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Subject: Notification of intention to merge EPIC Hospitality Holding GmbH

Pursuant to Article 459 of the Capital Market Act and Article 2 of the Ordinance on disclosure of privileged information that is directly related to the issuer and determine the issuer's justified interests in terms of non-disclosure, Valamar Riviera d.d with registered office in Poreč, 1 Stancija Kaligari, personal identification number (OIB) 36201212847 (hereinafter: Company or Transferee) hereby announces that on its meeting held today the Supervisory Board approved the draft of the Joint merger plan establishing the planned merger of EPIC Hospitality Holding GmbH with registered office in Vienna, 8 Plößgasse, 1040 Vienna, Republic of Austria, entered into the Commercial register of the competent court of the Republic of Austria with the number 482446 f, personal identification number (OIB): 08264868830 (hereinafter: EPIC or Transferor) into Valamar Riviera d.d. as Transferee. The merger is planned to be performed pursuant to regulations. During the said meeting, the Supervisory Board and EPIC made a joint proposal for the appointment of a merger auditor that will be submitted to the competent commercial court. The draft of the Joint merger plan will be submitted to the court register within the prescribed time period.

The Transferor holds 55,594,884 shares in the Company, representing a 44.11% stake in the Transferee. According to the proposed draft of the Joint merger plan, the Transferor will convey all its assets, rights and liabilities to the Transferee, and in return, the Transferee will give (as an aliquot part of their stake in the Transferor) 55,594,884 shares of the Transferee to the Transferor members. Following this, the Transferor members will become direct shareholders in the Company. Since EPIC is a newly established special purpose vehicle, the intended merger is tax neutral for both companies and the Transferee will not be burdened by any liabilities. As a result of the intended merger, the following two family companies and one private individual would become direct shareholders in the Company: Wurmböck Beteiligungs GmbH (Wurmböck family), Goldscheider Keramik Gesellschaft m.b.H. (Goldscheider family) and Dr. Franz Lanschützer. As announced, they intend to continue acting in concert as they have done so far within EPIC.

Pursuant to relevant regulations, the final decision regarding the approval of the proposed merger will be rendered by the general assemblies of the companies taking part in the merger. The management boards of the said companies will convoke the general assemblies after receiving the report of the merger auditor and after the supervisory board reviews the intended merger via reports made by the management boards and merger auditor.

Pursuant to relevant regulations, the merger will be considered to be completed only upon its entry into the court register of the Transferee.

Valamar Riviera d.d.