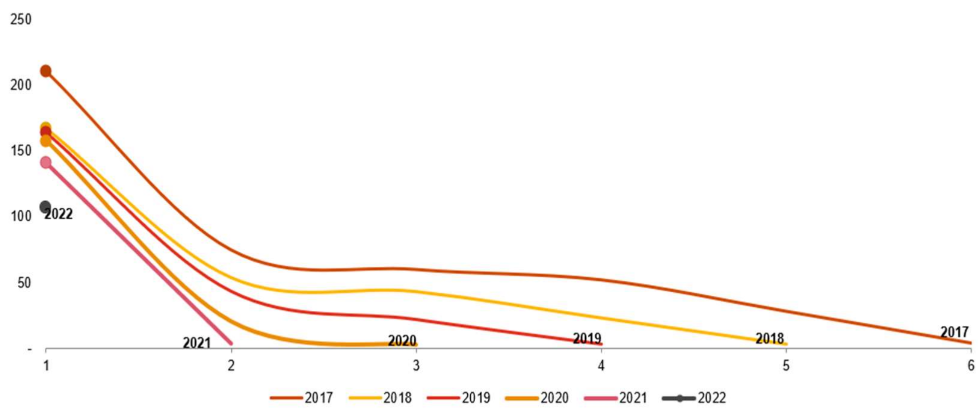
Unfortunately, these investments did not generate recurring and long-term sustainable sales and resulted only in short-term growth of sales followed by steep declines when the Company could no longer sustain marketing costs.

As reflected in the chart below, back in 2017, the average retention rate shows that a typical customer purchases on the Vivre platform for approx. 6 years (i.e. a new customer generates value for the Company over 6 years).

In 2020, 2021 and F9M of 2022 this timeframe was reduced to less than 1 year - i.e. the Company failed to retain newly attracted customers during the pandemic period via the marketing investments made, so their retention rate became very low, with basically every customer ordering only once, without generating long-term value for the Company.

Thus, the Company increased its pool of customers very rapidly over the period 2020-2021, but their profile changed from recurring and loyal to the Vivre brand to speculative (discount-seeking) and non-recurring customers, with direct consequences in the return on marketing costs in 2020 and 2021, which proved insufficient to justify the cost.

Fig 19: Evolution of the yearly indicator Consumer Life time value[12] (LTV) (EUR/new client)



Source: Vivre Deco SA

Considering these aspects, which were also outlined in the Report on Distress drawn up by the Concordat Administrator, at the time this Plan was lodged, a Media Audit Report is in progress, the purpose of which is to verify the media consumption purchased and whether these services were contracted under market conditions. The report is being prepared by Media Hub Consultants SRL.

➢ **Storage premises were not tailored to the actual needs of the Company**

The company has been using premises of approximately 45,000 sq. m., as follows: warehouses (27,650 sq. m.), offices (1,081 sq. m.) and platforms (16,802 sq. m.), leased from Ecom Centrul Logistic SRL, an affiliate, in 2 locations: sos. Giurgiului nr. 321 (over 15.000 sq. m.) and sos. Centură nr. 37, Popesti Leordeni (about 30.000 sq. m.). They have been leased since 12 December 2020, in the strategic expansion context described above. According to the information received from the Company, these warehousing spaces were used at an average capacity of only 50% in the first half of 2022 (as the volumes expected to be sold, and therefore stored following marketing investments, were not reached), generating however a significant expense of 4.7 million Lei.

Consequently, in April 2022, the Company negotiated with the landlord a reduction of up to less than half of the leased premises (effective as of September 2022) as well as postponements in respect of rental payment terms.

In August 2022, following competitive bids obtained by the Company, which offered a lower market cost than the one paid by the Debtor, the Company initiated negotiations with the representatives of Ecom Centrul Logistic SRL to reduce the level of rent per sq. m./cut down the leased area and make the conditions of early termination more flexible, or identify any opportunity necessary to ensure the optimization of the areas of the premises and the level of related costs.

In November, the negotiations led to an agreement (Addendum No 4/11.112022 was signed in this respect). The expenses for storage premises were reduced following the reduction in the area of the leased premise and in the rental payments, as follows: (i) 2 storage areas of 8,700 sq. m. and a platform area of 13,500 sq. m. were removed from the scope of the contract and returned to the owner, and (ii) storage areas of 6,300 sq. m. and a platform area of 1,000 sq. m. remained leased. The changes will take effect from 01.02.2023 and the monthly rent for the leased premises remaining in use will decrease to a monthly amount of approximately 25,000 Euro (125,000

[12] The LTV is the long-term value of a client, that is, the average income generated by a client for a company during the lifespan thereof. The longer the term over which such value extends, the safer the sales, which means a solid and recurrent pool of clients.

Lei/month). A unilateral, no-penalty termination clause has also been added to the contract, subject to a 6-month prior termination notice, in order to make the conditions for early termination by Vivre Deco S.A. more flexible.In addition, at the request of the Concordat Administrator, given that Ecom Centru Logistic is an affiliate, the Company will take steps to (i) arrange for a valuation report to be prepared by an independent expert valuator in respect of the level of rent compared to the existing market conditions for the period starting with December 2020 and (ii) review the manner in which this contract has been implemented and managed.

➢ **Inefficient sizing of manpower needs**

Employee expenses were 6% higher in 2021 compared to 2020 on 17% lower sales volume. The company has initiated measures to reduce these in 2022, in particular by reducing the number of warehouse employees. According to information received from the Company, the average number of employees decreased to 153 in the first nine months of 2022, compared to 285 employees in 2021. Thus in the first 9 months of 2022, the costs for salary were at a 48% lower level compared to the same period of 2021.

- **Increase in inflation costs, in particular due to the interests applicable to the issue of bonds**

The 51.6 million Lei mentioned above are interest-bearing of approx. 2.8 million Lei annually. Given the very low return on investments via these funds, to cover this interest from the current activity (much lower than anticipated) puts the Company in difficulty, putting pressure on its cash-flow.

- **Advance payments (or reduced payment terms) requested by suppliers**

The Financial Statements for 2021 were published in April 2022. As a result of this, the credit limits offered by the insurance companies to the Company's suppliers were basically removed, thus creating additional pressure from suppliers who made the delivery of goods conditional on their payment in advance/contraction of payment terms, which led to the deterioration of the Company's liquidity. According to the information received from the Company, most of the suppliers requested payment in advance. Moreover, most of the goods suppliers reduced their exposure to the Company by i) reducing the payment term from 90-120 days to 30 days and ii) limiting the maximum balance to be recovered from the Company from which orders to the Company are blocked.

Although the Company has attempted to accommodate as many of these requests as possible, because without such assets the very business of the Company would be threatened, the impact on the Company's performance has been immediately visible through i) compressed working capital conversion cycle, ii) reduced payment capacity for all suppliers and iii) reduced ability to stock and list certain products on site.

This pressure might continue or even grow more intense if the suppliers fail to identify significant recovery measures that could be implemented within a concordat proceeding, which offer additional credibility as well.

- **Instability caused by the war in Ukraine**

The war in Ukraine has generated adverse effects in all 9 Central and Eastern European markets in which the Company operates. The war-generated crisis adversely impacts the economic growth, with additional pressures on energy prices (in the first 9 months of 2022, the Company's energy expenditure was 43% higher than in the same period of the previous year), long-lasting supply chain deadlocks and effects on public confidence.

Rising inflation and in particular the rapid increase in food and energy prices affect the most vulnerable populations, resulting mainly in a temporary reduction of the purchasing power, which translates in a changing consumer behavior, which further adversely impacts the Company’s activity and income.

The sales of companies with similar business objects were also impaired (Westwing: down 20%, Wayfair down 35% for sales outside the US), but those of the Company suffered to a greater extent as the impact of the war in Central and Eastern Europe was more pronounced compared to the rest of Europe.

4.2. Intensity of Company's Distress at the Time the Plan was Proposed

At the time the Amended Restructuring Plan is lodged, as a result of operating losses, the Company was in a precarious financial situation. The liquidity ratio is less than 1x, which translates in the Company's striving to cover its current liabilities from current assets, the indebtedness is very high (greater than 2x), and the operating profit margin is negative. In addition, in terms of operational parameters, the number of recurrent customers is dropping, at approx. 11% in the first 9 months of 2022, down from approx. 31% in the same period of the previous year.

It is therefore necessary to implement a recovery plan for the Company to overcome its difficulties and return to profitability and a sustainable level of debt.

The Company has already put in place a series of measures mainly aimed at reducing the fixed costs (e.g. marketing, personnel, rents) and improving its liquidity (e.g. securing 1 million Euro from the majority shareholder, Neogen SA, to support the Restructuring Plan, temporary rescheduling of payments with suppliers) with a view to immediately stabilize the Company. However, the state of difficulty continues, mainly due to the economic context (rising inflation, uncertainty related to energy prices and the winter season etc.) and past business strategies. The Company needs the levers offered by the concordat proceeding, including the 4-year period, to recover sustainably (including the sales strategy) and to regain the trust of customers, suppliers and other stakeholders in the Vivre Deco S.A. business.

Following the implementation of the above-mentioned actions and of those proposed in this Plan, the Company expects to have the necessary funds to cover its outstanding debts in accordance with the restructuring strategy.

5. List of Claims and Creditors Details, by Categories of Claims

This section includes a detailed list of claims with details regarding the creditors, grouped by categories of claims, as follows:

- ***claims whose satisfaction shall be affected by the Restructuring Plan***, with an indication as to the percentage of coverage;

- ***unaffected claims****,* along with a description of *the reasons why the Debtor intends to leave them out of the Restructuring Plan*.

A detailed list of the claims is attached hereto as:

- **Annex 1**: *List of affected claims* (for which the percentage of coverage is provided);

- **Annex 2**: *List of unaffected claims* (for which a description of the reasons why they are proposed to be left out of the Restructuring Plan).

Sections 5.1 and 5.2 of this Restructuring Plan are dedicated to a **summary of these lists of claims**, whereas the corresponding details are provided for in the above-mentioned annexes.

For reasons related to the complete structure and lodging of the List of claims also includes the identification details of all creditors and shall be made available as such for the syndic judge, the Debtor and the Concordat Administrator. The Plan shall be forwarded to the creditors with the identification data that include personal data being redacted.

The list of claims included in the initial Restructuring Plan was altered to some extent, as a result of the dynamics of Company's activity. A small part of the affected claims has been extinguished in various ways, and for interest-bearing claims the list of claims in this amended Plan includes only those due at the date of opening of the proceedings. On the other hand, the unaffected claims have already been paid by the Company by the time of the submission of this amended Plan and the claims due to the State budget relating to the instalments are paid on time.All these changes shall be reflected in the list of affected claims and in the list of unaffected claims.

5.1. Affected Claims

All claims which are directly altered by the preventive concordat, meaning that they shall be paid in such amount and when due as decided in the Claims Schedule of Payments, shall be considered *affected claims* by reference to the definition of *unaffected claims* in **article 5(16^2)** of **Law 85/2014** and by reference to the definition of the *preventive concordat proceedings* in **article 5(44^1)** of the same law.

For this purpose, five (5) categories of affected claims were established based on the hierarchy laid down in **article 27(4)** of **Law 85/2014**, all of which are presented in the table below.

As regards the *indispensable creditors*, defined according to **article 5(23)** of **Law 85/2014**, the arguments behind the decision to include each creditor in a specific category are presented in **Annex 5**. The differences between the claim on the Reference Date and the claims on the Date of the Plan (based on which a test shall be applied to verify the compliance with the legal requirements applicable for the homologation of the Plan) result mainly from the payments made to the creditors between the date of opening of the proceedings (September 8th, 2022) and the Date of the amdended Plan, for reasons relating to the normal operation of the Company as well as to the currency exchange differences.

The **Summary of Affected Claims** is presented in the table below:

Category of claims	Details	Claims on the Reference Date (8.9.2022)	Claims on the Date of the amended Plan	Affected how?	Satisfaction of claims via the amended Plan[13]
1. Which benefit from a privilege (Secured)*					
It includes the claims of Banca Transilvania S.A., which benefits from a mortgage in all Company's assets. *Details about the privileges can be found in section 3.1.2. Analysis of the Company's liabilities on September 2022*		22.67 million Lei (the equivalent of 4.66 million Euro)	22.41 million Lei (the equivalent of 4.55 million Euro)	Payments are rescheduled (no change in the amount of the claim)*	100%
Total category					*100%*
2. Salary claims					
It includes the salaries payable to employees for the period September 1st – 8th 2022		114.2 thousand Lei	80.9 thousand Lei	Payments are rescheduled (no change in the amount of the claim)*	100%
Total category					*100%*

[13] By reference to the existing requirements, on the Date the Plan was prepared.

Category of claims	Details	Claims on the Reference Date (8.9.2022)	Claims on the Date of the amended Plan	Affected how?	Satisfaction of claims via the amended Plan[14]
3. Indispensable creditors' claims, by sub-categories:					
3.1. Claims of third-party indispensable creditors	Includes 745 creditors (out of a total of 320) the services of which are of the essence for the Company to continue to operate in proper conditions. The description thereof and of the reasons for which they are considered indispensable is presented in Annex 5 hereto.	The equivalent of 7.85 million Lei (in various currencies)	The equivalent of 7.26 million Lei (in various currencies)	Payments are rescheduled (no change in the amount of the claim)	100%
3.2. Claims of affiliate indispensable creditors	Includes Technologies by Vivre, a company 100% held by Vivre Deco SA, which hires the programmers necessary to maintain and develop the software of Vivre	1.97 million Lei	1.92 million Lei	Reduction of the claim amount down to the indicated percentage. The different treatment when compared to the other indispensable creditors comes from the fact that the company is an affiliate of the Company.	0%
Total category					*79.1%*
4. Budgetary claims					
Includes the amounts due to the following EU Member States: Bulgaria, the Czech Republic, Croatia, Greece, Poland, Slovakia, Slovenia and Hungary. The se amounts represent VAT payable by the Company for the sales performed in these EU Member States during September 1st – 8th 2022		9.9 million Lei	10.0 million Lei	Reduction of the claim amount down to the indicated percentage.	4.7%
Total category					*19.6%*
5. Other claims, by sub-categories:					
Sub-category 5.1. The other third-party claims	Includes: - Amounts due to bond holders, including the interest estimated until the Date of the Plan - Amounts due to	The equivalent of 59.3 million Lei (in various currencies)	The equivalent of 58.5 million Lei (in various currencies)	Reduction of the claim amount down to the indicated percentage.	15.0%

[14] By reference to the existing requirements, on the Date the Plan was prepared.

	suppliers, other than indispensable suppliers				
Sub-category 5.2. Other claims to affiliates	Includes: - Amounts in connection with loans (including the interest estimated until the Date of the Plan) received from Neogen SA and Vivre Logistics and - Amounts due to Vivre EOOD and Zooku SRL	The equivalent of 5.27 million Lei (in various currencies)	The equivalent of 5.30 million Lei (in various currencies)	Reduction of the claim amount down to the indicated percentage. The different treatment when compared to the other indispensable creditors comes from the fact that the company is an affiliate of the Company.	0%
Total category					*13.8%*
Total		**107.0 million Lei**	**105.8 million Lei**		**38.3%**

Comment:

1) The value of claims denominated or consolidated in foreign currency (denominated in various currencies), for which the Lei equivalent value was provided, takes into account the Lei values included in the interim balance sheet as at 08.09.2022. Payments to creditors will, however, be made by reference to the currency governing the legal relationship.

