

CBRE

Project Blue

Investment Memorandum

KPMG





KPMG

Introduction

Dear Investor,

CBRE is pleased to present this office investment opportunity situated at the strategic crossroads of Prague City Center and the thriving Karlín business corridor.

On behalf of Kyobo AXA, we introduce the sale of the Florenc Office Center, the long-standing and prestigious headquarters of KPMG Czech Republic. The asset represents a rare “safe-haven” investment in the city of Prague. Originally developed to Class A standards and significantly enhanced through a major award-winning interior fit-out in 2018, the building offers exceptional technical resilience and a proven track record of tenant retention. The property stands out for its 100% occupancy and a highly secure income stream anchored by a “Big 4” professional services firm.

The Florenc-Masaryčka area has undergone a radical transformation, evolving into Prague’s most sophisticated business hub. With the completion of neighboring landmark developments and the revitalization of the Masaryk Railway Station, the asset benefits from unparalleled connectivity (Metro B & C, tram, and rail) and a micro-market characterized by historically low vacancy and aggressive rental growth.

This is a unique opportunity to acquire a landmark asset with a robust ESG profile and significant reversionary potential in one of the most supply-constrained markets in CEE. We look forward to discussing this opportunity with you in further detail.

Yours sincerely,

CBRE



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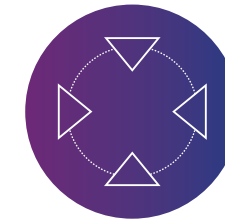


Investment highlights



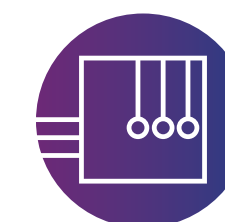
Prominent Location

An anchor position in Prague's premier office hub. This district maintains the city's lowest vacancy rate and a superior amenity offering, ensuring long-term asset scarcity and prestige at the heart of the Karlín business corridor.



High-Spec Corporate Headquarters

The building features highly efficient, modular floor plates and an institutional-grade parking ratio of 1:66. A total technical reset, 2018-2019 modernization and 2024-2026 system upgrades, has optimized energy performance, significantly reduced future CAPEX, and ensured a best-in-class workplace environment.



Blue-Chip Income Security

Fully let landmark building, anchored by KPMG Czech Republic as their long-term headquarters. KPMG is a globally recognized professional services firm, providing a stable and highly reliable covenant.



Unrivaled Connectivity

Strategically located at the junction of Prague 1 and Prague 8. As the primary gateway to the city's most dynamic business hub, the asset anchors the Florenc transportation interchange.

With direct access to Metro lines B & C, the central tram network, and the main bus terminal, it ensures maximum labor pool accessibility and 100% transit coverage across the Prague metropolitan area.



CPI Linked & Reversionary

Annual CPI indexation provides an immediate, robust inflation hedge, ensuring the income stream maintains its real value.

The asset's position directly adjacent to the Masaryčka rejuvenation district has redefined the area's prestige, with prime rents for new pipeline projects reaching €30/sqm. This creates a significant "reversionary bridge," allowing the incoming investor to capture substantial value uplift upon lease expiry.

Key Facts

Florenc Office Center

GLA	11,000 sqm
Office GLA	9,850 sqm
Construction/Refurbishment	2003/2018
Occupancy	100%
WAULT	4.5Y
NOI	2.7M EUR
Underground Levels	3
Above-ground Levels	Lower GF+Upper GF+8
Parking Spaces	145 Indoor - 23 Outdoor
Parking Ratio	1:66
EPC Level	D (C upgrade in process)
Certification	BREEAM In Use Good (upgrade to Very Good in process)
Main Tenant	KPMG



Location



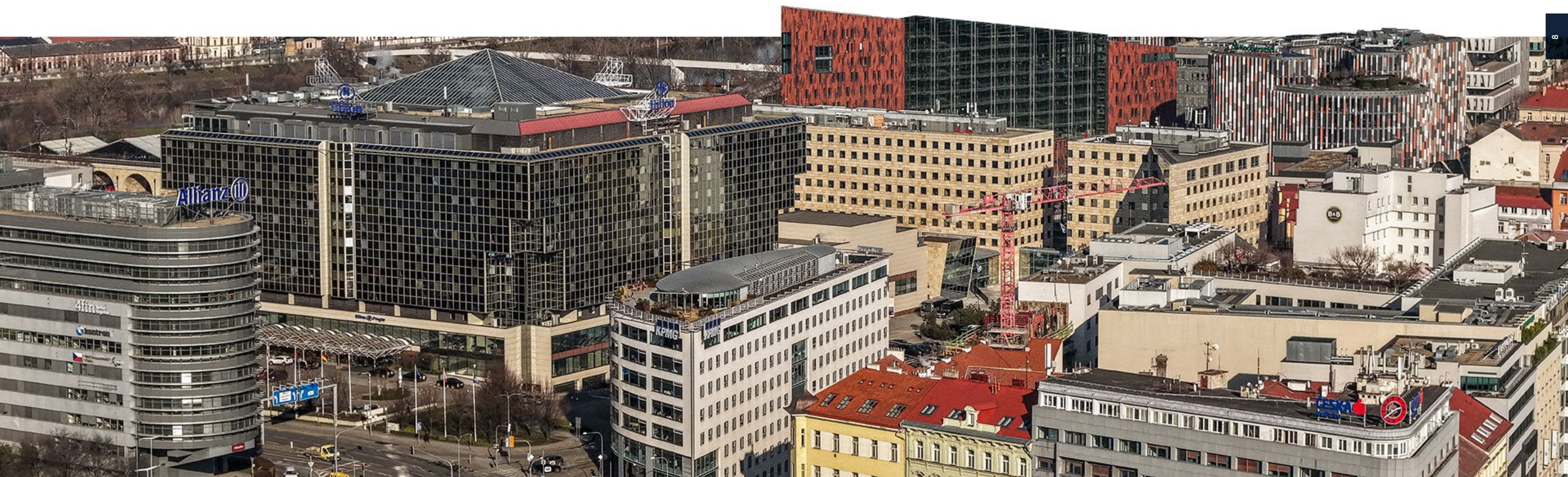
Project Description

The Florenc Office Center represents a premier “core” investment opportunity, serving as the long-standing flagship headquarters for KPMG in the Czech Republic. Positioned at the strategic gateway between Prague 1 and the dynamic Karlín business district, this Grade A administrative building offers approximately 11,000 sq m of high-specification office space. Its institutional appeal is anchored by the lease secured by KPMG since 2003, providing investors with an exceptionally stable and predictable income stream.

The asset’s visibility is unparalleled, occupying a prominent corner at the intersection of Pobřežní and the main Prague arterial road, ensuring both brand prestige and ease of access for the tenant’s elite client base.

The investment is further de-risked by a comprehensive 2018 full fit-out work, which modernized the building to AAA standards and secured the “Office of the Year” award for its contemporary, highly efficient interior environment. The property has been going through recent upgrades such as the installation of PV panels and full BMS upgrade, along with a 2025 updated Flood Plan which has improved the EPC rating to C and has upgraded the BREEAM In-Use to Very Good.

The property is perfectly positioned to capitalize on the ongoing revitalization of the Masaryk Station area. In a market currently defined by a record-low vacancy rate of 3.7% and a severe shortage of large-scale, single-tenant blocks, the Florenc Office Center stands as a rare, liquid asset that combines the historical safety of a central location with the rental growth potential of Prague’s most active commercial hub.



Macro Location

The property is situated on the border between Prague 1 (The Historical City Center) and Prague 8 (Karlín). This specific location is often referred to as the “Gateway to Karlín,” offering the prestige of a central city address with the modern infrastructure and vibrancy of the city’s primary business hub.

Just steps away from the property lies the historic center. This area is characterized by high-street retail, luxury hotels, governmental institutions, and the city’s cultural landmarks. Being adjacent to the center ensures that the asset is highly accessible for international clients and provides tenants with limitless dining and entertainment options.

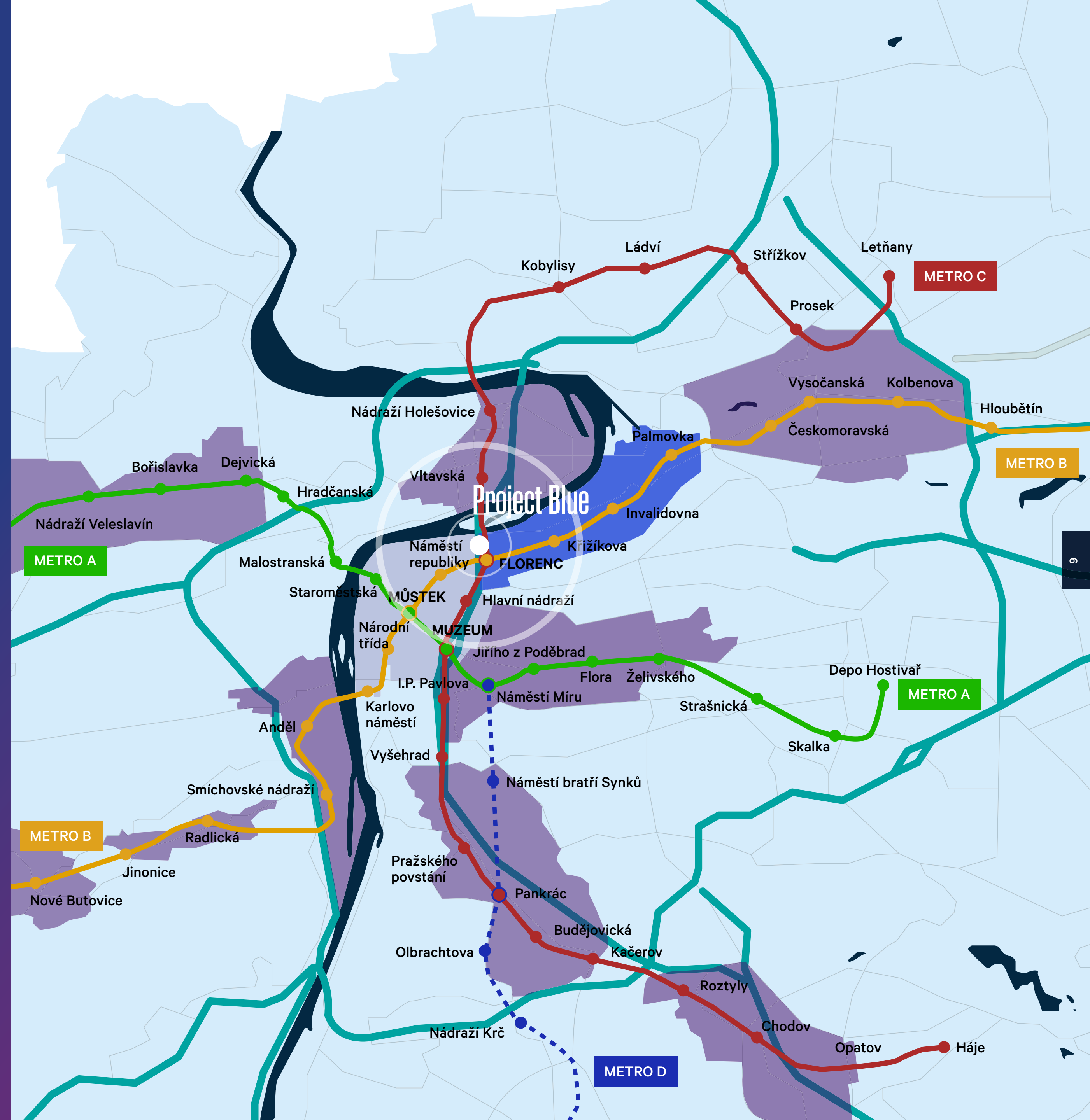
Once an industrial district, Karlín has undergone a massive transformation over the last two decades to become Prague’s premier office submarket. It is home to global giants and is famous for its “lifestyle” feel, featuring a high concentration of trendy bistros, parks, and riverside developments.

