

BCP

BRACK CAPITAL PROPERTIES N.V.



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

November 2021

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 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 2020 (published on March 3, 2021) and Q3 FY2021 (signed on November 24, 2021).

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 2020 annual report and Q3 FY2021, 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 2020. 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 2020 annual report and Q3 FY2021.

BCP at Glance

Active in Germany since 2004

Multifamily portfolio
(78% of GAV; 12,075 units)

Retail Parks portfolio
(3% of GAV; 56K sqm¹)

Residential Development
(19% of GAV; 2,150 units)



**Three
Operating
Segments**

2

Capital Markets

Constituent of the TA 125 and TA-Real Estate index
30% free float

Credit rating: iIAA- by S&P Maalot



Dutch N.V



**Total Assets of
ca. EUR 1.7 B**



118² employees



EPRA NAV: EUR 1,213.7 M

EPRA NAV per share: 156.99 EUR/share



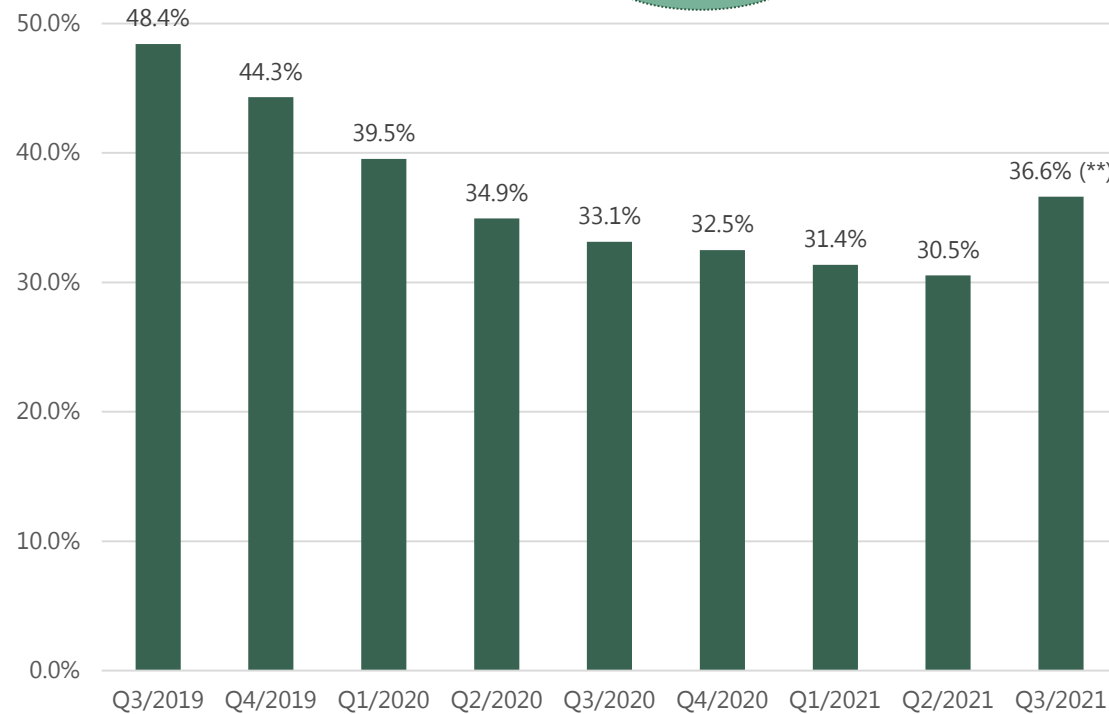
Cash balance €23.7M

LTV /EPRA NAV per share

A decrease of ca. 12% in relation to LTV in the last two years

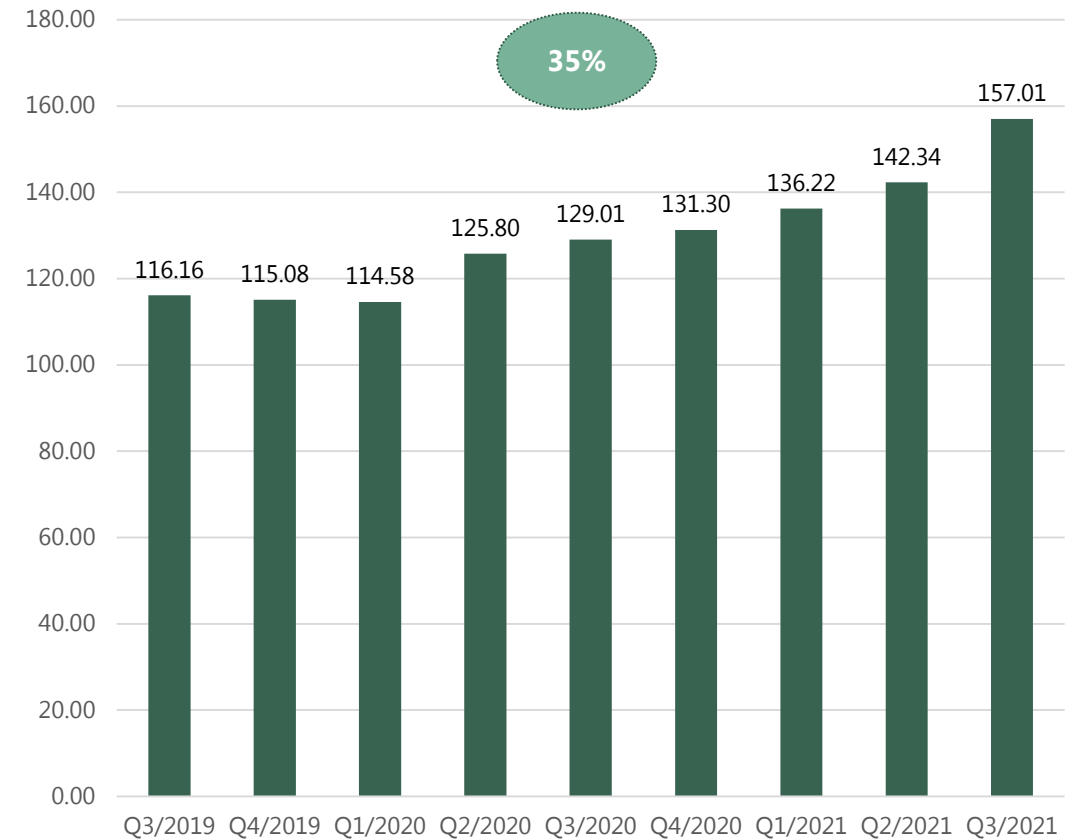


LTV(%)***



An increase of ca. 35% in relation to EPRA NRV* per share (in euro) in the last two years

EPRA NRV per share (EUR)



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

** The increase of the Company's LTV in Q3 2021 is entirely due to the cancellation of Gershheim transaction and the consolidation of the assets and liabilities of the partnership holding the land

