



**HANFA- Croatian Agency for  
Supervision of Financial Services**  
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**HANFA – Official Register of Regulated Information**

**Zagreb Stock exchange**  
Ivana Lučića 2a  
10000 ZAGREB

In Poreč, 15.4.2015  
Reg. no.: 10-41/15

**Subject: General Assembly - the convocation, invitation to shareholders**

Management Board of Company Valamar Riviera d.d., seated in Poreč, Stancija Kaligari 1, OIB 36201212847 (hereinafter: Company), in accordance with provisions of the Companies Act brought on the 13th of April 2015 the decision on convocation of General Assembly of the Company which will be held on the 8<sup>th</sup> of June 2015 at 12.00 o'clock in the Tourist Village Valamar Isabella Island Resort, conference hall Momenti in Poreč, the island of St. Nicholas, and in accordance with provisions of Rules of the Zagreb Stock Exchange and Law on Capital Market announces and submits for publication the Invitation to the shareholders of the Company in the prescribed content including decision proposals, the complete proposal on changes of the Company's Statute and the decision proposal on dividend payment.

At the same time we inform that the Invitation to the shareholders will be published in the Official Gazette, and will be published on the Company web site [www.valamar-riviera.com](http://www.valamar-riviera.com), all in the prescribed content, including materials for the General Assembly, in accordance with applicable laws, no later than the date of its publication in the Official Gazette.

Enclosure is included as stated above.

Kind regards,

Valamar Riviera d.d.

Based on Article 277 Paragraphs 2, 3 and 4 of Companies Act and Articles 18 and 19 of Statute of company Valamar Riviera joint stock company for tourism seated in Poreč, Stancija Kaligari 1 (hereinafter: Company) and Management board decision on convocation of General Assembly from 13th of March 2015, announces the convening of and

INVITATION TO SHAREHOLDERS OF COMPANY VALAMAR RIVIERA d.d. FOR THE  
GENERAL ASSEMBLY

**We inform the shareholders of company VALAMAR RIVIERA d.d. seated in Poreč, Stancija Kaligari 1, that the General Assembly will be held on Monday 8th of June 2015 at 12.00 o' clock in the Tourist Village Valamar Isabella Island Resort, conference hall Momenti in Poreč, the island of St. Nicholas.**

The following AGENDA has been established for the General Assembly:

1. Presentation of the annual financial reports for 2014 with the auditors' reports and the reports of the management and supervisory boards, and in this respect
  - a) Decision on profit;
  - b) Giving clearance:
    - i. to the Management Board members;
    - ii. to the Supervisory Board members;
2. Payment of dividend;
3. Appointment of Company auditor;
4. Changes of Statute;
5. Election of Supervisory Board member.

#### **DECISION PROPOSALS**

Management and Supervisory Board, for points 3 and 5 only Supervisory Board, propose to the General Assembly the bringing of following decisions:

##### **AD 1)**

- 1.a) Company profit realized in 2014 in the amount of 23.627,648,23 kuna will be allocated as follows
- amount of 1.181.382,41 kuna will be allocated into Company's legal reserves
  - amount of 22.446.256,82 kuna will be allocated into Company's retained profit.

##### **1.b)**

- i. Clearance is being given to the Management board of the Company for conduction of Company business in 2014
- ii. Clearance is being given to the Supervisory board of the Company for conduction of supervision in 2014

**AD 2)****Decision on payment of dividend**

I

Shareholders of Company will be paid a dividend in the amount of 0,55 kuna (fifty five lipa) per share.

II

The dividend will be paid from other reserves from the profit realized in the business years 2007, 2008 and 2009 in the amount of 22.491.434,28 kn and the rest of the required amount from retained profit for business year 2013.

III

The right to receive payment (the right to claim) belongs to all shareholders of Company whose shares are listed as registered shares on their accounts of dematerialized securities in computer system of Central Depository and Clearing Company until the end of 12th of June 2015 (record date). The day as of which the Company shares will be traded without the right to payment of a dividend is June 11th 2015 (ex-date).

