General Meeting

Arcona Property Fund N.V.

25 June 2025 | 15:00

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Agenda | General meeting

1. Opening
2. Report of the management board for the 2024 financial year
3. Current matters
4. Update Monetisation process
5. Future of the Fund
6. Adoption of the annual accounts for 2024 and allocation of the result [voting item]
7. Discharge of liability for 2024 of the Management Board [voting item]
8. Discharge of liability for 2024 of the Supervisory Board [voting item]
9. Proposal of the Priority Shareholder to reduce the issued capital [voting item]
10. A) Proposal of the Priority Shareholder to re-appoint Mr. J.J. van Heijst
    as a member of the Supervisory Board [voting item]

    B) Proposal of the Priority Shareholder to re-appoint Mr. M.P. Beys
    as a member of the Supervisory Board [voting item]

10. Questions
11. Closing

1. Opening

2. Report FY 2024 | Key developments

- Sold assets in Bratislava, Prague, and Sofia for EUR 13.5 million;
- Replaced high-interest CVI bond with a lower-cost EUR 2 million loan.
- Completed EUR 2 million share buyback at EUR 6.80 per share;
- Secured long-term leases in Poland, raising occupancy in Szczecin to 85%;
- Extended AT&T part of lease in Košice to 2030 with 16.5% rent uplift;
- Finalised SPDI acquisition programme with Kyiv development site;
- Reduced leverage (LTV 33.4%) improved financial resilience;
- Maintained stable net rental income of EUR 4.41 million.

2. Report FY 2024 | Key highlights

Operational performance	**Net rental income stable** at EUR 4.41m, from EUR 4.58m in 2023; **Occupancy remained robust** at 85.9% (2023: 86.5%).
Financial performance	**Weighted loan maturity** up to 3.75 years, from 3.52 at end 2023; **Total debt** down to EUR 22.5m, from EUR 31.9m at end 2023; **Weighted average interest rate** up to 8.04%, from 7.37% in 2023; **Direct result** up to EUR 807k, from EUR 201k; **Indirect result** down to EUR -/- 827,000, from EUR 779,000 in 2023; **Share price** up by 29.8%, from EUR 4.66 to EUR 6.05.
Balance sheet management	**Loan-to-Value ratio** down to 33.42% (2023: 39.52%); **Ongoing Charge Figure excl. one-offs** up to 8.01% (2023: 7.63%); **Sales** up to EUR 13.5m, from EUR 2.9m in 2023.

2. Report FY 2024 | Balance sheet

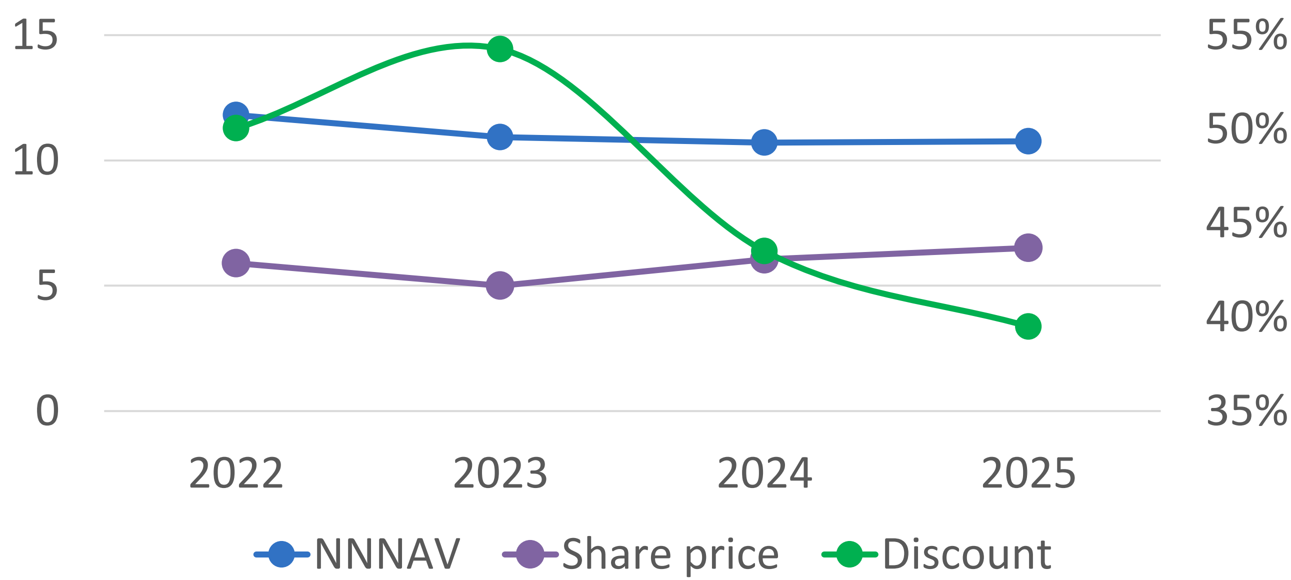
Assets (in EUR 1,000)	**31-12-24**	31-12-23	**Liabilities** (in EUR 1,000)	**31-12-24**	31-12-23
Land and buildings	49,438	72,656	Share capital	41,962	41,962
Other assets	981	995	Revaluation reserve	5,972	7,683
Deferred tax	95	-	Other reserves	8,574	8,314
Fixed assets	**50,514**	**73,651**	Retained earnings	-/- 14,032	-/- 12,563
			Equity	**42,476**	**45,396**
Assets held for sale	19,580	5,253			
Other current assets	1,082	2,386	Bank loan	16,776	6,956
Cash and liquidity	2,419	2,382	Deferred Taxation	3,088	3,804
Current assets	**23,081**	**10,021**	**Long-term debt**	**19,864**	**10,760**
			Bank loan	5,766	24,896
			Other short-term debt	5,489	2,620
			Short-term debt	**11,255**	**27,516**
Total assets	**73,595**	**83,672**	**Total equity & liabilities**	**73,595**	**83,672**

