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## GRAND CITY PROPERTIES S.A. ANNOUNCES H1 2024 RESULTS WITH INCREASED GUIDANCE

- Net rental income of €212 million in H1 2024, higher by 3% as compared to €204 million in H1 2023.
- Solid like-for-like rental growth of 3.4%, driven by in-place rent growth.
- Adjusted EBITDA of €166 million in H1 2024, higher by 4% as compared to €160 million in H1 2023.
- FFO I of €94 million and €0.54 per share in H1 2024, stable as compared to H1 2023, as higher perpetual notes attribution is offset by operational growth and finance expenses are kept stable.
- Valuation of the full portfolio conducted in H1 2024, with a like-for-like value decline of 2%, resulting in a portfolio net rental yield of 5.0% as of June 2024.
- Net loss of €74 million and basic loss per share of €0.38, driven mainly by negative property revaluations recognized in the period, partially offset by strong operational results.
- EPRA NTA amounted to €3.9 billion or €22.8 per share as of June 2024.
- Strong liquidity position with €1.1 billion of cash and liquid assets as of June 2024, reflecting 26% of total debt.
- Conservative financial position maintained with an LTV of 37% as of June 2024, ICR ratio of 6.0x in H1 2024 and €6.1 billion of unencumbered assets (72% of total portfolio value).
- Successful capital markets transactions executed in Q2 and Q3 of 2024.
- FY 2024 guidance increased.

**Luxembourg, August 14, 2024** – Grand City Properties S.A. (“GCP” or the “Company”) announces financial results for the first half of 2024 with net rental income amounting to €212 million, higher by 3% as compared to the €204 million recorded in the comparable period of 2023. This is primarily the result of like-for-like growth of 3.4% as of June 2024, driven by in-place rent growth. Supported by a higher operational efficiency, Adjusted EBITDA is up 4% year-over-year at the €166 million. FFO I is stable at €94 million as well as on a per share basis of €0.54 compared to H1 2023 as the negative impact of the higher perpetual notes attribution was offset by strong operational growth while finance expenses remained stable. Based on the strong results and improved outlook GCP increased its FFO I guidance from €175-€185 million to €180-€190 million.

The Company conducted a full revaluation of the portfolio in the first six months of 2024, resulting in a like-for-like value decline of 2%. GCP recorded property revaluation and capital losses in the amount of €198 million in H1 2024. This is primarily explained by slight yield expansion, partially offset by operational growth. The negative revaluation recorded in the period was a third as compared to H1 2023, indicating a significantly softer devaluation momentum as a result of improved market dynamics and signalling a potential stabilisation in valuations.



In the first half of 2024, the Company signed disposals totalling ca. €220 million of which ca €100 million were not closed in H1 2024. In this period, €160 million of disposals were completed, including properties signed in 2023. The closed disposals were primarily located in London, as well as NRW, Berlin and Hessen, and were closed at a slight discount to book value. The Company raised €100 million of new bank debt and redeemed bonds amounting to ca. €270 million in this period. As of June 2024, GCP's average cost of debt was 1.9% with an average maturity of 5.1 years. In April 2024 the Company executed its perpetual exchange, which was highly successful with an acceptance rate of over 80%, resulting in €2 million in annualised coupon reduction and recovery of equity content for exchanged notes under S&P methodology. After the reporting period, GCP continued the pro-active management of its debt maturities and issued a new unsecured bond of €500 million, which was more than 7x oversubscribed, channelling the proceeds into a bond tender through which ca. €240 million nominal outstanding amount of bonds were bought back. As a result of these activities, and including expected proceeds of signed disposals, the Company now covers all its debt maturities until the end of 2027. The conservative financial profile of the Company is further shown by its low LTV ratio of 37%, stable compared to year-end 2023 despite devaluations.

**Refael Zamir, CEO of Grand City Properties:** "We are happy to report our results for the first half of 2024. Positive market momentum allows us to continue to drive strong operational growth. At the same time, we have been able to mitigate the negative impacts from the higher interest rate environment through pro-active management of our balance sheet and interest exposure, supporting our increased guidance and positioning GCP well for future growth."

Financial statements for H1 2024 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 32-36 of the financial statements for H1 2024, which you can find on the website under investor relations > publications > financial reports or follow this link:

[https://www.grandcityproperties.com/grandcityproperties.com/Data%20Objects/Downloads/Financial%20Reports/H1%202024%20Financials/GCP\\_Q2\\_2024.pdf](https://www.grandcityproperties.com/grandcityproperties.com/Data%20Objects/Downloads/Financial%20Reports/H1%202024%20Financials/GCP_Q2_2024.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 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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