

## P R E S S   R E L E A S E

Amsterdam, 9 November 2022

### **Arcona Property Fund N.V. reports increase in net asset value**

**Arcona Property Fund N.V., a listed fund that invests in commercial real estate in Central Europe, has published its figures for the first nine months of 2022. The result for the third quarter of 2022 amounted to EUR 1.96 million, mainly due to the unrealized value adjustments relating to the sale of the office building in Brno and the EOS acquisition in Bucharest. The net asset value per share based on NNAV increased by 3.1% to EUR 12.37 as of September 30, 2022.**

Gross rental income for the first nine months of 2022 was EUR 6.30 million and net rental income amounted to EUR 3.14 million. In the third quarter, net rental income increased by 4.6% to EUR 1,083,000 compared to the same quarter last year. The operating result for the first nine months of 2022 was EUR 174,000 positive, compared to EUR 310,000 negative in the same period last year.

The occupancy rate was 89.1% as at September 30, 2022, compared to 92.0% as at June 30, 2022. This decrease is mainly due to the fact that AT&T surrendered the lease of one floor in the Letná office building in Košice. AT&T paid EUR 400,000 compensation for this, which is almost equal to the remaining rent.

The unrealized value adjustments of the VUP Brno building and EOS Business Park largely offset the EUR 3.3 million write-down on Ukrainian real estate in the first quarter of 2022. As a result, the result for the first nine months of 2022 recovered to EUR -/- 882,000, against EUR -/- 2,843,000 for the first half of 2022.

Interest expenses in the first nine months of 2022 amounted to EUR 1,506,000, a decrease of 10.2% compared to the same period last year. Interest expenses decreased mainly due to the repayment of high-interest loans and regular repayments on bank loans. A new loan of EUR 2.9 million from Patria Bank in Romania and the increase in 3-month PRIBOR in the Czech Republic from 4.08% to 7.33% limited the decrease in interest expenses. The loan-to-value ratio decreased to 40.5% as of September 30, 2022, from 41.8% as of June 30, 2022.

The sale of the VUP office building in the Czech Republic is expected to be completed before the end of the year. The proceeds from the sale will partly be used for the share repurchase program announced on September 14, 2022.

Following the press release dated October 24, 2022: The website of Sberbank CZ reported on November 7 that Česká spořitelna has signed the preliminary agreement for the acquisition of the loan portfolio of Sberbank CZ. The transaction still has to be approved by the Czech regulatory authorities and is depending on an extension of the sanctions exemption.

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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.

**For more information:**

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