2) The list of affected claims may undergo changes in the balance until a vote is cast on the amended Restructuring Plan and until it is approved, which may be determined also by the calculation of accessories according to the respective legal relationships. Changes may also occur in the holders of the claims up to those times, as a result of the transfer thereof or of the titles according to the law.

3) Under amended the Plan, only the privileged creditor, i.e. Banca Transilvania SA, will also charge contractual interest on the main claims calculated during the concordat proceedings, given the nature of the claim and the hierarchy provided for in article 27(4) of Law 84/2014. The creditors in all the other categories of affected claims bearing accessories (interest, penalties etc.) will not collect any accessories (due or that could have become due in the future) related to those affected claims, neither during the running of the concordat proceedings, nor after the successful implementation thereof.

4) The above-mentioned claims are expressed in different currencies (e.g. Lei, EUR, USD).

5) The creditors who control the Debtor, are controlled by the Debtor or under the common control with the Debtor, all as laid down in article 5(9) of Law 85/2014 are called "affiliates". The other creditors are called third-party creditors, where applicable, pursuant to their distribution by categories. The affiliates shall receive 0 (zero), on account of their prior and express consent in this respect.

6) With regard to the affected claims, there is only one litigation, i.e. an application for a payment order filed by Hendi Food Service Equipment Romania S.R.L., before the Civil Division of the Brasov district court, in case No 27370/197/2022.

There is also a case file No 29290/302/2022 pending before the Bucharest 5th district court, regarding a European order for payment following the application filed by VIDAXL Europe B.V. The Debtor does not recognize the claim.

Details of the creditors included in the list of affected claims, indicating the category to which they belong, the sub-category, where applicable, the amount of the claim, the manner in which the claim is affected and the percentage of coverage are presented in **Annex 1**. As regards the creditors who had outstanding claims on the Reference Date (08.09.2022) but who no longer have claims on the Date of the Plan, they were included for information purposes only, but the amended Plan will not be binding on them, and they will therefore not be able to vote on this Plan (for which reason the amended Plan will not be forwarded to them).

The debts due to the EU Member States: Bulgaria, the Czech Republic, Croatia, Greece, Poland, Slovakia, Slovenia and Hungary representing VAT due by the Company on sales made in these EU Member States for the period January 1st – 8th 2022 have been included in the category of budgetary claims in accordance with the provisions of Council Directive 2006/112/EC on the common system of value added tax, Council Directive 2010/24/EU, Order of the President of ANAF no. 10/2022, art. 322 of Law no. 207/2015. In the alternative, should it be considered, *ad absurdum*, that these claims do not belong to the said category of claims, all of them shall be deemed to be part of a separate subcategory within the category of Other Claims, given their nature, and their treatment with regard to the amounts received under this amended Plan shall be preserved.

5.2. Unaffected Claims

According to **article 5(16^2)** of **Law 85/2014**, *unaffected claims* are those claims which are not directly altered by the preventive concordat; any outstanding claim, not included in the list of affected claims, which existed at the date of the opening of the concordat proceeding, is an unaffected claim.

For the purposes of this definition, four (4) categories of *unaffected claims* were established, which might be included in the category – other claims or indispensable creditors and budgetary claims.

A. Claims used to cover the Company's working capital needs, thus limiting the need for current and future financing thereof;
B. Claims for which an agreement was reached, and the Company considers unnecessary to include in the Plan for the proper conduct of its business;
C. Claims of creditors who play an important role in the carrying out of the activity and have access to the available cash of the Company;
D. Budgetary claims relating to the social contributions for August 2022 and the rescheduling in force.

A list of unaffected claims, including the reasons for which the Company suggested that they are not altered by the Restructuring Plan is presented herein below. The differences between the claim on the Reference Date and the claims on the Date of the amended Plan result mainly from the payments made to the creditors between the date of opening of the proceedings (September 8th, 2022) and the Date of the amended Plan.

The list of unaffected claims is presented in the table below:

Category	Details	Reasons for the Company not including them in the Restructuring Plan	Claims on the Reference Date (8.9.22)	Claims on the Date of the amended Plan
A. Claims used to cover the Company's working capital thus limiting the need for current and future financing thereof – which may be included in the indispensable creditors' category				
Advances from customers	Include payments made in advance by Company's customers (by credit card)	It is of the essence for the Company to not alter these claims so as to maintain the customers' faith in the financial viability and ability of the Company to deliver the orders when due.	2.82 million Lei	0 Lei

Category	Details	Reasons for the Company not including them in the Restructuring Plan	Claims on the Reference Date (8.9.22)	Claims on the Date of the amended Plan
		Payments in advance by credit card account for approx. 55% of the Company's sales. In Company's opinion, altering these claims would result in the immediate loss of such sales, and of the ability to generate such sales in the future, which are also very important to cover the working capital needs thereof.		
Debts to the partners on the marketplace platform	Include debt in connection with the orders placed via the marketplace platform	The sales via the marketplace platform generate approx. 30% of the amounts collected (and are growing on the Date of the Plan). Settlement of account with these partners (approx. 590) is made on a monthly basis. Since it is of the essence to preserve the relations with these suppliers with a view to the future strategy of Dropshipping and to cover the working capital needs (collections occur during the month, whereas settlements are made at the end of the month), the Company considers it important to not alter their claims.	1.73 million Lei	0 Lei
B. Claims for which an agreement was reached, and the Company considers unnecessary to include in the Plan for the proper conduct of its business - which may be included in the indispensable creditors' category				
Google	Include the amounts due to Google Ireland Limited, for marketing activities	Google is an essential supplier of the Company, considering that approx. 50% of the turnover is generated via this business channel, pursuant to the traffic generated by Google adds and the conversion ratios. Google operates as a quasi-monopoly in the area of electronic trade while brokering the relation between the trader and the end-customer, with the ability to immediately stop the Company's access to online potential clients (attracted by the posts during Google searches), which would result in the instant loss of sales. Negotiations have already been conducted with this supplier, before the opening of the concordat proceeding, and the parties agreed to postpone some debts (up to maximum 30 days from issuance of the invoices), which the Company abides by this agreement which it does not wish to alter any further via the Plan.	950.4 thousand Lei	0 lei
C. Claims of creditors who play an important role in the carrying out of the activity and have access to the available cash of the Company				
Debts to courier companies	Include the debts to courier companies	The couriers that deliver the goods sold by the Company to the customers collect the payment on behalf of the Company, if payment is made cash upon delivery, and have the possibility to withhold from such payments any amounts due by the Company for the courier services. Altering these claims would create an ambiguity in the management of cashflows. On the other hand, preserving the business-	1.49 million Lei	0 Lei

Category	Details	Reasons for the Company not including them in the Restructuring Plan	Claims on the Reference Date (8.9.22)	Claims on the Date of the amended Plan
		as-usual modus operandi with these suppliers including via not altering their claims, is of the essence for the proper conduct of activity, taking into account the specifics thereof.		
D. Budgetary claims relating to the social contributions for August 2022 and the rescheduling in force				
ANAF - DGAMC Bucharest	Include debts in connection with the social contributions payable by the company for August 22	The Company considers it improper to alter these claims, given the destination thereof.	380.1 thousand Lei	0 lei
ANAF - DGAMC Bucharest	Include debts in connection with the rescheduling of April 21st, 2022, of the amount of 1,555,757 Lei, representing main tax liability (salaries, interests, social insurance contributions, health social insurance contribution, insurance) worth 1,520,267 Lei and late penalties and interests, worth 35,490 Lei, until May 15th, 2023, updated by Decision No 45353 of December 27th, 2022 regarding the payment obligations consisting in interests and/or penalties due in case of payment incentives	Art 9 ind. 6 of Law 85/2014	1.29 million Lei	0.9 million Lei
Total			**8.67 million Lei**	**0.9 million Lei**

None of the claims included in the list of unaffected claims is subject to any litigation.

Unaffected claims shall not be altered in any way by this Restructuring Plan. Their value is the value that results from the contracts or any other source of those claims.

6. Restructuring the Company's business

The Company's restructuring is intended to be achieved via two main directions: a different sales strategy and the cost optimization, to support a new business direction.

The Company shall revert to a new business model, that is, sell the goods mainly via a Dropshipping system. The main reasons behind this shift in Company's strategy towards a new operating system are:

- To reduce the need for storage capacities and, therefore, reduce the fixed costs undertaken by the Company for rents;
- To reduce the risks of goods piling in storage and depreciation of the value of goods sold by the Company;
- To cooperate with a larger number of suppliers (producers and wholesale traders) to further increase diversity on the website, with direct impact in attracting visits on the site and, ultimately, increase the number of customers.

On the Date of the Plan, the Company is negotiating with several main suppliers on the terms and conditions of a Dropshipping system, already implemented by most of them (e.g. Asir, Oyo, Universal, Ayyildiz, Creaciones, Bergamaschi, Mauro).

Thus, from Q3 2023, it is estimated that approximately 70% of monthly turnover will be achieved through Dropshipping and not through the sale of own stock (which is physically located in Vivre's warehouse), this share, i.e. 70%, is expected to be maintained until the end of this Restructuring Plan.

In addition, the management expects most of the suppliers with whom marketplace-like partnerships are in place and from whom the Company collects a fee from the sale of their products via the Vivre platform, to accept a Dropshipping cooperation starting with March 2023.

Also, this change in the business model will result in a more efficient structure of costs for operation, in particular a significant cut of the warehouse rental costs in terms of the lower volumes of goods to be stored (expected to drop by approx. 80% in 2023 when compared to 2021, and by 75% when compared to the first 9 months of 2022).

Given that the return on investment in marketing activities was substantially below expectations in 2020 and 2021, the Company has imposed a much stricter discipline in managing these expenses going forward. To this end, it will focus on:

i) improving the experience of users that log in directly on the Vivre platform ("Direct Search"), in particular via:

- The development of "social" features that increase user commitment (e.g. User Collections) creating incentives for organic/direct visits that reduce reliance on paid traffic sources and at the same time increase user time spent on the site, which, from the Company's analysis, is highly correlated with the likelihood of making a purchase;
- The reactivation of the pool of customers who purchased from the platform in the past, streamlining and optimizing recurring communications (frequency, content), analyzing and improving transactional communications (strategy, content), (re)loyalty programs - discounts given to recurring customers, retargeting customers on the platform's mobile app.

ii) enhancing the relevance of the Company's products among consumers on the main search engine, Google ("Organic Search") in an attempt to limit the dependence on the "Paid search" service offered by media platforms in attracting customers. Thus, monthly marketing costs are estimated to be capped for the entire duration of the Plan at approx. EUR 150,000 – 170.000, which means a reduction of almost 90% compared to the average level during 2021, i.e. EUR 1.2 million per month and more than 50% compared to the first 9 months of 2022.

6.1. The Reasons that Support the Reasonable Prospects of the Restructuring Plan to Prevent the Debtor's Insolvency and to Ensure the Business Viability, Including the Premises Necessary for its Successful Implementation

The Restructuring Plan proposed by the Company, as detailed herein below, shall, via the measures proposed and the manner in which the claims will be altered through the Claims Payment Schedule it contains, offer the Debtor the opportunity to prevent insolvency, contributing to the recovery of liquidity levels while the Company shall continue as an ongoing concern, with stabilization of turnover and profitability (business viability).

By the time this Plan was lodged, the Company has already put in place some measures intended to reduce costs and improve liquidity (as mentioned above), precisely in order to create favorable conditions for the implementation of this Plan, giving confidence in the current management's determination to improve financial performance and the fact that it has already shown perseverance in implementing the necessary measures in this respect.

The reasons that underline the reasonable prospects of the Plan in terms of preventing the insolvency of the Debtor and ensuring the viability of the business may be divided in several large categories:

- **The Plan is devised to maintain credibility for business partners**

The concordat proceeding has a limited impact on the image of the Company and its daily operations, as the procedure is registered only with the Registrar of Companies (unlike the insolvency, where the expression "**in insolvency**" must be included in all communications and documents of the Company). We believe that this contributes to maintaining the Company's credibility with both customers and suppliers, increasing its chances of recovery.

- **Measures intended to reduce the fixed costs have already been implemented**

On the Date of the Plan, some of the fixed cost reduction measures are already in place, with already visible effects (e.g. salary costs, 48% less than in the same period last year) or with visible effects from September 2022 onwards (monthly warehouse rent approx. 50% lower; premises rent 85% lower) and, from February 2023 (deposit for monthly rent approximately 70% lower). This already increases the chances of the Plan's success, as it gives management the opportunity to focus on stabilizing and improving sales, with most fixed costs already mostly addressed.

