

26 April 2019

PPHE Hotel Group Limited

Arena Acquisition of 88 Rooms Hotel, Serbia

PPHE Hotel Group Limited (the "**Group**"), the international hospitality real estate group which owns, co-owns and develops hotels, resorts and campsites, is pleased to announce that Arena Hospitality Group d.d. ("**Arena**"), of which it is the controlling shareholder, has agreed to acquire, via its subsidiary Sugarhill Investments B.V., the 88 Rooms Hotel, a four-star hotel in Belgrade, Serbia (the "**Hotel**") for HRK 47 million (approximately £5.5m), marking its entry into a new market.

The contemporary 88 Rooms Hotel is located minutes away from the Serbian capital's historic old town and offers 88 rooms and suites, a restaurant, bar, conference room and fitness facilities.

The Hotel is currently owned by MK Aviation Services d.o.o. The completion of the transaction is subject to certain steps and conditions to be fulfilled and Arena expects the necessary steps to acquire the full ownership of the Hotel to be completed by the end of 2019.

Boris Ivesha, President and Chief Executive Officer, PPHE Hotel Group, said:

"We are delighted to see Arena flourishing within the markets it operates in. It is one of the most dynamic hospitality groups in Central and Eastern Europe, operating iconic venues and we look forward to continuing its momentum as it invests in its existing portfolio and expands into new territories."

Reli Slonim, President of the Management Board, Arena Hospitality Group said:

"We are pleased to announce this latest acquisition, which marks our entry into a new market for our Group and is in line with our strategy to further develop our portfolio of upscale, upper upscale and lifestyle properties across the CEE region. Earlier this year we announced our investment programme in several of our existing properties and this, combined with this new acquisition, demonstrates our commitment to further create value for our guests and our shareholders."

-ENDS-

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Notes to editors

PPHE Hotel Group is an international hospitality real estate company, with a £1.6 billion portfolio of primarily prime freehold and long leasehold assets in Europe.

The Group's guiding principle is to generate attractive returns from operations and long-term capital appreciation.

Through its subsidiaries, jointly controlled entities and associates it owns, co-owns, develops, leases, operates and franchises hospitality real estate. Its primary focus is full-service upscale, upper upscale and lifestyle hotels in major gateway cities and regional centres, as well as hotel, resort and campsite properties in select resort destinations.

The Group benefits from having an exclusive and perpetual licence from the Radisson Hotel Group, one of the world's largest hotel groups, to develop and operate Park Plaza® branded hotels and resorts in Europe, the Middle East and Africa. In addition, the Group wholly owns, and operates under, the art'otel® brand and its Croatian subsidiary owns, and operates under, the Arena Hotels & Apartments® and Arena Campsites® brands. This multi-brand approach enables the Group to develop and operate properties across several segments of the hospitality market.

The Group is one of the largest owner/operators of hotels in central London and its property portfolio comprises of 38 hotels and resorts in operation, offering a total of approximately 8,800 rooms and 8 campsites, offering approximately 6,000 units. The Group's development pipeline includes two new hotels in London and one in New York City which are expected to add an additional 600 rooms by the end of 2022/2023.

PPHE Hotel Group is a Guernsey registered company and its shares are listed on the Premium Listing segment of the Main Market of the London Stock Exchange. PPHE Hotel Group also holds a controlling ownership interest (51.97% of the share capital) in Arena Hospitality Group, whose shares are listed on the Zagreb Stock Exchange.

Company websites

www.pphe.com

www.arenahospitalitygroup.com

For reservations

www.parkplaza.com

www.artotels.com

www.arenahotels.com

www.arenacampsites.com

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www.vfmii.com/parkplaza