

BCP

BRACK CAPITAL PROPERTIES N.V.



**Balanced
Business Model,
Stable Cash
Flow, Growth
Q2 2022**

August 2022

Legal Disclaimer

The purpose of this presentation is to provide information on Brack Capital Properties N.V. (hereinafter: the "Company"), its operations and financial performance. It does not constitute an offer to purchase or sell securities of the Company or an invitation to receive offers as stated, nor does it constitute a recommendation regarding the securities, and is designated only for the provision of information.

The information provided in the presentation is not an alternative to the gathering and analysis of personal information, does not constitute a recommendation or opinion and does not constitute an alternative to the personal discretion of any investor.

This presentation and the information included herein were not intended to replace the need to review the reports published by the Company to the public, including the Company's periodic reports for 2021 (published on 24 March 2022) and Q2 FY2022 (signed on August 14, 2022 reference number 2022-01-029652).

The presentation includes plans for operations and/or moves and/or evaluations of the Company in relation to its assets and/or expected yields based on the Company's operations as of today constitutes forward-looking information, as the term is defined in the Securities Law, 5728-1968 (hereinafter: the "Securities Law"), including forecasts, business goals, evaluations and standards, and including information presented through drawings, graphs, surveys and any other information, in any manner provided, relating to the future events or matters, the realization of which is uncertain and not under the Company's control. The realization and/or non-realization of the forward-looking information as stated will be impacted by factors that cannot be evaluated from the outset and are not under the Company's control, including risk factors characterizing the Company's operations, as detailed in the Company Q2 FY2022 report, and from developments in the general and financial environment in the Company's areas of business, and external factors impacting its operations, including the impact of the spread of Coronavirus (COVID-19) and the measures taken by world governments to eliminate the pandemic and handle with its effects. It shall be clarified that this presentation shall not, in any manner limit the Company from taking any business decisions, including with respect to the purchase or sale of any assets, including in a manner that may differ from this presentation or the forecasts presented in it.

This presentation includes data of expected profits, sales, income and expected rate of development profit, as detailed in these slides is forward-looking information, inter alia, regarding expected profits, sales, income and expected rate of development profit, that is not under the Company's full control and the fulfillment of which is not certain. The information based on the current information existing that currently exists in the Company, regarding: the demand for residential areas in the city, market prices of the residential areas in the city in general and in the area of the projects specifically (including comparable competing projects), accumulated knowledge and experience of the Company's management and forecasts and estimates of the Company regarding the construction, development, marketing costs, etc, and additional assessments that were made by the Company. There is no certainty that the procedures for land designation change will take place and / or be completed, if any, as their completion is subject to planning and construction procedures that are governed by German law, which is not under the Company's control. Furthermore, even if the required approvals shall be obtained, the Company will decide to establish the projects on its own and the construction of projects will take place, a change in circumstances or an increase in construction costs and / or extraordinary conditions may materially change the Company's detailed evaluations and may materially impact the expectations of income from the projects and their overall profitability. Similarly, there is not any certainty that the processes of the zoning change of the real estate sites will take place and/or will be completed, if at all, since their completion is subject to the planning and construction proceedings required according to the German law, the completion of which is not under the Company's control. In addition, it should be noted that the Company's reference to after-tax profitability is based on the Company's assessment, in accordance with the opinion received from the tax advisers, of the tax rate applicable to the various transactions, and the tax authorities may disagree with these estimates..

It should be noted that the images attached to this presentation, as well as certain data included in this presentation were not included in past reports of the Company and are provided for the first time in this presentation or presented in a different manner than it was presented in the Company's reports or were updated in accordance with the statements of the Company's annual report for 2021 and Q2 FY2022. In addition, information included in the presentation may be considered to be presented differently than the manner it is presented in the Company's reports. The Company is of the opinion that the information included in the presentation, is available for calculation from the data included in the said reports, or alternatively, has no material influence with respect to a reasonable investor which may consider the purchase or sale of the Company's securities.

The information and assessments presented in this presentation with respect to the future results of the Company's development field are presented under the assumption that this field of activity will continue in its current structure as detailed in the Company 2021 annual report and Q2 FY2022.

BCP at a Glance

Active in Germany since 2004

Multifamily portfolio
(80% of GAV; 12,158 units)

Retail Parks portfolio
(2% of GAV; 40K sqm)

Residential Development
(18% of GAV; 2,105 units)



**Three
Operating
Segments**

Capital Market

Included in the TA-Real Estate index
Credit rating: iIA- by S&P Maalot (after lowering the rating in May 2022).