- **The Plan is financed by the majority stakeholder**

The majority shareholder, i.e. Neogen S.A., committed to support this Plan by putting up (i) 1.0 million Euro to be used for current business purposes, as per the Addendum 2 dated September 5th, 2022 to the Loan Agreement No 23 dated April 7th 2022; (ii) 120,000 Lei, available to be used to cover the outstanding salary amounts as existing on the date of opening of the concordat proceedings, based on the loan agreement No 144 of December 12th, 2022. The majority shareholder accepted to put up this amount insofar as the business is recovering and prevents the opening of the insolvency proceedings, which could affect the business and its credibility with customers. For this reason this financing is also approved by the Concordat Administrator. It should be noted that this financing will not be able to benefit from the lien on the Debtor's assets governed by article 9^1(3) of Law 85/2014, given that the assets in its patrimony are encumbered.

- **The more payments can be made during the concordat proceeding on account of the affected claims belonging to indispensable creditors, which allows the Company to continue to operate, unlike in insolvency, the more chances there are to keep the partnerships going under normal conditions**

The Restructuring Plan, via the concordat proceeding, offers the Company a chance to make priority payments to those creditors who are essential for its business to continue as a going concern – also termed *indispensable creditor* (see Annex 5 for details), and who cannot be replaced under reasonable economic or financial conditions, by reference to the Debtor's continuing to operate.

Thus, according to **article 27(4)(b)** of **Law 85/2014**, this category of creditors is placed before the category of budget claims and other claims, which gives it *a better position* in the concordat proceedings compared to the hierarchy established by **article 138(3)** of the same law for the scenario of judicial reorganization, taking into account the application of **article 28(2)(B)(c)** of **Law 85/2014**.

Under these circumstances, by reference to the possibilities offered by the law for the creditors to be in a better position through the concordat proceedings and to be able to actually recover higher amounts of money than they would receive in insolvency, these creditors will be able to continue to offer the Company *a larger range of products* (about 65% of the total number of SKUs), ensuring the diversity necessary for a functional online platform. In addition, there is a chance that *the favorable payment terms* offered by these creditors (generally 30 days or more) will be maintained, thus keeping the Company's working capital requirements at a lower level.

Also, if the Debtor were to enter insolvency proceedings, it would no longer benefit from a sustainable variety of products or from such supplier credit, which could lead to business impairment and a deepening liquidity gap.

- **The possibility to keep some claims unaltered for those creditors which are indispensable for the Company's ongoing operations, unlike in case of insolvency, is likely to ensure a better continuity of its business under normal conditions**

The Restructuring Plan in the context of the concordat proceedings gives the Company the opportunity to avoid altering some of the creditors with whom payment rescheduling agreements have already been concluded (e.g. Google), or who are also critical to the viability of the business or who have direct access to the Company's cash resources (courier companies). In addition, customers who have already advanced amounts for the purchase of products and whose claims would not be altered as a condition for the continuation of the Company's activity are worth considering, insofar as this ensures the customers' confidence in the viability of the business and the Company's ability to deliver orders received on time and in good conditions.

- **The possibility to adjust the amount of some affected claims and to reschedule the affected claims during the implementation of the Restructuring Plan may offer the Debtor the cash available for its recovery**

Whereas the Company currently needs to generate sufficient profit and cash flow to cover both current needs and the cost of some loss-making strategies whose return was not as expected, financed mainly by the issuance of bonds on the Bucharest Stock Exchange in 2020 and 2021 (VIV25E and VIV26E), the Plan also proposes to write off part of the claims and the related current and future interest, as provided for in the Claims Schedule of Payment, in order to allow the Company to recover its future business, which could have a positive impact on liquidity, which has been impaired also due to past erroneous investments. Thus, the correct sizing of the Company's liabilities will ensure a better chance that at least the amount of the claims expected to be paid under the Claims Schedule of Payment can be paid on time.

On the other hand, the Plan is intended to be implemented over the maximum period allowed by law, i.e. four (4) years, which gives the Company a reasonable time to recover and pay the affected claims over the 4 years, especially in the volatile market conditions existing at the time of the submission of this Plan.

In the absence of the cumulative fulfilment of the above elements, the chances of recovery of the Company are limited and insolvency (i.e. bankruptcy, as described below) will most likely not be avoided.

The premises necessary to successfully implement the Plan are summarized below:

- Change of the business model, i.e. the Company shall mainly focus (70% of the total turnover) on the sale of goods via the Dropshipping system (supplier's stocks) with direct impact on the optimization of the needs for storage premises and, implicitly, the reduction of expenses for rent and personnel;
- Supporting estimated sales via the growth of organic order/traffic on Vivre's websites, as a result of both improving the experience of users entering the Vivre platform directly ("Direct Search"), increasing the relevance of the Company's product offerings to consumers on Google ("Organic Search") and directly approaching existing customers via email, thus reducing the dependence on the "Paid Search" service offered by media platforms - in this respect, the Company will focus on less costly sales generation channels with a higher conversion rate of traffic into actual orders placed;
- Supporting and regaining the confidence of commercial suppliers which will result in the relaxation of the credit policy - while currently, under conditions of financial difficulty, the average payment term to suppliers has plummeted to 15 days (from approx. 80-85 days in 2021) as a result of numerous requests for advance payments, payment terms are expected, as the Company's financial performance and creditworthiness improves, to relax to 30-40 days by the end of the Plan.
- The support of the majority shareholder who, in September 2022, made available to the Company a new loan in the amount of 1 million Euro in order to finance the operational activity for the duration of the Plan, under the concordat proceeding.

The implementation of the measures contained in this Plan may lead to the recovery of the Company and prevent it from entering insolvency proceedings.

6.2. Proposed Restructuring Measures

A. Operational Restructuring of the Debtor's Business

The proposed Plan is expected to allow the Company to overcome its financial difficulties, to return to profitability and to achieve a sustainable level of debts. The actions under the Restructuring Plan are intended to remove the causes that led to difficulties or, where possible, to cope with some of those circumstances and take other actions in support of Company's recovery. Basically, the Company's recovery is built around the following milestones:

A.1. Rebalancing the operational model

The Company shall focus on selling goods on a Dropshipping basis (suppliers' stocks), as opposed to the current model which is based on sales from the Company's own stock, managed by the Company. Incidentally, this model is one that the Company used successfully in the period prior to 2019 when it operated predominantly on a supplier stock system (catalogue sales) without the need for considerable inventory.

In this regard, it is expected that, as of March 2023, approximately 70% of the Company's turnover will be generated by Dropshipping, with the remainder representing sales from merchandise stocked by the Company.

Thus, the Dropshipping system, which no longer requires a limitation on the number of products offered (SKUs) based on the Company's storage capacity, is expected to provide for an increase in the diversity and range of Vivre's offering which, in turn, will lead to a higher degree of relevance of the products offered by the Company among consumers on Google. Thus, the level of sales is estimated to grow as a result of the increase in organic traffic, despite the significant reduction in marketing expenses ("Paid Search" - 80% lower than the monthly average in 2021) which will be capped at an average of 150 – 170 thousand euros per month for the duration of the restructuring plan.

A.2. Enhance Efficiency of Operational Costs

Measure 1. Optimize marketing costs

Monthly marketing costs are estimated to be capped for the entire implementation of the Plan at a maximum of €150,000 – 170,000 per month, which translates into a cut by almost 90% compared to the average level during 2021 of €1.2 million per month and more than 50% compared to the first 9 months of 2022.

Measure 2. Optimize rental costs

The rent expense related to the warehouse rented from Ecom Centrul Logistic SRL was reduced by approx. 290,000 lei/month (from approx. 740,000 lei/month to 450,000 lei/month) starting from September 2022. This reduction will implicitly entail a reduction in the costs associated with the rental of premises, in particular, current utilities. While anticipating a reduction of volumes of goods, the Company initiated negotiations as early as December 2021 to reduce the space used. As the lease agreement did not allow unilateral termination by the tenant (i.e. the Company), the landlord (i.e. Ecom Centrul Logistic SRL) had an upper hand position during negotiations. Thus, the reduction of the rented space was conditional on the introduction of other contractual clauses relating to the rental period and annual rent indexation.

In this regard, the parties have signed in April 2022 an addendum to the lease contract, whereby, starting from 1 September 2022: i) the leasehold located at Sos Giurgiului nr. 321 is reduced to zero, ii) the leasehold located at Sos. de Centură nr. 37, Popești Leordeni is extended with an area of 2.143 sq. m., and iii) the landlord granted a relaxation of the payment terms for rent and service charge. Thus, the total leased area is reduced from 45,000 sq. m. to 31,755 sq. m. from September 1st, 2022. The parties also agreed in this addendum to extend the lease period to December 31st 2026 (originally: December 31st 2025) and to have an annual indexation of 3.5% (originally: 2%).

Moreover, in August 2022, following competitive bids obtained by the Company, which revealed a lower market cost than that paid by the Debtor, the Company initiated negotiations with the representatives of Ecom Centrul Logistic SRL to reduce the level of rent per sq. m./an additional reduction of the leased premises and to make the conditions for early termination more flexible, or to identify any actions necessary to ensure the optimization of the areas of the premises and the level of related costs.

Pursuant to the negotiations carried out (September – November 2022) with ECOM Centrul Logistic S.R.L., an addendum was signed in November 2022, which provides for the reduction of expenses for storage premises, following the reduction of the leased premises and, implicitly, of the rent value, as follows: (i) 2 storage areas of 8,700 sq. m. and a platform area of 13,500 sq. m. were removed from the scope of the contract and returned to the owner, and (ii) storage areas of 6,300 sq. m. and a platform area of 1,000 sq. m. remained leased. Hence, the monthly rent to be paid for the leased premises is reduced down to approximately 25,000 Euro per month (125,000 Lei/month). These changes shall become effective as of February 1st, 2023. In addition, some clauses of the lease agreement were updated so as to render more flexible the conditions in which Vivre Deco S.A. is allowed to claim the early termination thereof (a clause providing for the posisibility of Vivre to terminate the lease agreement under a 6-month termination notice was inserted).

Measure 3. Optimize structure of other fix costs

A maximum ceiling for other fixed costs of approximately EUR 40 thousand (IT hosting services, accounting services, legal services, transport of warehouse staff etc.) will be maintained for the duration of the Restructuring Plan, i.e. 60% less than the average monthly cost recorded in the first 9 months of 2022.

6.3. Sources of Funds for the Plan

1. The majority shareholder, i.e. Neogen SA, has committed by the Addendum 2 of September 5th, 2022 to the Loan Agreement No 23 of April 7th, 2022, to support this Plan with 1.0 million Euro, which is available and necessary to be used in the current activity. The amount will be made available to the Company in the form of an unsecured loan bearing interest at 9% per annum (interest to be capitalized by the Plan, i.e. not payable).
2. In addition to the situation existing at the time of drawing up the initial Restructuring Plan, the majority shareholder, Neogen S.A., has undertaken by the Loan Agreement no. 144 of December 12th 2022, to make available to the Debtor an unsecured loan in the amount of 120,000 lei, with an annual interest rate of 9%, to be used for the payment of outstanding salary claims at the date of the opening of the concordat procedure (08.09.2022), both within the concordat procedure and outside such procedure, if the concordat procedure is closed on grounds other than Article 34(1)(a) of Law 85/2014, including in the event of the opening of insolvency proceedings, which loan shall be repaid only after all claims to the Company's other creditors shall have been settled.

6.4. Arrangements to Inform and Consult the Employee's Representatives and Details About the Changes in the Manpower of the Debtor

On September 26th, 2022, a meeting was arranged between the management of the Company and its employees, through the elected representative, whereby the employees were informed and consulted on the opening of the concordat proceedings against the Company and on how the Restructuring Plan to be lodged in the case will affect the manpower. During the meeting, the employees were informed and consulted on the following issues:

- The fact that the Bucharest Tribunal – VII Civil Division, by its Resolution of September 8th, 2022, in the case No 24130/3/2022, has decided on the opening and carrying out of the concordat proceeding in respect of the Company;
- The fact that a Restructuring Plan shall be lodged with the court, according to article 24 of Law 85/2014, which provides for a 48-month implementation period;
- The manner in which there shall be covered the salary claims outstanding on the date of opening of the concordat proceedings, which shall be altered in the Restructuring Plan and the fact that these claims will be paid in full (100%) during the first quarter of the Plan implementation period, respectively;
- The actions to be implemented in accordance with the Restructuring Plan, during the validity thereof;
- The special actions to be laid down in the Restructuring Plan in respect of its impact on the manpower, that is:
    1. The fact that the Plan is not intended to include collective dismissals or individual dismissals of the employees, insofar as the management of the Company does not consider them for the time being;
    2. The fact that the Plan is not intended to include the suspension of individual employment agreements by the employer, insofar as the management of the Company does not consider them for the time being;

Later, on January 11th, 2023, new consultations with the employees took place on the idea that, if necessary, during the implementation of the Plan, the management of the Company will be able to decide to reduce the working hours for all or some of the employees – if applicable; the parties agreed that such actions shall be implemented if the financial standing of the Company or its operational needs will require a temporary reduction of the activity thereof. At the same time, these consultations revealed the need for the Company to be able to take any actions necessary to reduce the salary expenses, if so required during the implementation of the Restructuring Plan, in order to reduce the costs to a more significant extent.

7. Income and Expenses Budget and Estimated Cashflows of the Debtor During the Implementation of the Restructuring Plan, with a Breakdown of Creditors by Holders of Affected Claims and Holders of Unaffected Claims

7.1. Introduction

Duration of the Plan

The timeframe for implementation of the actions laid down in the Company's Restructuring Plan was designed to take a maximum of **four (4) years**, as permitted by the law, so as to enhance the Company's recovery changes and ensure the payment of claims to a larger extent than it would be in a bankruptcy scenario.

Currency of the Plan

Whereas most of the claims against the Company are expressed in Euro (80% of the affected claims, that is, the debts to Banca Transilvania, to the bond holders, to most of the suppliers), the Company considers it more appropriate to express the financial forecasts in Euro.

7.2. Main Assumptions

As mentioned before, 2022 was a year of changes, in management as well, intended to restructure the Company's activity and optimize the structure of costs of operation.

