

These materials are not an offer or the solicitation of an offer for the sale or subscription of the shares of Grand City Properties S.A. in the United States of America. The subscription rights and the shares referred to herein may not, at any time, be offered, sold, exercised, pledged, delivered or otherwise transferred within or into the United States of America except to “qualified institutional buyers” (as defined in Rule 144A under the U.S. Securities Act of 1933, as amended (“**Securities Act**”)) in accordance with Section 4(a)(2) of the Securities Act or another applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Grand City Properties S.A. has not registered and does not intend to register the subscription rights and/or the shares under the Securities Act or publicly offer the subscription rights and/or shares in the United States of America.

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## Information on the Scrip Dividend dated 25 May 2020

The board of directors (the “**Board of Directors**”) of Grand City Properties S.A. (“**GCP**” or “**Company**”) will propose to the annual general meeting of GCP to be held on 24 June 2020 to distribute a dividend for the 2019 financial year in the amount of EUR 0.8238 (gross) per share. This dividend will, at the shareholders’ choice, be paid (i) in cash, (ii) in the form of shares of the Company (“**Scrip Dividend**”), or (iii) in cash for a portion of the shareholder’s shares and as Scrip Dividend for the remaining portion of the shareholder’s shares.

The document containing information about the number and type of the shares and outlining the reasons and details of the offer, which exempts the offer from the requirement to publish and authorise a prospectus for the public offer and the admission to trading pursuant to article 1 (4) lit. h) and (5) lit. g) of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (“**Prospectus Regulation**”), is published on the GCP website at [www.grandcityproperties.com/investor-relations/general-meeting/agm-2020](http://www.grandcityproperties.com/investor-relations/general-meeting/agm-2020). Any interested person should read thoroughly the abovementioned document as well as the other documents mentioned therein before making any investment decision or decision to participate in the Scrip Dividend.

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### Which options do I have as a shareholder?

#### Which options do I have?

You can elect to receive the dividend (1) in cash, (2) as Scrip Dividend (i.e., in the form of GCP shares) or (3) partly in cash and partly as Scrip Dividend. You may choose how many of your shares will receive the dividend in cash and how many of your shares will participate in the Scrip Dividend. If no choice is made, you will automatically receive the dividend in cash.

#### What do I have to do to receive my dividend in cash only?

If you wish to receive your dividend in cash, you do not need to do anything. You can expect to receive your cash dividend on 14 July 2020.

#### What do I have to do to receive my dividend as Scrip Dividend?

You must notify your depository bank (“**Depository Bank**”) within the subscription period specified by your Depository Bank, which is expected to last from 25 June 2020 to 7 July 2020 (inclusive). To do this, please use the declaration of subscription form provided by your Depository Bank which you should receive at the beginning of the subscription period.

Whether you elect to receive your dividend in cash or as Scrip Dividend, GCP is obliged to deduct a portion of your dividend, amounting to 15% of the gross dividend per share or approximately EUR 0.1236 per share (“**Luxembourg Withholding Amount**”), and to transfer such amount to the Luxembourg tax authorities in order to settle the applicable Luxembourg withholding tax. The remaining 85% of the gross dividend per share or EUR 0.7002 per share (rounded to four decimal places) (“**Dividend Right**”) can be used to subscribe for shares in the Scrip Dividend.

The total amount of Dividend Rights contributed and used to subscribe for shares in the Scrip Dividend will be equal to the number of shares which you elect to participate in the Scrip Dividend multiplied by the Dividend Right of EUR 0.7002 per share. Your contributed Dividend Rights will be used to subscribe for the largest whole number of shares possible based on the Subscription Ratio (as described below), and any unused Dividend Rights will be paid out to you in cash, rounded down to the nearest whole cent (“**Residual Balance**”).

**Do I have to exercise my choice uniformly for all my shares?**

No, you do not need to exercise your choice uniformly for all of your shares – even if they are held in a single depository account. You may choose how many of your shares will receive the dividend in cash and how many of your shares will participate in the Scrip Dividend. If no choice is made, you will automatically receive the dividend in cash.

**Can I change my decision once it has been made?**

No, your decision to exercise your option is irrevocable once it has been made.

**Are there any costs relating to participation in the Scrip Dividend?**

***Please directly consult your Depository Bank in this respect.***

You are responsible for any Depository Bank or other fees that may be incurred by participating in the Scrip Dividend. Neither the Company nor Berenberg (as settlement agent) will be responsible for any Depository Bank or other fees.

For shareholders with only a small number of GCP shares, the Scrip Dividend option may be uneconomical due to the individual Depository Bank fees which may be incurred, and/or depending on the Subscription Ratio (as described below) which is still to be determined.

## **What deadlines and significant dates must be observed?**

|              |  |
|--------------|--|
| 24 June 2020 | Annual general meeting   |
| 25 June 2020 | Beginning of the subscription period with publication of the subscription offer and ex-dividend date |
| 2 July 2020  | Announcement of the Subscription Price and the Subscription Ratio                                    |
| 7 July 2020  | End of the subscription period   |
| 14 July 2020 | Payment of the cash dividend and Residual Balances   |
| 20 July 2020 | Delivery of the Scrip Dividend shares *  |

\* The actual crediting of the shares to the shareholder’s account may be subject to delays.

