

VALAMAR RIVIERA

Valamar Riviera d.d.
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VALAMAR
HOTELS & RESORTS

**HANFA- Croatian Agency for
Supervision of Financial Services**
Miramarska cesta 24 b
10000 ZAGREB

HANFA – Official Register of Regulated Information

Zagreb stock exchange d.d.
Ivana Lučića 2a
10000 ZAGREB

HINA – Croatian News Agency
ots@hina.hr

In Poreč, 17.03.2016.
Reg.noj:1-37/16

Subject: **Notification on treasury shares purchase process (RIVP-R-A)**

In accordance with General assembly decision from 17th November 2014 Valamar Riviera d.d. seated in Poreč, Stancija Kaligari 1, OIB 36201212847 (hereinafter: Company) has authorised Intercapital Securities Ltd. Zagreb, Masarykova 1, investment company for the implementation of the process of treasury shares purchase.

More information on the shares purchase is available in the official invitation of the Intercapital Securities Ltd. investment company, which is an integral part of this notice.

Kind regards,

Management Board of Valamar Riviera d.d.

Commercial Court in Pazin, Company Registry Number 040020883, VAT identification number HR36201212847; Company: Valamar Riviera Joint Stock Company for Tourism; shortened company name: Valamar Riviera d.d.; HRK 1.672.021.210,00 of shared capital, fully paid, 126.027.542 shares; Registry Number 3474771; Accounts: HYPO ALPE – ADRIA – BANK d.d. Zagreb IBAN: HR 2625000091101024767, SWIFT: HAABHR22; ZAGREBAČKA BANKA d.d. Zagreb IBAN: HR 4123600001101319202, SWIFT: ZABAHR2X; ERSTE & STEIERMÄRKISCHE BANK d.d. Rijeka IBAN: HR 0624020061100389454, SWIFT: ESBCHR22; PRIVREDNA BANKA d.d. Zagreb IBAN: HR 4723400091100153498, SWIFT: PBZGHR2X; RAIFFEISEN BANK AUSTRIA d.d. Zagreb IBAN: HR 1624840081102134625, SWIFT: RZBHHR2X; SOCIETE GENERALE – SPLITSKA BANKA d.d. Split IBAN: HR 4023300031100321684, SWIFT: SOGEHR22; SBERBANK d.d. Zagreb IBAN: HR 9025030071100039991, SWIFT: VBCRHR22; ISTARSKA KREDITNA BANKA UMAG d.d. Umag IBAN: HR 7423800061110009020, SWIFT: ISKBHR2X; OTP BANKA d.d. Zadar IBAN: HR 4724070001100365752, SWIFT: OTPVHR2X; CROATIA BANKA d.d. Zagreb IBAN: HR 4824850031100284295, SWIFT: CROAHR2X; President of the Management Board: Željko Kukurin, Member of the Management Board: Marko Čižmek; President of the Supervisory Board: Gustav Wurmböck.

InterCapital Securities Ltd. announces

**INVITATION TO SUBMIT AN OFFER FOR THE SALE OF
SHARES OF THE ISSUER Valamar Riviera d.d.
(hereinafter: "INVITATION")**

The company Valamar Riviera d.d., Stancija Kaligari 1, 52440 Poreč (hereinafter: „BUYER“ or „COMPANY“) has appointed the investment company InterCapital Securities Ltd., Masarykova 1, 10000 Zagreb (hereinafter: „INTERCAPITAL“) as the sole coordinator and Order Bookrunner in the process of acquisition of treasury shares of the COMPANY which are traded under the stock exchange symbol RIVP-R-A (hereinafter: „SHARES“). The SHARES are traded on the Zagreb Stock Exchange and the acquisition is to be undertaken in line with the General Assembly Resolution dated November 17th 2014 (hereinafter „RESOLUTION“)

The Object of this acquisition process / the purchase is amount of maximum 1.260.275 SHARES.

TERMS OF THE PURCHASE OF SHARES

All prospective offeror are invited to express an irrevocable commitment by submitting their offers to INTERCAPITAL in the period from March 17th 2016 at 9:30 until March 24th 2016 at 12:00 on the prescribed form (hereinafter: „OFFER FORM“), which forms an integral part of this INVITATION, to e-mail address rivp@intercapital.hr.