The building is located within a 2-minute walk of the Florenc Transportation Hub, the only station in the city where the two most important metro lines intersect:

- **Line B (Yellow):** The east-west spine of the city, connecting the major suburban residential areas and the Smíchov business district.
- **Line C (Red):** The north-south artery, providing a direct 2-stop link to the Main Railway Station and 4 stops to the Pankrác business cluster.

Masaryčka Train Station is located approximately 400 meters from the property. This station is the primary hub for suburban rail (S-lines) and is currently undergoing a massive redevelopment which will include the direct rail link to the airport.

The Main Train Station is reachable in under 5 minutes via Metro Line C or a 10-minute walk. This is the national gateway for high-speed international trains to Berlin, Vienna, and Budapest.





The “Masaryčka” Halo Effect

Historically, the Masaryk Railway tracks acted as a physical barrier between the Florenc district and the historic center of Prague 1. The current multi-million-euro redevelopment is removing this divide, fully integrating the Florenc Office Center into the city’s prestigious core via three strategic pillars:

- **The Pedestrian Sky Plaza: A new 10,000 sqm landscaped deck built directly over the railway tracks. This elevated park connects the Florenc Office Center to the historic center, allowing tenants to walk into Prague 1 in minutes.**
- **The Airport Express Link: Masaryk Station is being transformed into the primary city center terminal for the high-speed rail link to Václav Havel Airport (completion targeted for 2030).**
- **Multimodal Transport Hub: The station is evolving into a futuristic transit node, synchronizing heavy rail with the Florenc Transportation Hub. This creates the highest density of public transport options in the Czech Republic within 200 meters of the building.**

Beyond transport, the project introduces significant new green space, water features, and public cooling zones. This high-quality urban environment directly supports ESG mandates and enhances talent attraction, ensuring the building remains the preferred choice for top tier professional services firms.

The completion of the Masaryčka district has effectively extended the borders of the CBD. This transformation has created a significant reversionary gap, as prime office rates for new projects in the immediate area now trend toward €28.00-€30.00/sqm. This “halo effect” ensures the Florenc Office Center remains a preferred choice for top-tier professional services firms in a submarket where vacancy remains below 5%.

Exceptional Accessibility

The location boasts excellent connectivity to various parts of Prague, the Czech Republic, and beyond. high-growth corridor where vacancy remains below 5% and rental demand is at an all-time high.

The Florenc Office Center enjoys a “zero-distance” connection to Prague’s most vital transit nodes. The Florenc Interchange (Metro Lines B and C) is situated less than 150 meters from the building entrance, providing a 60-second walking link to the city’s primary north-south and east-west underground arteries. This is complemented by the Florenc tram hub, offering high-frequency surface connections across the central districts.

Cycling enthusiasts will appreciate the nearby riverside bike path, which connects to the newly built HolKa footbridge linking Karlín and the Holešovice district.

For those traveling by car, the complex is conveniently situated near major road that traverse the city and connect to key highways, including the Prague ring road and the D1 motorway.

Destination	Distance	Walking Time	Transport Mode
Florenc Metro Station	120 m	1 min	Metro Lines B & C (Interchange)
Florenc Tram Stop	150 m	2 min	Lines 3, 8, 24, 92
Masaryk Railway Station	450 m	5 min	Regional Rail & Airport Express
Central Bus Station (ÚAN)	200 m	2 min	International & Intercity Links
Prague Main Railway Station (hl.n.)	1.1 km	2 min	1 Metro Stop (Line C)
Václav Havel Airport	16 km	20 min	Direct Airport Rail Link (from Masaryk)



- Transportation
- Offices
- Shopping
- Hotels
- Mixed Use

Title and Tenure

Freehold Ownership

100% fee simple interest held by the SPV (Florenc Office Center s.r.o.) across all primary parcels (Totaling 2,677 sqm).

Heritage Preservation

The asset is situated within a Heritage Protected Area.

Institutional Bankability

The asset's clean legal standing is validated by its current financing structure with Tier-1 lenders with pledges for amounts up to €55.68M and €5M registered in late 2018. (Landesbank Hessen-Thüringen and Česká spořitelna).

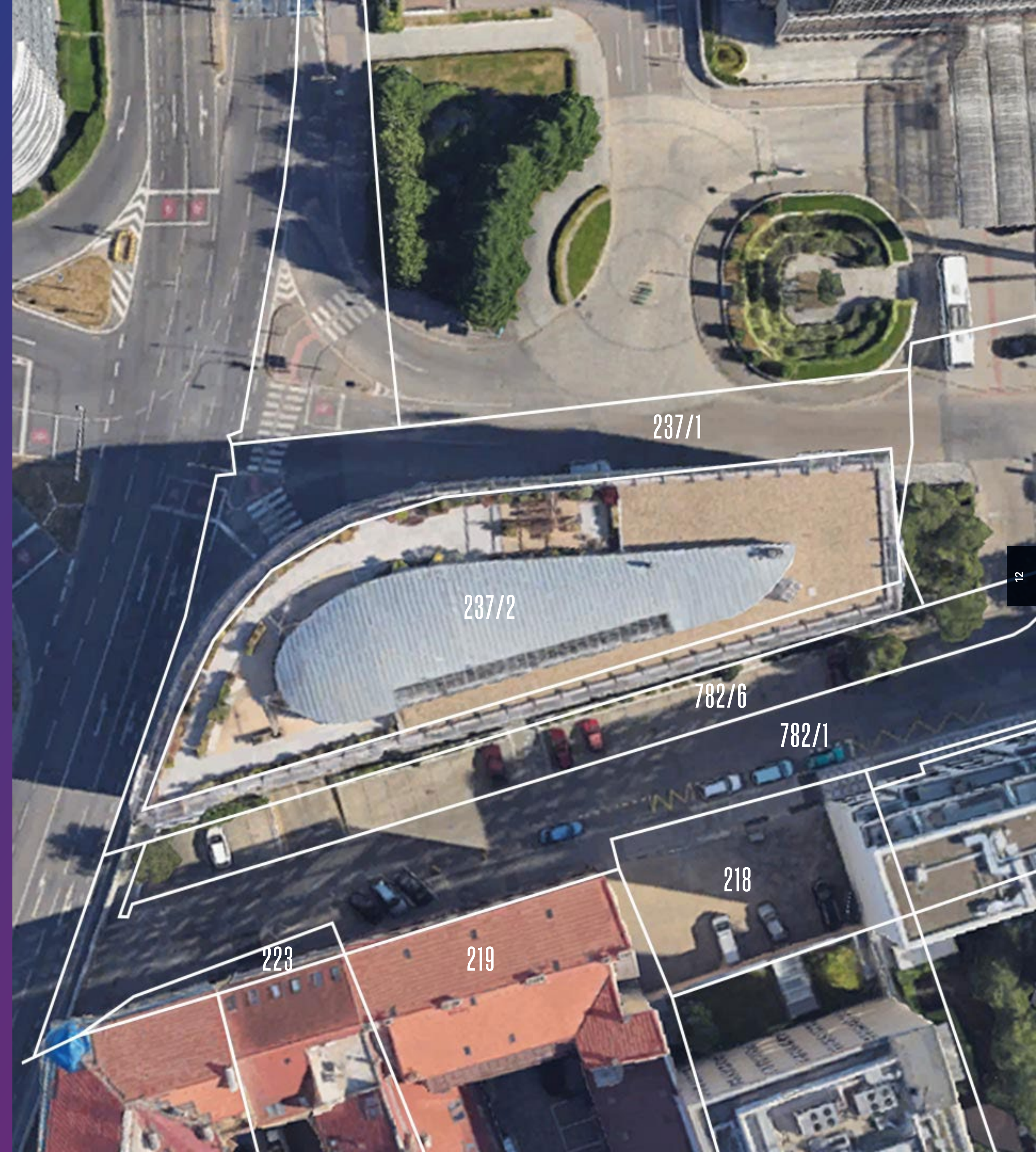
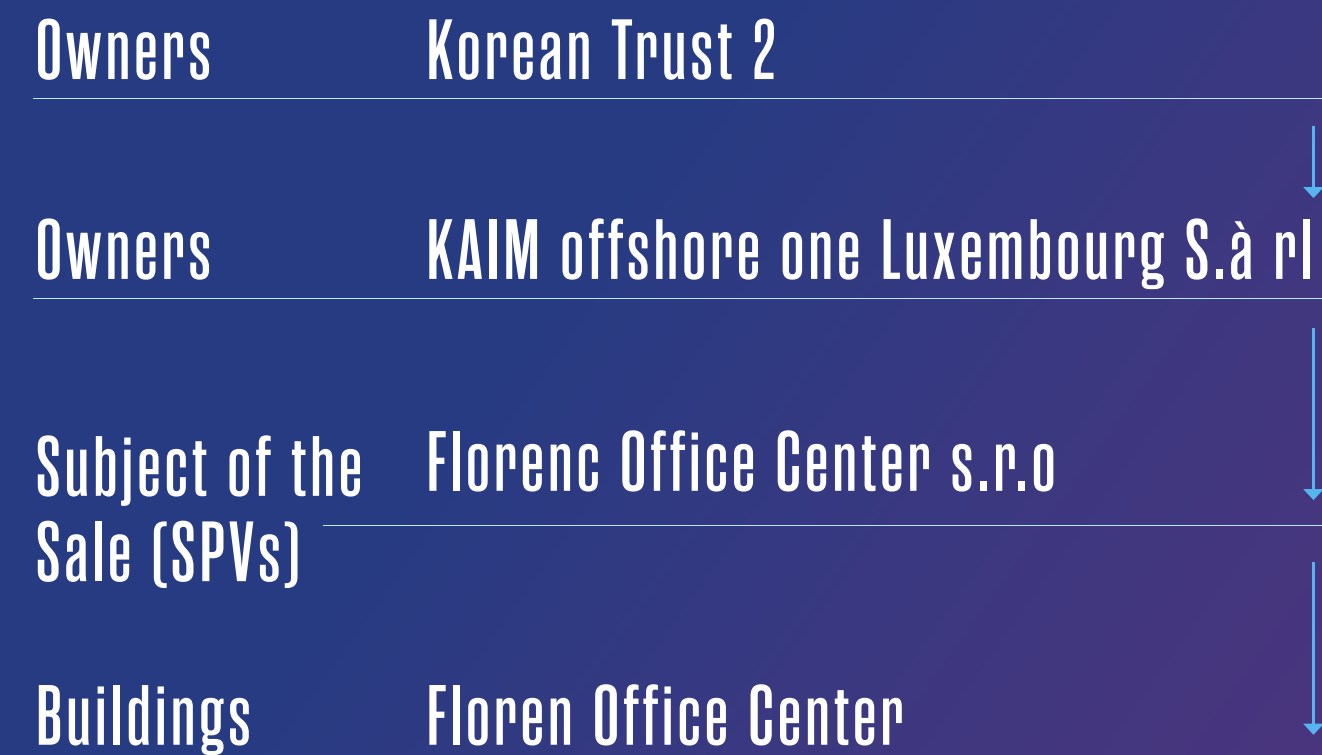
Extract from Cadastre

Title deed: 585
Parcel No: 237/1, 237/2, 782/6
Owner: Florenc Office Center sro
Total land size: 2,677 sq m

The Land

Parcel 237/2 (1,293 sqm)
Parcel 237/1 (889 sqm)
Parcel 782/6 (495 sqm)

Ownership Structure



Easements

<p>Hilton Prague (Atrium Hotel Praha)</p>	<p>237/1 & 782/6 (approx. 1,384 sqm)</p>	<p>Logistical Access: Perpetual, reciprocal rights for pedestrians and vehicles (including heavy coach/shuttle buses) to access the building from Ke Štvanici street.</p>	<p>Settled. Included in the original acquisition price. No recurring fees or ground rents.</p>
<p>PRE Distribuce (Prague Power)</p>	<p>237/2 (Building Basement)</p>	<p>Energy Security: Right to operate and maintain the on-site Transformer Station (TS 8145). Ensures direct, high-voltage power supply to the asset.</p>	<p>Settled. One-time administrative fee paid at registration. Fully paid-up.</p>
<p>CETIN (Telefónica O2)</p>	<p>237/2 (Basement to 4th Floor)</p>	<p>Data Connectivity: Permanent right for fiber-optic cabling entering the building and running through internal vertical risers directly to the tenant's server rooms.</p>	<p>Settled. One-time lump sum payment (CZK 10,000) made in 2011. Fully paid-up.</p>
<p>Pražská plynárenská (Gas)</p>	<p>237/1 & 237/2</p>	<p>Utility Supply: Right of way for gas pipeline connections crossing the property boundaries to serve the building's heating systems.</p>	<p>Settled. Standard utility easement established during construction. No ongoing costs.</p>



A Legacy of Excellence: KPMG's Two Decades at Florenc

KPMG is a global network of professional firms providing audit, tax, and advisory services across 143 countries and territories with a workforce of over 270,000 employees. As a member of the “Big Four,” the firm serves many of the world’s largest organizations, leveraging its global scale to provide deep industry insights and technical expertise, positioning it as a trusted advisor to major corporations and governments alike.