## How many new shares will I receive in the Scrip Dividend?

**How many new shares will I receive for my dividend right?**

The Subscription Ratio and total number of Dividend Rights that you contribute will determine how many shares you receive in the Scrip Dividend. The Subscription Ratio (and the Subscription Price) are expected to be published on 2 July 2020 on the GCP website at [www.grandcityproperties.com/investor-relations/general-meeting/agm-2020](http://www.grandcityproperties.com/investor-relations/general-meeting/agm-2020).

The number of new shares that you receive in the Scrip Dividend will be equal to the total number of Dividend Rights you contribute, divided by the Subscription Ratio, and rounded down to the nearest whole number of shares. Any unused contributed Dividend Rights will be paid out to you as Residual Balance (i.e., in cash).

The Subscription Ratio will be calculated by dividing the Subscription Price by the Dividend Rights of EUR 0.7002 and rounding to two decimal places.

The Subscription Price will be equal to the Reference Price of GCP shares, reduced by a discount which will be determined by the Board of Directors following the respective resolution on dividends of the Company's annual general meeting, and rounded to two decimal places. The Reference Price for GCP Shares will be equal to the average of the daily volume weighted average GCP share price in euros in the Xetra trading system of the Frankfurt Stock Exchange over the four (4) trading day period prior to the publication of the Subscription Price ("**Reference Price**"). The Reference Price is expected to be determined after the close of trading on 2 July 2020.

**How do I calculate the number of shares and any Residual Balance that I will receive in the Scrip Dividend?**

A calculation example will be provided once the Board of Directors has fixed the actual discount after the annual general meeting.

## What other aspects should be noted?

**Can I sell my shares in the period between 25 June 2020 and 14 July 2020?**

As from 25 June 2020, GCP shares will be listed "**ex-dividend**" on the stock exchange and consequently also "**ex-subscription rights**". You can sell your shares after this date without losing your dividend and subscription rights.

**What dividend rights and other features will the new shares have?**

The new shares carry full dividend rights from 1 January 2020. The new shares will be nominal value bearer shares just like the existing shares. The new and the existing shares are freely transferable.

**How will the cash dividend and the Scrip Dividend be treated for tax purposes?**

**The following statement contains a general explanation of certain Luxembourg and German tax implications in relation to the distributions notified by the Company. The concise statement does not claim to provide comprehensive, definitive or complete description of Luxembourg and German tax aspects that could be relevant to shareholders. As a result, this summarising overview is no substitute for the individual consultation of a tax advisor.**

Withholding tax accrues for the cash dividends and for the Scrip Dividend, as well as for the alternative with partial cash payment and partial Scrip Dividend in the notification period for withholding tax in 2020. Luxembourg withholding tax is 15% of the entire dividend (Scrip Dividend and / or cash dividend). Shareholders from

other jurisdictions, e.g. Germany, may be subject to other withholding tax their depository banks are obliged to withhold and transfer, or which the shareholders are obliged to transfer, to the relevant tax authorities. In order to settle the applicable Luxembourg withholding tax, the Company deducts the Luxembourg Withholding Amount of approximately EUR 0.1236 per share and transfers such amount to the competent Luxembourg tax authority.

In Germany the domestic depot bank or other depot holding financial services institution withholds German tax of 26.375% including solidarity surcharge on the entire dividend (Scrip Dividend and / or cash dividend), whereas any tax already withheld in Luxembourg will fully be credited to this amount and not additionally deducted. To the extent the shareholder is subject to church tax, the tax liability is increased accordingly. The church tax is also withheld, unless the shareholder has objected to his/her data being passed on to the German Federal Central Tax Office (*Bundeszentralamt für Steuern*) (blocking notice). The amount of church tax withheld depends on the shareholder's religion and his/her place of residence. Shareholders that are subject to German withholding tax and that are opting for the Scrip Dividend are requested to consult their depository bank on the process of settlement of the applicable German withholding tax.

Since the information given here is subject to changes, we would like to encourage you to keep up to date about the current state of affairs on the GCP website at [www.grandcityproperties.com/investor-relations/general-meeting/agm-2020](http://www.grandcityproperties.com/investor-relations/general-meeting/agm-2020).

This document is neither a prospectus nor does it constitute an offer to sell or the solicitation of an offer to purchase the shares or other securities of GCP. The document which, according to article 1 (4) lit. h) and (5) lit. g) of the Prospectus Regulation, exempts the offer from the obligation to publish a prospectus is available on the website of GCP ([www.grandcityproperties.com/investor-relations/general-meeting/agm-2020](http://www.grandcityproperties.com/investor-relations/general-meeting/agm-2020)). The shares will be offered to the public exclusively in the Grand Duchy of Luxembourg and Germany on the basis of the above mentioned document.