IV

Dividend will be paid on the 7th of July 2015 (payment date)

V

This Decision shall enter into force on the date it is brought.

**AD 3)**

KPMG Croatia d.o.o. for revision, Zagreb, Ivana Lučića 2/a. is appointed as the Company's auditor for 2015.

**AD 4)****Decision on changes of Company Statute**

Statute of company Valamar Riviera joint stock company for tourism (consolidated version from the 21st of August 2014) is being amended in the way that the complete text of the statute is being replaced as follows:

**„S T A T U T E****Valamar Riviera joint stock company for tourism****COMPANY NAME AND REGISTERED OFFICE****Article 1**

(1) The Company shall operate under the Company name:

Valamar Riviera Public Limited Company for Tourism

(2) The company shall operate under the company name and the abbreviation:

Valamar Riviera PLC

**Article 2**

(1) The registered office of the Company shall be in Poreč.

(2) The business address in the Company's registered office shall be determined by the Management Board

### Article 3

(1) The Company may have branch offices that shall be incorporated via Resolution of the Company's Management Board with the prior consent of the Supervisory Board.

### **SCOPE OF COMPANY BUSINESS/ACTIVITIES**

#### Article 4

(1) The Company shall operate by being engaged in the activities that constitute the scope of its business operating, as follows:

- preparing food and providing food services,
- preparing and serving drinks and beverages,
- providing accommodation services,
- preparing food consumed at third party locations with or without food serving (in transport means, at events etc.) and supplying such food (catering)
- camp trailer rentals
- services of keeping camp trailers during winter periods,
- producing food and beverages
- production of bread, pastry, fresh pasta and cakes
- production of crisp bread, biscuits, long life pastries and cakes
- processing and preserving meat and meat products
- tourist agency activities
- making package travel arrangements, entering into and implementing package travel arrangement contracts, organizing excursions, entering into and implementing excursion contracts,
- organizing congresses
- agent services in entering into organized travel contracts (package travel and excursions arrangements),
- hospitality industry agent (mediation) services (sale and accommodation booking and other hospitality industry services),
- transportation service agent services (sale of travel tickets and booking places for all means of hospitality industry services)
- organizing passenger receiving and transfer operations
- agent services in providing special forms of tourist and hospitality industry activities (events/facilities/services),
- organizing and providing agent services for tourist guide, tourist attendant services and nautical crafts operating services (skipper)
- representing domestic and foreign travel agencies
- providing tourist announcements/information and promotional materials
- agent services in entering into passenger and luggage insurance contracts,
- assistance in obtaining travel documents visas and other documents needed for border crossing and staying abroad purposes, hunting, fishing/angling, diving, nautical navigation
- documents and other documents needed for organizing and carrying out various forms of tourist activities (events/facilities/services),
- booking, purchase and sale of tickets for various forms of events, museums etc, sale of goods associated with travel purposes (various travel necessities, souvenirs, tourist publications etc.)