In the Czech Republic, KPMG has established a dominant market position, operating as a leading professional services provider for over 30 years. The Prague office serves as a strategic hub for its integrated service lines, housing a diverse team of experts who support the local business ecosystem through audit, tax, and advisory functions.



KPMG Global - 143 COUNTRIES - 270,000 EMPLOYEES - 30 YEARS EXPERIENCE

Highlights

Market Leadership

KPMG has been a leading professional services firm in the Czech Republic since the early 1990s. Their presence in Prague is foundational to the local business ecosystem.

Business Stability

Operating across audit, tax, and advisory, KPMG maintains a “counter-cyclical” business model. This means their activity remains high even during economic volatility.

Long-Term Tenure

KPMG has been anchored at this location since 2003. Their 23-year history at the Florenc Office Center proves the building’s strategic importance to their operations and talent retention strategy.

The 2018 Modernization

KPMG “sponsored” the transformation of the building’s interior in 2018. This reconstruction was so high-spec that it won the “Office of the Year” award, signaling to investors that the tenant views this as their stable home in Prague.

Workplace Innovation

The interiors were designed to meet modern hybrid work standards long before it became a global trend, ensuring the building remains technically relevant for 2026 workplace expectations.

Sticky Tenancy

The high cost of their 2018 bespoke fit-out creates a “barrier to exit,” making it highly likely that KPMG will continue to renew their lease cycles.

ESG Alignment

KPMG’s global commitment to “Net Zero” ensures they are motivated to keep the building’s energy performance high, which aligns perfectly with the buyer’s EU Taxonomy requirements.

Credit Quality

The lease is a “contractual guarantee” from one of the most stable financial entities in the world, often treated by lenders as “near-government” credit quality in terms of risk.

Asset Overview



Asset Description

The Florenc Office Center is a landmark Class-A office building situated at the strategic gateway between Prague 1 and Prague 8-Karlín. Originally completed in 2003, the asset serves as the long-term national headquarters for KPMG.

The building underwent a comprehensive, award-winning modernization in 2018, which earned it the prestigious “Office of the Year” title. This refurbishment transformed the internal environment into a high-spec, flexible workspace that meets the rigorous technical and digital security standards of a global Big 4 firm while maintaining its architectural prestige within a protected heritage zone.

Feature	Specification
Year of Construction	2003
Major Refurbishment	2018 (Award-winning modernization)
Total Levels	13 Floors -3 UG Lower GF Upper GF 8 Floors
Total Parking Spaces	168 Spaces 145 Indoor 23 Outdoor
Parking Ratio	1:66
Gross Leasable Area (GLA)	Office: 11,045 sqm Terraces: 511 sqm Storage: 529
Energy Performance (EPC)	Class C (Upgrade in Process)
Typical Floor Plate	1,220 sqm



Layout

The Florenc Office Center is designed as a prime institutional-grade headquarters featuring a highly efficient central core layout, which optimizes both the current single-tenant occupancy and potentially a future multi-tenant layout.

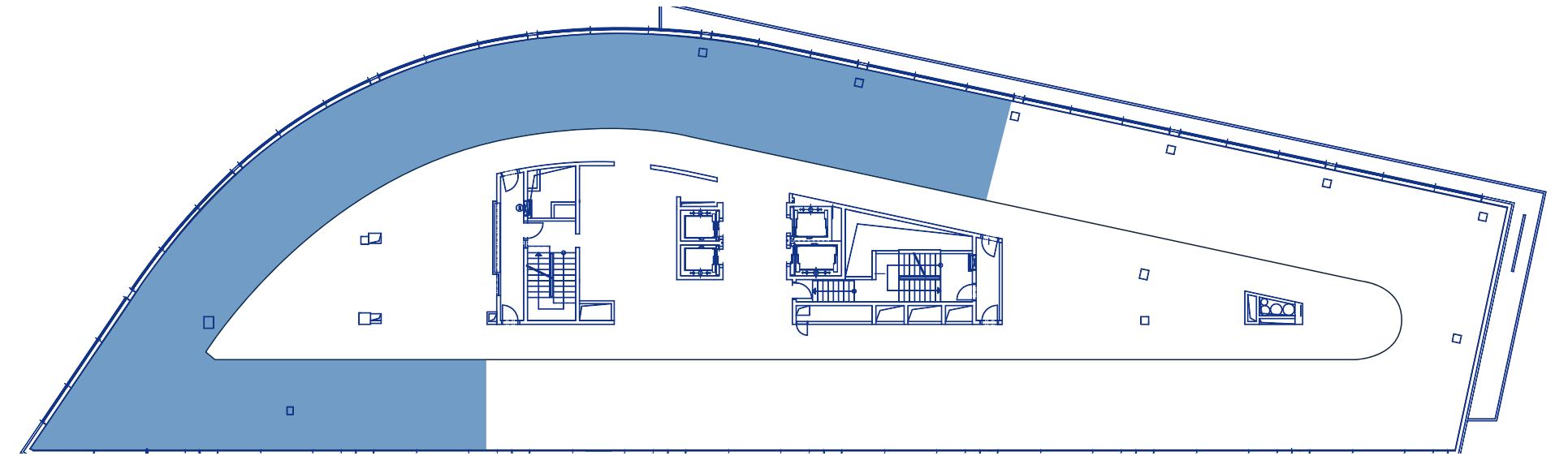
The building is organized around a centralized structural heart containing three lift banks, two fire-safe staircases, and primary sanitary blocks, allowing the office floors to remain entirely open and unobstructed.



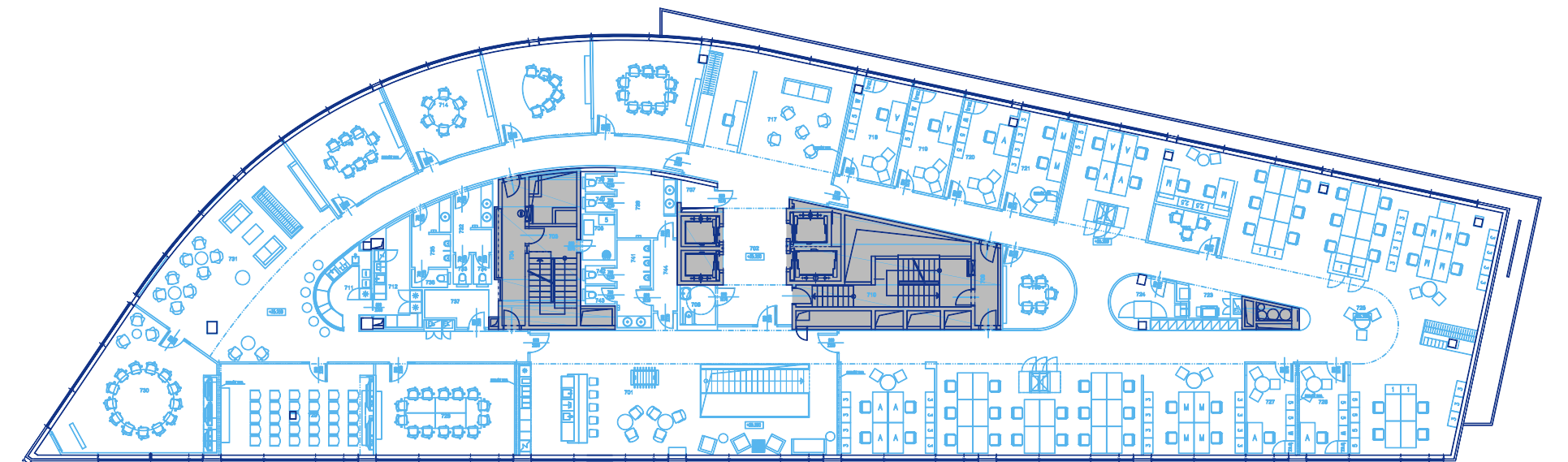
This “donut” configuration ensures that all workspaces enjoy maximum natural light from the expansive glazed facade while maintaining a short distance to essential services.

The layout is technically prepared for a plug-and-play transition to a multi-tenant strategy. Because the core is centrally positioned, typical floors can be partitioned into 2, 3, or even 4 independent units (ranging from approx. 300 to 600 sqm). Each subdivision would retain direct access to the central lift lobby and fire exits, as well as independent HVAC control through the building’s 4-pipe fancoil system.

