

Arricano Real Estate Plc (ARO)
Arricano Real Estate Plc: Refinancing of Loan Facility

26-Jul-2019 / 07:00 GMT/BST

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This announcement contains inside information for the purposes of Article 7 of EU Regulation 596/2014.

26 July 2019

Arricano Real Estate Plc

("Arricano" or the "Company")

Refinancing of Loan Facility

Arricano (AIM: ARO) announces that its wholly owned subsidiary Comfort Market Luks LLC ("CML"), which operates the Prospekt Shopping and Entertainment Complex, located in Kyiv, Ukraine ("SEC"), entered into a new loan agreement with Public Joint Stock Company "State Savings Bank of Ukraine" ("Oschadbank") (the "Oschadbank Loan Agreement") on 25 July 2019.

The Oschadbank Loan Agreement is secured by way of a mortgage charge over the Prospekt Shopping and Entertainment Complex property and a pledge of the shares of CML and other securities provided by CML and Arricano.

The main terms of the Oschadbank Loan Agreement are as follows:

- * Loan Amount: up to USD 19 million, comprising a first tranche of USD 7.125 million to be advanced following satisfaction of conditions precedent and a second and following tranches of total amount up to USD 11.875 million to be advanced at the Bank's discretion following satisfaction of conditions precedent;
- * Term: 60 months for the first tranche and 84 months for the second tranche;
- * Interest rate: 10.5 % per annum;
- * The proceeds of the Oschadbank Loan Agreement shall be used as to USD 7.125 million to refinance an existing 1m Libor+7,5% loan to CML from the European Bank for Reconstruction and Development and up to USD 11.875 million to finance ongoing construction of the Lukianivka Shopping and Entertainment Center, Kyiv.

A further announcement will be issued when the second and further tranche(s) are advanced.

Mykhailo Merkulov, CEO of Arricano, said: "Arricano is proud to have stable and reliable business relations with both the State Savings Bank of Ukraine and the European Bank for Reconstruction and Development. While the real estate market in Ukraine demonstrates currently its support for new shopping and entertainment centres, we continue the development of the Lukyanivka mall, with trust and support from significant national and European financial institutions".

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ISIN: CY0102941610
Category Code: MSCM
LSE Ticker: ARO
LEI Code: 213800F8AMPULEKXFX22
OAM Categories: 3.1. Additional regulated information required to be disclosed under the laws of a Member State
Sequence No.: 14693
EQS News ID: 847167