To keep up the good work, the Company shall resize its business model and tailor it to the actual possibilities of the Company to implement marketing investments. 2023 is, in particular, a year dedicated to the stabilization of the Company, in which the expected sales are lower than in 2022, considering the market volatility (rising inflation, geopolitical situation etc.); beginning with 2024 the Company shall begin to capitalize its efforts to improve the platform and focus on a sound development intended to ensure a stable level of sales in 2026.

The main premises underlying the restructuring of the Company within the preventive concordat proceeding:

- **A change in the business model**

The company will focus on "Dropshipping" (supplier stock), to the detriment of traditional trade (own stock). Thus, the Company will operate predominantly based on a system where stocks are located in suppliers' warehouses, and the costs of renting warehouse premises are optimized. This model has two main advantages:

i. broadening the range of products offered to consumers, as there are no limitations imposed by storage capacity, the stock being delivered directly by the suppliers to the customers;
ii. streamlining the working capital as a result of debts to suppliers being covered right when goods are sold, unlike traditional trade where payments are made to suppliers on contractually agreed payment terms, with the Company assuming inventory risks.

Currently, 91% of the Company's turnover is generated by traditional trade, with only 8% attributed to the Marketplace segment (various suppliers who can place their products on the Company's platform, paying a fee in exchange for this service). However, if the value of orders received (which determines the Company's total revenue) is to be considered, the orders placed via the Marketplace account for 42% (compared to 10% during 2021 and 20% in the first 6 months of 2022) which shows the increased importance given to this segment.

As of March 23, the management expects to be able to collaborate with most marketplace providers in a dropshipping system. Subsequently, dropshipping's share of total turnover is expected to stabilize around 70% from the second half of 2023. The management expects at least 80% of the existing suppliers as of October 2022 with which it collaborates in the Marketplace system to be motivated to join the Dropshipping partnership, benefiting from the transfer of the return risk to the Company.

- **An organic growth of orders/traffic on the Vivre websites**

The return on investment in marketing activities in 2020 and 2021 was significantly lower than the current management's expectations: i.e. 1 Euro invested on Google against a 5 Euro revenue/order, compared to the 10 Euro level estimated in the Plan, which already reached in August 2022. The company has already initiated and will enforce a much stricter limitation of this expenditure in the future.

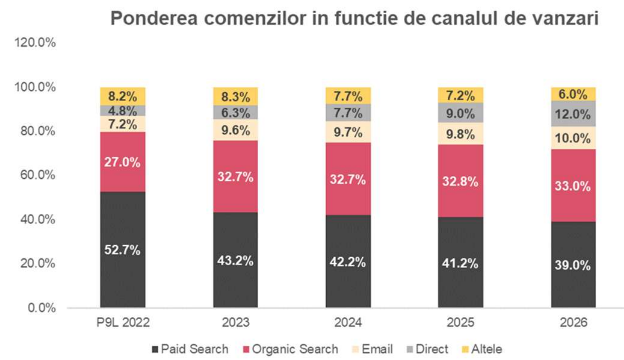
The Company shall therefore focus on

- Improving the experience of users that access the Vivre platform (“Direct Search”) via optimization of the platform by the software engineers’ team employed by the Company;
- Leveraging the relevance of products offered by the Company among the consumers on the main search engine, i.e. Google (“Organic Search”) in an attempt at limiting the dependence of the “Paid search”[15] service offered by the media platforms to attract clients.

In this respect, whereas during the first 11 months of 2022 the orders placed via Paid Search accounted for 45.6%, during the Reorganization Plan the orders placed via Paid Search are estimated to gradually decrease to 37% (2026), against an increase in the share of other much less expensive channels, namely Organic Search from 27% to 33%, Direct Search from 4.8% to 12% and email promotion from 7.2% to 10%.

[15] “Paid search” is a promotion service offered by Google, Facebook and other similar media platforms. The cost of this service is calculated based on the number of logins to Vivre websites via these platforms.

Fig 20: Estimated weight of orders depending on the sales channel



Source: Vivre Deco SA

The monthly expenses for marketing shall be approx. 150 – 170 thousand Euro throughout the entire Reorganization Plan implementation, that is to say, a cut of 55% when compared to average of the first 9 months of 2022.

- **Optimization of fixed costs**

Expenses for warehousing

Following the change in the business model and the shifting towards Dropshipping and pursuant to negotiations with the owner of the warehouse, effective as of February 2023, the storage premises shall be reduced from 30,000 sq. m. (September 2022) to 6,300 sq. m. Thus, from February 2023, the rental expenses for warehouse premises shall be substantially reduced.

Expenses for salaries

The expenses for salaries are expected to remain relatively constant throughout the Plan implementation, similar to November 2022, i.e. an average of 160 thousand Euro per month, with the small cuts of personnel counterbalancing the salary indexation with the inflation rate.

Expenses for software maintenance/development of Vivre platform

Software maintenance expenses are estimated to remain relatively constant until the end of 2023, i.e. 30 thousand Euro per month, in line with the level recorded during September 2022, while the number of employees of the affiliated company Technologies by Vivre is estimated to remain constant. From 2024 until the end of the Plan, maintenance expenses are expected to drop insofar as the platform is developed; thus Technologies by Vivre employees will dedicate approx. 90% of their time to the development of the platform, compared to 50% until then).

- **Working capital financing**

The majority shareholder, i.e. Neogen SA, committed in September 2022 to support the Plan by putting up 1 million Euro, an amount intended to be used for the current operations purposes. The amount shall be made available to the Company via an unsecured loan bearing a 9% interest per year (to be capitalized via the Plan, meaning that it shall not be paid).

For a positive impact on liquidity, the Company also relies on sustaining and regaining the confidence of commercial suppliers which will result in the relaxation of the credit policy - while currently, under conditions of financial difficulty, the average payment terms to suppliers have plummeted to 15 days (from about 80 - 85 days in 2021) as a result of numerous requests for advance payments, it is estimated that, with the improvement of the Company's financial performance and creditworthiness, payment terms would relax to 55 days over the duration of the restructuring plan.

7.3. Profit and Loss Account

With the above-mentioned cost optimizations and the change in business model, the Company is expected to reach a break-even point from operating activities (EBITDA) of 0.9 million Euro during 2024 and of 4.9 million Euro in 2026, the last year of the Reorganization Plan.

Euro

Profit and loss account	Estimated Q1	Estimated Q2	Estimated Q3	Estimated Q4	Estimated Y2	Estimated Y3	Estimated Y4
Income from sale of goods (retail)	3,493,800	2,797,323	1,434,984	1,626,916	6,270,115	7,421,932	10,381,120
Cost of sale of goods (retail)	(2,375,784)	(1,846,233)	(947,090)	(1,073,764)	(4,138,276)	(4,898,475)	(6,851,539)
Gross margin (retail)	**1,118,016**	**951,090**	**487,895**	**553,151**	**2,131,839**	**2,523,457**	**3,529,581**
% gross margin retail	*32%*	*34%*	*34%*	*34%*	*34%*	*34%*	*34%*
Income from sale of goods (Dropshipping)	1,835,999	1,864,882	3,348,297	3,796,136	14,630,268	17,317,841	24,222,614
Cost of sale of goods (Dropshipping)	(1,248,480)	(1,230,833)	(2,209,876)	(2,505,450)	(9,655,977)	(11,429,775)	(15,986,925)
Gross margin (Dropshipping)	**587,520**	**634,060**	**1,138,421**	**1,290,686**	**4,974,291**	**5,888,066**	**8,235,689**
% gross margin Dropshipping	*32%*	*34%*	*34%*	*34%*	*34%*	*34%*	*34%*
Income from fees (marketplace)	225,039	-	-	-	-	-	-
Marketing expenses	(404,545)	(531,818)	(531,818)	(600,000)	(1,800,000)	(1,800,000)	(1,900,000)
Expenses for transport (net value)	(235,856)	(179,574)	(184,238)	(205,621)	(752,323)	(871,681)	(1,194,125)
Other variable costs (packaging, damaged goods etc.)	(131,793)	(100,343)	(102,949)	(116,718)	(449,832)	(532,466)	(744,764)
Net margin from operation	**1,158,380**	**773,414**	**817,311**	**921,498**	**4,103,975**	**5,207,377**	**7,926,381**
% net margin from operation	*21%*	*17%*	*17%*	*17%*	*20%*	*21%*	*23%*
Salaries	(520,342)	(427,987)	(419,885)	(407,369)	(1,738,487)	(1,878,774)	(2,036,047)
Warehouse rent	(74,932)	(61,706)	(62,384)	(62,384)	(248,179)	(247,500)	(247,500)
Headquarters rent	(12,089)	(12,223)	(12,358)	(12,566)	(54,201)	(56,756)	(59,593)
Software maintenance	(94,925)	(93,129)	(91,255)	(88,643)	(131,284)	(174,567)	(130,926)
Other fixed costs	(158,539)	(120,539)	(120,539)	(120,539)	(482,154)	(482,154)	(482,154)
EBITDA	**297,553**	**57,831**	**100,780**	**229,998**	**1,449,670**	**2,367,625**	**4,970,159**
% EBITDA margin	*5%*	*1%*	*2%*	*4%*	*7%*	*10%*	*14%*
Expenses for amortization	(380,258)	(384,998)	(389,683)	(393,192)	(1,579,802)	(1,762,746)	(1,925,395)
Profit (Loss) from operation	**(82,705)**	**(327,167)**	**(288,903)**	**(163,194)**	**(130,132)**	**604,879**	**3,044,765**
Expenses for interests (net)	(51,840)	(55,613)	(57,955)	(61,915)	(240,922)	(234,525)	(160,725)
Gross earnings	**(134,545)**	**(382,780)**	**(346,858)**	**(225,109)**	**(371,054)**	**370,354**	**2,884,040**
Expenses for profit tax	-	-	-	-	-	-	-
Net earnings	**(134,545)**	**(382,780)**	**(346,858)**	**(225,109)**	**(371,054)**	**370,354**	**2,884,040**

Source: Vivre Deco SA

The Company does not anticipate a major change in the gross margin compared to the existing one. Through this Plan, it anticipates a long-term partnership with suppliers, particularly those indispensable suppliers, that will allow it to do so. The strategy also includes transferring any increase in procurement costs to the end buyer, as the Company has limited capacity to absorb them.

The marketplace activity is expected to migrate towards the Dropshiping business line sometime in March 2023 (as explained above).

The marketing expenses are expected to be higher in Q4 of each period, so as to allow the benefits from the promotion periods such as Black Friday/the winter holidays.

The expenses for transport include the proceeds from partial reinvoicing of such costs to the end customers.

As explained above, the cut of maintenance costs starting with 2024 relies on the change in the use of programmers' time who will focus on software development (with long-term effects and, therefore, with impact in the expenses for depreciation) rather than on maintenance (with short-term effects, therefore with impact on EBITDA). This does not impact the Company's cashflow because the costs for programmer's salaries (employees of Tehnologies by Vivre) remain the same – the only thing than changes is the allocation of their time by activities.

The interests include:

- The interest for the loan granted by Banca Transilvania, estimated based on the agreements in force between the Company and the bank[16]. This interest shall be covered through the Plan.
- The interest for the new loan granted by Neogen SA, which shall not be covered by the Plan, but shall be capitalized in the Company's balance sheet.

[16] According to the Contract No 8154999/ 27.09.2019, interest is variable and depends on Euribor 3M. For the purposes of the Plan, it was estimated to be 3.5% in total (EURIBOR 3M + 1.9%); however, depending on the evolution of Euribor 3M, it may differ from the amounts presented in this Plan.

No income tax is estimated to be calculated, as the Company must absorb historical losses of 17.4 million Euro at the end of December 2021.

7.4. Expected Cashflow, Available to Cover Both Affected and Unaffected Claims

The Company's expected cashflow, available for payment of affected and unaffected claims is presented herein below.

The main premises underlying this cashflow, in addition to those described above for the profit and loss account, refer to:

- The stabilization of payment terms with suppliers at approx. 30-35 days, once their trust in the Company has been regained;
- The use of the remaining 800 thousand Euro available from the loan offered by Neogen SA.

Euro

Cashflows	Estimated Q1	Estimated Q2	Estimated Q3	Estimated Q4	Estimated Y2	Estimated Y3	Estimated Y4
EBITDA	**297,553**	**57,831**	**100,780**	**229,998**	**1,449,670**	**2,367,625**	**4,970,159**
Variation in the working capital	160,748	573,678	60,353	589,961	423,064	(295,371)	2,395,401
Interest paid	(46,638)	(46,638)	(46,638)	(45,271)	(150,675)	(144,525)	(70,725)
Operational cashflow	**411,664**	**584,871**	**114,496**	**774,688**	**1,722,059**	**1,927,729**	**7,294,835**
Cashflow from investments	**(94,925)**	**(93,129,582)**	**(91,366)**	**(88,643)**	**(1,377,122)**	**(1,844,148)**	**(1,640,375)**
Cashflow from financing	**200,000**	**-**	**200,000**	**400,000**	**-**	**-**	**-**
Cash at the beginning of the period	**153,117**	**380,310**	**347,836**	**101,328**	**92,650**	**287,586**	**221,167**
Cashflow available for the Restructuring Plan	772,856	827,052	870,966	1,187,374	437,586	371,167	5,875,628
Affected claims schedule of payments	**(311,152)**	**(442,086)**	**(442,086)**	**(1,094,724)**	**(150,000)**	**(150,000)**	**(5,640,000)**
Banca Transilvania SA	-	-	-	(800,000)	(150,000)	(150,000)	(3,450,000)
Employees	(16,428)	-	-	-	-	-	-
Indispensable suppliers, affiliates only	(294,724)	(442,086)	(442,086)	(294,724)	-	-	-
Budgetary claims	-	-	-	-	-	-	(400,000)
Other claims, affiliates only	-	-	-	-	-	-	(1,790,000)
Unaffected claims schedule of payments	**(81,394)**	**(82,130)**	**(27,551)**	**-**	**-**	**-**	**-**
Marketplace partners	-	-	-	-	-	-	-
Advances from clients	-	-	-	-	-	-	-
Unaffected suppliers (couriers)	-	-	-	-	-	-	-
ANAF – DGAMC Bucharest	(81,394)	(82,130)	(27,551)	-	-	-	-
Social contributions for august 2022	-	-	-	-	-	-	-
Cash at the end of the period	**380,310**	**347,836**	**101,328**	**92,650**	**287,586**	**221,167**	**235,628**

Source: Vivre Deco SA

8. Claims Schedule of Payment by Reference to the Cashflow and Plan Duration

Considering:

- The forecast evolution of the Company throughout the Plan, according to which the total estimated EBITDA is 9.5 million Euro for payment of affected and unaffected claims and
- The estimated distributions in the next best alternative, i.e. **the bankruptcy**, which would require lesser collections,

the Company's proposal to cover the *affected claims*, as they exist on the Date of the Plan is presented in the table below in which, as regards payment terms, **Q** means a quarter, and **Year** means a calendar period elapsing after the homologation of the Restructuring Plan.