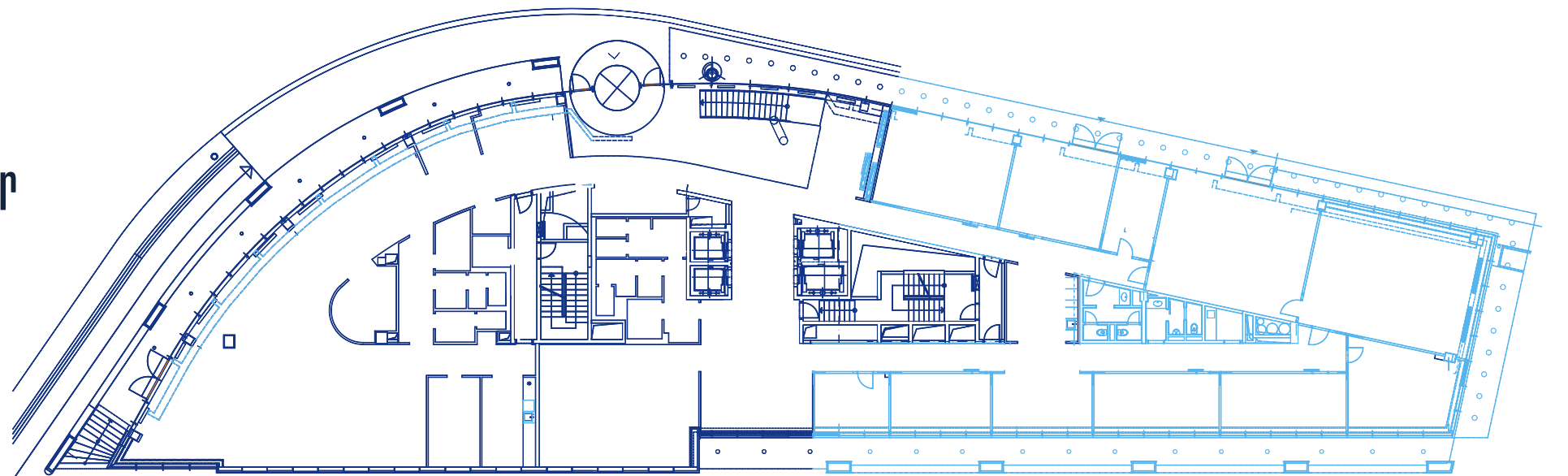
Floor 8



Floor 7

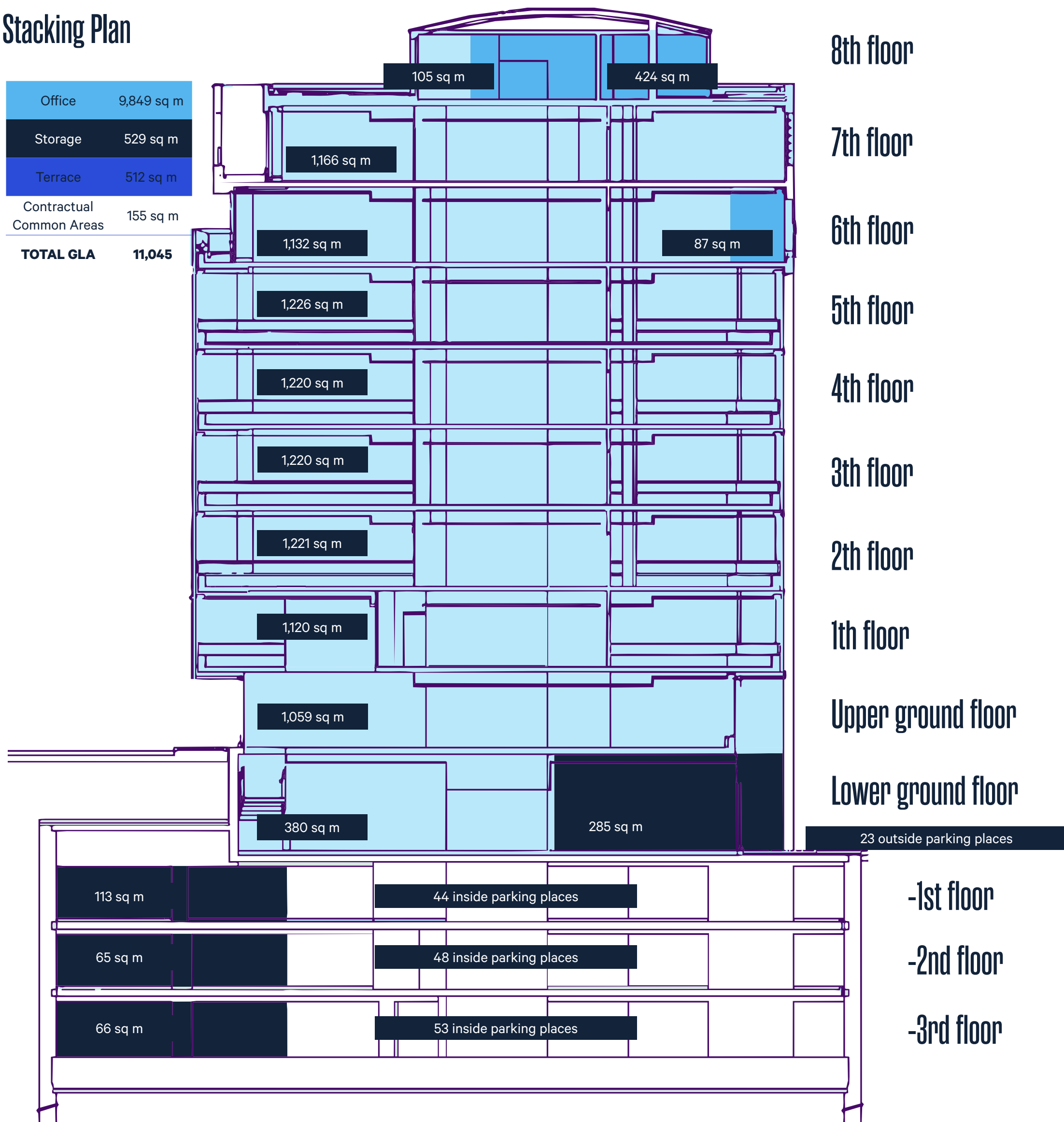


Ground Floor



Stacking Plan

Office	9,849 sq m
Storage	529 sq m
Terrace	512 sq m
Contractual Common Areas	155 sq m
TOTAL GLA	11,045



Layout

Feature	Specification	Details
Total Levels	13 Levels	8 Upper floors + Upper Ground + Lower Ground + 3 Underground (-1 to -3)
Average Floor Plate	1,220 sqm	Optimized for open-plan or cellular office layouts around a central core.
Total Parking Spaces	168 Spaces	High parking ratio for the Karlín/Florenc micro-location.
Inside Parking	145 Spaces	Distributed across Levels -1 (44) -2 (48) -3 (53).
Outside Parking	23 Spaces	Located on surface Land Plot No. 782/6.
Total Terraces	511.50 sqm	Significant outdoor amenity space for the anchor tenant.
Terrace Locations	Floors 6 & 8	6th Floor: 87.42 sqm; 8th Floor: 424.08 sqm.

Technical Specification

The asset boasts a high-spec Class A infrastructure, highlighted by a centralized MaR system for automated climate and plant control. Security is robust, featuring a dedicated dispatch center and comprehensive motion-sensing CCTV. Notably, the center is fully protected by the City of Prague’s Tier-1 flood infrastructure. With a newly ratified management protocol (Dec 2025), the Florenc Office Center offers a “zero-downtime” guarantee for business continuity.



Building structure	<p>Configuration: 8F+ 2 GF+ 3 UG.</p> <p>Facade: Glazed curtain wall on the Northern and Eastern elevations.</p> <p>Roof: Flat roof with foil waterproofing thermal insulation</p> <p>Floor plate: Central core design allowing floor plates (1,220 sqm) to be split into 2, 3, or 4 independent tenant units.</p>
Elevators and Staircases	<p>Lifts: 4 high-speed KONE passenger lifts (two sets of two facing each other) serving all office floors.</p> <p>Staircases: 3 fire-safe staircases (B1, B2, B3) equipped with Active Overpressure Ventilation to ensure smoke-free escape routes.</p> <p>Safety: Dedicated machine room ventilation for lift motors to prevent overheating.</p>
Electricity	<p>Primary Power: On-site High Voltage Transformer Station (22/0.4 kV) with 2x 1000 kVA transformers.</p> <p>Redundancy: 500 kVA Diesel Generator for critical life-safety and tenant IT infrastructure.</p>
Water	<p>Supply: Connection to municipal main internal distribution via steel and copper piping.</p> <p>Sewerage: Gravity-based system with Cast Iron piping in basements for durability; Soundproof K-flex wrapping on all internal pipes.</p> <p>Basement Safety: Automated Grundfos pumping station in Level -3 to manage potential water ingress.</p>
Ventilation	<p>Fresh Air: Central VTS Air Handling Units providing 50 m³/h per person</p> <p>Humidification: Gas-fed Condair steam generators maintain 30% min. humidity in winter.</p> <p>Specialized: Dedicated CO-triggered ventilation in garages (47,700 m³/h) and high-exchange ventilation (10x per hour) in the boiler room.</p>
Cooling and Heating	<p>Heat Source: 2x Buderus gas boilers (1,420 kW total);</p> <p>Cool Source: 3x YORK rooftop chillers (1,260 kW total) using air-cooled condensers.</p> <p>Distribution: 4-pipe fan-coil units (FCUs) in false ceilings; allows simultaneous heating and cooling in different zones.</p> <p>Server Cooling: Redundant Uniflair units (2x 15 kW) for the 3rd-floor server room.</p>
Lighting	<p>Standard: Predominantly high-efficiency LED lighting in office zones (Modernized 2018/2024).</p> <p>Exterior: Architectural facade lighting controlled by twilight sensors.</p>
Fire & Safety	<p>Systems: ESSER 8000M Fire Alarm System (EPS) with 24/7 monitoring capability.</p> <p>Scenarios: Automated Fire Scenario coordinating lift homing, fire fan activation, and access control release.</p>

ESG Performance

The Florenc Office Center is an institutional-grade asset with currently waiting for the Class C Energy Performance Certificate (EPC) to be issued in March 2026, supported by recent installation of PVs on the roof.

From an ESG perspective, the building offers significant social amenities like large private terraces and is reinforced by a 2025 Flood Plan and Building Management Systems which is currently being upgraded. This will upgrade the BREEAM In-Use from Good to Very Good by the end of Q3 2025.

EPC Level



C



Employee Facilities & ESG Impact Mapping

Feature Category	Specific Building Facility	ESG Alignment / Strategic Benefit
Wellbeing & "S"	Private Outdoor Terraces	Enhances employee mental health and provides high-quality breakout space.
Wellbeing & "S"	Award-Winning Interiors	The 2018 "Office of the Year" fit-out prioritizes biophilic design (natural wood/greenery) and acoustic comfort.
Wellbeing & "S"	Kitchenettes & Social Hubs	Refreshment zones on every floor designed to foster community and internal networking.
Mobility & "E"	Premier Public Transit Access	Directly adjacent to Metro (B/C) and Tram hubs, minimizing the corporate carbon footprint of staff commuting.
Mobility & "E"	Cycling Infrastructure	Dedicated secure bike storage, lockers, and shower facilities to encourage zero-emission commuting.
Mobility & "E"	EV Charging Stations	Underground parking includes dedicated 6 electric vehicle charging points for staff and clients.
Environment & "E"	Tenant-Controlled HVAC	Individual floor/zone control allows employees to manage their micro-climate, reducing wasted central energy.
Environment & "E"	Operable Windows	High-performance operable glazing allows for natural ventilation, improving indoor air quality.
Social / Governance	24/7 Professional Concierge	High-level security and tenant service lobby, essential for "Big Four" compliance and professional safety.