*** Net Debt to GAV

Operating Segments / Profitability & Growth

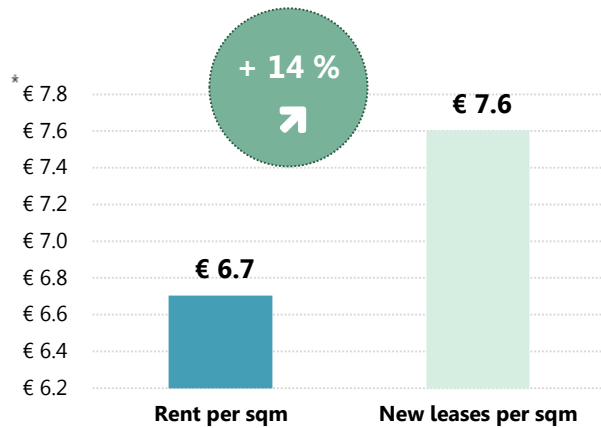


1

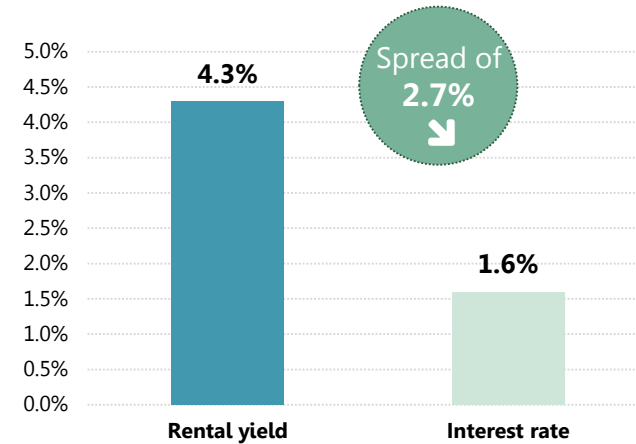
Multifamily Portfolio (consolidate)

- 🔑 12,075 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 (consolidate)



2,150 units under construction or planning



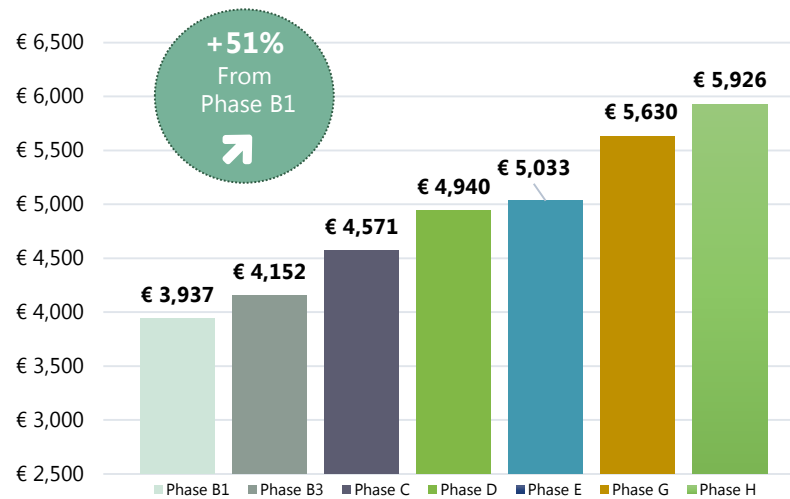
Large and well positioned projects



Significant contribution to NAV

Growth

Grafental - Development of Sale* Prices per sqm



Main Developments in 2021



Sale Agreement

During 2021, the company continued to carry out operations for the sale of additional properties from its commercial income-producing real estate portfolio and completed the sold of additional 4 properties for a price of EUR 39.6M.

During 2021, the Company entered into a transaction for a sale of additional 2 commercial property for a total of Ca. EUR 30.1 million. The sale of the property is expected to be completed in during 2022.



Financing

Average interest rate
on bank loans - 2.55%
Maturity - 3.88y

The company continues to refinance its bank loans, which are expected to be repaid over the coming year.

During 2021 the company prolonged two loans of ca. EUR 123.1M that finances assets worth ca. EUR 308.8M.



Residential development

Grafental -
Phase H - Construction has been completed and the units have been sold and handed over in full.
Phase I - intended for rent. - the construction is continuing and the completion of construction is expected in Q3 2022.
Phase J-K - Building permits is expected during 2022 and starting the construction during 2023.

Achen - Continued construction of the rental housing project. Construction is expected to be completed by in Q1 2022.