Dutch N.V



**Total Assets of
ca. EUR 1.87 B**



118 employees



EPRA NTA: EUR 1,114.5 M

EPRA NTA per share: 144.16



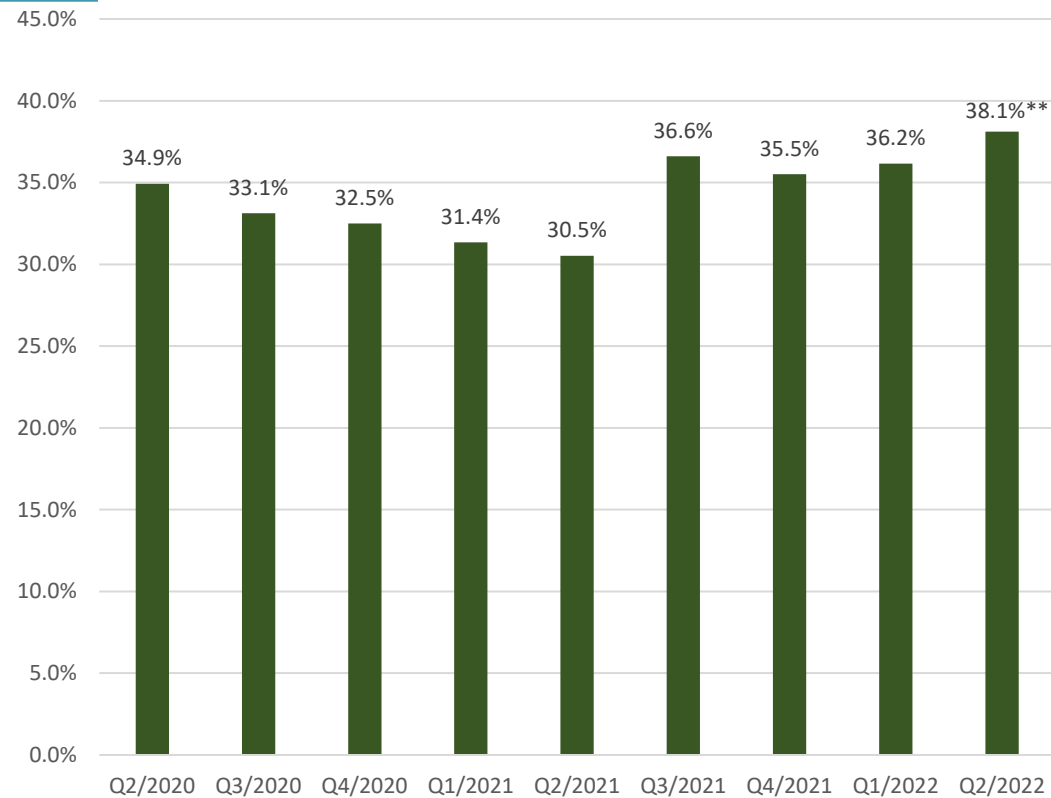
Cash balance € 130M

LTV /EPRA NTA per share

LTV ratio is stable and lower than 40% in the last two years

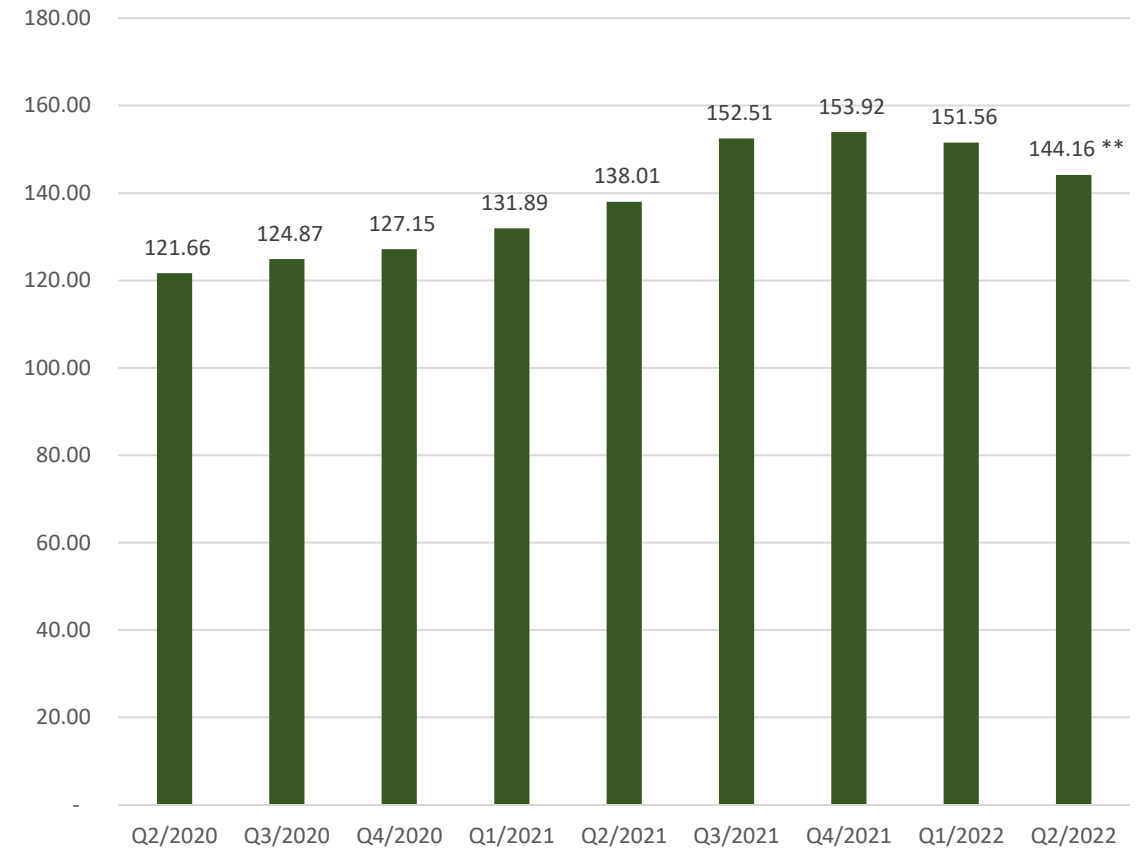


LTV(%)***



An increase of ca. 19% in the EPRA NTA* per share (in euro) in the last two years

EPRA NTA per share (EUR)



* In accordance with the updated guidelines published by EPRA. For further details regarding the EPRA NTA Index, see section 10.3 of the BOD Report.