Financial Overview



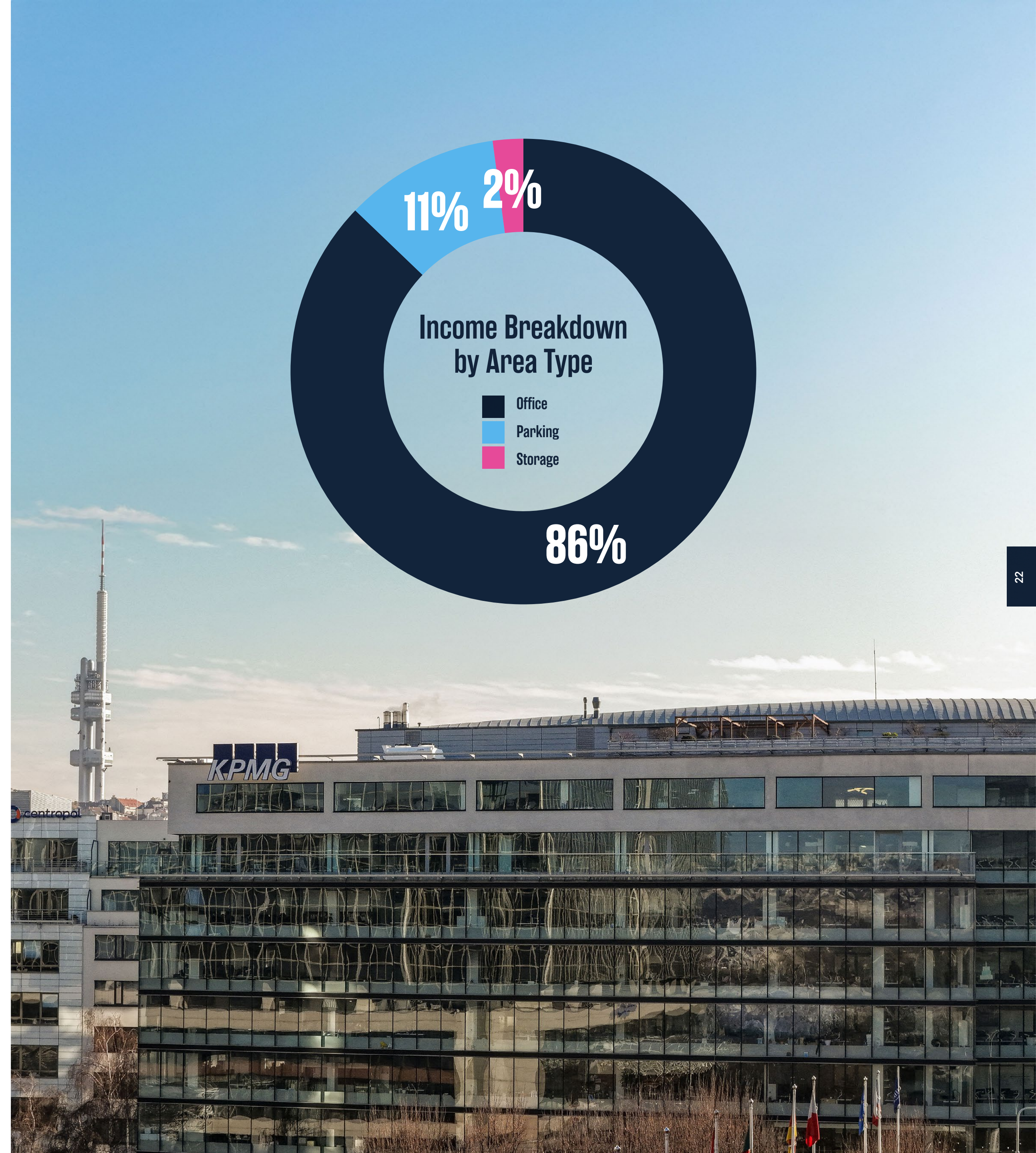
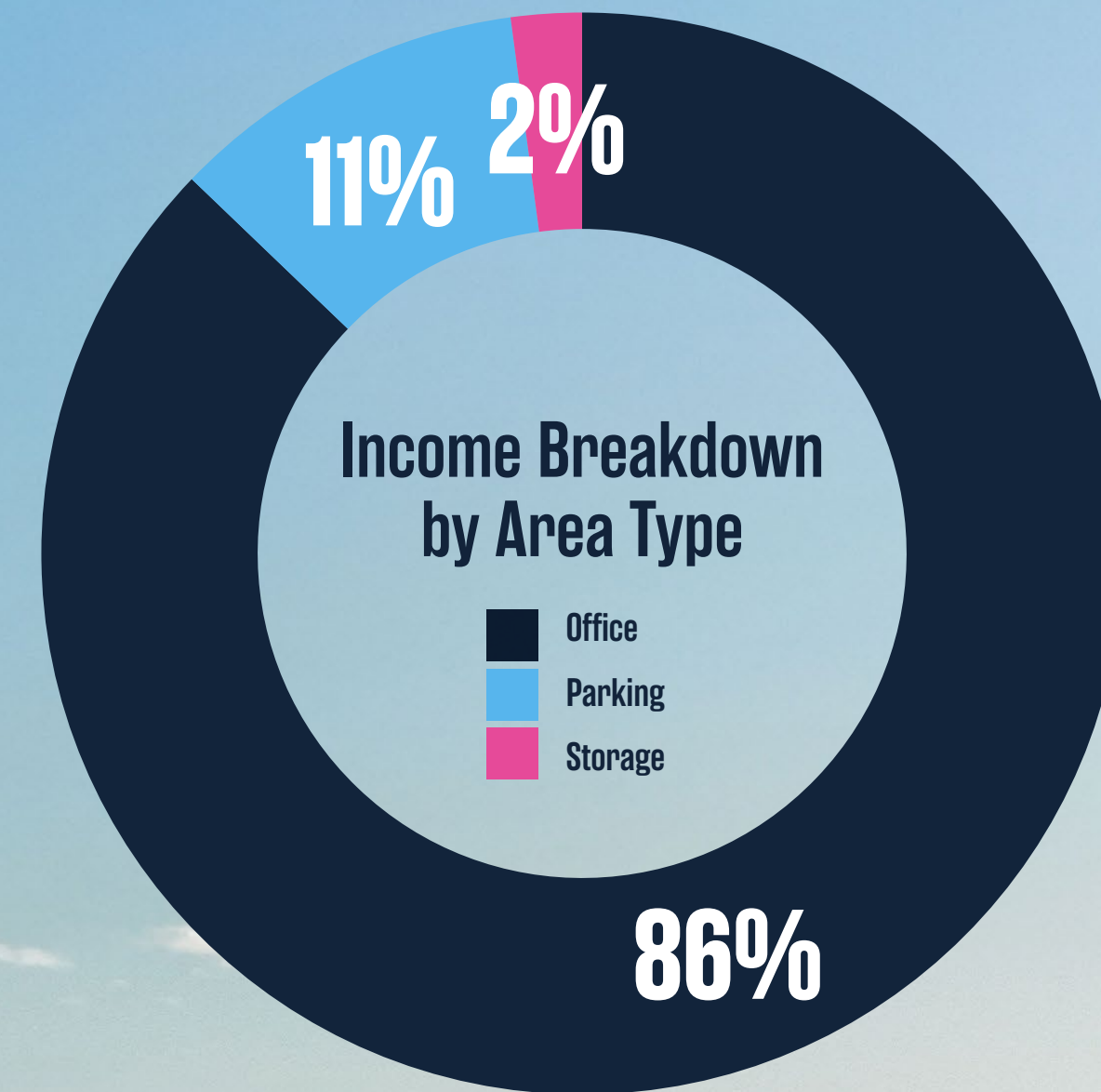
Tenancy Overview

The property generates a Gross Rental Income of EUR 2,707,670 in 2026, derived from a total Gross Leasable Area of 11,045 sqm. The primary revenue driver is the Office component, which contributes EUR 2,320,004 (86%) of the total income across 9,849 sqm.

Parking serves as a significant secondary income stream, generating EUR 285,397, representing 11% of the annual rent despite having no assigned GLA. The remaining revenue is distributed among Storage (2%), the Common Area Add-On (1%), and a nominal contribution from the Terrace spaces.

The WAULT and WAULB are identical at 4.5 years starting March 2026 as there are no break options in the current lease agreement with KPMG.

Area Type	GLA (sqm) / Units	2026 Rent (EUR/unit)	2026 Annual Rent (EUR)	Key Floors
Office	9,850 sqm	€19.60 / sqm	€ 2,320,000	Floor -00 to Floor 08
Parking (Indoor)	145 spaces	€152 / space	€ 265,000	Basements
Parking (Outdoor)	23 spaces	€76.00 / space	€ 20,100	Ground Exterior
Storage	530 sqm	€8.90 / sqm	€ 56,200	Floor -00 to Floor -03
Common (Add-on)	155 sqm	€19.60 / sqm	€ 36,500	Telecommunication Systems
Terrace	511 sqm	€1.27 / sqm	€ 30	Floors 06 and 08
TOTAL	11,045 sqm	—	€ 2,707,670	



Capital Expenditure & Modernization

The asset underwent a landmark modernization and full technical refurbishment, totalling an investment of €9.7 million. This joint initiative between the landlord and the anchor tenant, KPMG, transformed the property into an award-winning “Office of the Year” space.

Investment Split: Landlord Contribution: €4.4M | Tenant (KPMG) Fit-out: €5.3M
 Upon lease expiry, all fit-out elements and technical installations shall remain in situ at a total capped reinstatement cost of 1 CZK/sqm.

Phase 1 The Landmark Transformation (2018-2019)	Phase 2 Operational Excellence & Vertical Transport (2023-2024)	Phase 3 ESG Transition & Energy Independence (2025)	Phase 4 Future-Proofing & Security (2026)
<p>Million A comprehensive overhaul of the building’s core and interiors.</p> <p>Core Works: Full architectural and construction section upgrades, including the installation of a new central staircase.</p> <p>Technical Infrastructure: Complete replacement of HVAC systems (Heating, Cooling, Ventilation) and electrical distribution.</p> <p>Interior Excellence: High-end fit-out featuring bespoke furniture, premium flooring, and designer lighting.</p> <p>System Integration: Full upgrade of Measurement and Control systems, alongside modern sanitary and water works.</p>	<p>New Elevators installation project.</p> <p>Full facility lighting upgrade, encompassing both indoor and outdoor lighting replacement.</p>	<p>Implementation of renewable energy and high-efficiency climate systems.</p> <p>Renewables: Project works and final installation of Rooftop Photovoltaics.</p> <p>Energy Efficiency: Exchange of ventilation units and transition to high-efficiency gas boilers.</p> <p>Cooling Innovation: Installation of Freecooling systems to reduce energy consumption during shoulder seasons.</p> <p>Certifications: Final payment and formalization of BREEAM Certification.</p> <p>Intelligence: Initial BMS (Building Management System) adjustments and ongoing maintenance CAPEX.</p>	<p>Scheduled upgrades to ensure long-term reliability and asset safety.</p> <p>Building Intelligence: Major BMS Upgrade to the latest software and hardware standards.</p> <p>Security Infrastructure: Reconstruction of the access system, including a full replacement of readers.</p> <p>Cooling Resilience: Exchange of cooling system compressors to ensure peak performance for the next decade.</p> <p>Sustainability: Continued maintenance CAPEX to preserve the asset’s “Office of the Year” standard.</p>
Total Investment: €9.7M	Total Investment: €200k	Total Investment: €564k	Total Investment: €395k