Multifamily Portfolio

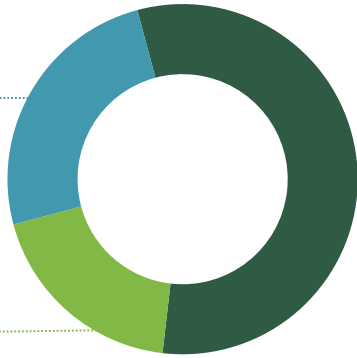
100% in large cities*

250 to 500 thousand residents, **25%**

More than 500 thousand residents, **58%**

100 to 250 thousand residents, **17%**

*Based on book value



Well maintained portfolio,
Diverse building types



Buildings for conservation



Low – rise



Town Houses

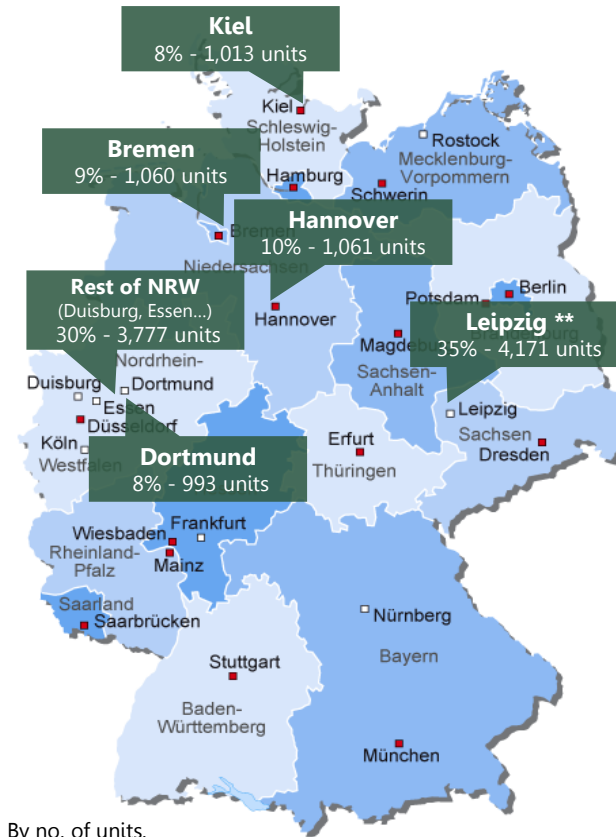


High – rise

Multifamily Portfolio



Attractive Geographic Diversification*



* By no. of units.

** Including 576 units in Magdeburg & Halle

*** Including 228 units in Gottingen

Key parameters (consolidate)

General data

Total lettable area **714k sqm**

Occupancy **95.5%**

Rental income p.a. **54.5m EUR**

ERV* per sqm in new- lettings **6.67 EUR**

Average rent psm **7.62 EUR**

Current yield

Rental yield **4.3%**

NOI yield **3.8%**

Potential yield

ERV yield* **4.9%**

Adjusted NOI yield** **4.4%**

* ERV - rental income based on avg. new lettings

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

Multifamily Portfolio - Quality Play



Consistently Outperforming the Market

9.2021

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Rental growth

2.1%



**High proportion of Studio
and 2 rooms apartments**
the fastest growing market segment in
the 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	Leipzig	Hannover & Gottingen	Bremen	Kiel	Dortmund	NRW	Total
No. of units	572	3,599	1,061	1,060	1,013	993	3,777	12,075
Occupancy	92%	96%	95%	98%	99%	98%	94%	95%
Value per sqm	€ 1,603	€ 2,073	€ 2,282	€ 1,482	€ 2,056	€ 1,764	€ 1,453	€ 1,772
Rent per sqm	€ 6.20	€ 6.55	€ 8.16	€ 6.58	€ 7.56	€ 6.96	€ 6.19	€ 6.67
ERV per sqm in new- lettings	€ 6.73	€ 7.76	€ 10.02	€ 7.47	€ 9.04	€ 8.33	€ 6.45	€ 7.62
Upside in rent based on ERV*	9%	18%	23%	13%	20%	20%	4%	14%
Cap rate	3.2%	2.9%	3.4%	3.9%	3.4%	3.5%	3.8%	3.3%
Discount rate	4.1%	4.4%	4.9%	5.3%	4.9%	5.0%	5.2%	4.7%
Tenant turnover	12%	10%	12%	10%	10%	9%	10%	10%