2. Report FY 2023 | Income statement

(In EUR 1,000)	**2024**	2023	**delta**
Operating rental and service income	8,829	9,084	-/- 255
Operational and service costs (-/-)	4,417	4,502	-/- 85
Net rental income	**4,412**	**4,582**	**-/- 170**
Net sales and valuation result	-/- 827	779	-/- 1,606
Other (financial) income	962	626	336
Total operating income	**4,547**	**5,987**	**-/- 1,440**
Total operating expenses (costs)	1,971	1,894	77
Net result before financing costs	**2,576**	**4,093**	**-/- 1,517**
Financing charges	2,596	3,113	-/- 517
Result for tax	**-/- 20**	**980**	**-/- 1,000**
Tax	12	797	-/- 785
Result after tax	**-/- 32**	**183**	**-/- 215**

2. Report FY 2024 | Discount

- Share price rose from EUR 4.66 to EUR 6.05 (+29.8% return).
- NNNAV discount has narrowed in 2024 to below 40%.



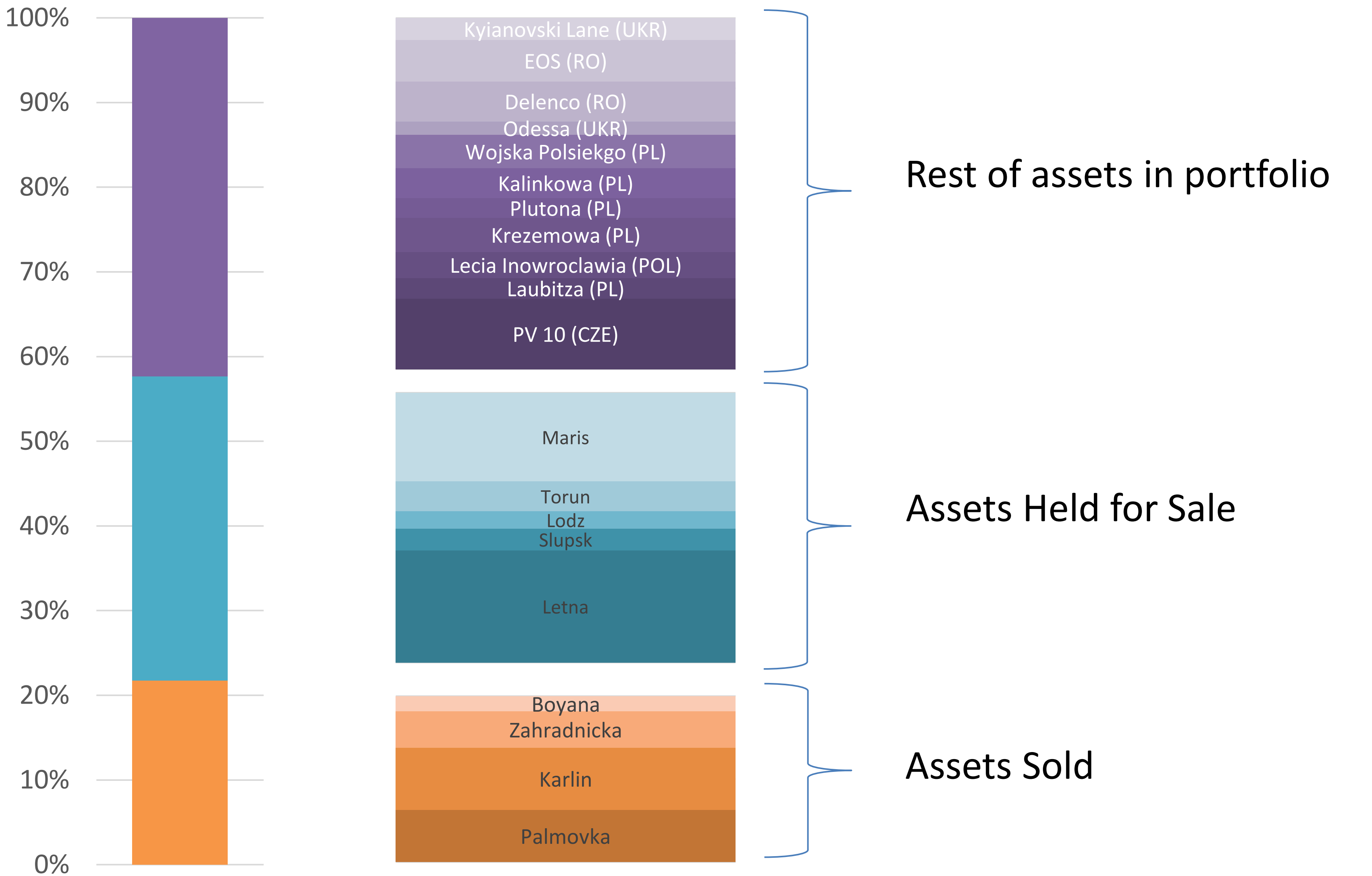
2. Report FY 2024 | Debt and Interest Costs

- **Interest-bearing debt reduced** to EUR 22.5 million, from EUR 31.9 million in 2023.
- **Loan-to-Value (LTV)** improved to 33.4%, down from 39.5%—reflecting a stronger balance sheet.
- **Shift to long-term financing**: short-term liabilities decreased materially.
- **Key drivers** included refinancing and reclassification of existing loans.

2. Report FY 2024 | Risks and outlook

- **Macroeconomic risks persist**, with interest rate volatility and geopolitical uncertainty impacting investor sentiment;
- **EOS vacancy in Bucharest** represents a significant operational challenge requiring active leasing efforts;
