



G City sells property in Prague for approximately 930 million NIS

G City Europe signed a detailed Letter of Intent (LOI) for the sale of the Flora property in Prague for approximately 930 million NIS, like its book value

Tel Aviv, June 23, 2024 - G City (TASE: GCT) ("the Company"), a global real estate company engaged in the acquisition, improvement, development and management of income-producing real estate for mixed uses including retail, residential and offices in densely populated urban areas in major cities, announces today that G City Europe, its wholly-owned subsidiary, has signed a detailed Letter of Intent (LOI) for the sale of the Flora shopping center located in Prague, Czech Republic, for approximately 232 million euros (about 930 million NIS), similar to its value in the company's books as of March 31, 2024.

The buyer is an active Czech real estate company. Both parties have signed a detailed (non-binding) Letter of Intent that includes the main terms of the deal and the timeline for its completion, subject to the fulfillment of conditions precedent customary in transactions of this type. The property is pledged as security for a loan of approximately 125 million euros.

The shopping centre has a leasable area of approximately 40,000 square meters and about 770 parking spaces with excellent access to public transportation and is considered one of the leading centers in Prague.

This transaction represents another significant step in G City's strategic plan to divest non-core assets and focus its business. The property being sold is the company's last asset in the Czech Republic, and its sale will contribute to reducing the company's management expenses. As part of the plan to date, the company has completed asset sales totaling over 4 billion NIS, not including the IPO of its subsidiary in Brazil. In the next two years, the company will work to sell approximately 3 billion NIS worth of additional non-core assets, including the reported transaction.

The heart of it.



Chaim Katzman, Founder and CEO of G City: "This transaction represents a significant step in the continued implementation of our strategic plan for asset sales and business focus, through which we are concentrating our business activities in Central Europe on Poland. With the completion of the sale of this asset, we have completely exited the Czech Republic, which, among other things, will continue to reduce our management expenses. The value of the property in this transaction provides further proof of the quality of our unique portfolio, its economic rarity, and the significant value inherent in our other assets as well. We will continue to work towards realizing the plan alongside advancing measures for significant efficiency improvements in the company, as well as implementing the plan to focus the activities of our subsidiary Citycon, through the sale of non-core assets amounting to nearly 1 billion euros, reducing leverage, and increasing its operational efficiency."

"Along with the sale of non-core assets and reducing leverage as part of our strategic plan, we are also strengthening our presence in our core countries: Israel, Poland, and the USA. In Poland, we are currently completing an additional residential project ('Pirely') comprising 442 apartments, the rental of which will begin in the coming days at rental rates approximately 30% higher than those in the business plan. In Tampa, Florida, we have already received a partial Form 4 for a 334-apartment building we constructed, and we are renting apartments there at rental rates approximately 40% higher than planned".

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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