

THE MERGER

A merger is a combination of two corporations in which YEEs continues in operation and NOCZ ceases to exist (legal existence automatically ceases).

YEEs a.s. (YEEs)

NO CZ a.s. (NOCZ)

synergism, the value of combination is greater than the sum of the values of its parts (1+1=2,5)
the intention of having the only one operating company in CZ, increase efficiency, eliminate duplication and simplify reporting


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The surviving (acquiring) corporation:

The dissolving (acquired) corporation:
The reason of the merger:

*Closing the Books on 31 December
(the Closing Financial Statements of YEEs and NOCZ)

*Auditor's Report (both YEEs and NOCZ by 31 March)

1 January 2011

*Decisive Date of the Merger

*The Opening Balance Sheet of YEEs (by 30 April)

*Auditor's Report on the YEEs's Opening Balance Sheet (by 30 April)

*Auditor's Report (both YEEs and NOCZ by 31 March)

*Independent Expert Report
*Valuation of the net assets of dissolving company
*Expert report on the merger

*Getting ready the Project of Merger
by executives of YEEs and NOCZ
*Executive report on the merger, both YEEs and NOCZ
Generally speaking, the Project of Merger has to be compiled until 30 July at the latest !

by 16 May

*Ordering an announcement (adds) in "Commercial Journal" (Information about the merger, General Meeting)
30 April

*Approval of the Merger
by Revenue Authority

31 May

*Announcement concerning the Annual General Meeting, both YEEs and NOCZ

*General Meeting of YEEs

30 June

*Putting The Project of Merger into Commercial Register, both YEEs and NOCZ
*Publishing Information on putting The Project of Merger into Commercial Register through "Comercia Journal", both YEEs and NOCZ
*Also publishing additional Information concerning the merger of YEEs and NOCZ (Notice for Shareholders and Creditors in respect to their Rights)

*Placing all necessary Documents at the Seat of YEEs and NOCZ - the Project of Merger; the Financial Statements and Auditor's Reports for last 3 years (both YEEs and NKCZ); the Closing Financial Statements verified by Auditor (both YEEs and NOCZ); the YEEs's Opening Balance Sheet

a) From the accounting point of view from this day the acts of NOCZ are considered as the acts made on the account of YEEs

b) Closing the Books on the day preceding the decisive day
c) The Opening Balance Sheet (prepared on this date)

d) Applying for Registration of the Merger in the Commercial Register during 12 months, at the latest

Valuation of the net assets
of dissolving company and
Expert Report on the Merger:

Has to be done by an Independent Expert appointed by the court - please Contact us by E-mail address: zajicek@gh.cz
Key expert issues:

*Exclusion of cross-owned shares
*Eliminating reciprocal accounts receivable a accounts payable
*New common stock of surviving company
*Exchange ratio of shares
*Additional compensation payment

*Decision of the Annual General Meeting on the Merger of YEEs and NOCZ
*Decision on dissolving NOCZ without liquidation and transferring of its Net Assets to YEEs
*Approval of the Project of Merger
*Approval of the NOCZ Closing Financial Statements
*Decision has to be in the form of Notarial Deed with the Project of Merger enclosed

15 July

*Applying for Registration of the Merger in the Commercial Register (both companies at the same time)

*Applying for Registration of the Merger in the Commercial Register (at the latest)
31 December 2011

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