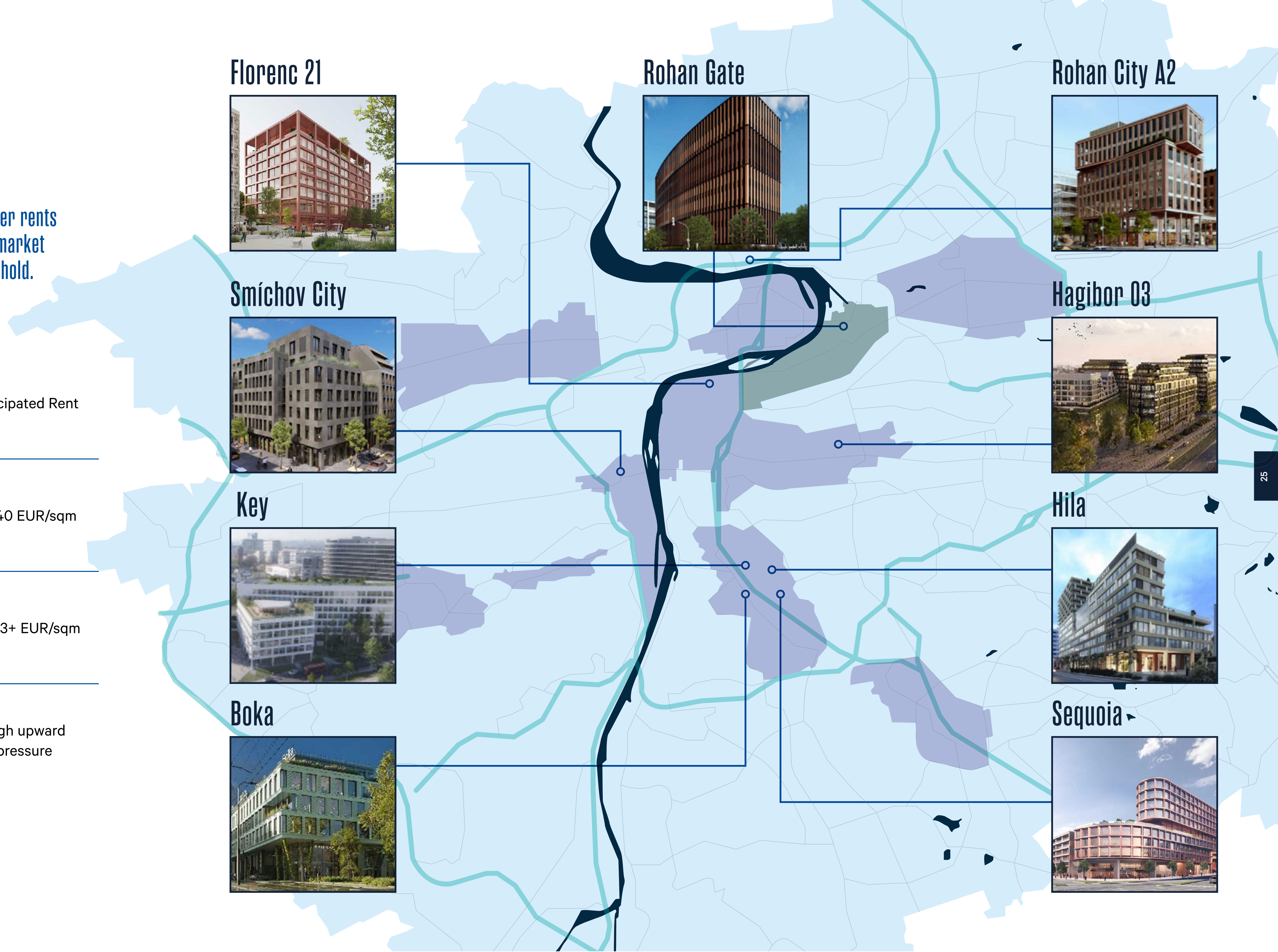
Market Overview



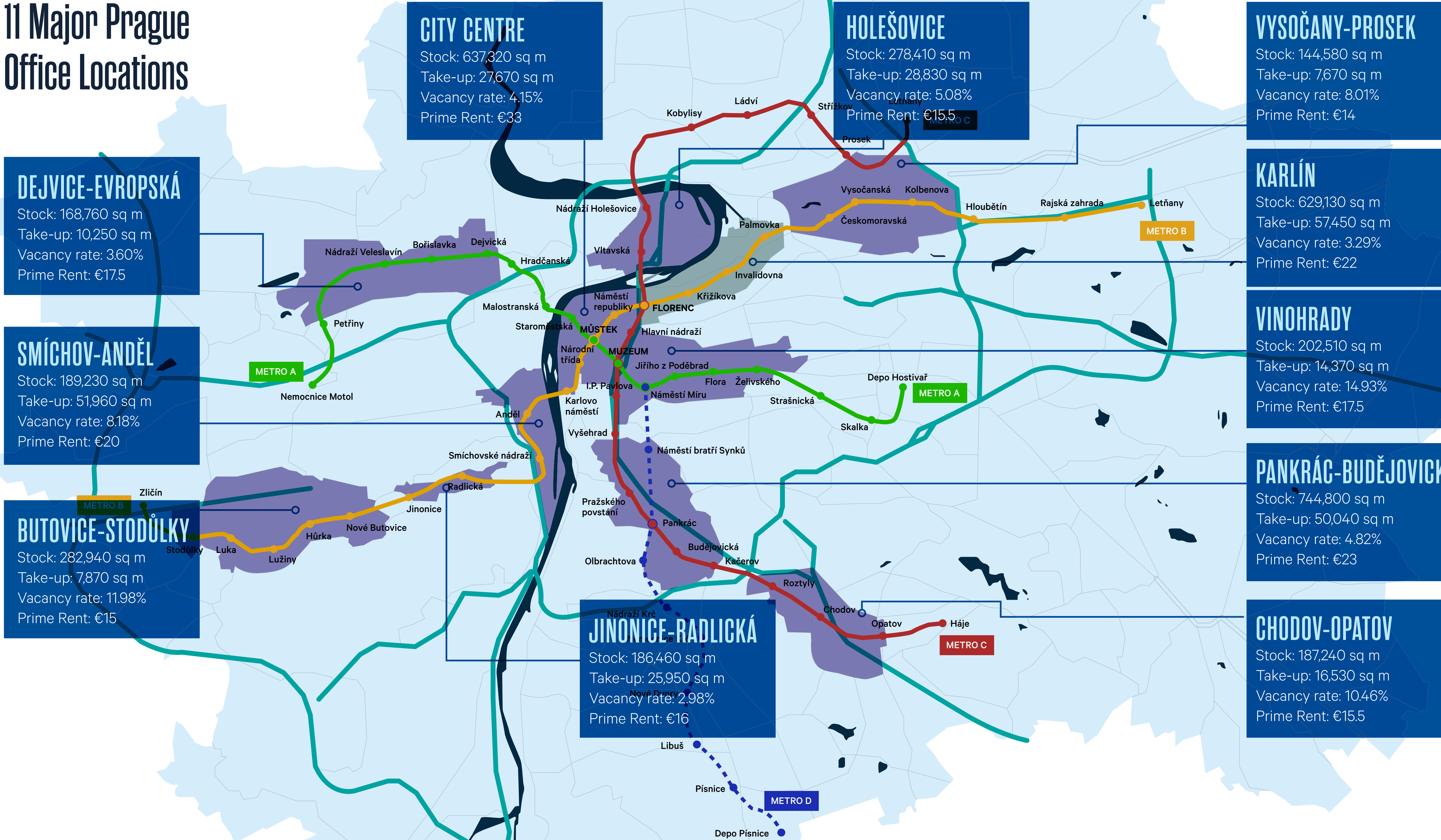
Prague Office Pipeline

With limited near-term supply, prime city-center rents are scaling 34–40 EUR/sqm, pushing general market asking rates beyond the 20–23 EUR/sqm threshold.

Segment	Status	Anticipated Rent
Prime City Center	Extreme Scarcity (Pipeline 2030+)	35–40 EUR/sqm
Inner City Hubs	Under Construction (Karlín/Smíchov)	20–23+ EUR/sqm
Future Pipeline	Projects delayed to 2028 and beyond	High upward pressure



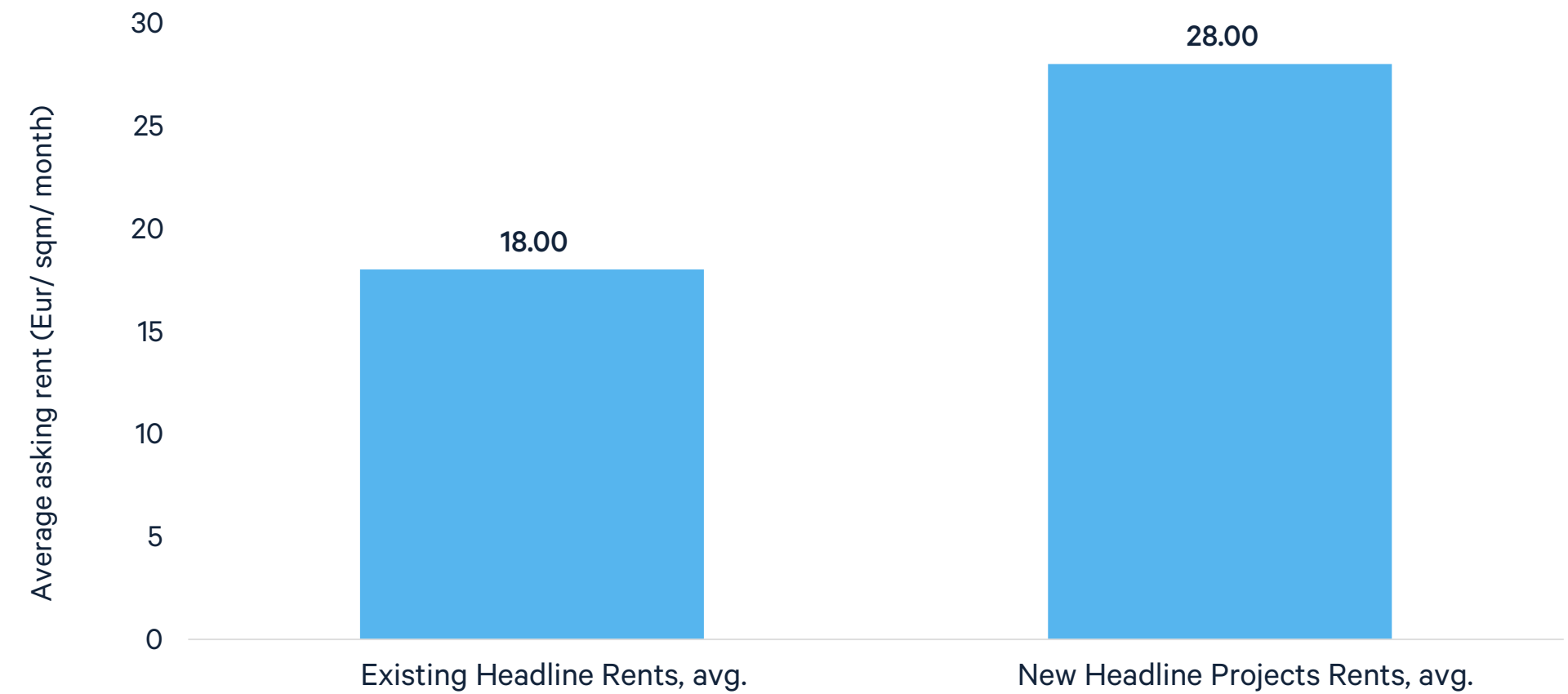
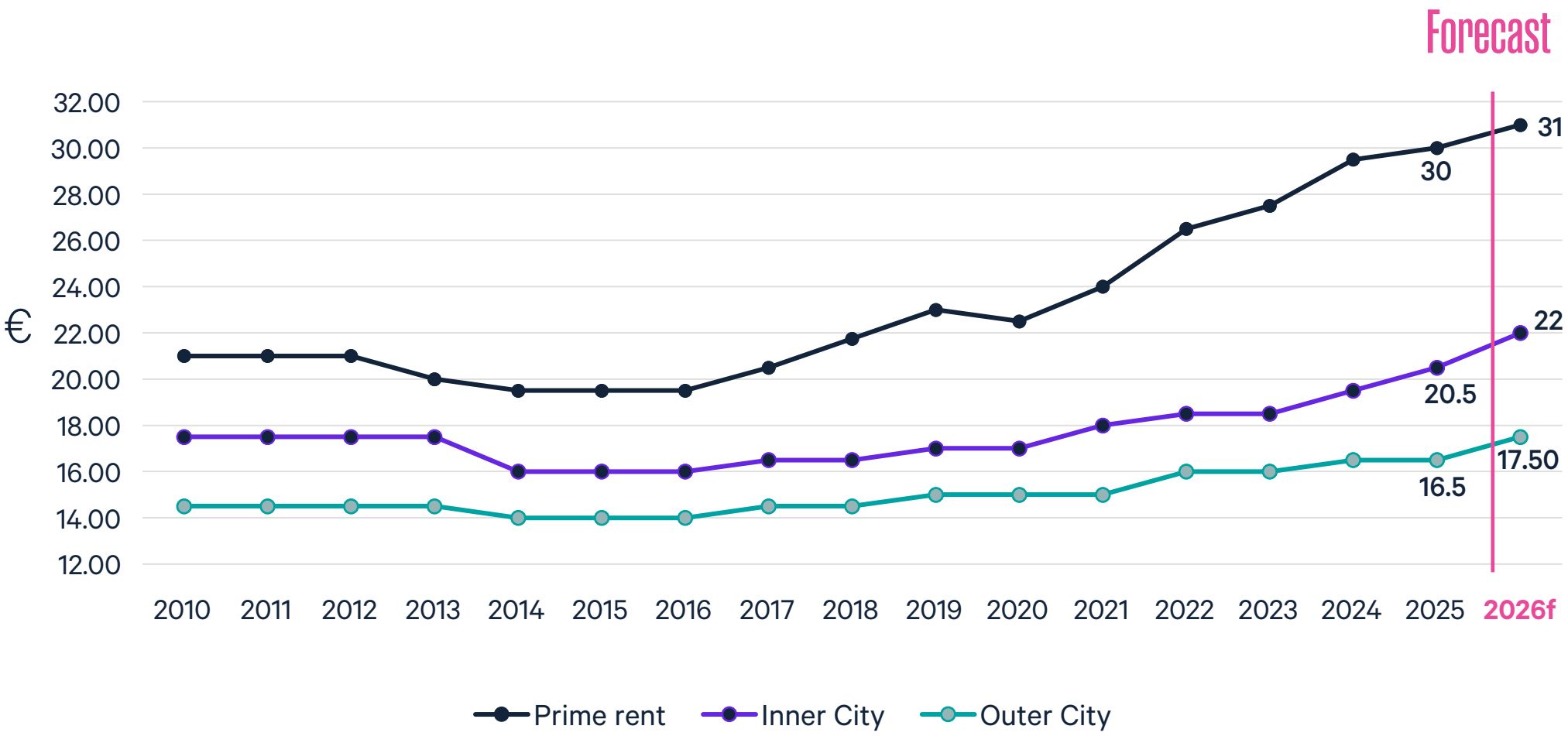
11 Major Prague Office Locations