** The increase in the Company's leverage level (LTV) and the decrease in EPRA NTA in the second quarter is mainly due to the impairment in the development projects of the Company.

*** Net Debt to GAV.

Operating Segments / Profitability & Growth

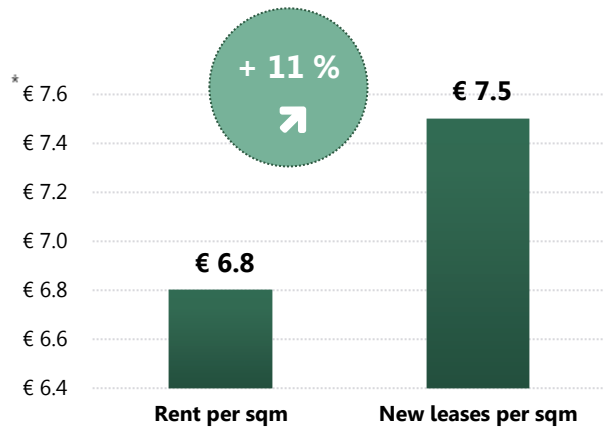


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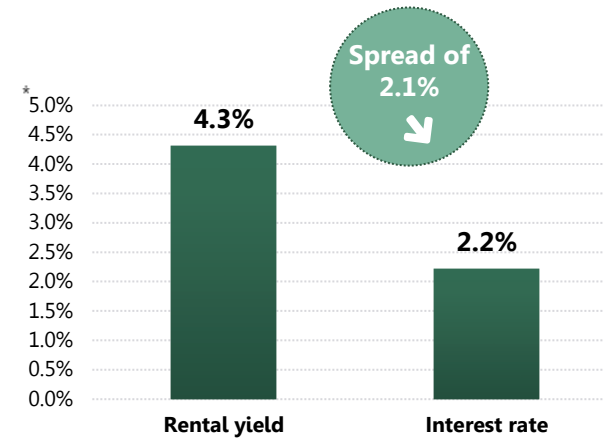
Multifamily Portfolio (consolidated)

- 🔑 12,158 residential units
- 📍 located in large and growing cities
- ☰ High CF: ~4.3% rental yield

Significant Upside Potential



High Cash Flow



Operating Segments / Profitability & Growth

2



Residential Development (consolidated)



