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GRAND CITY PROPERTIES S.A. STARTS 2021 IN LINE WITH GUIDANCE, SUPPORTED BY SOUND OPERATIONS AND ENHANCED PORTFOLIO QUALITY

- €270 million share buyback program, of which €89 million completed in Q1 2021, supports accretive growth on a per share basis.
- Net rental income for Q1 2021 at €90.6 million as compared to €94.5 million in Q1 2020, lower due to disposals at gains over book value.
- Adjusted EBITDA of €73 million for Q1 2021, as compared to €74 million for Q1 2020.
- FFO I at €47 million for Q1 2021, stable in comparison to Q1 2020, as a result of strong operational efficiencies.
- FFO I per share for Q1 2021 was €0.27, against €0.28 for the corresponding period in 2020. FFO I yield of 4.9% (based on a share price of €22).
- Disposals of €220 million at a significant gain of 16% over net book values.
- Profit for the period amounted to €51 million, basic EPS of €0.20 and diluted EPS of €0.19.
- EPRA NTA as of March 2021 amounted to €4.5 billion and €27.0 per share, as compared to €4.6 billion and €26.5 per share as of year-end 2020.
- Strong equity base maintained with total equity amounting to €5.4 billion, reflecting an equity ratio of 50%.
- Conservative nature of the credit profile retained with a low LTV of 33%, larger level of unencumbered investment properties amounting to €7.6 billion (92% of total portfolio value), complemented with a robust capacity for profit generation reflected in the ICR of 6.2x. Cost of debt reduced to 1% coupled with 7-year average debt maturity.
- Robust organic growth sustained with net rental income increasing by 1.8% on a like-for-like basis, with 1.1% increase attributable to in-place rent increases and 0.7% as a result of occupancy increases.
- FY 2021 guidance confirmed.

Luxembourg, May 18, 2021 – Grand City Properties S.A. (“GCP” or the “Company”) reported results for the first quarter of 2021, with net rental income marginally decreasing to €91 million as a result of disposals of non-core assets. This decrease was partially offset by the like-for-like net rental income increase of 1.8%. During the first quarter of 2021, GCP posted an adjusted EBITDA



of €73 million, marginally lower as compared to Q1 2020. FFO I of €47 million, remaining stable as compared to the same period in 2020.

GCP completed disposals amounting to €220 million during the first quarter of 2021, generating a high profit margin of 35% over total costs (including capex). These disposals comprised mainly of assets held-for-sale and other non-core assets, located in Eastern Germany and secondary cities, and were carried at a multiple of 17x. The Company also repurchased shares amounting to €89 million, at a discount to NAV, which will support increasing shareholder value in the following periods. Additionally, GCP also acquired quality assets amounting to €100 million, predominantly located in London, at a multiple of 18x.

The Company implemented several debt optimisation measures during the first quarter of 2021 with the issuance of its largest ever straight bond of €1 billion, at a record low coupon of 0.125%, while also prepaying debt of over €750 million. As a result of these measures, GCP's average cost of debt at the end of March 2021 decreased to 1%, from 1.3% as of December 2020. The Company continues to maintain a long average debt maturity period of 7 years. Furthermore, the robust capacity for profit generation resulted in a strong ICR of 6.2x.

Refael Zamir, CEO of Grand City Properties: "We begin the year with a solid financial and business platform, positioning us well to deliver on our goals for the year and to create further growth in the years to come."

Financial statements for Q1 2021 are available on the Company's website:

<https://www.grandcityproperties.com/investor-relations/publications/financial-reports/>

For definitions of the alternative performance measures please see the relevant section in the pages 26 - 29 of the financial statements for Q1 2021, which you can find on the website under investor relations > publications > financial reports or follow this link:

https://www.grandcityproperties.com/fileadmin/user_upload/03_investor_relations/Downloads/2021/GCP_Q1_2021.pdf

About the Company

The Company is a specialist in residential real estate, value-add opportunities in densely populated areas primarily in Germany. The Company's strategy is to improve its properties by repositioning and intensive tenant management, and then create value by subsequently raising occupancy and rental levels. Further information: www.grandcityproperties.com

Grand City Properties S.A. (ISIN: LU0775917882) is a public limited liability company (société anonyme) incorporated under the laws of the Grand Duchy of Luxembourg, having its registered office at 1, Avenue du Bois, L-1251 Luxembourg, Grand Duchy of Luxembourg and being registered with the Luxembourg trade and companies register (Registre de Commerce et des Sociétés Luxembourg) under number B 165 560. The shares of the Company are listed on the Prime Standard segment of Frankfurt Stock Exchange.



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