

Based on the decisions of the Creditors Assembly of the company Vis Plc., OIB 55505367731, the bankruptcy manager, in order to bring a decision on the further process of the bankruptcy proceeding, publishes

**PUBLIC CALL TO INVESTORS AND/OR STRATEGIC PARTNERS FOR EXPRESSION
OF INTEREST IN INVESTMENT OR RECAPITALIZATION OF THE BANKRUPTCY
DEBTOR VIS PLC, Vis**

SUBJECT OF THE PUBLIC INVITATION

The subject of this public invitation to investors and/or strategic partners is an investment in the company VIS Plc., OIB 55505367731 (hereinafter: the Company), or strategic partnership with the Company in order to enable the continuance of operations and company recapitalization, with a possibility of making the bankruptcy plan in accordance with the provisions of the Bankruptcy Act (OG 71/2015).

Interested investors and/or strategic partners can express interest to invest in or recapitalize the Company in a way that can be carried out within the bankruptcy plan during the bankruptcy proceedings, in order to continue the Company's business operations through the provision of organized hotel accommodation service and disbursement of creditors.

DESCRIPTION

The company VIS Plc. for hospitality and tourism originates from URO VIS, founded in 1972, that had originally been a part of BOROVIK, a company established immediately after the World War II, whose business tasks encompassed all the activities that took place in Vis (hotel and catering activities, utilities, supply etc).

Based on the decision of the Croatian Fund for Privatization in 1997, the following property was included into the Company's equity capital:

Hotel Issa

3-star hotel, located 500 m from the center of the town of Vis, with a capacity of 258 beds in 128 rooms, restaurant, aperitif bar,

Hotel Tamaris *

2-star hotel, located in the center of town of Vis, with a capacity of 54 beds in 27 rooms, restaurant and cafe;

Beach facility Kanaria

beach facility, disco club, a restaurant with a terrace near the beach and the hotel Issa;

Croatian House - restaurant Tamaris

located in the center of town Vis, an office building where the Company owns the ground floor, the first floor and the attic; includes a restaurant located on the ground floor, connected to the hotel Tamaris, with a capacity of about 100 guests;

Sports and Recreation Center in hotel ISSA

located in the center of town Vis, it has four tennis courts, a volleyball court, two basketball courts, a playground for football, as well as changing rooms with toilet and shower;

Tourist Office *

located in the center of town Vis, on the ground floor;

Fortuna club *

located in the center of town Vis, on the ground floor of a residential building;

Villa Tramontana *

residential building;

Construction land in the Stonca bay with the warehouse *

there is a facility (warehouse) built on the land;

Land in the Stonca bay

a land behind hotel ISSA, within the archaeological zone

The Company was transformed to a joint-stock company from a socially-owned legal entity following a decision from a competent authority in 2004, with the above-mentioned property included into the equity capital. However, for the property marked by the asterisks (*) there are still ongoing proceedings for registration of their ownership in the land registry.

The Company entered the bankruptcy proceeding based on the Decision of the Commercial Court in Split (No. 11. St-172/2014 on July 14, 2015).

The Company has an excellent position on the island of Vis which has been recognised as the most popular sailing destination on the Adriatic in recent years. The island is also renowned for its preserved natural beauties having been closed to the public for years because of its status as an army base.

There are two hotel companies on the island, namely Vis Plc. in bankruptcy in Vis and Modra špilja Plc. in bankruptcy in Komiža. The similarity between these hotels and their current legal destiny opens the possibility of developing tourism destination through one company that would manage both hotels.

CONDITIONS OF THE PUBLIC INVITATION

A letter with an expression of interest can be submitted by domestic and foreign legal and natural persons individually or as a joint expression of interest. Interested investors and/or strategic partners may request the documentation needed for assessment of their interest by sending a request to the e-mail address mira.hajdic@gmail.com.

I. The request should contain a copy of the payment of the fee for taking over documents of 10,000.00 HRK, which should be paid to the following account at SG Splitska banka: IBAN HR0623300031153694121, model 00, reference number: 172-2014.

Interested investors and/or strategic partners are invited to express interest in written form no later than 30 days from the date of publication of this invitation (March 01, 2017) in a sealed envelope, addressed to:

Mira Hajdić, Bankruptcy manager, Letter of Interest for VIS Plc. in bankruptcy, Smiljanićeva 2, 21000 Split

II. Letter of Intent with the expression of interest in written form should include a description of planned investment and its deadlines, as well as description of professional skills needed for implementation and/or management of similar projects. It must also include the following documents:

- 1) an excerpt from the court register for a legal entity, or a copy of identification document for natural persons (copy of ID or passport),

- 2) a statement that the legal entity is not in the process of liquidation and that it is not insolvent nor that it is under the forced administration proceedings, bankruptcy or other similar procedures or any other actions that may indicate insolvency or termination of business activities,
- 3) the most recent non-consolidated or consolidated financial statements.

In the case that a letter of intent is submitted as a joint expression of interest then each person who participates in it should submit the mentioned documents.

The announcement of this public invitation or receipt of a letter of intent from interested investors and/or strategic partners does not make an obligation to sign the agreement for the joint venture and/or recapitalization of the company nor it can form the basis for any claim or right to seek fulfilment from VIS Plc. in bankruptcy, bankruptcy manager or Republic of Croatia, on any grounds.

The bankruptcy manager keeps the right to make the following proposals to the Assembly of Creditors at any moment:

- 1) to suspend the proceedings initiated by this public invitation or change the terms thereof,
- 2) to exclude any interested investors from the process.

Interested investors and/or strategic partners are not entitled for compensation of any expenses incurred during preparation and submission of a letter of interest, or the preceded actions.

The bankruptcy manager is not obliged to invite interested investors to submit binding offers nor is he obliged to sign a contract or any other legal act with any of the interested investors and/or strategic partners.

NOTES

The regulations of the Republic of Croatia are applicable to this call. All received information will be processed in accordance with the legal provisions in order to ensure the protection of the rights and privacy of interested parties. The data will be processed solely for the purpose of determining whether the parties meet the above mentioned requirements for participation in the process of strategic partnership. After completion of the procedure of collecting expressions of interest, the bankruptcy manager will conduct the invitation for submission of binding bids. This call is published on the websites of Ministry of State Property, Agency for Investment and Competitiveness, Ministry of Tourism, Croatian Chamber of Economy, and the business magazines Poslovni dnevnik and Lider.

For all additional information the interested parties may contact the bankruptcy manager, Ms. Mira Hajdić (e-mail: mira.hajdic@gmail.com; phone + 385 98 265 928).