2,105 units under construction and planning



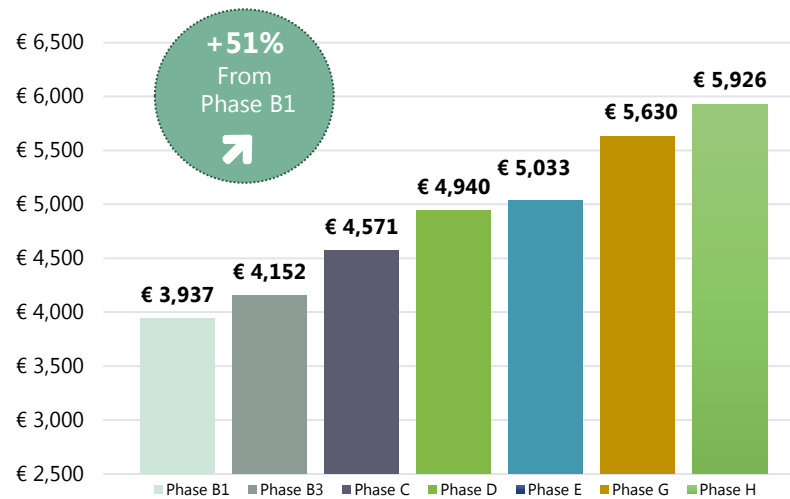
Large and well positioned projects



Significant contribution to NAV

Growth

Grafental - Development of Sale* Prices per sqm



Main Developments in 2022



Sale Agreements

During 2021, the Company entered into a transaction for a sale of additional 2 commercial properties for a total amount of Ca. EUR 30.1 million.

One sale was completed during Q2 for a total amount of EUR 16.5 million.

The second transaction is expected to be completed in 2022.



Financing

Average interest of 1.49% with a 5.9 years* of maturity on bank loan

On March 9, 2022, the Company has executed a private bond issue of NIS 528,440,367 par value by expanding the bond Series B of the Company.

On May 13, 2022, the Company entered into an agreement with an international banking corporation to obtain a credit facility in the amount of approximately EUR 30 million. The credit facility will be provided to the Company by the middle of the first quarter of 2023.

On May 19, 2022, the Company entered into an agreement with the controlling shareholder, ADLER, under which ADLER will provide a credit facility to the Company in the total amount of EUR 200 million, so the Company will refinance the loans it has taken. The Company received EUR 100 million from the credit facility in Q2 2022. On August 13, 2020, the Company entered into modification agreement with ADLER, the essence of which is extending the credit facility repayment date until the end of 2023.

In July 2022, the Company extended by three months the repayment date of one of the Company's loans in the amount of EUR 45.3M



Residential development

Grafental -

Phase H - Construction has been completed and the units have been sold and handed over in full.

Phase I - Construction has been completed and the units will be handed over during Q3 2022.

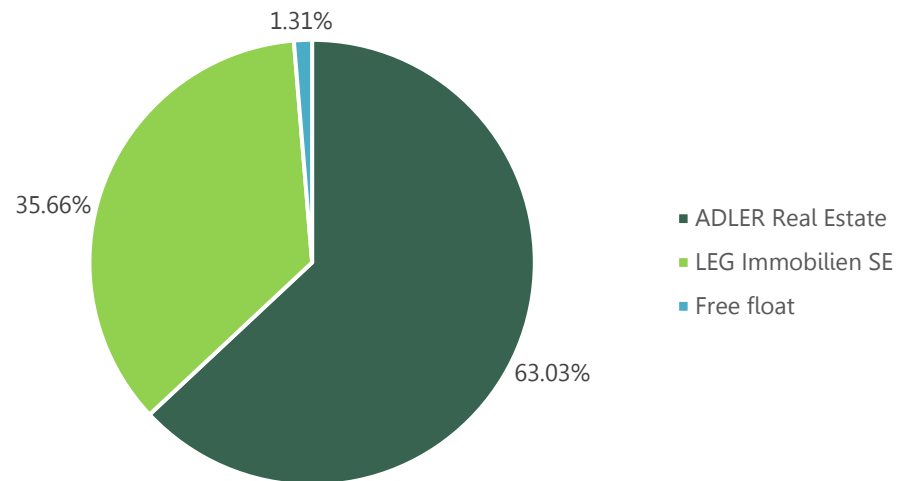
Phase J-K – No building permits yet. Building permits are expected during 2022 and construction will commence during 2023-2024.