A detailed list is presented in Annex 3 to this Plan.

Category of claims	Claims on the Date of the amended Plan	Mechanism	Proposed method to cover the claims according to the Plan and payment terms
1. Claims that benefit of a privilege (secured)	22.4 million Lei (the equivalent of 4,55 million Euro)	Total repayment of the amount over a four (4) year term, from the operating profit/loss of the Company and/or the loan offered by Neogen S.A.	Total repayment of the amount of 4.55 million Euro over a four (4) year term after homologation of the Plan, as follows: - *Year 1*: 800 thousand Euro in Q4 - *Year 2*: 150 thousand Euro in Q4 - *Year 3*: 150 thousand Euro in Q4 - *Year 4*: 3.450 thousand Euro in Q4
2. Salary claims	80.9 thousand Lei	To be paid in full from the operating profit/loss of the Company and/or the loan offered by Neogen S.A.	Repayment in full in Q1 if Year 1 after the homologation of the concordat
3. Claims of indispensable creditors, out of which:			
3.1 Claims of third-party indispensable creditors	The equivalent of 7.26 million Lei (in various currencies)	To be paid in full from the operating profit/loss of the Company and/or the loan offered by Neogen S.A., in the currency in which they are expressed	Full repayment during the Year 1 of the concordat, as follows: - Q1: 20% - Q2: 30% - Q3: 30% - Q4: 20% The above-mentioned percentages shall be allotted pro rata to the amounts due in the relevant currency (e.g. Lei, EUR, USD)
3.2 Claims of affiliate indispensable creditors (Technologies by Vivre)	1.92 million Lei	No payments shall be made to affiliates on account of the affected claims. The commercial agreements performed during the ordinary course of business shall continue according to the provisions in force.	0 lei

Category of claims	Claims on the Date of the amended Plan	Mechanism	Proposed method to cover the claims according to the Plan and payment terms
4. Budgetary claims (amounts due to the following EU Member States: Bulgaria, the Czech Republic, Croatia, Greece, Poland, Slovakia, Slovania and Hungary. These amounts are VAT due by the Company for the sales in these member states over the period January 1st – September 8th 2022)	10.0 million Lei	To be paid partially, i.e. 19.6%, that is, not more than 1,970.2 thousand Lei, from the operating profit/loss of the Company and/or the loan offered by Neogen S.A.	Repayment of 1,970.2 thousand Lei, in Q4 of Year 4 of the concordat
5. Other claims, out of which:			
5.1 Other third-party claims	The equivalent of 58.8 million Lei (in various currencies)	15% of the claim to be paid from the operating profit/loss of the Company and/or the loan offered by Neogen S.A., in the currency in which they are expressed	The amount of 8.8 million Lei shall be paid in Q4 of Year 4 of the concordat, in the currency in which it is expressed
5.2 Other affiliate claims (Neogen SA, Vivre Logistics, Vivre EOOD)	The equivalent of 5.3 million Lei (in various currencies)	No payments shall be made to affiliates. The commercial agreements performed during the ordinary course of business shall continue according to the provisions in force.	0 lei
Total	**The equivalent of 105.8 million Lei (in various currencies)**		**The equivalent of 40.5 million Lei (in various currencies)**

Comment 1: The value of claims expressed or consolidated in foreign currency (denominated in various currencies), for which the Lei equivalent value has been inserted, takes into account the Lei values included in the interim balance sheet as at September 8th, 2022. Payments to creditors will, however, be made by reference to the currency governing the legal relationship.

Comment 2, regarding payment of accessories via the Plan: The privileged creditor, i.e. Banca Transilvania S.A., will also charge contractual interest on the principal claims calculated during the concordat proceeding, taking into account the nature of the claim and the hierarchy provided for in **article 27(4)** of **Law 84/2014**. No other creditor will be charged interest or other accessory charges.

Comment 3, regarding debts to Obligors: As mentioned in chapter 4, regarding the causes of the distress, the investments made with these amounts did not, unfortunately, generate the return estimated at the time of their issuance, so that the business plan included in the Issue Memorandum is no longer feasible at this time. The Company considers that, in order to have a second chance, it is necessary to adjust the amounts to be paid to these creditors.

Comment 4, regarding the salary claims: considering that **the salary claims are intended to be paid in full, the provisions of article 24(2) of Law 85/2014**, according to which "*The debtor shall arrange for the amounts in the restructuring plan destined to cover the salary claims is at least equal to the amount that it would obtain in case of enforcement, but not less than the amount it would receive in the next best alternative*" are also observed.

Comment 5, regarding the schedule of payments of affected claims – According to the provisions of **article 24(7)** of **Law 85/2014**, the schedule of payments is consistent with the **maximum timeframe** for implementation of the actions laid down in the Restructuring Plan, i.e. **48 months** from the homologation thereof, as well as the condition regarding **the minimum percentage to be covered during the first year** from the full amount of the claims affected by the concordat, **i.e. 10%**.

Comment 6: The creditors who control the Debtor, are controlled by the Debtor or under the common control with the Debtor, all as laid down in article 5(9) of Law 85/2014 are called "affiliates". The other creditors are called third-party creditors, where applicable, pursuant to their distribution by categories. The affiliate creditors shall receive 0 (zero), on account of their prior and express consent in this respect.

9. Next Best Alternative: Bankruptcy

9.1. Presentation

We consider that the next best alternative for the Company, unless the Restructuring Plan is homologated, would be **bankruptcy**. Although far from optimal in the event of failure of the concordat proceedings, the Company would most likely enter bankruptcy, which would lead to the lowest recovery for creditors.

Even if the Company were to attempt reorganization in insolvency proceedings, the chances of success of a reorganization plan in insolvency are almost nil (as explained below), thus generating additional costs and losses for the Company, both before entering into a reorganization plan and afterwards. This would lead to the accumulation of additional debts, thus increasing the creditors' claims to be satisfied and thus reducing the recoveries of the creditors in the proceedings.

Below are the main **reasons for us to consider that reorganization in insolvency proceedings has no chances of success**:

- **Lack of credibility both with customers and with suppliers**

The Company works mainly with individual customers, who place prepaid orders for 55% of the Company's sales. In the event of insolvency proceedings, they are expected to switch to the Company's competitors, where they can be sure that the products will be delivered on time and under the agreed conditions. If orders were to continue, it is expected that they would no longer be willing to pay in advance, thus increasing the Company's need for working capital.

A similar reaction is expected from suppliers, who will ask for payment terms in advance, thus putting additional pressure on the working capital, and implicitly on the Company's need for financing.

For instance, if the Company were to maintain the level of income estimated by this Plan, but customers demand payment on delivery (e.g. 15 days) and suppliers demand payment in advance in the first year of the proceedings, the Debtor's cashflow would decrease in the concordat proceedings to a negative level, for which the Company would require additional financing.

Given that the Company has no unencumbered assets of significant value and the majority shareholder, Neogen SA, is not willing to finance an insolvency proceeding of the Company, the Company would end up being unable to pay both current and pre-proceeding claims and would end up opening bankruptcy proceedings.

- **All claims would be altered**

The concordat proceeding allows the Company to use two important levers for a successful implementation of the Plan, which would not be available in the reorganization proceedings:

i. All claims are not affected (all claims would be affected in insolvency). According to this Plan, the Company has not affected two important categories of creditors: customers (11,627 customers from whom the Company has received advances for the delivery of goods) and marketplace partners (585 partners, through which 30% of the current activity is carried out, very important for the Company's future strategy of concentrating on Dropshipping). If the insolvency proceedings were to be opened against the Company, they would fall into the category of unsecured creditors, whose recovery would be zero, and the chances that they will continue to maintain commercial relations with the Company are remote, thus limiting the chances of reorganization in insolvency.
ii. The category of indispensable creditors is hereby established as a category with a higher position in the hierarchy established by law both in relation to budgetary claims and in comparison, with the category of other claims. Through this Plan, the Company selected 45 suppliers that it considers indispensable and critical for the continuation of the business and which it intends to pay in full. Similarly to the above considerations, if insolvency were to be opened, they would have a lower position in the hierarchy of claims according to article 138 of Law no. 85/2014, which would lead to zero chances of recovery, and the chances of them continuing to maintain business relations with the Company would be considerably reduced, thus limiting the chances of reorganization in insolvency. Moreover, the loss of these creditors would lead to the supply of goods/products to the Company to be ended, which would make it impossible for the Company to honor its orders/continue its business.

- **Accumulation of additional costs**

Given the large number of international creditors and the number of SKUs, we estimate that the compiling of the final table of claims and the valuation report in the insolvency proceedings would take a very long time (at least 6 months), also if proper consideration is given to timeframe necessary to decide on any challenges to the preliminary table, during which time the Company would need funding to survive without the support of the majority shareholder.

It is our opinion that the Company's business would thus be substantially downsized as the Company's SKU offer would be considerably reduced, followed by customers who will most likely choose payment on delivery of goods. Thus, the activity would most likely either i) be blocked due to lack of funds or ii) require the approval of Banca Transilvania for the sale of assets mortgaged in its favor to finance the procedure. In the latter hypothesis, what could be sold would mainly be the stocks and maybe part of the equipment in the warehouses, as the other assets (e.g. brand, software) are necessary for the Company's activity.

This would significantly (if not totally) limit the number of customers, the number of suppliers and the financial support of the majority shareholder in insolvency proceedings. All this, combined with the long timeframe that would elapse before a possible confirmation of a reorganization plan and the related costs, would quickly lead the Company to default and thus to the impossibility of reorganization in insolvency proceedings, with increased losses.

Consequently, although the two scenarios described above may be viable in case of other companies, the bankruptcy would be the best next alternative for the Debtor, taking into account all aspects listed above, in case the concordat proceedings fail.

9.2. Payment of Affected Claims in the Next Best Alternative – Bankruptcy

9.2.1. Value of Company's Estate on September 30th, 2022

The Company's estate was subject to a valuation report on September 30th, 2022, prepared by Darian DRS. Details about the fair value and the forced sale value are presented in Annex 4 hereto. Briefly, depending on the securities structure, the assets are divided as follows:

Category	Details	Secured creditor	Fair value on September 30th, 2022 (FV)	Forced sale value on September 30th, 2022 (FSV)
Secured assets	Include current and non-current assets of the Company[17]	Banca Transilvania	8.60 million Euro	4.76 million Euro
Unsecured assets	Not applicable	n/a	-	-

Source: valuation report prepared by Darian DRS SA. Values are exchanged in EUR using the NBR exchange rate Euro/Lei for September 30th, 2022.

In addition, pursuant to Neogen S.A.'s loan worth 120,000 Lei in December 2022, an additional amount was available, and is intended to cover the salary claims outstanding as of the date of opening of the concordat proceedings, according to the loan agreement No 144 of December 12th, 2022, also in case of bankruptcy according to article 161(3) of Law 85/2014. The amount is kept in a bank account opened with Unicredit Bank S.A. as per the attached statement of account and is not encumbered in favor of any creditor.

9.2.2. Proceedings Expenses Estimated for the Bankruptcy Proceedings

In the bankruptcy procedure[18], the procedural costs are estimated to be approx. 960 thousand Euro. This accounts for approx. 20% of the forced sale value, as presented at section 9.2.1. above. The estimated timing of the recoveries of the assets in the Company's portfolio and the estimated level of the costs of the procedure are summarized in the table below:

Euro	Estimated Oct-Dec 2022	Estimated Q1 2023	Estimated Q2 2023	Estimated Q3 2023	Estimated Q4 2023	Estimated 2024	Estimated F9M 2025	Estimated total
Balance of cash available in the beginning of the period	**219,092**	**462.736**	**539.228**	**49.986**	**45.059**	**99.651**	**26.838**	**219.092**
Collections from sale of assets								
Sale of trademark	-	-	-	-	818,726	-	-	818,726
Sale of Vivre platform	-	-	-	-	-	-	1,271,000	1,271,000
Sale of equipment	-	-	292,997	146,499	146,499	146,499	-	732,493
Sale of stocks	-	-	352,120	352,120	469,493	-	-	1,173,733
Recovery of claims	321,725	154,572	77,286	-	-	-	-	553,583
Total collections from sale of assets	**321,725**	**154,572**	**722,403**	**498,619**	**1,434,718**	**146,499**	**1,271,000**	**4,549,536**
Proceedings expenses								
Marketing	(4,500)	(4,500)	(5,226)	(5,062)	(6,116)	(18,165)	(14,931)	(58,500)
Salary	(14,636)	(14,636)	(14,636)	(14,636)	(14,636)	(14,636)	(13,308)	(100,826)
Rents	(36,017)	(36,017)	(36,017)	(36,017)	(36,017)	(47,531)	(17,270)	(244,888)
Software maintenance	-	-	-	-	-	-	-	-
Other capped operation expenses	(7,927)	(7,927)	(7,927)	(7,927)	(7,927)	(19,025)	(9,512)	(68,172)
Judicial liquidator fee	(15,000)	(15,000)	(74,935)	(39,931)	(86,736)	(67,325)	(108,550)	(407,477)
UNPIR fee	-	-	(12,902)	(9,972)	(28,694)	(2,930)	(25,420)	(79,919)
Total proceedings expenses	**(78,081)**	**(78,081)**	**(151,645)**	**(113,546)**	**(180,127)**	**(169,311)**	**(188,992)**	**(959,781)**
Amounts proposed to be distributed in bankruptcy	**-**	**-**	**(1,060,000)**	**(390,000)**	**(1,200,000)**	**(50,000)**	**(1,108,846)**	**(3,808,846)**
Cash available at the end of the period	**462,736**	**539,228**	**49,986**	**45,059**	**99,651**	**26,838**	**-**	**-**

Source: Analysis performed by PwC

Specifically, the main assumptions underlying this valuation were:

- The assumed time necessary to complete the bankruptcy proceedings has been estimated extremely prudently at 3 years, which is in line with general practice for the duration of such proceedings; however, in practice such proceedings could extend considerably beyond this period. It should be noted that the opening of the proceedings was considered to take place in October 2022, in order to be as close as possible to the date of the evaluation report, i.e. 30 September 2022;

[17] Details by each category of assets are presented in Annex 4.

