



PRESS RELEASE

Amsterdam, 21 September 2020

Arcona Property Fund N.V. sells two buildings in Slovakia

Arcona Property Fund N.V., a listed fund investing in commercial real estate in Central Europe, has reached agreement on the sale of Krivá 18 and Krivá 23 in Košice, Slovakia. The gross sales proceeds amount to € 5.85 million. The sale of these two non-core office buildings will be completed in the coming weeks.

The two buildings were built in the 1970s and have been renovated in recent years. Their occupancy rate is currently approx. 70%. The occupancy rate of the fund will increase by 1.1% from 82.4% to 83.5% as a result of the sale. The sale price agreed is 7% below the appraisal value as at 31 December 2019 and approx. 45% above the purchase price in 2006. The sale proceeds, after deduction of selling costs and tax, will be used to repay loans. This should decrease the Fund's loan-to-value ratio by 2.4%, to 46.3%. The net asset value per share following the sale will be € 12.61.

The Fund currently has three other non-core buildings in Košice for sale which are attracting market interest despite the Covid 19 pandemic. It is intended that the proceeds from further sales will also be used for the repayment of loans.

PRESS RELEASE ENDS

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

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