Aachen –

The Construction has been completed on March 1, 2022. The project is fully occupied.

Shareholder structure

Shareholder structure – 14.08.2022



Tender offer - LEG

On November 30, 2021, LEG acquired from ADLER Real Estate A.G. (“ADLER”), the controlling shareholder of the company, 6.8% of the share capital and voting rights of the company.

In addition, ADLER undertook to participate in any Tender offer that may be initiated by LEG in respect of the balance of the Company's ordinary shares held by ADLER, provided that such Tender offer is made by September 30, 2022 at a minimum share price of EUR 157 per share.

On August 3, 2022, the Company was informed that LEG decided not to publish a tender offer for the purchase of the remaining shares of the Company and accordingly will not exercise ADLER's obligation towards it.



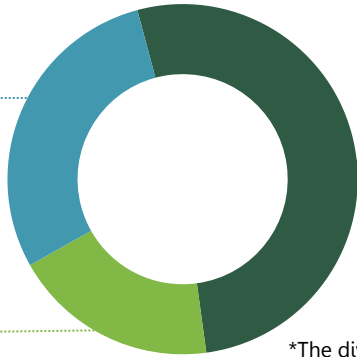
Residential Portfolio

100% in large cities*

250 to 500 thousand residents, **29%**

More than 500 thousand residents, **52%**

Up to 250 thousand residents, **19%**



*The division was made per sqm

Well maintained portfolio,
Diverse building types



Buildings for conservation



Low – rise



Town Houses

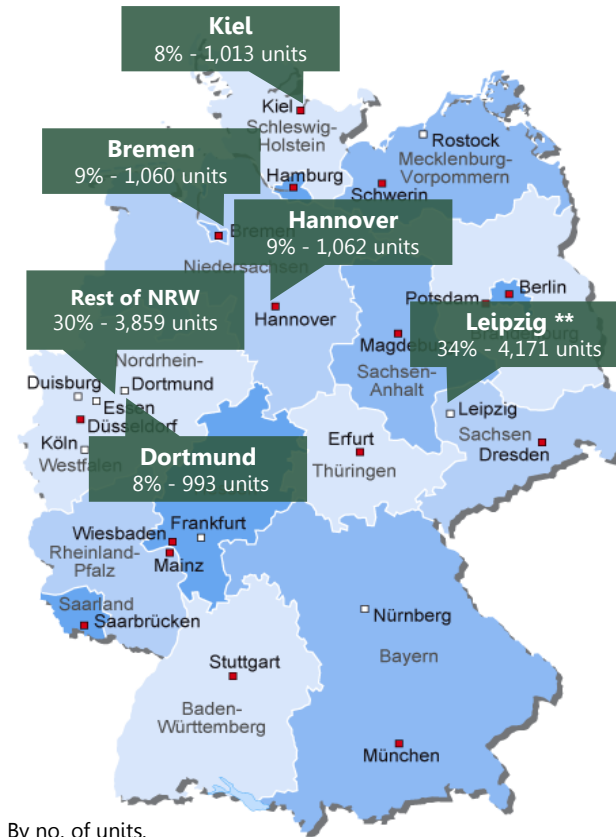


High – rise

Multifamily Portfolio



Attractive Geographic Diversification*



* By no. of units.

** Including 572 units in Magdeburg & Halle

*** Including 228 units in Gottingen

Key parameters (consolidated)

General data

Total lettable area	720k sqm
Occupancy	97.4%
Rental income p.a.	56.9m EUR
Average rent per sqm	6.76 EUR
ERV* per sqm in new-lettings	7.52 EUR

Current yield

Rental yield	4.2%
NOI yield	3.6%

Potential yield

ERV yield*	4.7%
Adjusted NOI yield**	4.1%

* ERV - rental income based on avg. new lettings

** Adjusted NOI – under the assumption that all properties are let at ERV

Residential Portfolio - Quality Play



Consistently Outperforming the Market

06.2022

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Rental growth Like for Like

4.1%



**High proportion of Studio
and 2 room apartments**
the fastest growing market segment in
major cities



**100% of the portfolio
in large cities**



Focusing on cities with high population growth rates
benefiting from robust rental growth.