[18] The calendar dates included in this chapter of the amended Plan were not modified and are inserted for exemplification purposes only. The estimates in terms of procedural expenses remain the same because the assumptions underlying them are the same.

- A minimum required amount of cash remaining in each period (with the exception of the last year) after distribution of 50,000 Euro was considered necessary for the proper functioning of the Company;
- It has been considered that approximately 6 months are required before the first distributions to the secured creditor, during which time the inventory and valuation of the Company's assets will be carried out, as well as the compilation of the Table of Claims;
- The sale of assets was taken into consideration depending on the marketability of each type of asset, as follows:
    - Stocks would be sold in full during the first 9 months after completion of the Table of Claims, that is, during March – December 2023;
    - The equipment would be sold during the first year after completion of the Table of Claims, that is, during March 2023 – March 2024;
    - The trademark is expected to be sold at the end of 2023;
    - The software (Vivre platform) is expected to be sold during the last year of the bankruptcy proceedings, i.e. in 2025, as it is the Company's asset with the lowest marketability prospects, due to its particularity (it was developed specifically for Vivre's business), and to the absence of similar transactions so far. In addition, it can only be sold if the trademark can secure the services of programmers employed by Tehnologies by Vivre, who have the necessary knowledge to operate the software. Their willingness to do so is not within the Company's control. In their absence, it is expected that the software will take longer to recover/will be realized at a lower value than that mentioned in the valuation report.
    - 70% of the outstanding receivables at the end of September 2022 are estimated to be recovered in the first 3 months after the opening of bankruptcy proceedings, with the remaining 30% is expected to be recovered in the next 6 months;
- The valuation of procedural expenses depends on the nature thereof, as follows:
    - the advertising expenses were estimated at an average monthly amount of 1.6 thousand Euro, with a higher level during the months when asset sales are estimated;
    - the expenses for salaries were estimated taking into account:
        - the number of people needed to work in the warehouse, depending on how long the warehouse will be maintained, i.e. until March 2024 when the Company's stocks and equipment will have been sold in their entirety - in this respect, we have considered a minimum of 3 employees in the warehouse, and an average monthly salary reduction of 20% compared to September 2022;
        - an average monthly number of 2 employees on the administrative side for the duration of the bankruptcy and 1 employee for software maintenance (i.e. 10% of the September 2022 staff) at an average salary cost 50% lower than September 2022;
    - the expenses for rents were estimated taking into account:
        - the downsizing by 90% of the warehousing needs when compared to the warehousing needs at the end of September 2022 and, of course, continuing to pay for ren only until the stocks and equipment shall have been sold in full, that is, until the end of March 2024

        - continuing to pay rents for the office premises, in the same amount as applicable in September 2022, until the end of 2023 and 50% thereof until the end of the bankruptcy proceedings (September 2025).
    - other fixed costs were considered to average 4% of the level recorded during September 2022 for the duration of the bankruptcy proceedings;
    - the expenses for the judicial liquidator were estimated taking into account:
        - a cap fee of 5,000 Euro;
        - a success fee of 5.0% applied on the sale of assets as well as on the value of claims recovered during the bankruptcy proceeding;
    - the UNPIR fee was estimated in line with the legal provisions, to be 2% of the value of assets sold.

Although we consider that the level of proceedings expenses could reach **20% of the forced sale value of the assets**, as shown in the forecasts above, estimated under prudent conditions and reflecting the minimum operating needs taking into account the Company's assets, **in simulating the distributions to be made in bankruptcy we have considered a 10% level of these expenses from the forced sale value of the assets**, in line with the ordinary market practice.

Consequently, we consider that in case of bankruptcy, if any, the amounts to be distribution would go as high as approx. 4.3 million Euro (the equivalent of approximately 21.4 million Lei).

Euro	Estimated Oct-Dec 2022	Estimated Q1 2023	Estimated Q2 2023	Estimated Q3 2023	Estimated Q4 2023	Estimated 2024	Estimated F9M 2025	Estimated total
Balance of cash available in the beginning of the period	**219,092**	**502,023**	**617,801**	**64,860**	**67,064**	**72,287**	**84,665**	**219,092**
Collections from sale of assets								
Sale of trademark	-	-	-	-	818,726	-	-	818,726
Sale of Vivre platform	-	-	-	-	-	-	1,271,000	1,271,000
Sale of equipment	-	-	292,997	146,499	146,499	146,499	-	732,493
Sale of stocks	-	-	352,120	352,120	469,493	-	-	1,173,733
Recovery of claims	321,725	154,572	77,286	-	-	-	-	553,583
Total collections from sale of assets	**321,725**	**154,572**	**722,403**	**498,619**	**1,434,718**	**146,499**	**1,271,000**	**4,549,536**
Proceedings expenses (10% of the total liquidation value)	**(38,794)**	**(38,794)**	**(75,344)**	**(56,415)**	**(89,495)**	**(84,121)**	**(93,900)**	**(476,863)**
Amounts proposed to be distributed in bankruptcy	**-**	**-**	**(1,200,000)**	**(440,000)**	**(1,340,000)**	**(50,000)**	**(1,261,765)**	**(4,291,765)**
Cash available at the end of the period	**502,023**	**617,801**	**64,860**	**67,064**	**72,287**	**84,665**	**-**	**-**

Source: Analysis performed by PwC

9.2.3. Simulation of Payments on Account of Affected Claims in the Next Best Alternative (bankruptcy)

Taking into account the value of the assets resulting from the valuation, after deduction of the estimated costs of the proceedings, the amounts that would be distributed to the creditors in bankruptcy according to the categories to which the creditors belong, in accordance with the provisions of articles 159 and 161 of Law 85/2014, would be as follows:

Category of claims	Comments	Claims on the Date of the amended Plan	Percentage of coverage in the next best alternative
Claims that benefit from a privilege (secured)	Include claims to Banca Transilvania, who holds a mortgage in all Company's assets – payments in bankruptcy according to article 159(1)(3) of Law 85/2014	22.4 million Lei (the equivalent of 4.55 million Euro)	94.3%
Salary claims	Include the salaries due to the employees for the period September 1st – 8th 2022 – payments in bankruptcy according to article 161(3) of Law 85/2014	80.9 thousand Lei	100%
Budgetary claims	Include the amounts due to the state, basically for VAT payable by the Company for the sales in other	10.0 million Lei	4%

Category of claims	Comments	Claims on the Date of the amended Plan	Percentage of coverage in the next best alternative
	EU Member States – payments in bankruptcy according to article 161(5) of Law 85/2014		
Unsecured claims (including indispensable creditors and other claims)	Include: - Amounts due to bond holders, including interests - Amounts due to all suppliers - Amounts due to affiliates, including interests – payments in bankruptcy according to article 161(8)-(10) of Law 85/2014	The equivalent of 73.3 million Lei (in various currencies	0%
Total		**The equivalent of 105.8 million lei (in various currencies)**	**20.1%**

Comments:

** The amount to be paid to the secured creditor Banca Transilvania S.A. in case of bankruptcy, according to article 159(1)(3) of Law 85/2014 is given by the value of assets encumbered in favor of this creditor, based on the valuation report.*

*** Pursuant to the loan worth 120,000 Lei offered by Neogen S.A., the amount is available and can be used to pay the outstanding salaries as of the date of opening of the concordat proceedings, as per the loan agreement No 144 of December 12th, 2022, inclusively in case of bankruptcy initiated as per article 161(3) of Law 85/2014; the amount is kept in a bank account opened with Unicredit Bank S.A., as per the attached statement of account.*

**** However, considering that the value of the salary claims dropped down to the amount indicated in the table, if the bankrtupcy proceedings were opened, the difference from the loan up to 120,000 Lei, that is, the amount of 39.085 Lei would be distributed to the category of budgetary claims according to article 161(5) of Law 85/2014.*

9.3. Comparison Between Claims Satisfaction via the Plan and the Claims Satisfaction via the Next Best Alternative, i.e. Bankruptcy

Categories	Amounts (Euro)	Payments via Plan (Euro)	Payments via next best alternative (Euro)	Payments via Plan (Euro)	Payments via next best alternative (Euro)
Secured creditors	4,550,000	4,550,000	4,291,765	100.0%	94.3%
Employees	16,428	16,428	16,428	100.0%	100.0%
Indispensable creditors	1,864,021	1,473,620	-	79.1%	0.0%
Third parties	*1,473,620*	*1,473,620*	*-*	*100.0%*	*0.0%*
Affiliates	*390,401*	*-*	*-*	*0.0%*	*0.0%*
Budgetary claims	2,039,725	400,000	7,936	19.6%	0.4%
Other claims	13,018,020	1,790,000	-	13.8%	0.0%
Third parties	*11,942,072*	*1,790,000*	*-*	*15.0%*	*0.0%*
Affiliates	*1,075,115*	*-*	*-*	*0.0%*	*0.0%*
Total	**21,488,194**	**8,230,048**	**4,316,129**	**38.3%**	**20.1%**
Secured creditors	4,550,000	4,550,000	4,291,765	100.0%	94.3%
Employees	16,428	16,428	16,428	100.0%	100.0%
Other claims	16,921,765	3,663,620	7,936	21.7%	0.0%
Budgetary claims	*2,039,725*	*400,000*	*7.936*	*19.6%*	*0.4%*
Third parties	*13,415,692*	*3,263,620*	*-*	*24.3%*	*0.0%*
Affiliates	*1,466,349*	*-*	*-*	*0.0%*	*0.0%*
Total	**21,488,194**	**8,230,048**	**4,316,129**	**38.3%**	**20.1%**

Source: Analysis performed by PwC, based on information provided by Vivre Deco SA and the valuation report prepared by Darian DRS SA

The Plan provides for the payment of approx. 38.3% of the affected claims, compared to a merely approx. 20% under the next best alternative (bankruptcy). In the next best alternative, i.e. the bankruptcy, because all assets (except for the amounts resulting from the loan offered by Neogen S.A., worth 120,000 Lei) are mortgaged in favor of Banca Transilvania, the privileged creditor is expected to recover a significant part of I ts claimis, whereas via the Plan it would recoer its claims ni full. In addition, the category of salary claims is expected to be satisfied in full in bankrtupcy, taking into account the 120,000 Lei loan made available by Neogen S.A., and to the same extent via this Plan.

Minimum recovery is estimated for the other categories of claims in bankruptcy or even equal to zero in respect of unsecured creditors (suppliers and obligors), compared to approximately 24.3% satisfaction in case of the amended Plan.

10. Private Creditor Test in Respect of Budgetary Claims

According to the provisions of **article 24(1)(l)** of Law 85/2014, the Restructuring Plan must provide for the ***private creditor test***, prepared according to **article 5(1)(71)** of the same law, if the Plan provides for reductions of the budgetary claim.

According to **article 5(1)(71)** of Law 85/2014, the private creditor test is: "*… a method to compare* ***the manner in which budgetary claims may be satisfied*** *by reference to a diligent average creditor in a pre-insolvency or reorganization proceeding and* ***the manner in which they may be satisfied in a bankruptcy procedure****; this comparison is based on a* ***valuation report*** *prepared by a chartered valuator and* ***addresses inclusively the duration of a bankruptcy proceeding by comparison to the proposed payment schedule****; the event in which the private creditor test confirms that the amounts which the budgetary creditor would receive in a pre-insolvency or reorganization proceeding are higher than the amounts it would receive in a bankruptcy proceeding, shall not be deemed to be an event of state aid.* ***The private creditor test may also be applied*** *at the request of the party coming up with a restructuring agreement/plan or a reorganization plan, at its sole expenses, by an independent expert,* ***inclusively by the insolvency practitioner in that proceeding****, and shall be notified to the budgetary creditor simultaneously with the restructuring agreement/restructuring plan or the reorganization plan*

Considering the amounts of money that the budgetary creditors would collect in the next best alternative, which is bankruptcy, i.e. 0.4%, it is noted that the present Plan proposes a Claims Schedule of Payments intended to cover the amount of 400 thousand Euros (the equivalent of approximately 2.0 million lei), representing 19.6% of the value of the affected claim.

In light of the result of this comparison, it appears that the conditions of *the private creditor test* required by the law for the present Plan are met, considering the amount expected to be paid to the budgetary creditors .

11. Negotiations Around the Restructuring Plan

This Restructuring Plan describes the Debtor's proposal to creditors for its reorganization, the method of payment of claims against creditors and the set of measures required to pay those claims.

Any disputes arising between the Debtor and its creditors may be settled through negotiations in accordance with article 26(2) of Law 85/2014.

12. Conclusions

On the basis of the information and analysis in this amended Plan, it can be concluded that the Company is in a state of difficulty, which may jeopardize its ability to meet its obligations to creditors when due, unless appropriate measures are taken.

By the time of lodging this amended Plan, the Company's current management has demonstrated its commitment in the Company's recovery by taking measures, in particular in relation to cost reduction (e.g. marketing, rents, employees) and improving liquidity, including by attracting funds from the majority shareholder to support the Restructuring Plan, improving the chances for successful implementation of the Plan.