BUYER reserves the right to exercise an early termination option of the book building process before the time defined as the closing time of the acquisition process in the case submitted offers reach the maximum amount of SHARES which is object of this acquisition process.

Domestic and foreign legal or natural persons and funds, represented by INTERCAPITAL or by any other investment company that is a registered member of the Zagreb Stock Exchange in accordance with regulations of the Republic of Croatia can participate in this acquisition process.

If the offeror is represented by INTERKAPITAL, the offeror shall give the order to the brokers by a regular procedure for placing an order which order INTERKAPITAL then forwards to the e-mail address rivp@intercapital.hr.

It shall be considered that the offer is submitted i.e. the order is placed within the deadline if the e-mail is received by INTERKAPITAL in the period of time specified in this INVITATION. INTERKAPITAL shall not be responsible for any failure regarding the delivery or receipt of an e-mail. In case of dispute regarding the fact of receipt of the offer i.e. e-mail, exclusively INTERKAPITAL's confirmation of the receipt of an e-mail, issued to the representative of the offeror in electronic form shall be used as confirmation of receipt.

Received offer shall be obligatory for the Offeror to sell the SHARES under the terms of the offer i.e. of this INVITATION, upon the receipt of the offer by INTERKAPITAL. For the account of one offeror more than one offer may be submitted. In that case each offer must be submitted on a separate OFFER FORM. All offers of one Offeror must be submitted by the same investment company, otherwise it will be taken into consideration only offer/offers that have been submitted by the investment company through which first offer it was submitted. The investment company representing the offeror is responsible for the identification of the Offeror and for the determination of all the data necessary for the participation in this acquisition process. By signing the OFFER FORM investment company representing the offeror confirms that it has received an order for sale placed by the

offeror and has identified the offeror in accordance with its internal procedures, and also confirms that it acts in its own name and for its own account and / or account of his client portfolio, and that it has fulfilled its obligations in accordance with the Act on the prevention of money laundering and terrorist financing, and where applicable, that the client they represents meet the to the remaining conditions set out in this INVITATION.

The Mandatory content of the offer is set out in an OFFER FORM attached to this INVITATION. The offer that does not contain all mandatory elements required by the mentioned provision shall be considered invalid. Content and attachments of the submitted offer cannot be amended or modified after the offer is received by INTERKAPITAL.

Any Offer for sale received outside of the timeframe defined by this INVITATION and/or any other offer which is inconsistent with the provisions of this INVITATION shall be considered invalid and as such will be marked in ORDER BOOK. INTERKAPITAL will inform the representative of the offeror about such action, or offeror directly if the Offeror is represented by INTEKAPITAL, at the latest next working day after Order Book closes.

INTERKAPITAL runs the Order Book. All received offers for the sale will be entered into the ORDER BOOK alongside with the following information regarding the Offeror: date and time (hour and minute) of the Offer receipt, Company and its seat, Name and Surname of the offeror, residence of the offeror, PIN (personal identification number in Croatia) in case the PIN is assigned to the offeror, other personal number or Passport number for foreign natural persons, Registration number or Curt Registry number for foreign legal persons, price and number of shares which are object of an Offer, account number for Standard Settlement Instructions at Central Depository and Clearing Company Inc. (hereinafter: CDCC), name of the Investment Company representing the offeror.

Offeror is not entitled to an insight into the Order Book but any interested offeror can receive on his request the data from the Order Book regarding its submitted offer.

After the closing of the Order Book, INTERKAPITAL shall rank the Offers based on validly submitted OFFER FORMS, according to the following criteria:

1. Price per share (priority will be given to a lower price)
2. Time of receipt of the offer (in case of offers with the same price per share, first received offer by INTERKAPITAL shall have priority)
3. In case that ranking of Offers in the Order Book by INTERKAPITAL leads to such event that last accepted Offer cannot be accepted in full because total number of SHARES to be acquired as stated in this INVITATION would be exceeded, the offeror explicitly concurs that the Buyer has the right to acquire the number of shares from such Offer which ensures him that he stays within in this INVITATION stated maximum amount of SHARES which is object of this acquisition process.