Multifamily Portfolio -



	Magdeburg & Halle	NRW	Dortmund	Kiel	Bremen	Hannover & Gottingen	Leipzig	Total
No. of units	572	3,859	993	1,013	1,060	1,062	3,599	12,158
Occupancy	94%	97%	98%	99%	97%	98%	97%	97%
Value per sqm (EUR)	1,663	1,559	1,862	2,217	1,524	2,494	2,123	1,865
Rent per sqm (EUR)	6.30	6.27	7.04	7.62	6.63	8.42	6.65	6.76
ERV per sqm in new- lettings (EUR)	7.12	6.62	8.20	9.13	7.85	8.66	7.71	7.54
Upside in rent based on ERV*	13.12%	5.56%	16.55%	19.80%	18.36%	2.80%	16.02%	11.77%
Cap rate	3.30%	3.54%	3.34%	3.29%	3.70%	3.16%	2.89%	3.31%
Discount rate	4.28%	4.93%	4.84%	5.02%	5.09%	4.66%	4.38%	4.75%
Tenant turnover	11.92%	10.20%	9.25%	10.20%	10.47%	11.51%	10.50%	10.42%



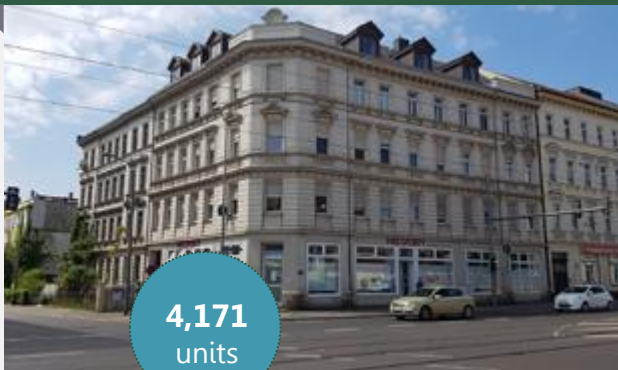
Value per sqm - **EUR 1,865**



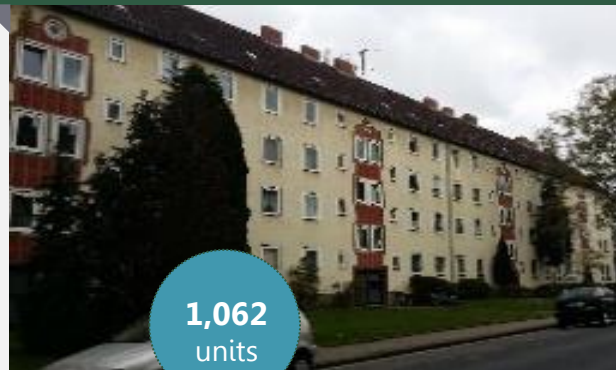
Upside in rent based on ERV* - **11.8%**

Multifamily Portfolio

Leipzig, Magdeburg & Halle



Hannover



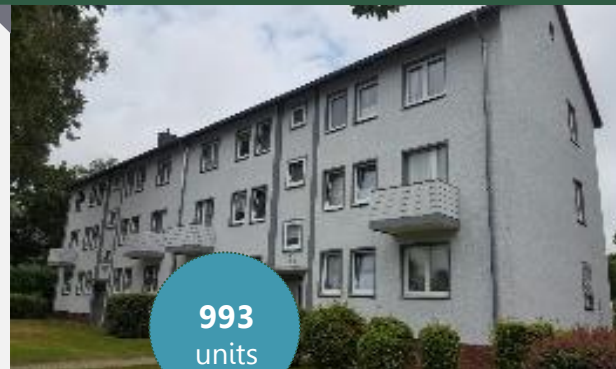
Bremen



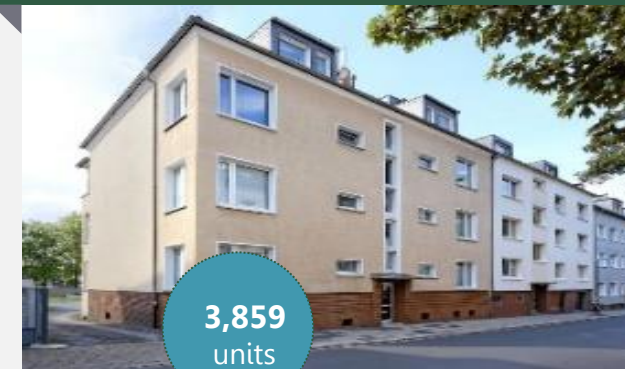
Kiel



Dortmund



NRW





Residential Development



Residential Development in Düsseldorf

An International economic center,
6th in Quality of Life Worldwide¹



Attractive Locations

Central locations within the city, in upper class neighborhoods



1 Grafental I 2 Grafental II 3 Grafenberg 4 Gerresheim

The City of Dusseldorf's target for 2017-2025 is the construction completion of 3,000 units per year².

