

DEPT RESTRUCTURING PLAN REAL MURCIA C.F. S.A.D.

Step_1

- Agreement with private creditors for the restructuring of debt linked to the success of an expansion of money and non-monetary capital through the conversion of debt into shares.

Step_2

- Execution of the Money and non-monetary Expansion Capital by converting debt into shares. And provision of the subscribed capital to undertake the first payment of the debt restructuring agreement.

Step_3

- Agreement with the Public Administrations for the restructuring of privileged debt through payment of 1.2 million initial.



PROPOSAL FOR DEBT RESTRUCTURING FOR **PRIVATE CREDITORS**

“Progressive removal” up to 50% of the recognized debt. Only effective through the payment of the other 50%

"Progressive removal" concept:

when the SAD undertakes the payment of:

20% of the debt, 40% will be paid and the remaining 60% will be pending

30% of the debt, 60% will be paid and the remaining 40% will be pending

40% of the debt, 80% will be paid and the remaining 20% will be pending

50% of the debt, will be paid 100% of the debt.



PROPOSAL FOR DEBT RESTRUCTURING FOR **PRIVATE CREDITORS**

The 50% expected payment will be made by the following way:

20% using the subscribed capital in the monetary capital increase, preferably to those who have adhered to the restructuring plan.

30% through a 10 years soft loan.



PROPOSAL FOR DEBT RESTRUCTURING FOR **PUBLIC CREDITORS**

Initial payment of 1,2 millinios euros.

Deferment of the rest of the debt up to a maximum of 16 years + 2 years for interest payments.

Annual payment depending on the category in which the club competes each season :

(3th category) 2ºB: 0,8 millons euros / season (0,5 mill. First eight years)

(2nd category) 2ºA: 3,0 millons euros /season

(1st category) 1º: 7,5 millons euros /season

Submittal of guarantee for dept postponement by modifying the agreement of use of the Nueva Condomina stadium with the Murcia City Council.

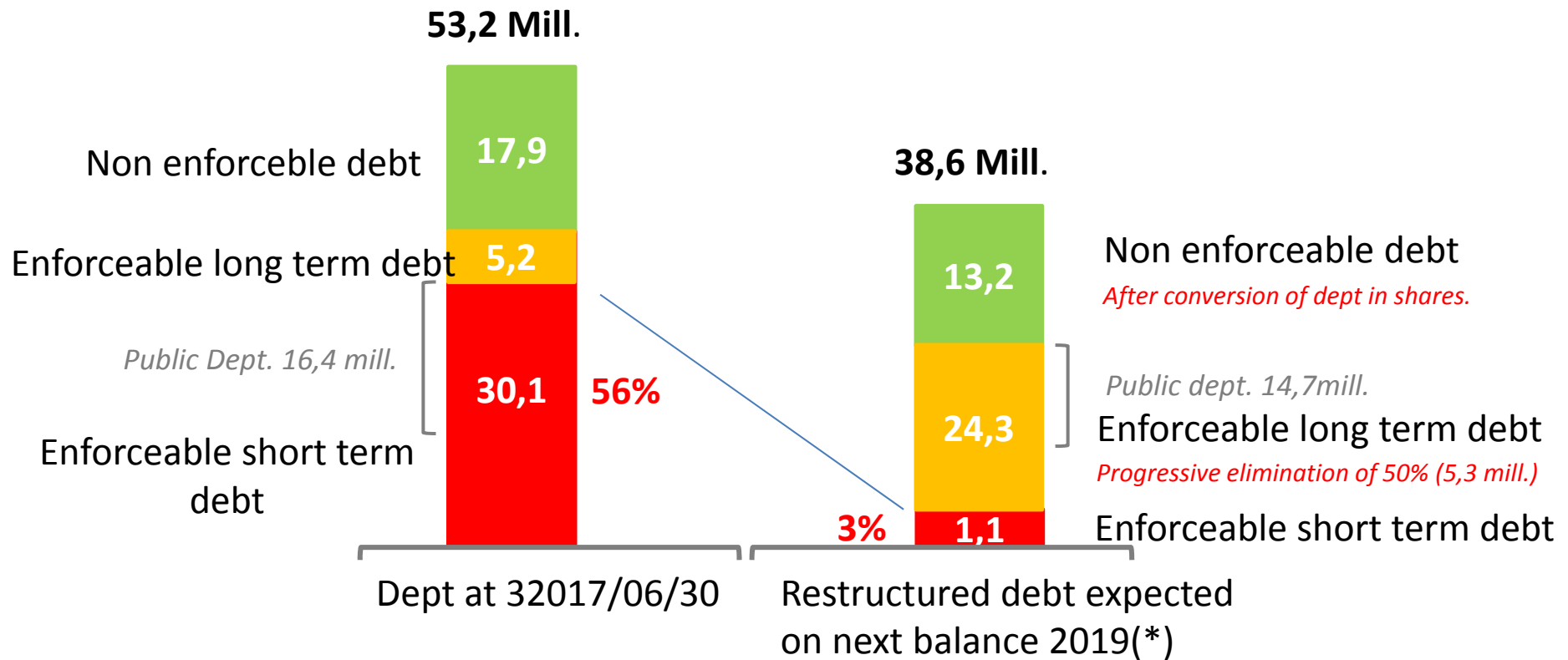
(Only 3 of 18 seasons are considered in 2ºA as the worst scenario for payment in 16 + 2 years).