However, it is necessary to put in place additional measures and to continue to implement the ones already initiated, allowing the necessary time for the Company to benefit from the full implementation and effects of such measures, and to change/optimize the sales strategy as mentioned in this Plan. The latter is also necessary to address the general market context (high inflation rate and limited consumer purchasing power for discretionary goods in this context, especially given the increase in energy prices and the cold season), where similar players are facing similar, if not more serious problems (see made.com, a company with a similar business model to the Debtor, which entered insolvency proceedings in the UK on November 3rd, 2022 after failing to find an investor). The adjustment of the business model to "supplier stock", for which there is already interest from some of the Company's suppliers, with some already having initiated first orders, will limit stock risks (mainly impacting on cost and liquidity) and will also broaden the range of products offered to consumers (mainly impacting on sales), as there are no limitations imposed by storage capacity, as stock is delivered directly by the supplier to the customer.

All these measures, which also include restructuring the Company's obligations, can only be effectively implemented in the context of a pre-insolvency proceeding, in this case the preventive concordat, which also allows the Debtor the necessary time to implement the above, as well as the possibility to not prejudice a number of creditors critical to the continuation of the business. In the absence of these proceedings, the Company would most likely default on its debts, and there is even a risk of bankruptcy, as described in this Plan.

Such a bankruptcy alternative would be extremely detrimental to the creditors as only (i) the secured creditor would benefit from distributions (approx. 94% of the claims, in a maximum estimate, considering the potential accrual of additional procedural costs which would decrease this percentage if the proceedings stalled, given that the conduct of such bankruptcy proceedings has been optimistically estimated) and (ii) the employees wouls receive 100% of their claims, based on the loan offered to the Debtor by its majority shareholder, Neogen S.A. Minimum, if not zero, recovery is estimated for the other creditors, unlike 24.3% as offered by the amended Plan.

Whereas the Company proposed in its initial Restructuring Plan to fully pay the privileged creditor (100%), but also payments to employees (100%), indispensable creditors (100%), the state budget (4.7%) and other claims (3.8%), thus distributing the resources generated by the Plan to all categories of creditors, in this Plan it shall increase the total value of amounts to be distributed to the creditors. The 100% satisfaction of the claims towards the privileged creditor, the employees and the indispensable creditors is preserved and the creditors' in the budgetary claims category and those in the other creditors' category shall receive more (from 4.7% to 19.6% and from 3.8 to 13.8%, respectively).

In addition to the proposed measures herein, as a general estimate, it should be noted that, from the opening of the concordat proceedings until the successful implementation of the Plan, the Company would have to pay approx. 10.7 million Euro to both affected and unaffected creditors (of which approx. 3.2 million Euro already paid at the date of filing of this Plan, since the opening of the proceedings, including through deliveries of customer orders), to all categories of claims, compared to approx. 4.3 million estimated to be paid in the event of bankruptcy mainly to the privileged creditor and to the salary creditors).

In conclusion, having regard to the state of distress which the Debtor is currently facing, this amended Restructuring Plan provides for the achievement, to the largest extent possible of both purposes of Law 85/2014, as laid down in article 2, i.e. repayment the liabilities to the largest extent possible, compared to the bankruptcy alternative, and ensuring the chances of recovery of the Debtor.

13. Annexes

Annex 1. List of Affected Claims

Annex 2. List of Unaffected Claims

Annex 3. Schedule of Payments for Affected Claims

For volume-related reasons, these detailed annexes shall not be published with the BSE but a summary of this information is included as a reference in the contents of the amdended Restructuring Plan and shall thereafter be provided to each affected creditor, together with the amended Plan.

Annex 4. Summary of Valuation Report

Account	Categories of assets	Market value (Lei)	Liquidation value in case of forced sale (Lei)	Discount for forced sale conditions (%)
205	Trademarks	8,069,155	4,034,578	-50%
208	In-house developed software	12,580,358	6,290,179	-50%
205	SS security certificates	357	214	-40%
205, 208	Internet domains	30	18	-40%
205,208	Software licenses	28,442	17,065	-40%
	Total intangible assets	**20,678,342**	**10,342,054**	
263	Shares in affiliates – Vivre BG	0	0	
263	Shares in affiliates – Technologies by Vivre	2,600,000	0	-100%
	Total shares in affiliates	**2,600,000**	**-**	
3023.1	Materials for packaging	17,372	12,160	-30%
3023.2	Materials for packaging	319,755	223,828	-30%
303, 8035, 8039	Materials similar to inventories, stocks similar to inventories commissioned, other out-of-balance values	674,559	404,735	
327	Commodities in the course of being supplied	578,656	405,059	-30%
3028	Other consumables	149,032	104,323	-30%
	Total stocks	**8,394,662**	**8,808,807**	**-31%**
213, 214	**Movable assets**	**5,178,727**	**3,625,109**	**-30%**
512, 531, 542, 58…	**Petty cash and bank accounts**	**1,084,286**	**1,084,286**	**0%**
Account	**Categories of assets**	**Probable recovery value – ongoing concern (Lei)**	**Probable recovery value – termination of activity (Lei)**	**Discount for termination of activity conditions (%)**
2678	Non-current claims	1,035,080	-	-100%
4091	Advance payments to suppliers for the purchase of inventories	-	-	
4092	Advance payments to suppliers for the purchase of services	-	-	
4111	Customers	1,084,362	1,084,362	0%
418	Customers - invoices to be issued	838	838	0%
425	Advances to employees	114,207	114,207	0%
4424	VAT receivable	964,535	964,535	0%
4428	VAT under settlement	62,458	62,458	0%
4382	Other personnel-related claims	308,953	308,953	0%
4462	Other taxes and similar liabilities	204,329	204,329	0%
461	Sundry debtors	857,696	-	-100%
	Total receivables	**4,632,458**	**2,739,682**	**-41%**
	General total	**42,568,475**	**23,599,939**	**-45%**

Source: valuation report prepared by Darian DRS SA

FX		4.9490	4.9490	
Euro	**General total**	**8.601.430**	**4.768.628**	

Note: three of the Company's accounts were left out of the valuation because the Company's management considers them unmarketable/recoverable in the forced sale/termination of activity scenario:

- Acc. 201, with a net book value of 1.5 million Lei on September 22, i.e. success fees for the listings VIV25E and VIV26E; therefore, they are considered an expense capitalized in the balance sheet, and not a marketable asset.
- Acc. 231, with a net book value of 267 thousand Lei on September 22, i.e. fitting out works for the warehouse leased from la Ecom Centrul Logistic SRL. The lease agreement does not allow the Company to apply for an offsetting of the cost of such fitting out works, and they shall remain the property of Ecom Centrul Logistic SRL.
- Acc. 471, with a net book value of 431 thousand Lei on September 22, i.e. accrued expenses, which the Company considers irrecoverable in the termination of activity scenario, consisting mainly in fees for loan extension and marketing expenses to be recorded as expenses.

The valuation report prepared by Darian DRS SA is available for consultation via a request filed with concordat@vivre.eu.

Comment: the valuation report does not include the amount of 120,000 Lei received later via the loan offered by Neogen S.A. for payment of salary claims, and deposited in a bank account with Unicredit Bank S.A.

Annex 5. List of indispensable creditors

According to article 5(23) of Law 85/2014, ***indispensable creditors*** are those suppliers which cannot be replaced with any other supplier, under reasonable economic or financial conditions, by reference to the debtor's carrying forward its activity.

For the purposes of the definition above, the Debtor compiled a list of 43 suppliers which it included in the list of indispensable creditors, in the absence of which the business cannot be carried forward in reasonable conditions.

The main categories of indispensable creditors are:

- Suppliers of commodities (33)
- Suppliers of transport services (9)
- Suppliers of technology (1)
- Suppliers of bookkeeping services (1)
- Suppliers of client communication services (1)

1. Suppliers of Goods

To select these suppliers, the Company took into account several main *criteria*, such as:

- They provide more than 50% of the main categories of goods for the Company (furniture, carpets, lighting units/fixtures, decorations, kitchen items, textiles for home), and accounted for 93% of the total income in 2022;
- The number of active SKUs of these suppliers account for approximately 65% of the total on the Vivre websites;
- The ratio of products returns in respect of goods from these suppliers is lower than 8% in 2022;
- They support the Company's strategy oriented towards Drop shipping;
- They offer payment terms >= 30 days from the invoice date, without requesting that claims are backed by an insurance company/letter of bank guarantee.

Based on these main *criteria* the Company identified 32 indispensable suppliers that support the Company's prospect strategy and, in particular, the Dropshipping. The selection of suppliers ensures the diversity of the offers available on the website via a very large number of SKUs (some of which are exclusive), and limits the number of returns (which fall on the Company pursuant to the migration towards the DropShipping), considering the quality of products. In addition, it allows the favorable payment terms and conditions to be maintained, which further helps limiting the financing needs via the Plan.

The list of indispensable suppliers of goods compiled by the Company is presented below:

Indispensable commodities suppliers

No	**Name of supplier**	**Details of supplier**				**Selection criteria**				
		Origin country	It began working with the Company back in	P*	T*	Percentage in the turnover for 9M 2022	Presence in the category of products	Number of SKUs (% of total active SKU)	Rate of return	Other information
						Significant	Significant	Significant	< average	
1,2	**Asir Group Ihracat Anonim Sirketi / Asir Group Ihracat Tekstil**	Turkey	2013	Yes	Yes	17% (growing from 11-13% in the past)	Furniture: 26% Carpets: 41% Lighting units/fixtures: 34% Decorations: 28% Kitchen items: 21% Textiles for home: 41% Bathroom items: 61%	71,742 (c. ~30%)	5%	The largest supplier of the Company, which covers products in all important categories offered by the Company
3	**OYO FASHION TEKSTIL SAN VE TIC ST**	Turkey	2016	Yes	Yes	7%	Furniture: 11% Carpets: 11% Lighting units/fixtures: 22% Decorations: 18%	55,088 (c. ~25%)	6%	The second largest supplier of Vivre, which provides products for the four largest categories on the website Convenient payment terms and conditions Bonus for large volumes
4	**F.LLI TOMASUCCI S.R.L.**	Italy	2013	Yes	No	1.3%	Furniture: 4%	1,108	7%	It offers modern design collections, combines glass transparency with wood Convenient payment terms and conditions
5	**MEBEL STIL - M LTD** **(Kult)**	Bulgaria	2017	Yes	No	3.2%	Furniture: 1% (Couches: 10% - 15%)	300	3%	The products listed are sold exclusively via Vivre (they are not sold by the producer on any other market) The production time is shorter than other producers' Quick delivery term Convenient payment terms and conditions

6	**OPTISOFA KASPRZAK SPÓŁKA KOMANDYTOWA** **(Optisofa)**	Poland	2018	Ye s	No	2.5%	Furniture: 3%	800	4%	A Polish producer of couches, corner sofas and armchairs, which covers the medium range of the couches category. It is considered a well reputed brand in the Home&Deco are in Central and Eastern Europe The production time is shorter than other producers' Convenient payment terms and conditions
7	**UNIVERSAL XXI SL**	Spain	2016	Ye s	No	2.4%	Carpets: 3% (medium range)	2,000	5%	Carpets producer well reputed in all Europe in Home&Deco area; It supports the development of DS[19] Convenient payment terms and conditions Commercial bonus
8	**AYYILDIZ HALI GmbH**	Germany	2019	Ye s	No	2.4%	Carpets: 4% (low-medium range)	2,200	4%	It has its own factory in Turkey It supports the development of DS Convenient payment terms and conditions
9	**CREACIONES MENG S.L**	Spain	2017	No	Ye s	2.2%	Furniture: 11% Decorations: 2% Garden: 23% Housekeeping and organization: 17% Lighting units/fixtures: 2%	3,000	4%	A supplier which offers products in all relevant categories It covers a wide range of styles in Home&Deco area: industrial, vintage, rustic, oriental etc. Convenient payment terms and conditions
10	**BERGAMASCHI E VIMERCATI S.P.A.**	Italy	2015	Ye s	No	1.8%	Kitchen: 15% Housekeeping and organization: 2%	1,600	3%	Own, unique design, a brand recognized all over Europe Producer of kitchen items, sets of plates and glasses It supports the development of DS Convenient payment terms and conditions Commercial bonus

[19] Drop shipping

11	**MAURO FERRETTI SRL**	Italy	2014	Yes	No	1.8%	Furniture: 5% Garden: 3% Decorations: 2% Housekeeping and organization: 4%	1,400	7%	Producer of furniture and decorations which offers products in the glam and industrial areas of the home&deco design Commercial bonus
12	**ROPEZ FABRYKA MEBLI ROBERT I ANETA POSZWA SPKA JAWNA**	Poland	2020	Yes	No	1.3%	Furniture: 3%	335	1%	Polish producer of blankets and couches It supports the development of DS Convenient payment terms and conditions
13	**Hillkar Global Tekstil Gida Ic ve Dis Ticaret San. Ltd. Sti**	Turkey	2019	Yes	No	1%	Textiles: 9% Decorations: 4% Carpets: 2%	8,000	5%	A complementary category for beds, offering pillowcases, lining etc Convenient payment terms and conditions Bonus for large quantities
14	**FLHF S.A.**	Poland	2020	Yes	No	1%	Housekeeping and organization: 4% Textiles: 10% Bathroom: 2%	300	6%	Main supplier of bed covers and blankets on the website A complementary category for beds, couches and armchairs in the furniture category It supports the development of DS Convenient payment terms and conditions
15	**HOME IMPEX KERESKEDELMI KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG (Blaumann Home)**	Hungary	2016	No	Yes	1%	Kitchen: 16% Housekeeping and organization: 1%	450	3%	It owns the kitchen brands Blaumann and Berliger Haus, well known in Europe The only supplier of cooking pot on the website It supports the development of DS Convenient payment terms and conditions
16	**EUROFIRANY B.B. CHOCZYSCY SPA**	Poland	2015	Yes	No	1%	Textiles: 22% Decorations: 6% Bathroom: 3%	4,900	6%	Polish producer of readymade curtains and drapery The only supplier of curtains and drapery on the website It supports the development of DS Convenient payment terms and conditions