- **Focus remains on stability**: strong cash flow management, tight cost control, and value-driven asset sales.
- **2025 outlook is cautiously optimistic**, assuming steady market conditions.

3. Current matters | Portfolio Categories



3. Current matters | Sale of non-core asset Záhradnícká

- Sales contract signed on 12 June 2024;
- Sale price is EUR 3.8 million (~ valuation 2023);
- Half of proceeds were used for installing bank;
- Asset has taken several years to sell due to mixed-use and shared ownership;

- Záhradnícká 46, Bratislava
- 59 parking places
- 3,755 m^2 lettable area

3. Current matters | Sale of rest of Boyana Residence

- The Fund sold the remaining assets of Boyana Residence for EUR 1.59 million;
- Apartments were reconstructed and sold above latest valuation level.

- Boyana Residences
- 22,440 m^2 plot
- Residential apartments

3. Current matters | Sale of core asset Karlin, Prague

- Sales contract signed on 12 June 2024;
- Sale price was CZK 160.5 million (EUR 6.5 million), 5% above valuation;
- Asset was sold because no value could be added.
- Proceeds were used to repay EUR 3.9 million in loans and to finance the EUR 2.0 million reversed book building.

- Prvniho pluku 621, Prague
- 35 parking places
- 4,245 m^2 lettable area

3. Current matters | Sale of core asset Palmovka, Prague

- Sales contract signed on May 28, 2025;
- Sale price was CZK 137.5 million (EUR 5.5 million), 28% above valuation;
- Asset sold because it is at its peak value;
- Part of proceeds will be used for instalment of NV-loans.