Prague Office Market Prime Rents

Average Rent 17,53 €/sqm

Fit-out Contributions € 180/sqm - € 200/sqm
 Rent Free 6 to 8 months
 Term 5 years



Karlin & City Center Office Hubs

In 2025, the Karlin and Prague City Center office sub-markets continue to demonstrate robust resilience, characterized by historically low vacancy and a significant supply-demand imbalance. With total modern stock currently at 1,266,446 sq m, the vacancy rate has compressed to a remarkable 3.7%, reflecting a severe shortage of available Grade A space in the city’s most sought-after business districts.

City Center

Historically the most prestigious core location, the City Center is currently operating at 4% vacancy.

This scarcity has stabilized prime rents at the top of the market range (approx. €29.00/sq m/month), as tenants are increasingly willing to pay a premium for central accessibility and prestige.

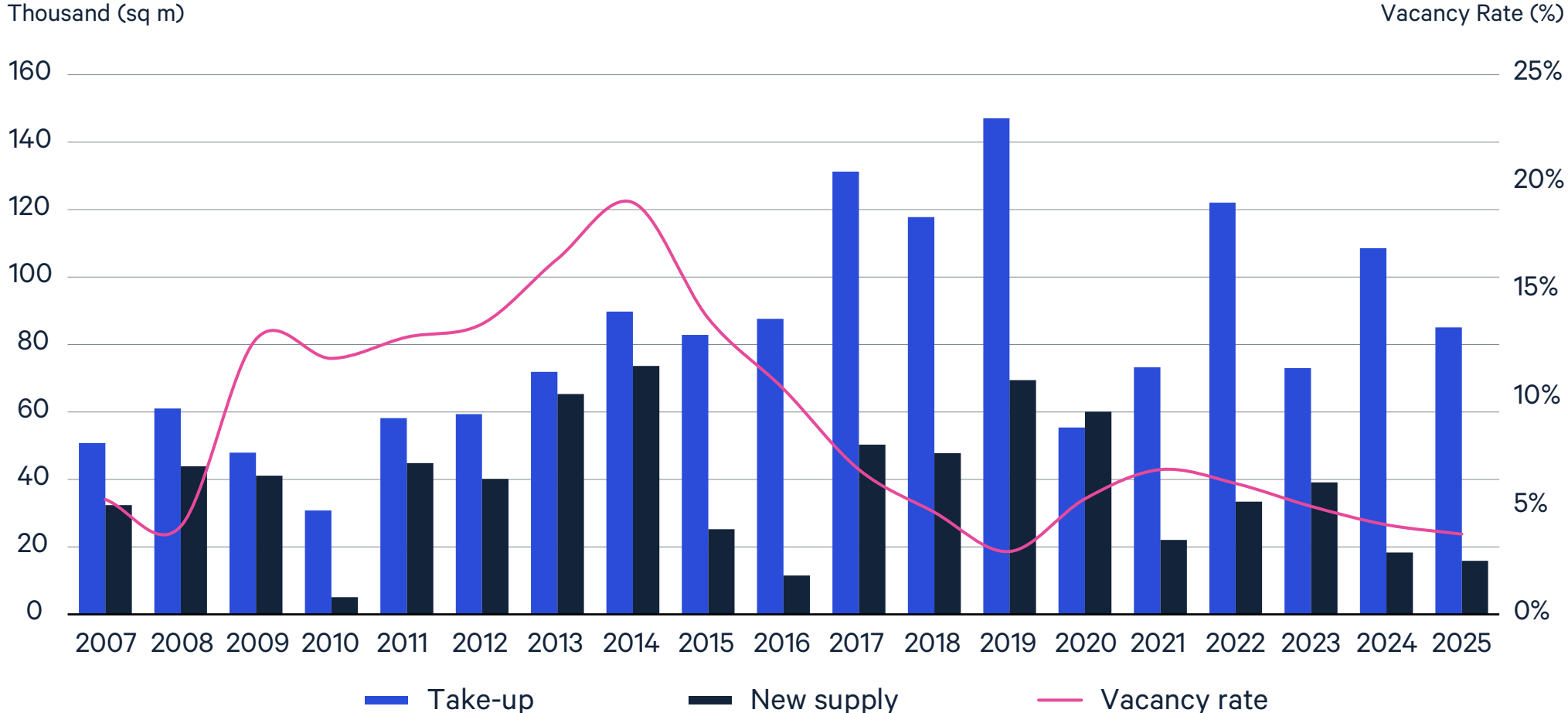
Karlin

Consistently recognized as Prague’s most dynamic business hub, Karlin bridges the gap between the historical center and modern administrative needs.

The submarket’s popularity is evidenced by a vacancy rate significantly lower than the city-wide average, standing at 3.30%.

Leasing activity here is dominated by tech, legal, and creative sectors, ensuring high tenant retention and consistent rental growth.

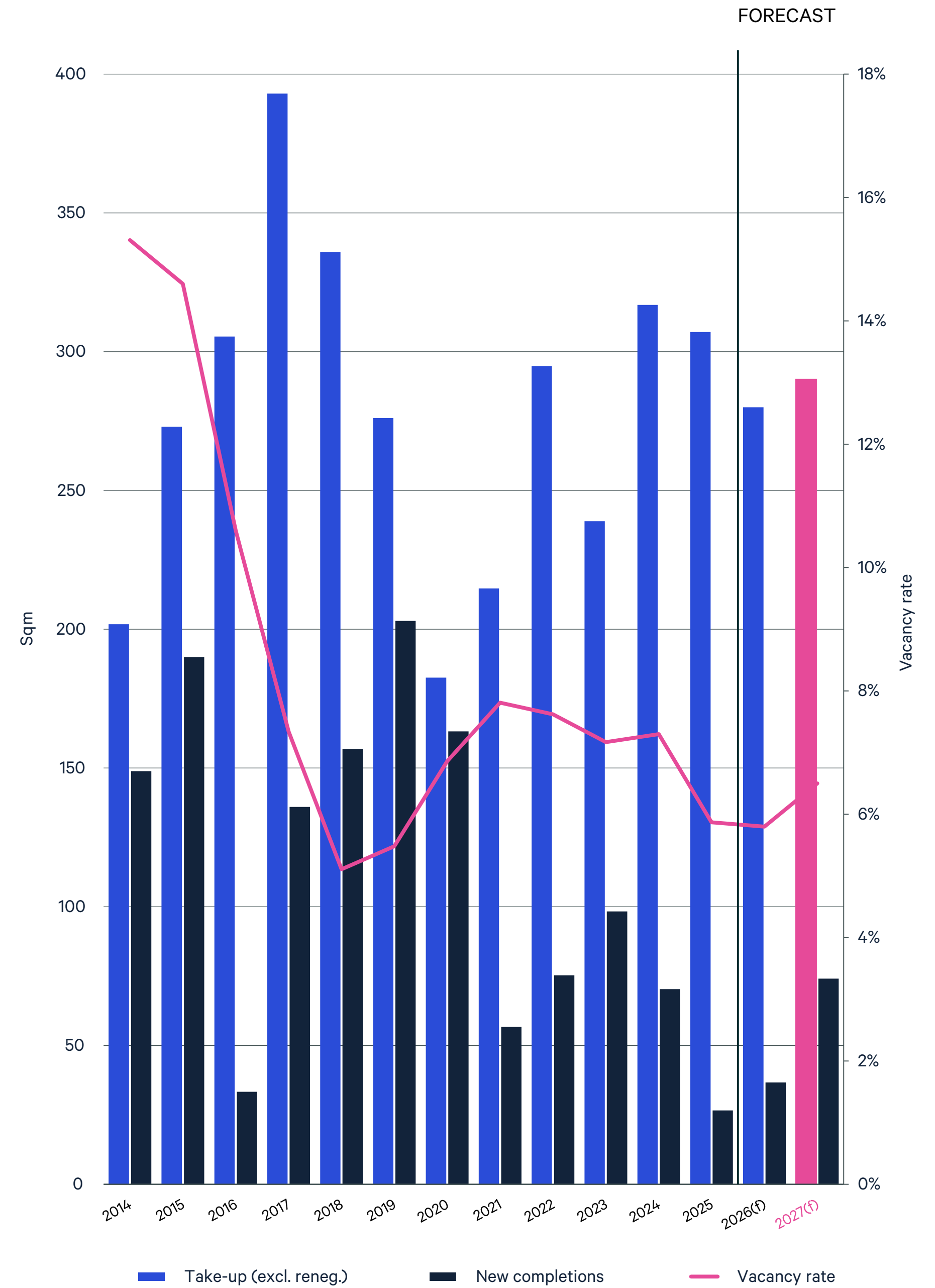
City Center & Karlin Historical Leasing Activity



Source: CBRE Research, Q1 2026

Total Stock	Total leasing Activity	Completions	Pipeline 2026-2028
1,266,446 sqm	172,941 sqm	15,891 sqm	18,350 sqm
Existing Vacant Space	Take Up	Space U/C	Average Weighted asking rent in prime buildings
3.70% (47,146 sqm)	85,120 sqm	50,686 sqm	20.43 Eur/sqm/m

Prague Office Market Trend



Prague Investment Transactions

Main office Investment transactions in 2025

Property	Property Size (sqm)	Price Estimate (mil EUR)	Yield	Purchaser	Vendor
Pankrác House	19 300	45	7.90%	Trinity Bank	Immofinanz
The Square	19 000	59	7.45%	Ungelt Group	Amundi
Stará Celnice	11 440	67	5.30%	Fio Bank	Invesco
Visionary	25 500	68	6.00%	Conseq	CA IMMO
Rivergarden II + III	27 700	95	6.50%	Axelor	LaSalle IM
Kavčí Hory Office Park	42 300	105	7.25%	Conseq	CA IMMO
Fórum Karlín	21 000	79	6.11%	Patria	Amundi