17	**TAMADA MOBILYA San. ve Tic. Ltd. Sti.**	Turkey	2018	Yes	No	1%	Furniture: 3%	345	1%	Turkish producer of unique design items, which creates DIY furniture products It supports the development of DS Convenient payment terms and conditions
18	**ARTGEIST Spółka z o.o.**	Poland	2018	Yes	No	1%	Furniture: 6% Decorations: 19%	25,000	6%	The largest producer of wallpaper in Europe Well-known brand in Europe It supports the development of DS Convenient payment terms and conditions
19	**VITALUCE EU Sp. Z o. o.**	Poland	2019	Yes	No	1%	Lighting units/fixtures: 6%	700	6%	It offers lighting fixtures for indoor, outdoor, Christmas lighting Well-known brand in Europe It supports the development of DS Convenient payment terms and conditions
20	**MIROSLAW HERCHEL**	Poland	2018	Yes	No	0.7%	Lighting units/fixtures: 6%	400	3%	Polish producer of lights, with unique design, quality products and good prices It supports the development of DS Convenient payment terms and conditions
21	**BURKINA HOME DECOR**	Spain	2019	No	Yes	0.7%	Furniture: 1% Decorations: 1%	280	7%	It offers products in all main categories It covers several home&deco design styles It supports the development of DS Convenient payment terms and conditions Bonus for large quantities
22	**ELTAP SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ SPÓŁKA KOMANDYTOWA**	Poland	2018	Yes	No	0.7%	Furniture: 14% (relaunched this year)	3,300	4%	Polish producer of couches, boxspring beds, armchairs No 2 in beds' category Production term 3 weeks It supports the development of DS Convenient payment terms and conditions

23	**KETEN LTD**	Bulgaria	2016	No	Ye s	0.5%	Kitchen: 13% Housekeeping and organization: 13% Bathroom: 1%	1,200	2%	Trader of kitchen brands: Luigi Ferrero, Pasabahce, Luminarc, Brabantia, Bormioli Rocco It supports the development of DS Bonus for large quantities
24	**NOVITA IMPORT S.R.L.**	Italy	2014	Ye s	No	0.5%	Kitchen: 4% Lighting units/fixtures: 3% Housekeeping and organization: 13% Furniture: 7%	1,400	6%	It offers products in a large range of home&deco styles It supports the development of DS Convenient payment terms and conditions Bonus for large quantities
25	**Johnsonstyle Sp Zoo**	Poland	2019	Ye s	No	0.5%	Main supplier of beds on the website	600	2%	Production term 3 weeks It supports the development of DS Convenient payment terms and conditions Bonus for large quantities
26	**VETRO-PLUS a.s**	The Czech Republic	2014	Ye s	No	0.5%	Kitchen: 10% Housekeeping and organization: 3%	500	2%	Czech producer of kitchen items Low-medium products in the garden category It supports the development of DS Convenient payment terms and conditions
27	**VITAUS Bilisim ve Dis. Tic. Ltd. Sti**	Turkey	2021	Ye s	No	0.5%	Carpets: 5% (main supplier of carpets for stairs) Decorations: 7%	13,000	5%	Convenient payment terms and conditions Bonus for large quantities
28	**FERROLUCE S.R.L.**	Italy	2017	Ye s	No	0.5%	Lighting units/fixtures: 6%	630	5%	The only producer of industrial lights in Europe (well-known brand in Europe) It supports the development of DS Convenient payment terms and conditions Bonus for large quantities
29	**DUO SP.Z.O.O**	Poland	2014	Ye s	No	0,3%	Kitchen: 6%	300	2%	Polish unique producer of tableware sets The only producer with licensed production of art objects It supports the development of DS

										Convenient payment terms and conditions
30	**NAVE LEUCHTEN GMBH**	Germany	2014	Yes	No	0.3%	Lighting units/fixtures: 13%	1,100	6%	Indoor and outdoor, Christmas lights Modern, low consumption lights Bonus for large quantities It supports the development of DS
31	**OBSESSION AG**	Germany	2017	Yes	No	0.7%	Carpets: 3% (medium-high range) Bathroom: 1%	550	6%	Special design carpets for kids It supports the development of DS Convenient payment terms and conditions
33	**ESSCHERT DESIGN B.V.**	The Netherlands	2013	Yes	No	1%	Garden: 53% Housekeeping and organization: 10% Decorations: 3%	1065	1%	Producer of garden decorations It supports the development of DS Convenient payment terms and conditions
33	**KULIG SPAAKA Z OGRANICZONA ODPOWIEDZIALNOASCIA**	Poland	2013	Yes	No	0,5%	Kitchen: 8%	700	1%	Main supplier of products for kitchen organization and storage It supports the development of DS Convenient payment terms and conditions

Source: information provided by Vivre Deco SA; Nota: P = Producer, T = Trader

2. Suppliers of Transport Services

To select these suppliers, the Company took into account several main criteria, such as:

- The long-lasting business relation which led to negotiated prices based on the longevity of cooperation as well;
- Immediate response to requests;
- 30-day payment term from the invoicing date.

The transport network developed by the Company shall be used as a basis for business reorientation towards the Dropshipping model, which requires a close cooperation with the network of carriers. Considering the financial standing of the Company, to replace the carriers with whom the Company has been cooperating for a long time would slow down the transition to the Dropshipping m.o. Consequently, the Company's management selected a minimum number of transport partners to compile the category of indispensable suppliers which would cover the operation area, which also offer convenient payment terms and conditions and help reducing the need for financing via the Plan. The suppliers of transport services which the Company considers to be indispensable are listed below:

Indispensable suppliers of transport services

No	**Name of supplier**	**Details of supplier**		**Selection criteria**	
		Covered countries (route)	It began working with the Company back in	Competitive prices	Other information
1	**ITALTONY SERVICE SRL**	Croatia, Slovenia	2018	Negotiated and unchanged fares since 2018	It provides outbound and return carriage solutions for Croatia and Slovenia, a destination with very few carriers It accepts multiple unloading (3-4 unloading) which requires additional time and immobilization of trucks
2	**Karom Int Transport Import Export Trade SRL**	Turkey-Romania	2019	Negotiated and unchanged fares since 2019	FTL and LTL carriage solutions; It consolidates several loads of commodities from different commodities suppliers It stores commodities until consolidated loading on truck
3	**IMPACT LOGISTIC SRL**	Hungary	2018	Competitive fares	It provides outbound and return carriage solutions for Hungary It accepts multiple unloading (3 unloading) which requires additional time and immobilization of trucks
4	**MARVIC WHEELS SRL**	Slovakia, the Czech Republic, Poland	2019	Negotiated and unchanged fares since 2018	It provides outbound and return carriage solutions for Slovakia, The Czech Republic Poland It accepts 24-hour transit
5	**Transpierre SL**	Inbound Spain – Romania	2016	350 euro/ldm current market fare	Supplier of inbound carriage Spain – Romania Storage and consolidation of commodities Collects commodities from suppliers
6	**CAYUGA LOGISTIC S.R.L.**	Inbound all countries	2012	Competitive fares by reference to	It provides "spot" transport solutions for several routes not covered by a single carrier

				the other partners	
7	**CARGO-PARTNER EXPEDITII SRL**	Poland	2014	Long-lasting partnership and competitive fares	It offers storage, handling and consolidation of commodities for the Polish suppliers
8	**EUROINTERTRANS PERSONAL SERVICES SRL**	Custom clearance services	Fares negotiated back in 2018	Fares negotiated back in 2018	It offers custom clearance services
9	**JUNIOR SPEED S.R.L.**	Italy – Romania	2019	20% lower than the market fares	It collects commodities directly from suppliers Tariffs are lower than the market fares due to the long-lasting partnership

Source: information provided by Vivre Deco SA

3. Suppliers of Technology

Indispensable suppliers of technology

No	Name of supplier	Selection criteria
1	**TECHNOLOGIES BY VIVRE S.R.L.**	It offers soft maintenance and development services. The software is a special one, specifically developed and tailored to the particular operational activities of the Company, by a team specifically and solely dedicated to the cooperation with Vivre; it would therefore be very difficult to work with a different technology supplier other than against additional onboarding costs in terms of money and time, because any new supplier will require time to familiarize with the software.

Source: information provided by Vivre Deco SA

4. Suppliers of Book-Keeping Services

Indispensable suppliers of book-keeping services

No	Name of supplier	Selection criteria
1	**ACCOUNTESS PROFILE SRL**	Back in 2021 the Company outsourced its book-keeping services to a company specializing in book-keeping. Hence, the book-keeping department was restructured, and the process resulted in significant savings of financial and human resources. Although the book-keeping and tax consultancy market is competitive, the supplier selected by the Company is one of the few with long term expertise in managing the accounting program used by the Company, which is integrated with all the automation systems used in its business. To replace this supplier would require a replacement of the accounting program, which would further require considerable time and financial resources.

Source: information provided by Vivre Deco SA

5. Suppliers of Client Communication Services

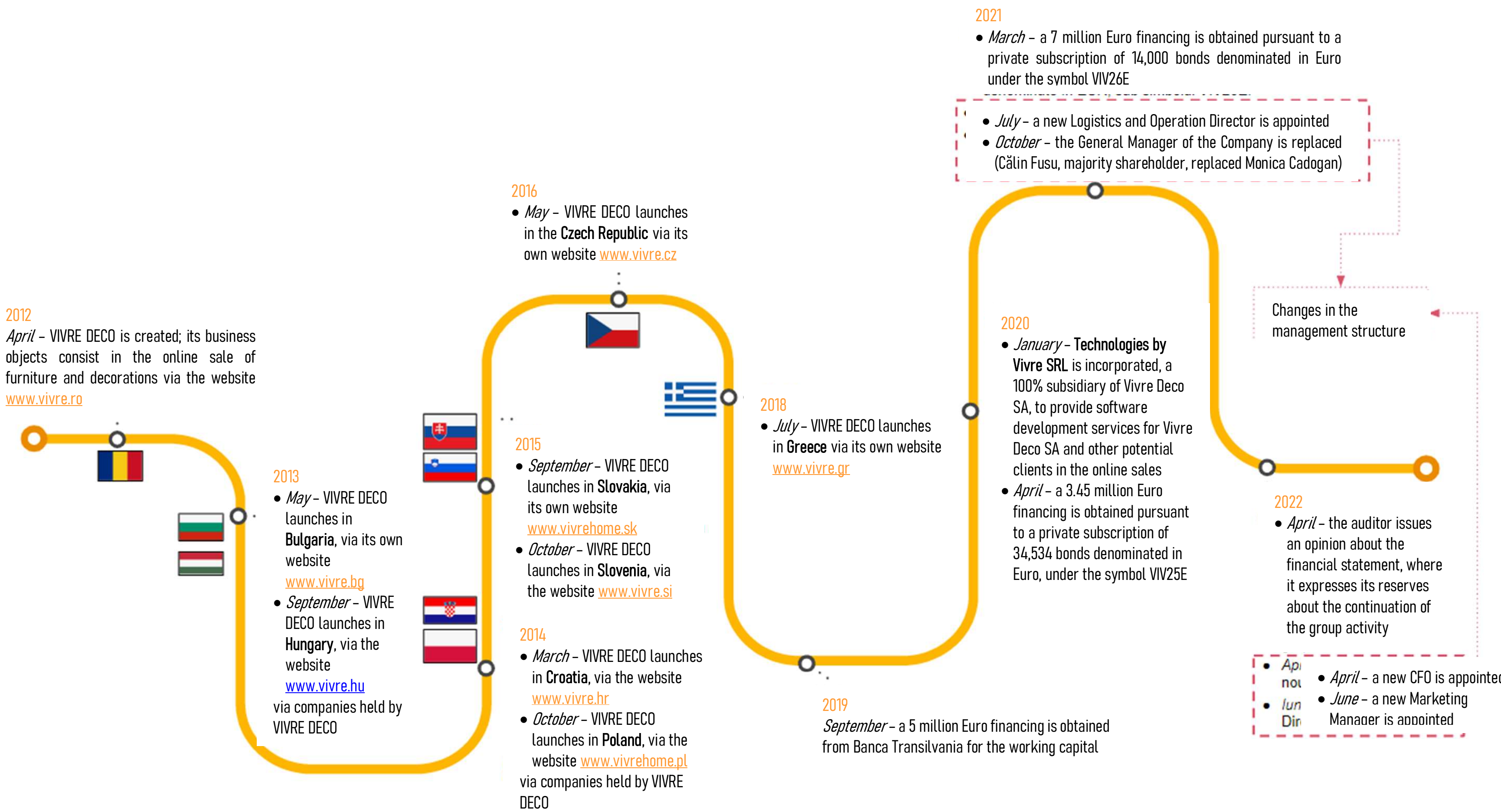
Indispensable suppliers of client communication services

No	Name of supplier	Selection criteria
1	**EMARSYS eMarketing**	It is the main platform whereby the Company communicates with its database clients, via emails and notifications in the application. The platform has a series of

	Systems AG	preset rules of automated references depending on the client's activity. The transition to another platform would trigger additional costs as well as the loss of preset automations. The invoicing period is once every three (3) months and the payment term was extended to 45 days.

Source: information provided by Vivre Deco SA

Annex 6 – Company’s Evolution from 2012 to present



Source: information provided by Vivre Deco SA

Annex 7 – Statement of account Unicredit Bank

UniCredit Bank

Lista Tranzactii	11.01.2023 16:55:41
Cont	RO23 BACX 0000 0007 9052 4004 - RON, CURRENT ACCOUNT
Titular de cont	VIVRE DECO SA
Data inregistrarii	14.12.2022
Data valutei	14.12.2022
Valoare	120.000,00 RON
Codul bancii partenere	BACX
Numele Bancii Partenere	UNICREDIT BANK S.A.
Numar de cont partener	RO02BACX0000004546603002
Order No.	135
Platitor	NEOGEN SA
Detaliile Tranzactiei	CONF CONTRACT DE IMPRUMUT nr 144 din 12.12.2022
Cod Fiscal / CNP	13305520
Titlul platii	+IZV 00348499774
Numar de referinta	348499774
Ordin de plată Nr/ Referință E2E	135
Informații pentru plată	CONF CONTRACT DE IMPRUMUT nr 144 din 12.12.2022
Tip plată	PAYM
Dată solicitată procesare	14.12.2022