- Na Žertvách 34, Prague
- 28 parking places
- 2,264 m^2 lettable area

3. Current matters | Kyanovski Lane – Acquisition

Acquisition Summary

- Acquired in December 2024 as final step in the SPDI-assets transaction.
- Location: Kyianovski Lane, Shevchenkivskyi District, Central Kyiv, Ukraine. Site Area: 0.54 hectares.
- Zoning: High-end residential development potential.- Acquisition value: USD 2 million (USD 1.2m in cash + USD 0.8m in APF shares at NAV).

Transaction and Structure:

- Acquired via SPDI share-based settlement (Aisi Ukraine LLC). 68,782 APF shares issued at EUR 11.16 per share for partial payment. An additional 10,689 shares issued for final settlement of Romanian assets.

3. Current matters | EOS Property – Danone departure

- The EOS office in Bucharest, was fully let to Danone Romania.
- Danone left the property in May 2025 and payed a breach compensation until September
- Loan Patria Bank of EUR 2.4 million
- Several interested parties

- EOS building
- Headquarters Danone Romania
- Northwest Bucharest
- 3,386 m^2 lettable area

3. Current matters | Słupsk – Held for Sale

- Retail property with strong tenant profile and full occupancy;
- Rentable area: 1,831 m² | 48 parking places | Fair value: EUR 2.26 million;
- 100% occupied, located in a high-density residential area in northern Słupsk;
- Biedronka supermarket built nearby in 2022 increased footfall significantly;
- Excellent accessibility: bus stops directly in front and within walking distance;
- Strategic location: 10 minutes' walk from historic Old Town; 18 km from popular seaside resort Ustka.

3. Current matters | Toruń – Held for Sale

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- Single-storey retail property completed in 2001, with a total lettable area of 2,229 m²;
- 100% occupied, located in the residential Koniuchy district of Toruń;
- Fair value: EUR 3.17 million | 64 parking spaces;
- Main tenants: SPAR and PEPCO
- Prominent corner location with direct access from Legionów and Kozacka Streets;
- Well-connected by public transport: 6 bus lines
- Property held under leasehold title.

3. Current matters | Łódź – Held for Sale

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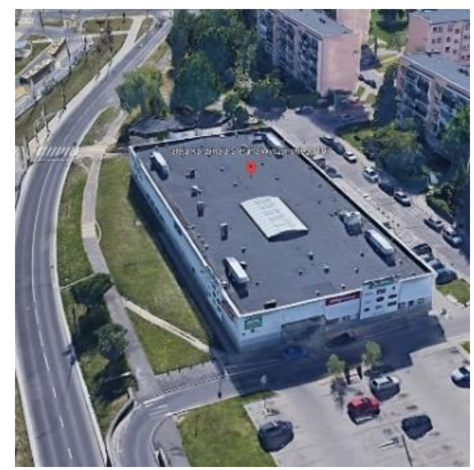
- Retail building completed in 2001, with a lettable area of 1,608 m^2;
- Current occupation rate: 77.1% |
  Fair value: EUR 1.87 million;
- Located in the Polesie District of Łódź, surrounded by residential development;
- Main tenant: Netto, lease runs until 2033;
- 60 parking spaces located on the north and east sides of the property;
- Excellent accessibility via 7 bus lines with stops west of the property;
- Property held under leasehold title.



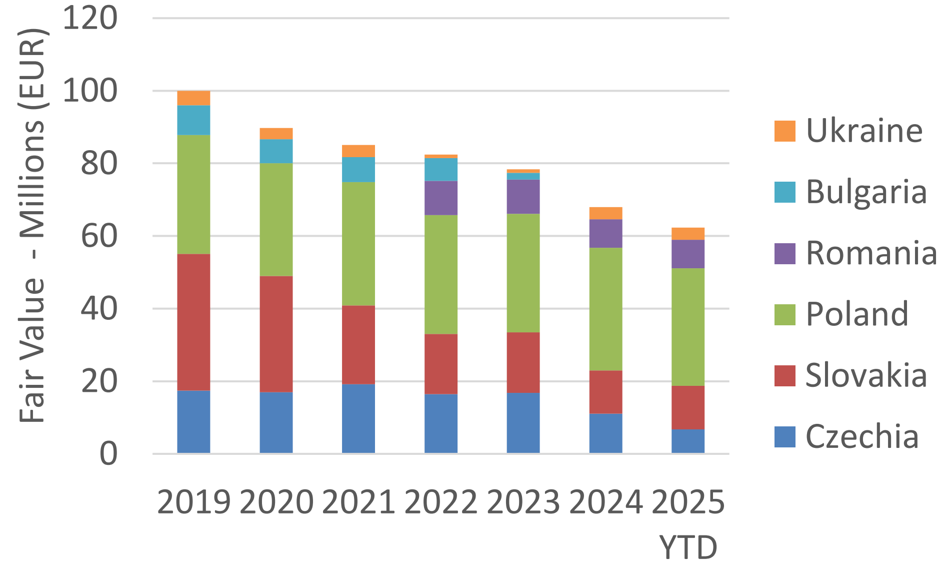
3. Current matters | Maris – Held for Sale

