

**HANFA – Croatian Financial
Services Supervisory Agency**
6 Franje Račkog
10000 Zagreb

HANFA – Official Registry of Regulated Information

Zagreb Stock Exchange
2a Ivana Lučića
10000 Zagreb

HINA – Croatian News Agency
ots@hina.hr

Poreč, 26/04/2019
Reg. no: 1-51/19

Subject: **Dividend Policy**

In accordance with the provision of Article 80, paragraph 2, item 5 of the Rules of the Zagreb Stock Exchange, 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 Official Market of Zagrebačka burza d.d., sets out its Dividend Policy.

As the Company's strategic and development plans envisage operating results growth, the implementation of an attractive and long-term sustainable dividend policy has been defined as one of the strategic goals.

If the Company will pay dividends in the future, then the amount will be determined depending on the current but also expected future earnings, investment plans and financial position of the Company. In doing so, the Company will take into account the following:

- a) the reconciliation of possible dividend payments with the Company's current and future liabilities;
- b) short-term and multi-annual cash flows;
- c) capital requirements;
- d) the situation on the capital market, in the tourism sector as well as in the economy as a whole,

as well as all other relevant factors at a given time.

In addition, the Company will carry out a cash flow and balance sheet solvency test before any dividend or distribution payment is proposed. If the test result is negative, Management Board and the Supervisory Board will not propose the payment of dividend.

The decisions of the Board of Directors and the Supervisory Board regarding dividend payments will be in accordance with the policy, whereby the decision on dividend payment is made by the General Assembly of the Company. The Statute of the Company allows the payment of dividend paid in kind, as well as the payment of dividend advance.

The Company may revise this dividend policy in the future taking into account the above factors and circumstances, including growth opportunities available to the Company.

Valamar Riviera d.d.