

Company name: HTP Orebić d.d.
Address: 20250 Orebić, Obala pomoraca 36
Web site: www.orebic-htp.hr

TRANSACTION

Republic of Croatia through the Agency for State Property Management (AUDIO) has the goal to finish the privatisation process of its tourism portfolio (hotel companies owned and partially-owned by the Republic of Croatia).

Sales model: shares will be sold through a public tender. Public tendering will consist of two steps:

- step 1 – stating the interest to invest in a formal letter of intent to buy shares,
- step 2 – bid invitation will be sent to companies/individuals that expressed interest in buying shares.

Objective:

To expand current business activities by investing in modernisation of existing facilities and construction of new facilities and amenities, raising service quality and introducing modern destination management practices.



COMPANY

Orebić Hotel and Tourism Enterprise is a joint-stock company, located in Orebić, Pelješac Peninsula. Pelješac is world-famous for its beautiful nature and vineyards and therefore known as a wine tourism destination.

The Company's core business is providing accommodation and hospitality services in its three waterfront hotels and bungalows. It has strong business relations with international tour operators (Prodintour, ITS, 1,2 Fly, Terra, Globtour Bratislava) and its guests are mainly from France, Germany, Poland, the Czech Republic and Slovakia. Guests from abroad account for 90% of all guests.

The mistral wind in this region has branded Orebić as top destination for windsurfers in Croatia. Orebić can be easily reached by car (140 km from the highway) and by ferry from Ploče and Korčula. The nearest international airport is in Dubrovnik (approximately 130 km).

SALE

Shares on sale: 111,918 (63.65 % of share capital)
 Average price on stock market: 23.33 EUR (14.01.2011)

FINANCIAL DATA, in EUR

Year	2009	2010	2011
Operating revenues	2,318,308	2,270,422	2,290,796
Operating expenses	2,712,010	2,699,633	2,597,372
EBIT	(393,702)	(429,211)	(306,576)
EBITDA	(109,766)	(148,787)	(29,028)
Net Income	(461,281)	(767,477)	(389,117)
Total assets	8,900,950	8,309,230	7,807,812
Total liabilities	2,423,979	2,599,736	2,531,036
Number of employees	74	104	98

REAL ESTATE PORTFOLIO

Hotels:

- Hotel Orsan (**): 5 levels, 97 accommodation units, size 4,966.82 m², built in 1968, reconstructed several times till 2012,
- Hotel Bellevue (**): 5 levels, 54 accommodation units, size 2,238.98 m², built in 1936, reconstructed several times till 2012,
- Pavillions A and B (**): 3 levels, 24 accommodation units each, size 1,758.12 m², built in 1963 and 1982,
- Pavillion C (**): 4 levels, 30 accommodation units, size 1,401.60 m², built in 1987,
- Pavillion D (**): 4 levels, 20 accommodation units, size 1,112.54 m², built in 1987.

Bungalows:

- Bellevue Hotel bungalows (**): 24 apartments and 8 rooms in 13 bungalows, of approx. 46.10 m² per bungalow, constructed in 1982, renovated 2007.

Additional facilities:

- Restaurant Rondela (362.52 m²), Jadran Pizzeria (132.52 m²), Pelješki Dvori Restaurant (614.99 m²), Pastry shop (45.49 m²), Trstenica Disco Club (465 m²).

Area:

- Total facility area: 14,786.26 m²,
- Net land area: 53,944.80 m².



DUBROVNIK-NERETVA COUNTY INFORMATION

Population: 122,783

GDP per capita: 9,990 EUR

Average gross salary: 994 EUR

Unemployment rate: 18.8%

Average gross salary in the sector (tourism): 984 EUR

Dubrovnik-Neretva County comprises 5 cities and 17 municipalities. The County includes smaller islands covered in thick Mediterranean vegetation and forests, smaller settlements and agricultural lands (olive groves and vineyards).

The main characteristic of the County's economy is the predominance of tertiary services with tourism and hospitality industries and maritime shipping as main activities. The region also has significant agricultural potentials in the area of the Neretva River Delta Valley and in the Peninsula Pelješac known for the active production of high quality wines.

The County is very well connected with an international airport Dubrovnik, close proximity to the modern A1 highway Split-Zagreb, the deep sea port of Dubrovnik suitable for cruisers as well as an important cargo port Ploče (gateway of the future Pan-European transportation corridor Vc).

Dubrovnik's famous medieval old town (listed on UNESCO's world heritage list since 1979) along with the island Korčula has positioned Dubrovnik and the County as a high-end European and global tourist destination (New York Times shortlisted Dubrovnik among 45 places to visit in 2012).

Tourism is constantly developing as a strategic industry for the County, through investments in new and existing hotels, sports and infrastructure capacities (14 five star hotels and 17 four star hotels, two golf resorts planned within 35 km, a new investment in ACI Marina Slano).

The potential for high-end tourism has already been identified by international hotel chains (Hilton, Radisson Blue, Rixos, Uzel Holding, Adriatic Luxury Hotels and Luksic Group) present in Dubrovnik.

The educational infrastructure relevant to the sector includes high schools for hospitality and catering and two universities with excellent programs related to tourism (ACMT-RIT New York and Dubrovnik University).

PRIVATISATION PROCEDURE

After submitting a formal letter of intent, receiving a bid invitation and signing the NDA the potential investor could participate in due diligence procedure.

Upon bid submission the best bidder will be selected based on tender criteria.

CONTACTS:

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