

P R E S S R E L E A S E

Amsterdam, 18 August 2022

Arcona Property Fund sells building Brno 36% above valuation

Arcona Property Fund N.V. – a listed fund that invests in commercial real estate in Central Europe – has signed an agreement for the sale of its Šujanovo náměstí 3 (VUP) building in Brno, Czech Republic. The sale price of CZK 106.8 million (EUR 4.32 million) is 36% above the appraised value of CZK 78.3 million at the end of 2021.

The 4,655 m² VUP office building dates from the 1970s and is close to Brno's city center. The building was appraised at CZK 66.0 million (EUR 2.6 million) in December 2019, which reflected the office occupancy. During the covid pandemic, the management explored the legal and technical possibilities of converting the building to residential use. These studies showed that there was the potential for a much higher valuation through a change of use.

The sale campaign focused on realization of this potential. The realized sales price is 62% above the December 2019 valuation and 36% above the most recent valuation which already partially took into account the alternative use potential. The buyer is a local project developer who intends to transform the office building into apartments in the long term.

It is expected that the sale of the building will complete this Autumn. It is the management of Arcona Property Fund's intention to use a portion of the net sales proceeds of ca. EUR 1.7 million for the planned share repurchase programme. Further information on this will follow in due course.

P R E S S R E L E A S E E N D S

Arcona Property Fund N.V. invests in commercial real estate in Central Europe. Shares of the Fund (ISIN code NL0006311706) can be traded daily via Euronext Amsterdam as a closed-end investment fund.

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