



G City Reports Additional Step to Strengthen its Equity in the Amount of NIS 147 Million

The company will issue approx. 5.9 million shares in exchange for hybrid bonds of its wholly owned subsidiary G City Europe

Tel Aviv, December 12, 2023 - G City (TASE: GCT) ("the Company"), a global real estate company engaged in the acquisition, enhancement, development and management of income producing real estate for mixed-uses including retail, residential and office in densely populated urban areas in major cities, reports today on an additional step to increase its shareholders' equity by issuing approx. 5.9 million shares, in exchange for approx. Euro 35.7 million par value of hybrid bonds of its wholly owned subsidiary, G City Europe, which are held by the three offerees.

Migdal Insurance Group, an interested party in the Company, is the main offeree in the transaction and approximately 5.1 million new shares will be allocated to it. The remaining shares will be allocated to two other classified entities which are not interested parties.

The allocated shares will constitute approximately 3.21% of the Company's share capital following the allocation.

The exchange ratio between the Company's shares and the hybrid bonds was calculated at a ratio of 6.037 Euro par value of bonds for each share.

Chaim Katzman, Founder and CEO of G City: "This is another step in implementing our strategic plan to strengthen the Company's liquidity and equity and to reduce leverage. The aforementioned share issuance will contribute the increase of the Company's shareholders' equity while we continue taking steps to realize non-core assets, obtain financing against unencumbered assets, mainly in Europe, as well as enhance our core assets and increase cash flows from them. I would like to thank the investors for expressing confidence in the Company and we are especially pleased that a leading group like Migdal Insurance has chosen to increase its holdings in the Company's shares."

The heart of it.



About G City

G City is a global real estate company engaged in the acquisition, repositioning, development, and management of income-producing mixed-use real estate including retail, offices and residences in densely populated urban areas in major cities As of September 30, 2023.

the Group holds and manages 92 properties spanning approximately 1.9 million square meters of leasable area with a value of approximately 37 billion NIS. For more information see the Company's website: www.G-City.com

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