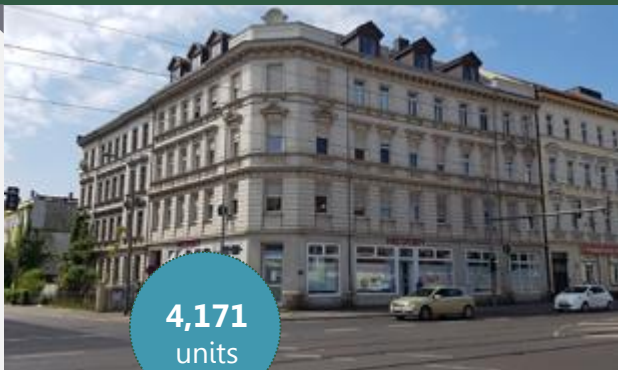
Value per sqm - **EUR 1,772**



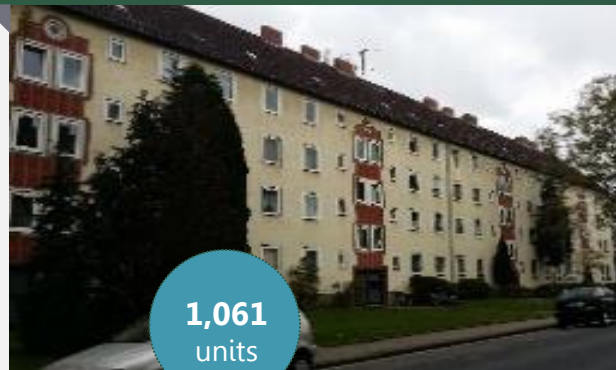
Upside in rent based on ERV* - **14%**

Multifamily Portfolio

Leipzig, Magdeburg & Halle



Hannover



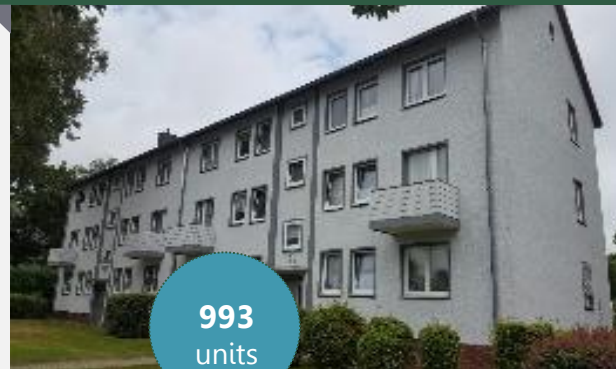
Bremen



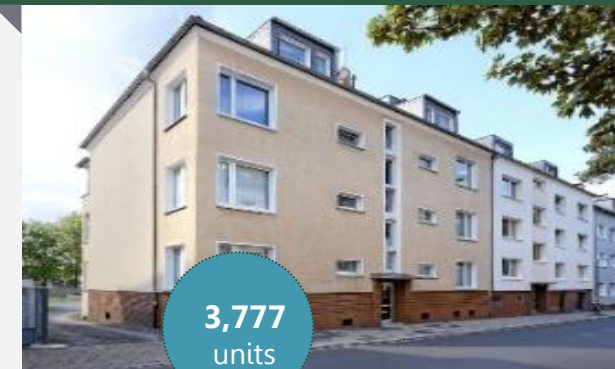
Kiel



Dortmund



NRW





Residential Development

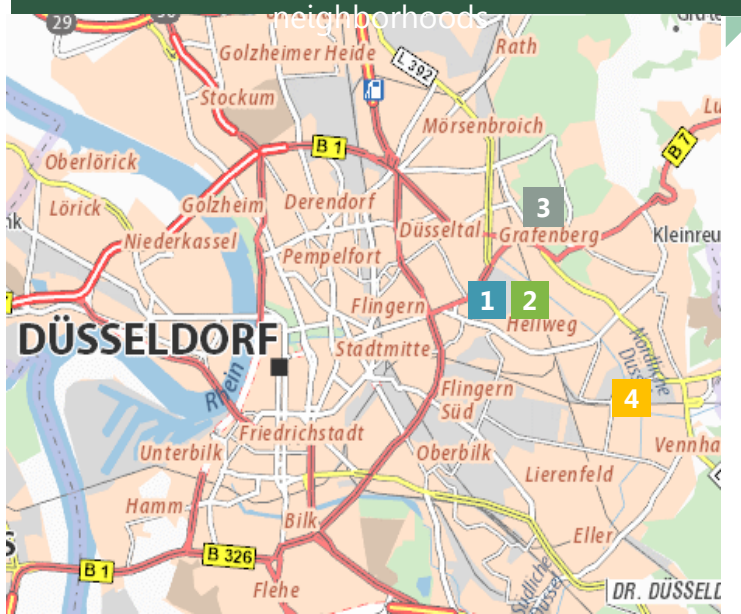
Residential Development in Düsseldorf

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

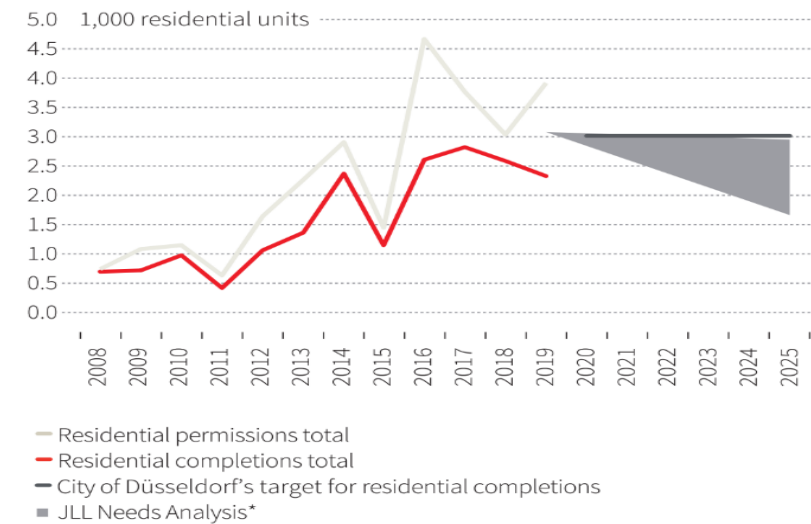


City of Dusseldorf's target for residential completion during 2017-2025 is 3,000 units per year²

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 when only of ca. 1,800 units were built.

The decline is due to a shortage of land in the market of Düsseldorf²

Housing supply and demand for new buildings Düsseldorf



*Additional annual need for housing units (includes also apartments in detached houses) without consideration of current construction deficits.
Source: destatis, JLL; Status: January 2021.

Residential Development and improvement activities- Profitability & Proven Track Record

Grafental II + OST (Starting From Phase G)



Phase G - Construction has been completed. All **89 units** have been sold and handed over to the buyers.
 Phase H - construction has been completed. All **96 units** have been sold and handed over to the buyers during **Q2 2021**.
 Phase I - under construction. **204 units** will be rented at the end of the construction which is 172 units at a supervised rent (subsidized housing and affordable housing) and the rest of 32 units will be rented in free market.
 Phase J + L - Ca. **300 units** included under the Grafental Ost master plan e construction permit is expected to be received **during 2022**.

Grafental I- successful development track-record



823 units were sold in full to date
Sales of 400 m EUR to date
57% 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