In 2017, the construction of ca. 2,800 residential units in Düsseldorf was completed, and the municipality's target was achieved.

This is compared to a significant decrease in 2019, 2020 when only of ca. 1,800, 2,310 units were built, respectively².

Residential Development and improvement activities- Profitability & Proven Track Record

Grafental II + OST (Starting From Phase G)



Phase G + H - Construction has been completed. All 185 units have been sold and handed over to the buyers.
 Phase I - construction has been completed. All 204 units are being handed over to the tenants these days.
 Phase J + L – Ca. 335 units included under the Grafental Ost b-plan. Construction permit is expected to be received by the end of 2022.

Grafental I- successful development track-record



823 units were sold in full to date
 Sales of 400 m EUR to date
 51% increase in sale prices since project inception.

Gerresheim



Land parcel in advanced stages of rezoning to residential use- 1,500 residential units in addition to commercial and kindergartens. The land is bordering from the south of the upmarket neighborhood "Grafenberg".

Aachen



A residential project of 82 housing units that were built for rent in supervised housing (subsidized housing and affordable housing). The Construction has been completed in March 2022 and the project is fully occupied.

Land in Grafenberg ¹

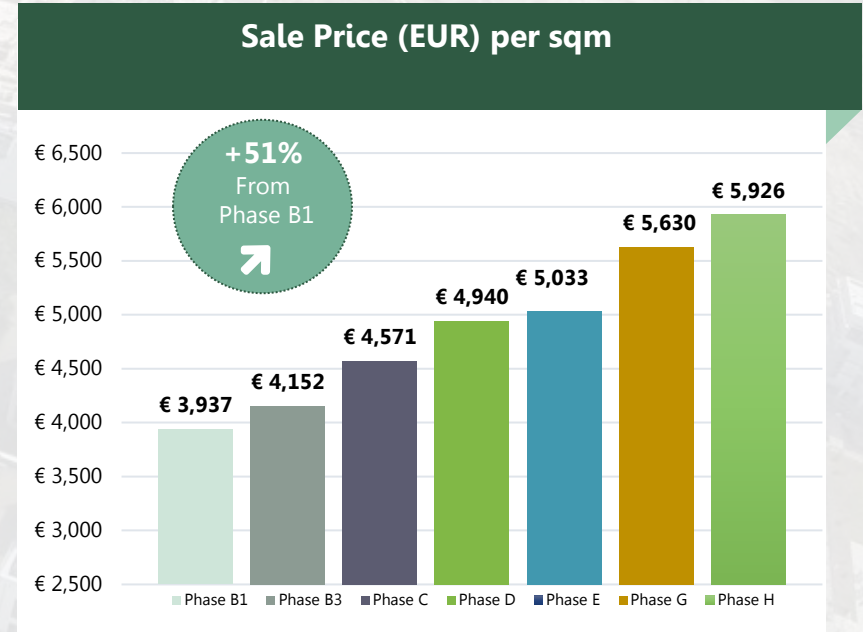


Future Luxury project - 84 units
 Adjacent to Grafenberg forest.
 Approval of development scheme and building permit expected by the end of 2022.

Residential Development— Grafental, Gerresheim & Aachen



Residential Development in Düsseldorf – Highly Experienced Platform For Continued Growth



* Average sale price for each phase for condo flats.



Growth Drivers

NAV – Growth Drivers

Total Equity (30.06.2022)
Market Cap (30.06.2022)

€ 882.2M
€ 800.3M

Residential portfolio

	Current status	ERV
Rental income (MEUR)	€ 56.9	1€ 62.9
Rental yield	4.20%	4.10%

→ Portfolio book value – **EUR 1,343m**

1. Based on new lettings performed in Q2/2022 without assuming ERV growth. According to current occupancy rates.



Residential Development

Significant contribution to the economic NAV

- Successful projects in Düsseldorf, phases completed were sold in full.
- High reputation in the Garfantal neighborhood that leads to continued construction and interest in renting apartments in Garfantal and Aachen.
- Promotion of the Gerresheim project with the support of the Düsseldorf municipality