- organizing and providing services relating to card business and travel cheques, providing money changing services in compliance with special regulations,
- rental and agent services in vehicle, aircraft and craft/vessel rentals
- agency/maritime services for receiving and furnishing nautical tourism vessels
- Nautical tourism services.
- Tourist services in other forms of tourist activities (facilities/events/services)(country, health, culture, wellness, congress, youth, adventurous, hunting, sports, golf-tourism, sports or recreational sea fishing, diving tourism, sports fresh water fishing (angling) as the additional activity in the sea and fresh water fish, crab sand sea shells farming etc.).
- Other tourist services(rental of accessories and equipment for sports and recreation, such as canoes, sailing boards, water bicycles, sun umbrellas, sun beds etc.).
- Tourist services that include sport/recreational or adventurous activities.
- Rental of berths (buoys), crewed and uncrewed crafts, bicycles and of other items and equipment for sports and recreation, repair of recreational boats.
- Motor vehicle rentals.
- Unmanned machine and equipment rentals.
- Tourist operations with entities abroad.
- Market research and public opinion polls.
- Public advertising and promotion/commercials).
- Fair, exhibition and congress organizing activities.
- Providing information society services.
- Internet access providing services.
- Money exchange operations.
- Purchase and sale of goods.
- Providing commercial agent services on domestic and foreign markets.
- Representing foreign companies in trade.
- Public passenger and freight transportation activities in domestic and internal road transport.
- Own-account transport.
- Public transportation in coastal liners' marine traffic.
- Temporary passenger transportation in coastal marine traffic.
- Real estate business.
- Rental of land and owned business and other premises.
- Design works, construction, use and removal of structures.
- Construction supervision.
- Testing construction element calculations(analyses).
- Exterior and interior arrangement/development and design works; shaping and treatment of development elements.
- State measuring(survey) and real property cadastre operations: making reports of permanent geodetic points for the purpose of essential survey works; making cadastral measuring and technical reambulation (update) reports; making plot subdivision and other survey reports relating to land cadastres; developing plot subdivision and other survey reports relating to real property cadastres; making reports on power/supply line cadastres and technical keeping of power line cadastres(records);making special survey maps/drawings for physical planning and construction design works, making survey designs, making structure stakeout reports, verifying survey measuring during construction and maintenance of structures (monitoring

potential displacements);making status drawings for structures that do not require survey designs; structure stake out;professional supervision of works: development of power/supply line cadastre reports and technical keeping of power/supply line cadastres (records),making special survey maps for physical planning and construction design works, making survey designs, making structure stakeout reports, verifying survey measuring during construction and maintenance of structures(monitoring potential displacements)and structure stakeout.

- Flowers, decorative plants and planting material production, farming and sale.
- Service industry activities in the plant production, as follows: planting and keeping gardens, parks and green surfaces for sport courts, hospitality industry facilities etc.
- Oyster and mussel farming activities.
- Olive growing for production of oil and for direct consumption and production of olive oil based on the processing of own olives.
- Organizing and arranging games of chance- casino games.
- Sport preparations.
- Sport recreation.
- Sports tuition
- Rental of sport facilities (sport halls, tennis courts and other sport and leisure facilities).
- Fitness improvement activities.
- Hairdresser salons and beauty salons.
- Goods storage.
- Data processing.
- Developing data bases.
- Copying, photo copying, scanning and similar services.
- Laundry and dry cleaning of textile and similar products.
- Accounting and book-keeping services.
- Repair of vehicles, motor vehicle and agricultural machine tests, issuing motor vehicle certificates and periodical motor vehicle tests for road safety purposes, keeping and washing motor vehicles.
- Use of hazardous chemicals.
- Production of electricity.
- Maintenance and collection of parking fees.
- consulting relating to business operating and management
- holding company management activities
- representing of foreign companies within registered activities
- rental of office machines and equipment
- computer activities
- web pages development and maintenance
- activity of electronic communications networks and services
- real estate management and maintenance operations.

## **REPRESENTING THE COMPANY IN LEGAL TRANSACTIONS**

### **Article 5**

Member of the Management Board represents the Company jointly with another member of Management Board or jointly with the procurator. Procurator represents the Company together with one member of the Management Board.

### **Article 6**

The Company may grant procuration. The decision to give procuration shall be brought by the Management Board, with the prior approval of the Supervisory Board.

## **SHARE CAPITAL AND SHARES**

### **Article 7**

The Company's share capital shall be 1.672.021.210,00 (in letters: one billion six hundred seventy two million twenty one thousand two hundred and ten) kuna.

### **Article 8**

The Company's share capital has been divided in 126.027.542 (in letters: one hundred and twenty six million twenty seven thousand five hundred and forty two) ordinary shares, registered, without par value.

