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OPTIBASE LTD. ANNOUNCES SETTLEMENT OF DISPUTE

HERZLIYA, Israel, October 20, 2020 – Optibase Ltd. (NASDAQ: OBAS), or Optibase, today announced that its subsidiary, Eldista GmbH (of which the Company owns 51%) ("**Eldista**"), the owner of an office building in Geneva, Switzerland, known as Centre des Technologies Nouvelles ("CTN Complex") has reached an agreement with its tenant in the CTN Complex, LEM INTERNATIONAL SA ("LEM"), in a dispute between the parties. The parties agreed to cease all current and future legal proceedings in connection with the aforesaid dispute and that Eldista will compensate LEM its alleged damages in a total amount of CHF 700,000 (approximately U.S. \$766,000). For additional information regarding the dispute, see Item 8.A. in the Company's 2019 annual report on Form 20-F published on April 1, 2020.

Commenting on the settlement, CEO of Optibase, Amir Philips, said, "We are pleased to have reached this agreement which will allow us to put this dispute behind us and continue focusing on quality management of our assets".

About Optibase

Optibase invests in the fixed-income real estate field and currently holds properties and beneficial interest in real-estate assets and projects in Switzerland, Germany, Texas, Philadelphia, PA, Miami, FL, and in Chicago, IL, USA and is currently looking for additional real estate investment opportunities. Optibase was previously engaged in the field of digital video technologies until the sale of its video solutions business to Optibase Technologies Ltd., a wholly owned subsidiary of VITEC Multimedia in July 2010. For further information, please visit www.optibase-holdings.com.