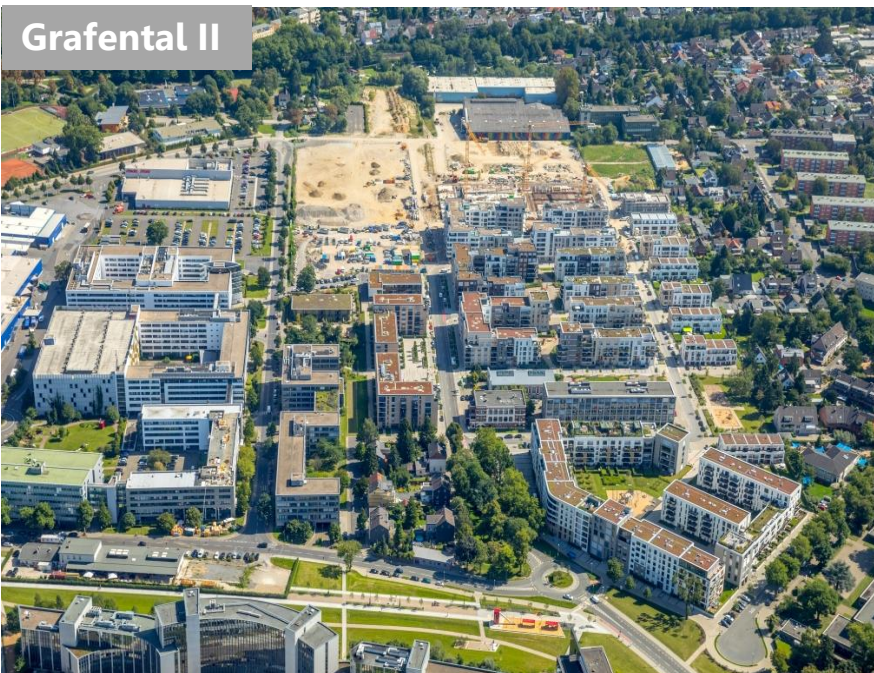
A residential project in progress., **82 housing units** will be built for rent in supervised housing (subsidized housing and affordable housing). The apartments will be handed over to tenants upon completion of construction expected in **Q1 2022**

Land in Grafenberg¹



Future Luxury project - **84 units**
 Adjacent to Grafenberg forest
 Approval of development scheme and Building permit expected **during 2022**²

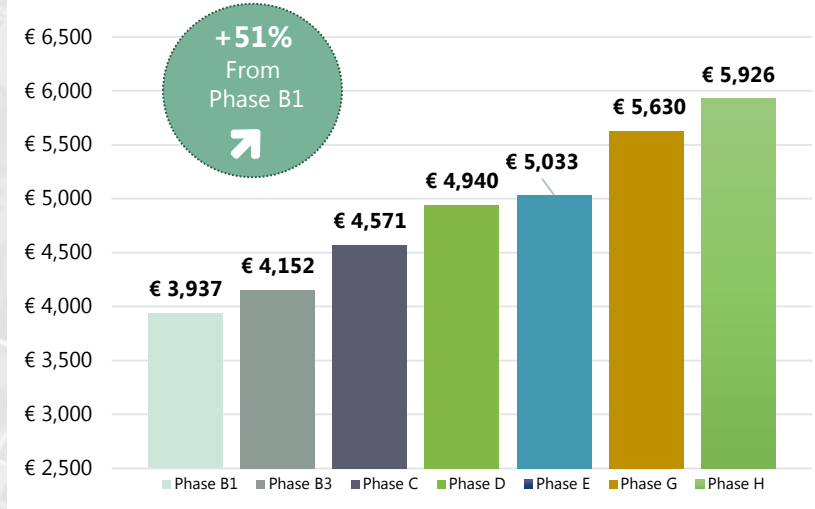
Residential Development— Grafental, Gerresheim & Aachen



Residential Development in Düsseldorf - Highly Experienced Platform For Continued Growth



Grafental I- Sale* Prices (EUR) per sqm



* Average sale price for each phase for condo flats.



Growth Drivers

NAV – Growth Drivers

Total Equity (30.09.2021)
Market Cap (30.09.2021)

€ 911.5M
€ 743.3M

Multifamily

	Current status	ERV ¹
Rental income (MEUR)	€ 53.5	€ 61.1
Rental yield	4.39%	² 4.20%

→ Portfolio book value – **EUR 1,218.4m**

1. Based on new lettings performed in Q3/2021 without assuming ERV growth. According to current occupancy rates.
2. Rental yield according to new rentals..