### **Approved share capital**

### **Article 9**

(1) Management Board of the Company is authorized to, with prior approval of Supervisory Board, once or several times increase the share capital of the Company by issuing new shares, but no more than from the amount of 1,672,021,210.00 (in words: one billion six hundred seventy-two million twenty-one thousand two hundred and ten) kuna for the amount of 836.010.605,00 (in words: eight hundred thirty-six million ten thousand six hundred and five) kuna to the amount of 2,508,031,815.00 (in words: two billion five hundred and eight million thirty-one thousand eight hundred fifteen) kuna. The Board is authorized to decide to issue shares for stakes in assets and rights.

(2) The powers set out in the previous Paragraph herein shall be granted to the Management Board for the period of up to five years from the date of registration in the Court Register of the Statute amendment whereby such powers are granted.

(3) The Management Board may emit new shares by excluding pre-emptive rights of the Company shareholders to register new shares.

## Article 10

(1) The Company's shares are dematerialized securities and exist only in electronic form in the computer system of the Central Depository Agency.

(2) Transfer of shares is completely free and not subject to any restrictions.

(3) Transfer of shares, clearing and settlement, as well as any other transaction shall be recorded on the shareholder's account in the Central Depository and Clearing Company in accordance with the rules and regulations of the Central Depository and Clearing Company

## COMPANY BODIES

### Article 11

The Company bodies are:

- a) General Assembly,
- b) Supervisory Board and
- c) Management Board.

## GENERAL ASSEMBLY

### Article 12

(1) General Assemblies of the Company shall be held in Companies registered office or on business premises of Companies branch offices determined by the convener in the invitation.

(2) Notices and announcements for shareholders of the Company prescribed by law shall be limited to communications through electronic communication via the website of the Company.

### Article 13

(1) The shareholders may participate in the General Assembly and exercise voting rights provided they register their attendance at the General Meeting in writing in advance within the time period prescribed in the substantive regulations.

(2) The status shown in the Depository of the Central Depository and Clearing Company on the final date set for the registration of attendance at the General Meeting shall be relevant for participation in the General Assembly.

(3) The shareholders may be represented by proxies based on the duly made Proxy in writing issued by the shareholder or the person authorized for such representation if the shareholder is a legal entity.

### Article 14



The Supervisory Board Chairman or the person empowered by the Supervisory Board Chairman shall chair the General Assembly of the Company.

#### Article 15

The General Assembly can make valid decisions if there are present shareholders and / or their proxies holding shares whose number represents a share of at least one-quarter (25%) of the total share capital of the Company at the time of the general meeting. This also applies to any potentially delayed General Assembly due to the lack of presence of needed shareholders (quorum).

#### Article 16

Resolutions at the General Assembly shall be made by the majority of cast votes (ordinary majority) unless a special qualified majority has been prescribed by law, needed for the precisely defined resolutions to be adopted.

#### Article 17

Each share shall give the right of one vote.

### **Supervisory Board**

#### Article 18

(1) The Company's Supervisory Board shall consist of 7 (seven) members.

(2) The Supervisory Board member shall be elected for the period of four years. In the event of the recall or the resignation notice filed by a member of the Supervisory Board during the term of office, the term of office of the newly elected member of the Supervisory Board shall be until the expiration of the terms of office of the other members of the Supervisory Board.

#### Article 19

(1) Members of the Supervisory Board shall be elected at the General Assembly.

(2) As an exception in the provisions of Paragraph 1 herein, the workers shall be entitled to appoint one member of the Supervisory Board and shall hold that right provided that requirements for the appointment of the workers' representative have been met in compliance with the provisions of the Labor Act. In such event six (6) members of the Supervisory Board shall be elected at the General Assembly and one (1) member shall be appointed and recalled by the Workers' Council or by the workers in compliance with the Labor Act.

#### Article 20

(1) Supervisory Board members can be revoked by the General Assembly before the expiry of their mandate.

(2) Bringing of decision from Paragraph 1 of this Article requires a majority of at least 3/4 of the votes cast.

## Article 21

(1) The Supervisory Board may reach decisions if the meeting is attended by the majority of its members. Decisions shall be made by a majority of the votes of all the members.

