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GRAND CITY PROPERTIES S.A. ANNOUNCES RESULTS FOR H1 2023 WITH SOLID OPERATION RESULTS AND STABLE LEVERAGE

- **Net rental income for H1 2023 of €204 million, higher by 5% as compared to €195 million in H1 2022.**
- **Adjusted EBITDA of €160 million in H1 2023, increasing by 5% as compared to €152 million in H1 2022.**
- **FFO I of €94 million in the first six months of 2023, lower as compared to €97 million in the comparable period of 2022 due to higher financing costs.**
- **FFO I per share of €0.54 per share in H1 2023 as compared to €0.59 per share in H1 2022.**
- **Following full external valuation of the portfolio in H1 2023, the like-for-like value declined by 5.4%. Portfolio value per sqm of €2,183 per sqm as of June 2023.**
- **Net loss of €402 million in H1 2023 mostly due to the negative property revaluations, offset by positive operational profits.**
- **Cash and liquid assets of €714 million at the end of June 2023, reflecting 18% of debt and cover debt maturities until Q2 2026.**
- **Average cost of debt of 1.6% with an average debt maturity of 5.7 years.**
- **Conservative financial profile with a low LTV of 36% as of June 2023, stable compared to December 2022 and ICR of 5.8x in H1 2023. Unencumbered assets amounting to €7.7 billion and representing 83% of total portfolio value providing additional financing flexibility.**
- **EPRA NTA of €4.3 billion or €24.7 per share as of the end of June 2023, down 8% and 9% respectively from December 2022.**
- **Solid equity base with an equity ratio of 51% as of the end of June 2023.**
- **FY 2023 guidance slightly updated as a result of the solid operational result.**

Luxembourg, August 16, 2023 – Grand City Properties S.A. ("GCP" or the "Company") announces results for the first six months of 2023 with net rental income of €204 million, higher by 5% as compared to €195 million in H1 2022. The increase was the combined result of the like-for-like rental growth of 2.7%, of which 2.4% came from in-place rent growth and 0.3% from occupancy increase, and the impact from acquisitions in 2022, partially offset by disposals. Adjusted EBITDA totaled €160 million in H1 2023, also up by 5% year-over-year. FFO I amounted to €94 million in the first six months of 2023, lower as compared to €97 million in the comparable period in 2022 with higher finance expenses and perpetual notes attribution offsetting the operational growth. FFO I per share was €0.54 per share in H1 2023, as compared to €0.59 per share in H1 2022. The portfolio vacancy rate reduced to an all-time low of 3.9% as of June 2023 from 4.2% in December 2022. Due to the good operational progress and on the back of higher like-for-like rental growth, the FFO I guidance was slightly updated to the range of €175 million to €185 million, from €170 million to €180 million.

In the first six months of 2023, GCP externally revalued the full portfolio and recorded a like-for-like value decline of 5.4% excluding the contribution from capex (4.8% including capex). Property revaluation and capital gains totaled negative €539 million, with negative revaluation across the entire portfolio, driven by higher discount and cap rates as a result of higher interest rates. The yield expansion was partially offset by the operational growth driven by higher in-place rent and lower vacancy. Portfolio valuations remain materially below replacements costs and benefit from the systemic supply/demand imbalance.

In H1 2023 GCP signed disposals in the amount of €130 million, which validates the Company's ability to sell properties also in a challenging market. Furthermore, GCP signed approximately €210 million in new bank debt in H1 2023 and signed an additional bank debt of €230 million in Q3 2023. The Company leveraged its liquidity position to repay €89 million in nominal value near term bonds at an average discount of 8%. As of June 2023, cash and liquid assets cover debt maturities for the next 3 years until Q2 2026. The Company's average cost of debt was 1.6% with an average debt maturity of 5.7 years. The disposals, supported by the operational cashflow, the suspension of the 2022 dividend and debt repayment at discount, allowed GCP to maintain a stable LTV compared to year-end 2022 of 36%, despite the negative portfolio revaluation.

Refael Zamir, CEO of Grand City Properties: "The first half of 2023 was marked by a solid operational performance. Despite the valuation headwinds, our efforts to de-lever were successful in the period and allowed us to offset the negative revaluation and keep leverage stable. I want to thank all team members for their hard work and dedication during this period."

Financial statements for H1 2023 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 30 - 34 of the financial statements for H1 2023, 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/2023/GCP_Q2_2023.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

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 37, Boulevard Joseph II, L-1840 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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GCP