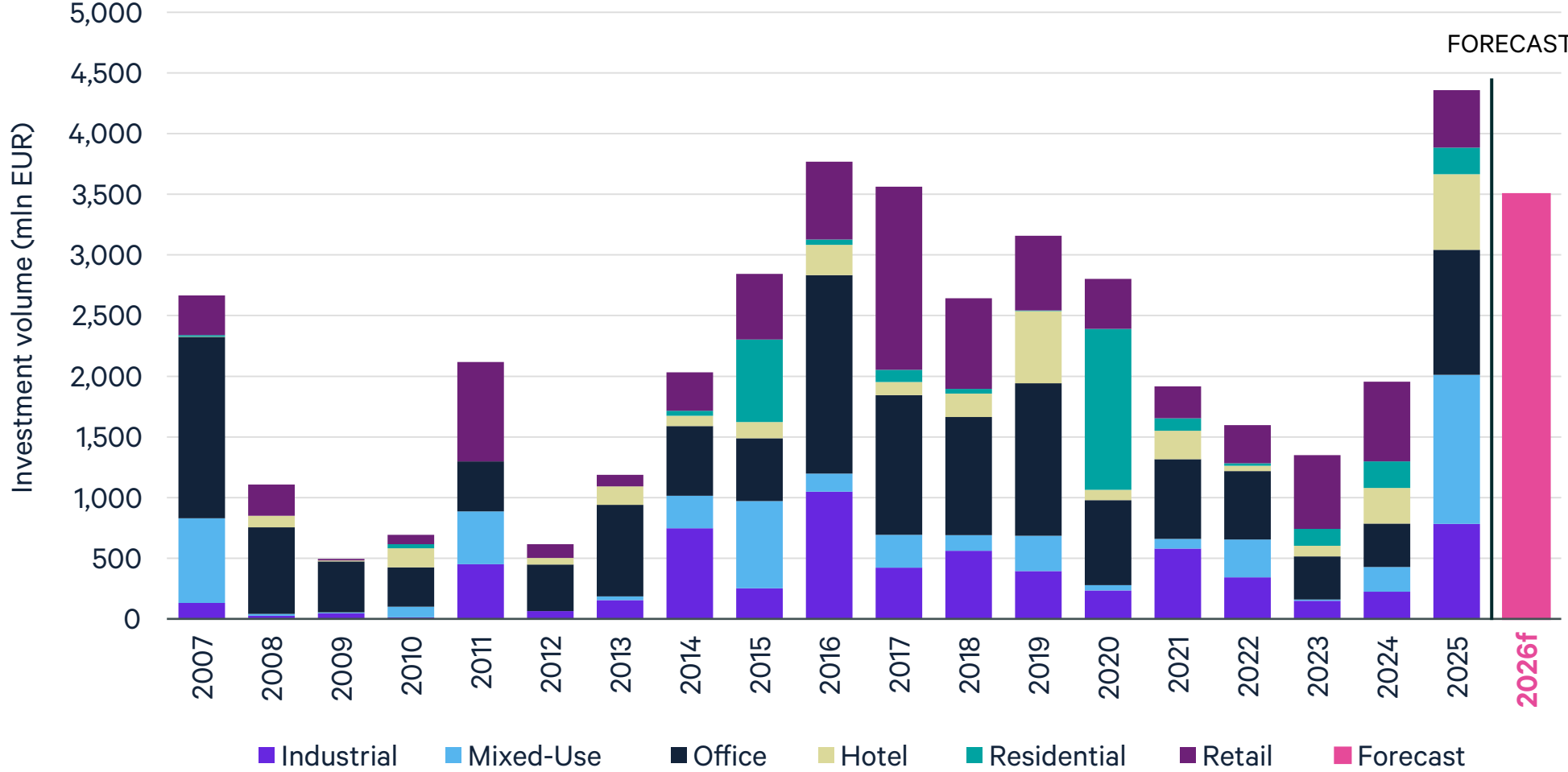
Czech Republic Investment Market

Czech investment volumes mirrored global trends, bottoming out in 2023 at just over €1.3 billion.

In 2024, a notable increase in activity was observed, attributed to a positive outlook and improved inflation control, which positively impacts financing costs. Local investors remain the primary contributors, comprising over 70% of last year's investment volumes. In 2024, the retail sector led with a 34% share, followed by office spaces (18%), hotels (15%), and industrial properties (11%).

In 2025, we have seen transactions such as Václavské náměstí 42, Česká spořitelna HQ, Forum Karlín, Kavčí Hory Office Park and Visionary.

In 2026, a further influx of international capital is anticipated, supported by improved financing costs. Investors aim to deploy their capital before values fully recover and the window of opportunity closes.



Source: CBRE Research, Q4 2025

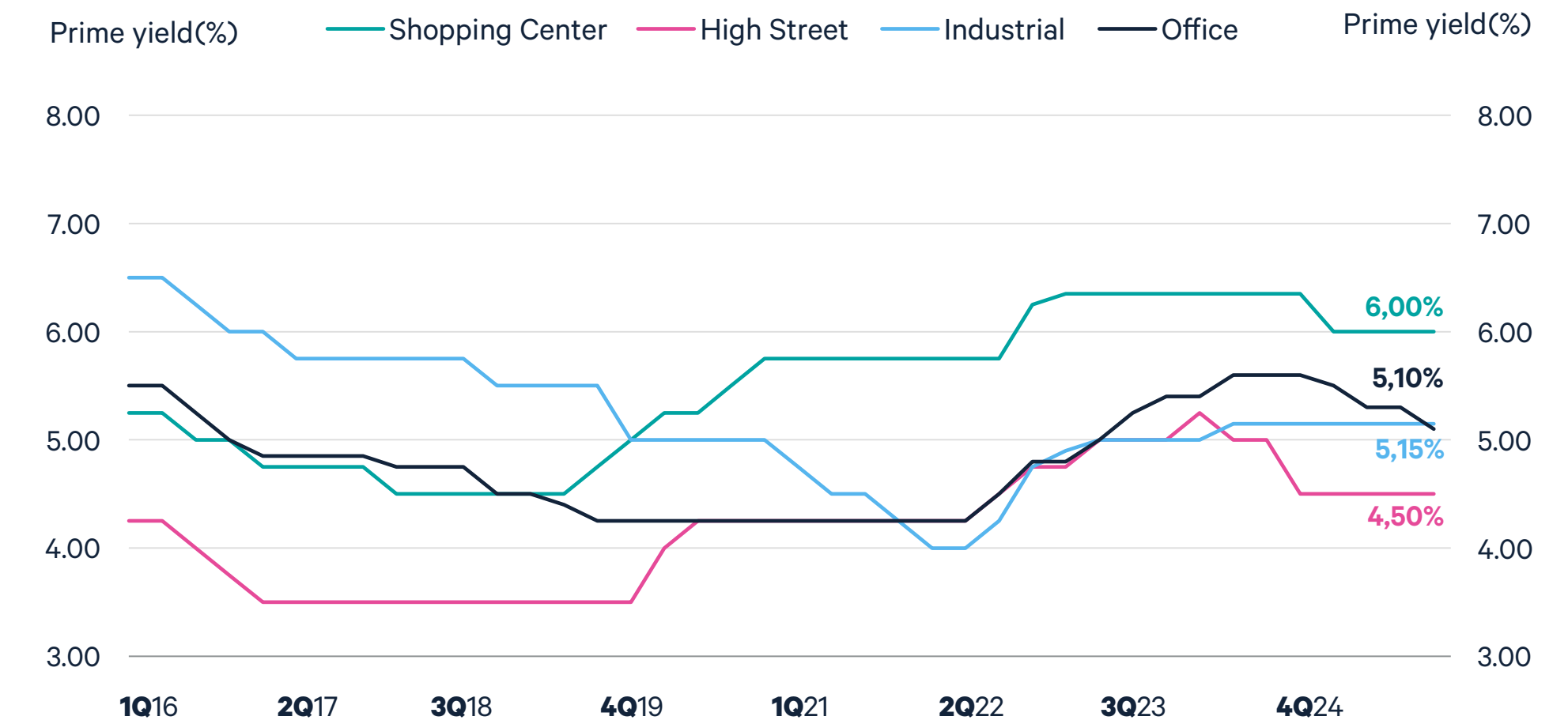




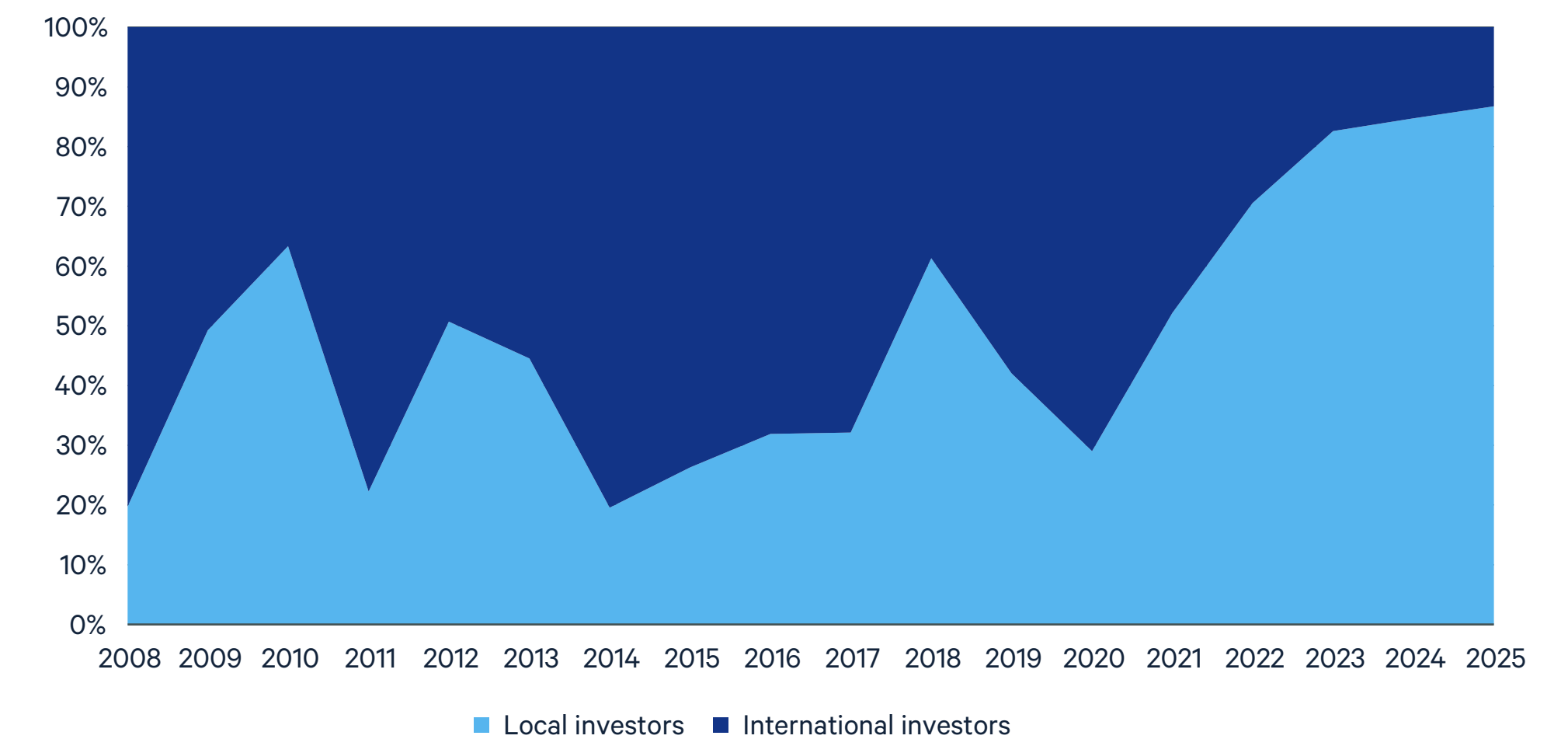
87% of 2025 volume by local investors

Czech Republic Prime Yields

Prime Yields Evolution (%)



Share of local vs international investors



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Disclaimer

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