Residential Development

Significant contribution to the economic NAV

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



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Appendixes

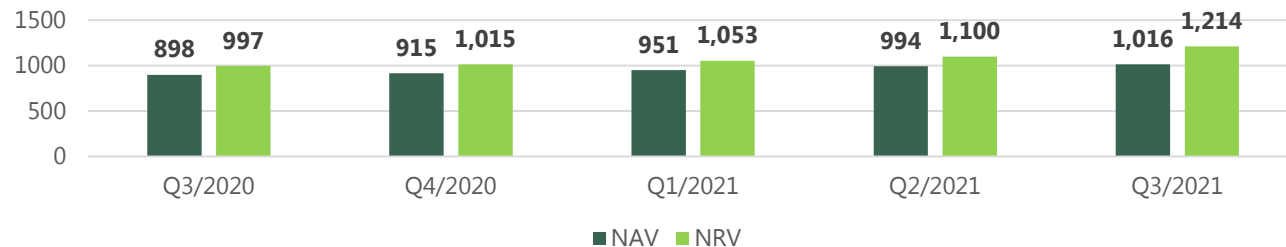


Key Financial Data – Balance Sheet

Balance Sheet Summary (MEUR) – as of 30.09.2021

Income producing properties	€ 1,302.7
Investment Property- real estate rights	€ 89.8
Land Inventory for development (long-term and short-term)	€ 214
Cash and liquid balances	€ 23.7
Total assets	€ 1,729
Total debt	€ 658.3
Equity attributable to company's shareholders	€ 876.3
Total Equity incl. non controlling interests	€ 911.5
EPRA NRV*	€ 1,213.7
EPRA NRV* per share (EUR/share)	156.99
EPRA NAV	€ 1,105.9
EPRA NAV per share (EUR/share)	143.05

Development of EPRA NRV*/ NAV (MEUR)



Financial Position

Financial Debt Structure – 30.9.2021

	Bank Loans	Bonds	Total
Outstanding balance in MEUR	€ 580.1	€ 78.2	€ 658.3
Average maturity	3.88 years	2.71 years	3.7 years
Average interest	2.55%	3.29%	2.64%

Rating and Leverage Ratios – 30.9.2021

	S&P Maalot iIAA-
Credit rating	
LTV ¹	36.61%
Debt to Capt, net	40.62%
EBITDA to interest	3.66X

1. Net debt to real estate portfolio.

EPRA NRV (MEUR) - 30.09.2021

Equity attributable to company's shareholders	876.3
Adding deferred taxes (less minority interest)	135.8
Excluding the fair value of financial derivatives, net (less minority interest)	0.3
Inventory revaluation	93.5
Plus real estate transfer tax (RETT) and other purchase costs	107.8
EPRA NAV	1,213.7

Key Financial Data – Profit and Loss

Profit and Loss (MEUR)		
	Q3/2020	Q3/2021
Rental Income	€ 15,168	€ 14,701
Profit (loss) from condo sale	€ 4,894	-
NOI	€ 12,294	€ 12,147
NOI yield	4.0%	3.8%
Adjusted NOI yield ¹	4.8%	4.4%
EBITDA	€ 9,187	€ 9,986
Real estate revaluation	€ 16,079	€ 21,349
% of real estate revaluation in relation to the total investment property	1.3%	1.6%
Cash Flow interest	€ 2,541	€ 2,509
FFO per share	€ 6,173	€ 6,208
FFO	0.79	0.80
EBITDA to interest (excluding contribution from Grafental)	4.15x	3.66x


← Excl. contribution from Grafental project.

← Excl. contribution from Grafental project.

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
Apartment's 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

Q3 FY2021 Results



	Q3/2021	Q3/2020	Change	
Rental income (TEUR)	14,701	15,168	-3%*	↓
FFO (TEUR)	6,208	6,173	1%*	↑
EBITDA (TEUR)	9,187	9,281	-1%	↓
EPRA NRV** (TEUR)	1,213,700	997,430	22%	↑

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Thank You

