

Arricano Real Estate plc
("Arricano" or the "Company")

Repayment Extension

Arricano (AIM: ARO) has agreed to amend the repayment terms of an existing loan agreement between Arricano and Retail Real Estate OÜ ("RRE OÜ"). The details of the deed of amendment (the "Transaction") are set out below.

In May 2014 the Company and Bytenem Co Limited ("Bytenem") agreed the terms of a loan facility of US\$13.1m and an additional US\$3.0 million loan was provided by Bytenem to the Company in July 2014. In September 2016, the loan facility, which had a maturity date of 30 June 2017 (following previous extensions) and an interest rate of 12% per annum, was increased to a maximum of US\$18.0 million and was assigned to RRE OÜ (the "RRE OÜ Loan").

The Company has entered into a deed of amendment with RRE OÜ to further extend the maturity date of the RRE OÜ Loan (outstanding principal US\$16.1 million plus accrued interest of approximately US\$6.2 million) to 30 June 2020. No other terms or conditions of the RRE OÜ Loan have been changed.

The Transaction enhances the Company's working capital resources over the period before the loan becomes payable in June 2020.

Related Party Transaction

RRE OÜ is ultimately controlled by Hillar Teder who is the Company's majority shareholder and, therefore, is a "Related Party" under the AIM Rules for Companies. Consequently, the Transaction is considered to be a Related Party Transaction under AIM Rule 13. The independent directors of the Company (Rupert Cottrell, Philip Scales and Michael Zampelas) consider, having consulted with its nominated adviser, that the terms of the Transaction are fair and reasonable insofar as its shareholders are concerned.

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