(2) The absent member of the Supervisory Board may participate in the decision by voting via telephone or in writing (letter, e-mails or faxes). Instead of the absent Supervisory Board member, another person may be authorized to attend the session with written power of attorney issued by the absent Supervisory Board member.

(3) Decisions may be made by the Supervisory Board outside meetings, via correspondence (through letters, phone, telegram, fax or other suitable means), provided that no request has been made by any of its members for the meeting to be held.

## Article 22

The Supervisory Board members shall be paid a fee for their engagement in the amount that shall be determined at the General Assembly of the Company via resolution.

## Management Board

### Article 23

(1) The Management Board shall consist of one up to five members.

(2) The term of office of the Management Board members shall be as the maximum five years with the option of re appointment.

(3) The decision on the number, appointment and recall and the duration of the term of office of the Management Board members shall be made by the Supervisory Board.

### Article 24

(1) The Company Management Board may not take without prior approval of the Supervisory Board any of the following legal actions and/or legal transactions and make decision to:

- (i) accept and / or assume any obligations including but not exclusively:
  - a) assuming the obligations under the warranty or damage compensation,
  - b) assuming the amount due against borrowings, loans, debt financing or assuming banking loan therewith related, and
  - c) entering into any contract in writing or verbally with another legal entity and/or natural person whereby any obligations is assumed and/or accepted on behalf of the Company,

of the value that exceeds 3% (in letters: three percent) of Company share capital or in which, regardless of the value, obligations are being accepted and/or assumed for a period longer than five years;

- (ii) dispose of the Company assets or purchase of other assets, including but not exclusively:
  - a) sale, assignment, transfer, pledge or other disposal of real estates, shares and/or other securities and business shares of other companies held (owned) by the Company, and
  - b) entering into any contract in writing or verbally with another legal entity and / or natural person whereby the Company assets are being managed/disposed of (including giving or taking into lease)

of the value that exceeds 3% (in letters: three percent) of Company share capital or in which, regardless of the value, obligations are being accepted and/or assumed for a period longer than five years;

(2) All the directly or indirectly associated acceptance and/or assumption of obligation or disposal/management of assets, which in business practice and according to conventional understanding is considered as single operation, will be considered one legal action or legal transaction, regardless of it being formally constituted of several legal actions or legal transactions of the individual value of 3% (in letters: three percent) of Company share capital.

#### Article 25

(1) Management Board member are conducting Company business jointly and independently by individual areas of operations as it is more closely specified by the Rules of procedure of Management Board.

(2) Rules on procedure of Management Board are being brought by the Supervisory Board. Management Board may propose the text of the Rules of procedure.

### **MANNER AND FORM OF PUBLICATION OF COMPANY COMMUNICATIONS**

#### Article 26

(1) Information and communications shall be published in the "Official Gazette" of Croatia.

(2) The Management Board shall decide on the publication of information, data and statements in the media or through the Company's web site.

(3) If the Company's shares are listed on the regulated market the Company will publish the prescribed information, data and communications in accordance with the rules of that regulated market.

### **ANNUAL ACCOUNTS AND USE OF INCOME**

#### Article 27

(1) The General Assembly may decide on the payment of profit to shareholders in assets and rights.

(2) The Management Board may, with the prior approval of the Supervisory Board, during the business year, to pay shareholders an advance dividend from the predictable net profit.

## **DURATION AND TERMINATION OF THE COMPANY**

### **Article 28**

(1) The Company is established for an indefinite period.

(2) The Company may be dissolved based on the reasons prescribed by the law.

## **ZAVRŠNE ODREDBE**

### **Article 29**

The authentic interpretation of the provisions of this Statute shall be given by the General Assembly which shall make decisions on the subject by a regular majority vote.