- Modern office building completed in 2005, with a total lettable area of 5,945 m² over six floors
- Occupancy rate: 83.1%, multi-let to 11 tenants including anchor tenant Intive
- Fair value: EUR 9.39 million | 119 underground parking spaces
- Prime city centre location, directly opposite Szczecin’s iconic Philharmonic Hall
- Strong accessibility and visibility in a vibrant urban setting with commercial and cultural amenities

3. Current matters | Letna 45 – Held for Sale

- Largest office property in the portfolio, with a total lettable area of 11,169 m²;
- Fair value: EUR 11.94 million | Occupancy: 76.1%;
- Main tenant: AT&T | Located at Festival Square, approx. 1 km from Košice's historic centre;
- Ongoing refurbishment programme to improve accessibility, tenant experience, and appearance;
- Well-connected location near outer ring road; easily accessible by car and public transport;
- Parking facilities: 70 outdoor spaces and 14 garages.

3. Current matters | Portfolio overview Q2 2025



Country	Number of assets	% of Total Fair Value
Poland	10	52.0
Czechia	1	10.8
Slovakia	1	19.2
Ukraine	3	5.4
Romania	2	12.5
	17	**100.0**

3. Current Matters | Bydgoszcz claim

Legal situation and expiry of land lease

- Leasehold title expired in January 2025;
- Fund received PLN 628,000 (~EUR 147,000) as partial compensation;
- Discussions ongoing with landowner to secure additional compensation;
- Termination of leasehold rights affects asset liquidity and valuation;
- Reclassification to 'held for sale' triggered by expiration.

20 Grzymaly Siedleckiego St., Bydgoszcz	
Type	Retail
Rentable Surface (in sqm)	1,793
Occupation Rate (in %)	100.0

4. Update Monetisation process | Overview

Last 12 months overview

- Property Sales: EUR 17.6 million from properties in Prague, Bratislava and Sofia;
- Strategic sales: Most recent sale was Palmovka in Prague, which was sold at peak value;
- Share price: Increased to EUR 6.95 per share as at 12 June 2024.

Next 6 months outlook

- Continued sales programme: Aiming to sell an additional EUR 20 million in assets, focusing on both non-core and high-value core properties;
- Reverse bookbuilding: Ongoing programme to support asset liquidation.

4. Update Monetisation process | Focus for H2 2025

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Strategic asset sales and portfolio optimization

1. Finalize the sale of assets in Slovakia, Poland and Romania to enhance cash reserves and refine the portfolio structure;

2. Improve occupancy in Polish, Romanian and Slovak offices to enhance financial performance and sales prospects in those countries;

3. Offer core and non-core assets to the market and continue with ongoing sale negotiations.

4. Update Monetisation process | Fund outlook 2025

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- **Interest rate trajectories**:

  Interest rates peaked in 2025, easing loans and lifting returns and sentiment.

- **Disposal programme of non-core assets and core-assets at their peak**:

  - <u>Disposal of non-core assets</u>: The disposal program for non-core assets will continue, as part of the monetization strategy aimed at generating net proceeds from asset sales.
  - <u>Operational performance</u>: We expect solid operational performance, characterized by high occupancy levels and rising rents.

4. Update Monetisation process | Expected timeline

Milestones

H2 2025: continue asset sale programme in Romania, Slovakia, Poland and possibly Ukraine to generate free cash and to further reduce NV debt levels.