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Appendixes

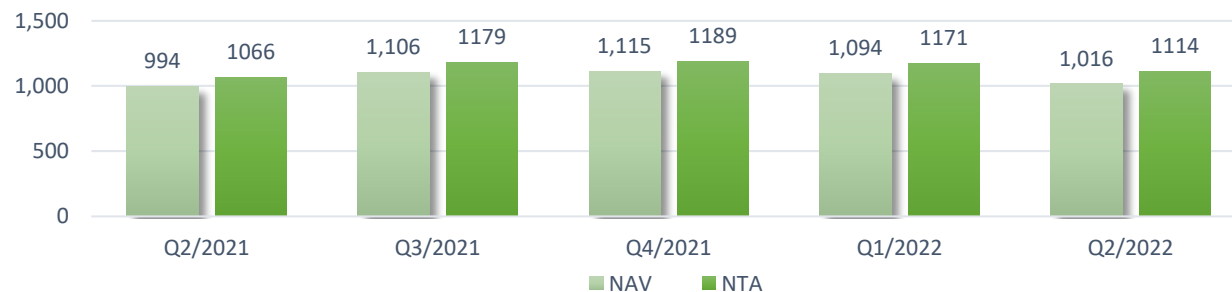


Key Financial Data – Balance Sheet

Balance Sheet Summary (MEUR) – as of 30.06.2022

Income producing properties	€ 1,367
Investment Property- Plots	€ 79
Land Inventory for development (long-term and short-term)	€ 214
Cash and liquid balances	€ 130
Total assets	€ 1,871
Total debt	€ 989
Equity attributable to company's shareholders	€ 847
Total Equity incl. non controlling interests	€ 882
EPRA NTA*	€ 1,114
EPRA NTA* per share (EUR/share)	144
EPRA NAV	€ 1,016
EPRA NAV per share (EUR/share)	131

Development of EPRA NTA & NAV* (MEUR)



Financial Position

Financial Debt Structure – 30.06.2022

	Bank Loans	Bonds	Total
Outstanding balance in MEUR	€ 457.8	€ 227.7	€ 685.5
Average maturity	5.9 years	1.77 years	4.53 years
Average interest	1.49%	3.54%	2.17%

Rating and Leverage Ratios – 30.06.2022

Credit rating	S&P Maalot iIA-
LTV*	38.18%
Debt to Capt, net	38.84%
EBITDA to interest	3.38X

* Net debt to real estate portfolio.

EPRA NTA (MEUR) – 30.06.2022

Equity attributable to company's shareholders	847.4
Adding deferred taxes (less minority interest)	141.4
Excluding the fair value of financial derivatives, net (less minority interest)	21.8
Inventory revaluation	27.9
Plus real estate transfer tax (RETT) and other purchase costs	76.0
EPRA NTA	1,114.5

Key Financial Data – Profit and Loss

Profit and Loss (MEUR)		
	Q2/2021	Q2/2022
Rental Income	€ 14,840	€ 14,880
Profit (loss) from condo sale	€ 880	(10,686)
NOI	€ 12,202	€ 12,400
NOI yield	3.8%	3.6%
Adjusted NOI yield	4.5%	4.1%
EBITDA	€9,986	€ 9,500
Real estate revaluation	€ 33,908	€ 10,882
Cash Flow interest	€ 2,478	€ 2,814
FFO	€ 6,082	€ 6,373
FFO per share	0.79	0.82
EBITDA to interest (excluding contribution from Grafental)	4.03x	3.38x

Impairment due to valuations received for the company's inventory

Grafental

Grafental I - sales and profitability data			
	Phase E	Phase G	Phase H
No. of residential units	89	89	96
No. of underground parking spaces	86	106	101
Built area	18k m	9.5k m	9.8k m
Sold units (#)	89	89	96
Sold units (%)	100%	100%	100%
Total sales to the signing date of the report	€ 49.6m	€ 53.7m	€ 58m
Average sales price per sqm	€ 5,033	€ 5,631	€ 5,926
Commencement of pre- marketing	5/2018	11/2018	7/2019
Commencement of construction	4/2018	Q4/2018	Q2/2019
Apartments hand -over date	Apartments handed over	Apartments handed over	Apartments handed over
Expected development profit	€ 11.5m	€ 9.9m	€ 9.2m
Development profitability	30.2%	22.5%	18.8%
Development profit already Recognized in the FS (cumulative)	€ 11.5m	€ 9.9m	€ 9.2m



	Q2/2021	Q2/2022	Change	
Rental income (TEUR)	14,840	14,880	0.01%	↑
FFO (TEUR)	6,082	6,373	4.7%	↑
EPRA NTA* (TEUR)	1,067	1,114	4.5%	↑

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Thank You