### **Article 30**

This Statute shall enter into force on the date of entry in the court register, except for the provisions relating to the selection and appointment of the Company's bodies, which come into force on the date of enactment of this statute. "

## **AD 5)**

### **Decision on election of Supervisory Board member**

#### **I**

Due to the resignation of one of the Supervisory Board members the following person is being elected as member of the Supervisory Board: FRANZ LANSCHÜTZER from Austria, Vienna, Salmannsdorfer Strasse 16, OIB: 56212187099 passport no. P7594287, issued by Magistrat Wien, valid until 27th of March 2024.

#### **II**

The mandate of newly elected Supervisory Board member begins on the 9th of June 2015 and lasts, in accordance with Article 18 of the Statute, until the end of mandate of the remaining Supervisory Board members.

## **INSTRUCTIONS FOR PARTICIPATION OF SHAREHOLDERS AT THE GENERAL ASSEMBLY AND SHAREHOLDER RIGHTS:**

The total number of voting shares amounts 126.027.542 and the total number of voting rights is equal to 124.856.596, taking into account one-share-one vote rule and treasury shares having no voting rights.

Shareholders can participate at the Assembly in person or represented by attorney. Shareholders can participate and vote at the Assembly if they register their participation at the Company, six (6) days before the day of holding of the Assembly, according to Article 279 of Companies Act, or if the participation registration arrives at the Companies registered office in Poreč latest on the 01st of June 2015.

For the number of votes belonging to an individual shareholder belongs, as well as person who consider themselves shareholders, the status in Depositary of the Central Depositary and Clearing Company at the last day of period for valid notifications of participation, will be applicable.

Shareholders participating in the work of General Assembly through power of attorney is obliged to enclose a written power of attorney if unless they have issued general powers of attorney (until revocation) deposited in the Company. Power of attorney must specify who is giving it and to whom it has been given, total number of shares i.e. voting rights, authorization to vote on Company's General Assembly and take all other actions in connection with participating in General Assembly, and signature of the shareholders who were to give power of attorney. If the shareholder is a legal person, the excerpt of court register is being enclosed with power of attorney or its copy from which it is visible that the legal representative of legal person has signed it.

Shareholder who hasn't fulfilled the obligation to apply for participation in General Assembly cannot participate in General Assembly

If the shareholders, that together hold the twentieth part of the share capital request that an item is placed on the agenda and announced after the General Assembly is summoned, with every new item on the agenda an explanation and a proposal of the decision must be given. The request for placement of a new item to the agenda must arrive at the Company at least 30 days before the holding of the General Assembly. The day of the arrival of the proposition is not included in that term.

The propositions of the shareholders specifying their names and surnames, according to article 282. of Companies Act, must be available to persons specified in paragraphs 1 to 3 of article 281. of Companies Act under there specified circumstances, if the shareholder delivers his proposition to the address of the Company at least 14 days before the day of holding of the General Assembly. The day of the arrival of the proposition is not included in the 14-day term. The proposition must be available on the internet page of the Company. If the shareholder doesn't exercise this right, its consequence is not the loss of right to place the counterproposition at the General Assembly. The earlier stated applies appropriately to placing counterpropositions of the shareholders at appointing of Supervisory Board members or auditor of the Company. The Management Board has to give notifications about business to every shareholder on request, if that is necessary for deciding on items of the agenda, according to article 287 of Companies Act.

Written materials for the General Assembly, agenda, the register form and power of attorney are available to shareholders at the Company's webpage: [www.riviera-adria.com](http://www.riviera-adria.com) and in the seat of the Company in Poreč, Stancija Kaligari 1 from the publication of the invitation in the Official Gazette on working days except Saturday from 09.00 to 12.00 o'clock.

If the General Assembly is without quorum according to provisions of Article 22 of Statute, the next General Assembly will be held on the 15th of June 2015 in the Tourist Village Valamar Isabella Island Resort, conference hall Momenti in Poreč, the island of St. Nicholas at 10.00 o'clock

In order of timely registration and preparation of the list of participants at the General Assembly and the fact that the arrival to the island of St. Nikola Poreč requires the use of marine transportation from the Port of Poreč (10 minutes' drive) the shareholders are asked to plan their arrival for at least 30 minutes before the start of the General Assembly.

