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## GRAND CITY PROPERTIES S.A. ANNOUNCES RESULTS FOR 9M 2021 WITH HISTORICALLY LOW VACANCY AND ENHANCED ASSET QUALITY

- Net rental income for 9M 2021 amounted to €276 million as compared to €279 million during the comparable period in 2020, slightly down as result of disposals of non-core and mature assets.
- Quality accretive acquisitions during the period amounted to approx. €700 million, which will support rental growth in the upcoming periods.
- Portfolio delivering consistent organic rental growth with like-for-like rent increasing by 2.1%, including 1.5% from in-place rent increases and 0.6% from occupancy increases.
- Portfolio vacancy reached a historic low at 5.3% as of September 2021, as a result of operational improvements and asset rotation.
- Adjusted EBITDA for 9M 2021 was €222 million, as compared to €223 million in 9M 2020.
- FFO I for first three quarters of 2021 at €140 million, up by 3% as compared to corresponding period in 2020.
- FFO I per share for 9M 2021 at €0.84 per share, increasing 4% over €0.81 per share generated in 9M 2020 and yielding 5.0% annually, based on a share price of €22.4.
- Profit generated in 9M 2021 amounted to €290 million, reflecting a basic EPS of €1.39 and a diluted EPS of €1.31.
- EPRA NTA at the end of September 2021 at €4.7 billion and €27.9 per share, increasing by 3% and 5%, compared to €4.6 billion and €26.5 per share, respectively at the end of December 2020.
- Robust equity base maintained with total equity of €5.5 billion as of September 2021, corresponding to an equity ratio of 49%.
- Conservative financial platform with a low average cost of debt of 1%, long average debt maturity period of 6.2 years, low LTV of 36%, large level of unencumbered assets amounting to approx. €8 billion (88% of total portfolio value), and solid profitability generating strong coverage ratios with an ICR of 6.5x.
- FY 2021 guidance confirmed.

Luxembourg, November 15, 2021 – Grand City Properties S.A. (“GCP” or the “Company”) announces results for the nine-month period ending September 2021. In the period, net rental



income amounted to €276 million, slightly declined due to disposals executed over previous periods, offset to a large extent by efficiency gains from an agile operating platform, including the digitalization of several processes. FFO I during the nine-month period ending September 2021 amounted to €140 million, growing by 3% as compared to the comparable period in 2020, on the back of an optimized financial platform. The FFO I per share increased by 4% to €0.84 due to the FFO I performance, complemented by the accretive share buy-back program along with the tender offer executed in February 2021. The Company further recorded €326 million in revaluation and capital gains on the back of a strong performance of the portfolio and supportive market conditions.

GCP disposed during the reporting period assets of over €300 million, at a premium of 13% over book values, reflecting a profit margin over total costs including capex of 30%. The disposals were largely non-core and mature in nature, located in Eastern German states like Saxony-Anhalt, Thuringia, Saxony, and Brandenburg and in secondary cities in NRW. At the same time GCP completed quality accretive acquisitions amounting to approximately €700 million at an average multiple of 18x. The acquisitions were located in NRW, London, Berlin, Dresden, Munich and other German cities. During the reporting period, GCP executed approximately €143 million of the accretive share buyback programme, while also repurchasing shares of €72 million as part of a tender offer in February 2021.

During the reporting period, GCP undertook a variety of measures aimed at maintaining the debt profile at an optimal level. These measures included the issuance of the Company's largest bond-to-date of €1 billion at a very low coupon of 0.125% with a maturity period of 7 years, along with the repurchase, redemption and pre-payment of higher interest-bearing debt. As a result, as of the end of September 2021, GCP decreased its average cost of debt to 1% from 1.3% as of the end of December 2020. The Company continues to maintain a conservative financial platform with a solid operational profitability, resulting in a strong interest coverage ratio of 6.5x. While maintaining a low leverage of 36% and a solid portfolio of unencumbered assets amounting to €8 billion, reflecting an unencumbered asset ratio of 88%.

Refael Zamir, CEO of Grand City Properties: "Following the first nine months of 2021, our portfolio vacancy declined to historically low levels while our agile operating platform has delivered strong efficiency gains, together resulting in a robust level of operational profitability. GCP's diversified portfolio with a further enhanced asset quality along with our strong operational base, ensures that we are well positioned to deliver on all our goals for 2021."

Financial statements for 9M 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 9M 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\\_Q3\\_2021.pdf](https://www.grandcityproperties.com/fileadmin/user_upload/03_investor_relations/Downloads/2021/GCP_Q3_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](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 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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