Price range in which BUYER shall acquire the SHARES is defined between 23,00 (in words: twenty-three) HRK and 25,00 (in words: twenty-five) HRK per SHARE, which is 5,2% above, or 3,3% below average market price per SHARE in last trading session preceding the day of publishing of this INVITATION. Accordingly, with abovementioned RESOLUTION of General Assembly, the lowest price per share must be higher than 50% of average market price of SHARE during the period of 30 days preceding the day of acquisition of SHARES. Highest possible price to be paid for the SHARE cannot exceed 20% above average market price of SHARE during the period of 30 days preceding the day of acquisition of SHARES.

All SHARES which shall be acquired under the terms and conditions of this INVITATION, shall be acquired at the unique price which shall equal to the price stated in the last accepted offer in the Order Book, in accordance with the conditions of ranging defined in this INVITATION.

Each transaction shall be carried out either as a block transaction in accordance with the applicable rules for block transactions set by Zagreb Stock Exchange or as an OTC transaction.

All notifications by INTERKAPITAL to the offerors or respectively to the investment firms representing the offerors, shall be sent by fax or email stated in the OFFER FORM in accordance to this INVITATION.

INTERKAPITAL shall immediately, and at latest by 12:00 of the next working day after the Order Book closes, inform the offerors whether their offers have been accepted totally, partially, not accepted or deemed invalid.

SETTLEMENT OF TRANSACTIONS

Transaction shall be made after Order Book closes, i.e. on March 24th, 2016, and the date of the settlement shall be March 29th, 2016 (T+2), by transferring the SHARES in CDCC system from the seller's settlement account to the BUYER's settlement account.

OFFER CONTENT

Offer must include:

- OFFER FORM with all relevant requested information;
- offer price stated in accordance to the INVITATION;
- the account number for the settlement before the CDCC or Standard Settlement Instructions, where CDCC account must have "trading permitted" status
- fax number or email for receiving information in connection to this INVITATION.

OTHER

Interested parties can obtain details on the acquisition process at INTERKAPITAL's headquarters and by phone 00 385 1 4825 890, weekdays from 9:00 to 16:00 (CET). Interested parties are also referred to publically available information about the Company (f.e. FINA web page, Zagreb Stock Exchange web page and etc.)

The BUYER reserves the right to cancel this process at any time (even after Order Book closes), without stating the reasons for doing so.

All times stated in the Invitation in Central European Time (CET).

The notice on the execution of the transactions shall be published on INTERKAPITAL's web page (www.intercapital.hr) after the Order Book closes.

The purchase shall be governed by Croatian law, excluding application of collision rules.

By submitting of the Offer, the offeror accepts all terms and conditions of this Invitation.

In Zagreb, March 17th 2016.

OFFER FOR THE SALE OF SHARES OF THE ISSUER VALAMAR RIVIERA D.D. FORM

1. Offeror Information:

1.1.	Name and Surname/ The Company name	
1.2.	Place of residence/ Registered Seat	
1.3.	PIN (In case offeror has PIN in Croatia)	
1.4.	/Passport number for foreign natural persons/Registry number /Court Registry number for foreign legal persons	

2. Investment Company representing the offeror Information

2.1.	The Company name	
2.2.	Registered Seat	
2.3.	Name and Surname of the person signing the OFFER FORM	
2.4.	E-mail or fax number	

3. Settlement data

(*fill in 3.1 or 3.2)

3.1.	CDCC number	
3.2.	Standard Settlement Instruction (number and identification of the custody account)	

4. Object of an Offer

4.1.	Number of shares	
4.2.	Price per share (in HRK)	

This Offer is related to the INVITATION to submit an offer for sale of shares of the issuer Valamar Riviera Inc. published on Zagreb Stock Exchange Inc. and Investment Company Interkapital Securities Ltd. web site.

Date March _____ 2016

For the Offeror:

Signature / stamp