

THIS ANNOUNCEMENT IS NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF APPLICABLE LAWS OR REGULATIONS

**GRAND CITY PROPERTIES S.A. ANNOUNCES RESULTS FOR H1 2022 WITH ROBUST OPERATIONAL PERFORMANCE AT RECORD LOW VACANCY AND STRONG FINANCIAL PROFILE**

- Net rental income for H1 2022 amounted to €195 million, up by 6% YOY, driven by like-for-like rental growth of 3.0% comprising of 2.2% in-place rent increases and 0.8% occupancy increases.
- Portfolio vacancy at new historic low of 4.7% as of the end of June 2022 as compared to 5.1% at FY2021.
- Strong financial profile maintained with a low average cost of debt of 1.1%, long average debt maturity of 6.4 years, low LTV of 35%, high proportion of 95% interest hedged debt, and strong interest coverage with an ICR of 6.6x. Further supported by strong liquidity position amounting to approx. €450 million of cash and liquid assets and €300 million of undrawn credit facilities.
- Strong financial flexibility with unencumbered assets of approx. €9 billion (91% of total portfolio value) providing access to low cost bank debt.
- FFO I of €97 million in the six months of 2022, increasing by 3% YOY.
- FFO I per share of €0.59, increasing 5% YOY. FFO yield of 8.5%, based on a share price of €13.9.
- Profit for the period of €234 million, reflecting a basic EPS of €1.21 and a diluted EPS of €1.17.
- EPRA NTA of €5.2 billion as of June 2022. EPRA NTA per share of €30.6, as of June 2022, compared to €30.4 per share, as of December 2021, increasing 3% adjusted for dividend.
- Robust equity base at the end of H1 2022 with an equity ratio of 53% and total equity amounting to €6 billion.
- FY 2022 guidance confirmed and all financial policies are in line.

**Luxembourg, August 15, 2022** – Grand City Properties S.A. (“GCP” or the “Company”) announces results for the first half of 2022 with net rental income amounting to €195 million, increasing by 6% as compared to the €183 million recorded in the first half of 2021. The increase was primarily the result of net acquisitions made in past periods further supported by the strong rental like-for-like growth of 3.0%. For the first half 2022, adjusted EBITDA amounted to €152 million, growing by 3% as compared to €147 million generated in the same period in 2021 primarily as the result of the strong rental growth, offset by cost inflation. FFO I in H1 2022 amounted to €97 million, increasing by 3% year over year. The FFO I per share increased to €0.59 from €0.56, primarily due the full effect of the accretive share buybacks executed in 2021. The company recorded



revaluations and capital gains in the amount of €234 million in H1 2022, 2.5% on a like-for-like basis and net of capex or 3.3% including capex, which underscore the operational improvements achieved and the quality of the portfolio's locations.

At the end of the reporting period, GCP closed approx. €250 million which were signed earlier in the year. The acquisitions consisted of approx. 1,000 units mainly located in London and Berlin which will further support rental growth in future periods.

In H1 2022, GCP continued optimizing its debt profile. Actions taken include the repayment of over €615 million of debt which consisted of the redemption of the €450 million Series F convertible bonds and prepayment of over €165 million of short-term bank loans. The debt optimization measures have resulted in no upcoming debt maturities until 2024 and sufficient liquidity to cover debt maturities until mid-2025. Furthermore, GCP has a high proportion of 95% interest hedged debt, all of which is either fixed or swapped helping to shield the company from rising interest rates and the current volatility in capital markets. GCP maintains a strong liquidity position, with approximately €450 million of cash and liquid assets as well as €300 million of undrawn credit facilities. As of June 2022, the Company's cost of debt remains low at 1.1% with an average debt maturity of 6.4 years.

Refael Zamir, CEO of Grand City Properties: "In the first half of 2022, we continued to lift the potential of our portfolio which has been exemplified by strong rental growth and the record low vacancy rate. Our enhanced asset quality and strong financial profile puts us in a strong position to navigate the current market environment and deliver on our full year guidance for 2022."

