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Subject: Notification of approved investments for the year 2020

Valamar Riviera d.d., with registered office in Poreč, 1 Stancija Kaligari, personal identification number (OIB): 36201212847, (hereinafter: the Company), LEI: 529900DUWS1DGNEK4C68, Member State: Republic of Croatia, ISIN: HRRIVPRA000, Securities: RIVP (RIVP-R-A), Listing: The Prime Market of Zagrebačka burza d.d. hereby informs you that the Supervisory Board of the Company granted general prior approval for investments **for the year 2020** amounting to HRK 599 million which include the start of the construction of a resort in the Pical zone, the investment in Zagreb hotel in Poreč, the continuation of the investment in Istra Premium Camping Resort in Funtana and other investment projects focused on guest facilities and amenities at all destinations and the continuation of investments in accommodation for seasonal employees, as well as the continuation of investments in energy efficiency and digitalization projects. The final decision on 2020 investments will be rendered within this year.

At the same time, the Supervisory Board has approved investments in a resort in the Pical zone in Poreč having a total value of HRK 790 million, which should be completed within the next two years. Pical Hotel 2** in Poreč will be transformed into a luxury year-round 5-star resort with approximately 500 keys. The resort will be able to accommodate 1,700 guests and will have 7 bars and 7 restaurants, swimming pools spanning 2,200 m², upgraded beach and the Sundance beach club, a congress center for 1,200 guests, indoor pool and wellness center, family oriented Maro facilities and services and a wide range of options for active holidays.

The construction of the resort is planned for completion in 2021. Valamar continues investing in the Pical zone that together with Valamar Collection Marea Suites 5* (opened this year) will become one of the most attractive holiday spots in Croatia. With this, Valamar continues to invest in the repositioning of the portfolio towards products and services with high added value.

The completion of the process of merging Hoteli Makarska d.d., Makarska to Imperial d.d., Rab is expected at the end of June, after both companies had been successfully privatized in a cooperation between Valamar and Allianz ZB d.o.o. društvo za upravljanje obveznim mirovinskim fondom. In order to enable further investments in Croatian tourism and business expansion, the Supervisory Board of Valamar has supported expanding the cooperation with the pension funds. The new Imperial Riviera d.d. will be a joint company for investments and the development of hospitality assets in the region, while Valamar will remain the company in charge of managing operations.

Valamar Riviera d.d.