Asset-Level Updates

- EOS Business Park (ROU) : Danone vacated May 2025; buyer interest
  GAV EUR 3.96 million
- Delenco (ROU) : Lease renewal negotiations H2 ‘25; planned post-renewal sale
  GAV EUR 3.85 million equity stake | no bank loan
- Odessa and Zaporizhzhia (UKR): Buyer interest in Odessa
  GAV EUR 1.28 million | no bank loan
- Letna (SK) : AT&T new lease increases buyer interest
  GAV EUR 11.94 million
- Maris (PL) : Recent new leases with EBZ and Affidea; buyer interest
  GAV EUR 9.39 million

5. Future of the Fund | Strategic options

1. **Continuation of the monetization program** to reach the EUR 40 million sales target, with concurrent distribution of the proceeds;

2. **Sale of all assets** of the Fund;

3. **Change of Fund structure**, possibly with an external partner, to permanently sink the cost base

4. **Change or internalization of fund management**.

5. Future | 1) Continue monetisation programme

Objective: to generate sufficient free cash to permit an exit for all shareholders who wish to leave the Fund.

Key Features:

- Extend current monetisation strategy by 12 months.
- Targeted sale of further **EUR 20+ million** in assets (Poland, Romania, Slovakia).
- Continue **reverse bookbuilding** to return capital to investors.

Expected Outcome:

- Although recent transactions were achieved **at or above valuation** (e.g. Palmovka +28%), further sales may not be, thus negatively impacting NAV per share .
- Quickest option to return additional funds to shareholders

5. Future | 2) Managed wind-down

Objective: closure of Fund and payout of net sale proceeds to shareholders

Key Features:

- Structured sale process of all assets by end of 2027;
- Parallel cost-reduction programme within the structure e.g. possible delist from Euronext, reduction of third-party advisory roles etc.;
- Distribute proceeds in tranches after loan repayments, maintaining sufficient reserves to avoid cashflow issues.

Expected Outcome:

- ⚠️ Risk: Announcement may trigger discounted bids as counterparties seek to exploit stated exit deadline;
- Service providers and lenders will assert priority over shareholders for sale proceeds, so distributions will be later in the process.

5. Future | 3) Change Fund structure

Objective: to ensure the Fund's long-term viability with a gross asset value between EUR 50 – EUR 100 million by significantly reducing annual fixed costs.

Key Features:

- Rigorous legal and regulatory review of the current structure to identify potential cost savings (approx. EUR 1 million per year to operate);
- Possible measures: delisting, regulatory reclassification, and streamlining of fragmented governance;
- External financial support may be needed, as during the 2010 shift to a closed-ended structure.

Expected outcome:

- A logical combination with Option 1, provided that a sufficient percentage of current shareholders choose to remain invested.

5. Future | 4) Change/internalise Fund manager

Objective: to provide the Fund with new management

Compliance and regulatory conditions:

- **Identification of an alternative manager** with the necessary regulatory licences and geographical presence to take over the Fund;
- **Approval by the shareholders** of the prospective new manager, following a presentation of their vision for the future of the Fund;
- **Approval by the AFM** of the proposed new manager;
- **Negotiation and agreement of a handover process** at all levels to ensure orderly and consistent continuation of fund and asset management processes.

Expected outcome:

- Asset sales/monetization programme will likely be paused during above process and subsequent execution;
- New manager will expect/require broad shareholder consensus for new strategy, which may be difficult to achieve with the current range of shareholder interests.

6. Adoption | of the financial statements 2024

Voting item

- The Management Board proposes to adopt the annual accounts of Arcona Property Fund N.V. for 2024 and to deduct the result from the reserves.

7. Discharge | of the Management

Voting item

- Discharge from liability of the Management Board for its management.

8. Discharge | for the Supervisory Board

Voting item

- Discharge from liability of the members of the Supervisory Board for their supervision.

9. Proposal | to reduce the issued capital

Voting item

- The proposal of the Priority Shareholder to reduce the issued capital includes the cancellation of 294,118 shares as repurchased by the Fund during the tender offer.

10A. Re-appointment | of Mr. J.J. Van Heijst

Voting item

- Stichting Prioriteit APF proposes to re-appoint Mr. J.J. van Heijst as a member of the Supervisory Board for a period of four years in accordance with the retirement schedule.

10B. Re-appointment | of Mr. M.P. Beys

Voting item

- Stichting Prioriteit APF proposes to re-appoint Mr. M.P. Beys as a member of the Supervisory Board for a period of four years in accordance with the retirement schedule.

11. Questions | any other items

12. Closure & Disclaimer

Disclaimer:

This presentation, sourced from APF's financial reports and press releases, does not replace these documents' full content. It is crucial to view the data, management's remarks, and graphs as interconnected parts of a whole. Note that it may contain management's forward-looking statements, subject to uncertainties and risks, which could lead to significant discrepancies between expected and actual results.

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