

Security: ARNT
LEI: 74780000Z0PH7TFW3185
ISIN: HRARNTRA0004
Home Member State: Croatia
Listing: Prime Market of the Zagreb Stock Exchange

Pula, 02.06.2020

- ZAGREB STOCK EXCHANGE
- CROATIAN FINANCIAL SERVICES SUPERVISORY AGENCY
- CROATIAN NEWS AGENCY
- COMPANY WEB SITE

Subject: Execution of the sale and purchase agreement with the Republic of Croatia related to Riviera Pula

Arena Hospitality Group d.d. ("the Company") has been operating Guesthouse Riviera ("Riviera" or the "Property") in Pula for several decades and has been in discussions with the Croatian Ministry of State Assets to formalise the informal arrangement and acquire the Property. As previously announced, further to legal proceedings initiated by the Republic of Croatia against the Company for repossession of the property and compensation and the decision of the Government of the Republic of Croatia to enter into a settlement for the aforementioned court dispute for Riviera, the Company carefully assessed the proposed settlement and decided to agree to the proposal and settle this case.

Following the settlement reached on 28 April 2020, the Company today, 02 June 2020, signed the sale and purchase agreement for Riviera with the Republic of Croatia for an amount of HRK 36.5 million.

The purchase concludes the ownership status of this historic heritage hotel. This important milestone enables the Company to finally commence with the plans to reposition this property into a luxury, branded, 80 rooms hotel and give back to it the status that this asset deserves. This project is of a strategic importance to Pula, to the county, to the overall community and in general to Croatian tourism.

Arena Hospitality Group d.d