Fundamental principles of the restructuring of private debt linked to the success of the money and non-monetary capital increase :

1. Oriented to create a window of opportunity limited in time
2. A last opportunity for the approach between investors and creditors. "Last train effect", "Now or never".
3. Ordinary creditors participating in the Capital increase through the conversion of debt into shares will have priority in order to dispose of the subscribed capital in front of the rest of the creditors that do NOT accept the refinancing agreement.
4. Solve in a single step the refinancing of private debt through a stable legal framework for the investor (blocking of possible seizure or uses not foreseen for the subscribed capital).
5. Avoid speculation by the creditor through the auction of debt "from outside" and its value increase.

Financial debt restructuring based on capital increase proposed



All the figures in millions of euros.

(*) Conditioned to the success of the capital increase of 5 mill. Without considering any conversion of ordinary debt into shares. And at the expense of accounts at 6/30/2018



Capital Increase process

phase 0	?? days	Restructuring agreements with creditors linked to the success of the capital increase
Phase 1	30 days	Strict proportional preferential subscription (20,000 shareholders)
Phase 2	15 days	Preferential subscription (Additional allocation) up to a maximum of € 5.1 million.
Phase 3	15 days	Free and unlimited subscription for shareholders and NO shareholders up to a maximum of € 5.1 million.
Phase 4	30 days	Conversion of debt into shares with a conversion ratio based on its enforceability.



Conditions for non-monetary subscription by conversion of debt into shares :

According to the **enforceability of the debt**, the following **ratios** are established:

Enforceable debt:

1/3 (1€ in shares for every 3€ of debt) = debt reduction of 66%

Non enforceable debt:

1/9 (1€ in shares for every 9€ of debt) = debt reduction of 89%

Debt conversion could be TOTAL or PARTIAL.

For those who do not want or can not be shareholders (incompatibility), the conversion into participative loans is offered as an alternative.



Linkage of the restructuring agreement to the success of the capital increase:

The capital subscribed in the monetary capital increase will be used in full for the payment of debt by order of enforceability. And in the case of the same type of enforceability :

- 1. Those who have subscribed the debt restructuring agreement before the beginning of the Capital Increase have subscribed shares (monetary or non-monetary)**
- 2. Those who have subscribed the debt restructuring agreement before the start of the Capital Increase. And later dates in chronological order.**
- 3. Other private creditors by order of enforceability and in proportion to the remaining available subscribed capital.**



Why is it a window of opportunity for investors and creditors?

For investors:

For each 1000 € subscribed in the capital increase:

Debt reduction:	2000 €
Refinancing (10 years):	1500 € with agreement elimination additional 1500€
Share premium*:	1000 €

For creditors:

For each 1300 € of enforceable debt :

Shares:	100 € (conversion of 300 € in shares R: 1/3)
Collection in cash:	200 €
Collection in 10 years:	300 € (10% annually)

* According to written statement made by Don Gabriel Torroglosa to convert his debt of 4.7 mill. in shares and distribute those shares among the subscribers of this capital increase.