

PRESS RELEASE

Amsterdam, 14 June 2021

Arcona Property Fund N.V. and SPDI progress 2nd phase acquisitions

Arcona Property Fund N.V., the listed fund that invests in commercial real estate in Central Europe, has signed the purchase agreements with Secure Property Development & Investments Ltd (SPDI) for the acquisition of SPDI's remaining real estate holdings in Ukraine and for two modern office buildings in Bucharest, Romania. The purchases should be completed in the second half of 2021. This is the second phase of the three-phase acquisition of SPDI's property portfolio in the region.

The assets being acquired are:

- two development sites in the Kiev region of Ukraine, with a total value of € 1,8 million;
- a modern 2,700 m² office building in north-west Bucharest fully leased to Danone Romania until May 2026, valued at €5 million;
- a 24.35% share in a modern office building in central Bucharest partly leased to the Romanian Telecoms Authority (ANCOM) and valued at € 4.87 million. ANCOM has just agreed a five-year lease extension.

The Fund will acquire the second phase assets by issuing ca. 605,000 shares at an intrinsic value of € 11.87 each and ca. 146,000 warrants which can be converted into Arcona Property Fund NV shares if the Fund's shares reach a price level of € 7.20. The warrants will expire after five years following their issuance and are exercisable after one year, unless a prospectus with respect to the warrant and or the underlying shares is published.

The shares will be admitted to listing in accordance with section 1 sub 5 (a) of Regulation (EU) 2017/1129. SPDI will also provide a Sellers Loan of €1 million.

On completion, the Net Asset Value of the Fund should rise by ca.€ 7.18 million and the debt level should rise by ca. €4.16 million. The Loan to Value ratio, currently 47.5%, will therefore see a further decrease. The net asset value per share, currently €11.87, should not materially change.

The shares will be issued to SPDI, who plans to distribute the shares to its shareholders on a pro rata basis in the near future. As soon as the deal is completed and the shares are issued, this will be communicated to the market.

PRESS RELEASE ENDS

Arcona Property Fund N.V. invests in commercial property in Central Europe. Shares in the Fund (ISIN-code NL0006311706) are tradeable daily via Euronext Amsterdam and the Prague Stock Exchange as a closed-end investment fund.

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