Financial statements for H1 2022 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 H1 2022, 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/2022/GCP\\_Q2\\_2022.pdf](https://www.grandcityproperties.com/fileadmin/user_upload/03_investor_relations/Downloads/2022/GCP_Q2_2022.pdf)

## **About the Company**

The Company is a specialist in residential real estate, value-add opportunities in densely populated areas primarily in Germany and London. 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](http://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 40, Rue du Curé, L-1368 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.



**Contact:**

Grand City Properties S.A.  
40, Rue du Curé,  
L-1368 Luxembourg  
T: +352 28 77 87 86  
E: [info@grandcity.lu](mailto:info@grandcity.lu)  
[www.grandcityproperties.com](http://www.grandcityproperties.com)

**Investor Relations Team:**

Grand City Properties S.A.  
E: [gcp-ir@grandcity.lu](mailto:gcp-ir@grandcity.lu)

**DISCLAIMER:**

THIS ANNOUNCEMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY SECURITIES.

THE SECURITIES MENTIONED IN THIS ANNOUNCEMENT HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE **SECURITIES ACT**), AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT. THERE WILL BE NO PUBLIC OFFERING OF THE SECURITIES IN THE UNITED STATES.

THIS ANNOUNCEMENT IS DIRECTED AT AND IS ONLY BEING DISTRIBUTED IN THE UNITED KINGDOM TO (I) PERSONS WHO HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE **ORDER**), (II) HIGH NET WORTH ENTITIES, AND OTHER PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED FALLING WITHIN ARTICLE 49 OF THE ORDER, AND (III) PERSONS TO WHOM IT MAY OTHERWISE LAWFULLY BE COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS **RELEVANT PERSONS**). THIS COMMUNICATION MUST NOT BE READ, ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS ANNOUNCEMENT RELATES IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS.

IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA (**EEA**), THIS ANNOUNCEMENT AND ANY OFFER IF MADE SUBSEQUENTLY IS DIRECTED ONLY AT PERSONS WHO ARE "QUALIFIED INVESTORS" WITHIN THE MEANING OF ARTICLE 2(1)(E) OF DIRECTIVE 2003/71/EC, AS AMENDED (THE **PROSPECTUS DIRECTIVE**) (**QUALIFIED INVESTORS**). ANY PERSON IN THE EEA WHO ACQUIRES THE SECURITIES IN ANY OFFER (AN **INVESTOR**) OR TO WHOM ANY OFFER OF THE SECURITIES IS MADE WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT IT IS A QUALIFIED INVESTOR. ANY INVESTOR WILL ALSO BE DEEMED TO HAVE REPRESENTED AND AGREED THAT ANY SECURITIES ACQUIRED BY IT IN THE OFFER HAVE NOT BEEN ACQUIRED ON BEHALF OF PERSONS IN THE EEA OTHER THAN QUALIFIED INVESTORS, NOR HAVE THE SECURITIES BEEN ACQUIRED WITH A VIEW TO THEIR OFFER OR RESALE IN THE EEA TO PERSONS WHERE THIS WOULD RESULT IN A REQUIREMENT FOR PUBLICATION BY THE COMPANY OR ANY OF THE MANAGERS OF A PROSPECTUS PURSUANT TO ARTICLE 3 OF THE PROSPECTUS DIRECTIVE.



THIS ANNOUNCEMENT MAY CONTAIN PROJECTIONS OR ESTIMATES RELATING TO PLANS AND OBJECTIVES RELATING TO OUR FUTURE OPERATIONS, PRODUCTS, OR SERVICES, FUTURE FINANCIAL RESULTS, OR ASSUMPTIONS UNDERLYING OR RELATING TO ANY SUCH STATEMENTS, EACH OF WHICH CONSTITUTES A FORWARD-LOOKING STATEMENT SUBJECT TO RISKS AND UNCERTAINTIES, MANY OF WHICH ARE BEYOND THE CONTROL OF THE COMPANY. ACTUAL RESULTS COULD DIFFER MATERIALLY, DEPENDING ON A NUMBER OF FACTORS.

