



## PRESS RELEASE

Amsterdam, 22 June 2022

### **Arcona Property Fund N.V. provides trading update**

**Arcona Property Fund N.V. – a listed fund that invests in commercial real estate in Central Europe – will provide a trading update during the General Meeting of Shareholders to be held today.**

#### **Sales assets**

Arcona Property Fund N.V. has received several bids for the VUP office building in Brno. Offers over CZK 100 million (EUR 4.0 million) have been received, 28% above the appraisal value at the end of 2021 (CZK 78.3 million). The management expects to reach a final agreement with one of the interested parties in the coming weeks. The timing of the sale depends on current developments at the financing bank Sberbank CZ.

For the Boyana Residence (Bulgaria) project, Arcona Property Fund N.V. has agreed terms with local developers to sell them various plots. The proceeds from this sale should be more than sufficient to fully repay the loan from Alpha Bank of approximately EUR 2.6 million. The remaining part of the sales proceeds will be used to renovate the existing apartments, after which they will be sold.

The Záhradnicka office building in Bratislava with an appraised value of approximately EUR 4.0 million has been put up for sale. Bids are expected early in the third quarter.

In the second half of 2022, Arcona Property Fund N.V. will focus on completing these sales. The proceeds, after repayment of the bank loans, will be used to start the share repurchase program.

#### **Financing Sberbank CZ**

Sberbank CZ has provided financing of approximately CZK 210 million (EUR 8.45 million) to Arcona Capital RE Bohemia s.r.o. (100% subsidiary of Arcona Property Fund N.V.). On April 30, the Czech National Bank definitively withdrew the banking license of Sberbank CZ and appointed a trustee. Arcona Property Fund N.V. expects the loan portfolio of Sberbank CZ to be sold to another bank. Refinancing of this loan is only possible at substantially higher interest charges, so it is preferable to continue with the current bank loan.

#### **Rental Poland**

In Poland, Arcona Property Fund N.V. has signed a new seven-year lease for 1,430 m<sup>2</sup> with Carrefour for the supermarket Inowroclaw II. The store will open at the beginning of August 2022 and Carrefour will replace the current tenant SPAR at better rental conditions.

**Purchase of real estate from SPDI**

On June 15, Arcona Property Fund N.V. completed the purchase of the two office buildings in Bucharest from Secure Property Development & Investments Plc (SPDI). Arcona Property Fund N.V. still has an obligation towards SPDI to acquire two Ukrainian plots of land with an appraised value of EUR 1.83 million. Due to the war situation in Ukraine, this acquisition has not yet been completed. The purchase agreement with SPDI has specific conditions that protect the position of Arcona Property Fund N.V.

**PRESS RELEASE ENDS**

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

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