MANAGEMENT BOARD OF VALAMAR RIVIERA d.d.

## EXPLANATION OF THE DECISION PROPOSALS TO THE GENERAL ASSEMBLY

AD 1) Management and Supervisory Board have, in accordance with the provisions of the Companies Act, determined the prescribed non-consolidated and consolidated annual financial and other required reports for 2014 and are presenting them to the General Assembly. Prescribed reports for 2014 will be delivered and published in prescribed form in accordance with provisions of the Law on Capital Market and from then on available on the Companies web pages. At the same time, according to the Companies business policies and needs for further development of the Company, it is proposed that from the profit realized in 2014 in the amount of 23.627,648,23 kuna the amount of 1.181.382,41 kuna is allocated into Company's legal reserves and the amount of 22.446.256,82 kuna is allocated into Company's retained profit.

Giving of clearance to Management board and Supervisory board members is being proposed, in accordance with provisions of Article 276 of the Companies Act.

AD 2) Management board and Supervisory board have, in accordance with the business policy of the Company determined the proposal on payment of dividend to the shareholders of the Company in the amount of 0,55 kn (fifty five lipa) per share. The dividend will be paid from other reserves from the profit realized in the business years 2007, 2008 and 2009 in the amount of 22.491.434,28 kn and the rest of the required amount from retained profit for business year 2013. In accordance with provisions of Article 116 of the Rules of Zagreb Stock Exchange it is proposed that the dividend is paid on the 7th of July 2015 to all shareholders of the Company, shareholders whose shares are listed on their accounts of dematerialized securities in the computer system of Central Depository and Clearing Company until the end of 12th of June 2015 while the 11th of June is determined as the day as of which the Company shares will be traded without the right to payment of a dividend.

AD 3) Supervisory Board has, in accordance with Article 280 Paragraph 3 of the Companies Act, based on the opinion of the Audit committee which previously considered the proposals of audit companies, determined the proposal that for the conduction of audit of Companies business shall be appointed KPMG Croatia d.o.o. for audit, seated in Zagreb, Ivana Lučića 2a.

AD 4) After the conduction of status changes of merger of several companies to company Valamar Riviera d.d. (Rabac d.d. and Zlatni otok d.d. in 2011, Dubrovnik-Babin kuk d.d. in 2013, Valamar Grupa d.d, Valamar Adria Holding d.d. and Linteum savjetovanje d.o.o. in 2014 and Valamar Hotels & Resorts in late February 2015), which consequently amended the Company's organization, the need to amend certain provisions of the Statute and also the need to modernize its provisions arose. Therefore, the Management and Supervisory Board propose amendments to the Statute of the Company primarily in relation to the manner of representation (member of the Management Board represents the company jointly with another member of Management Board or jointly with the procurator, the procurator represents the Company jointly with one member of the Management Board), quorum for valid bringing of decisions of the General Assembly (General Assembly can make valid decisions if the number of present shareholders and / or their proxies represents a share of at least one-quarter (25%) of the share capital of the Company at the time of the holding of the General Assembly. The same is foreseen for the case of delayed General Assembly) and provisions on the conduction of Company business and provisions on legal actions and legal matters for which the Management Board must seek prior approval of the Supervisory Board (in principle, those of which the value exceeds the sum of 3% of the share capital of the Company or which are being concluded for the period of more than five years). Because of the nomotechnical advancement, editing and better clarity of the text, the Management Board and Supervisory Board have suggested the revision of Statute in whole.

AD 5) Due to the resignation of Supervisory Board member Mrs. Gudrun Kuffner, entering into force on the 8th of June 2015, the Supervisory Board has, in accordance with provisions of Paragraph 3 of Article 280 of the Companies Act determined the proposal for the appointment of Mr. Franz Lanschützer as Supervisory Board member with the mandate beginning on the 9th of June 2015 and lasting until the end of mandate of the remaining Supervisory Board members (beginning of their mandate was 7th of July 2013).