

BCP

BRACK CAPITAL PROPERTIES N.V.



**Balanced
Business Model,
Stable Cash
Flow, Growth
FY 2021**

March 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 is not 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 nor does it 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 (signed on March 24, 2022) and Q3 FY2021 (signed on November 24, 2021).

The presentation includes plans of operations and/or actions 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 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’s 2021 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 asset, including in a manner that may differ from this presentation or the forecasts presented therein.

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 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 assurance that the procedures for zoning 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 projected income from the projects and their overall profitability. Similarly, there is no assurance 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 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 post-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 Company’s annual report for 2021. 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 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 Q3 FY2021.

BCP at a 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)

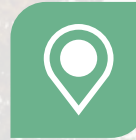


**Three
Operating
Segments**

Capital Markets

Constituent of the TA-Real Estate index

Credit rating: iAA- by S&P Maalot



Dutch N.V



**Total Assets of
ca. EUR 1.75 B**



118 employees



EPRA NRV: EUR 1,225.3 M

**EPRA NRV per share:
158.49 EUR/share**



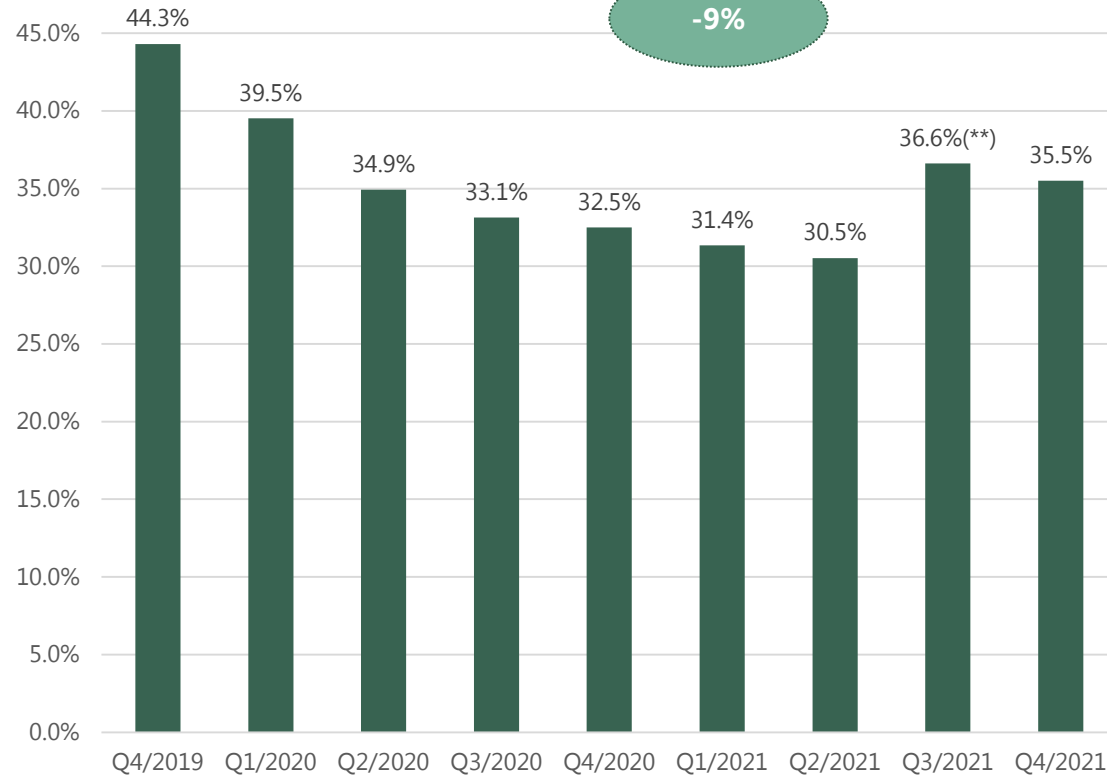
Cash balance €24.86M

LTV /EPRA NRV per share

A decrease of ca. 9% in relation to LTV in the last two years

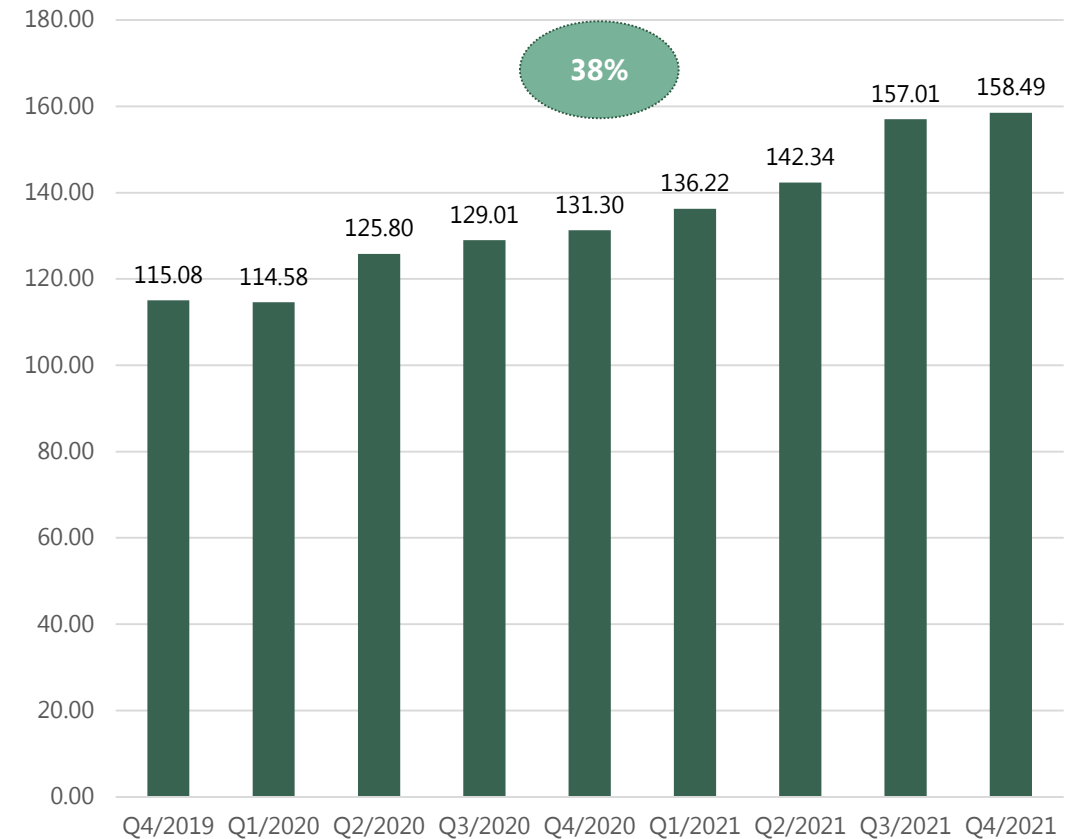


LTV(%)***



An increase of ca. 38% 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 9.4 of the BOD Report.

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

*** Net Debt to GAV.

Operating Segments / Profitability & Growth

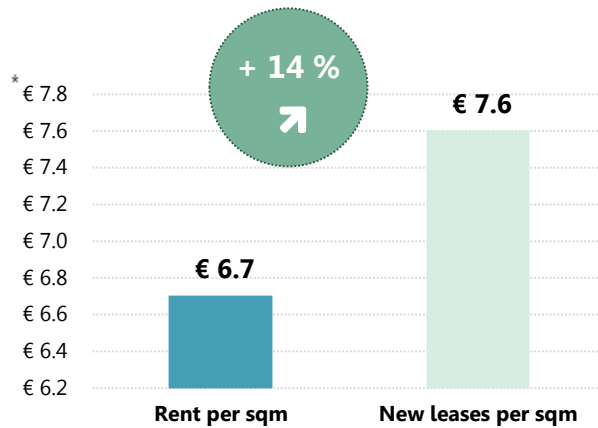


1

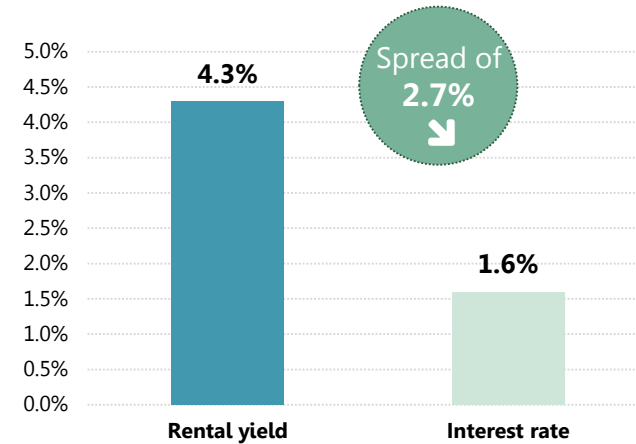
Multifamily Portfolio (consolidated)

- 🔑 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 (consolidated)



2,150 units under construction or planning



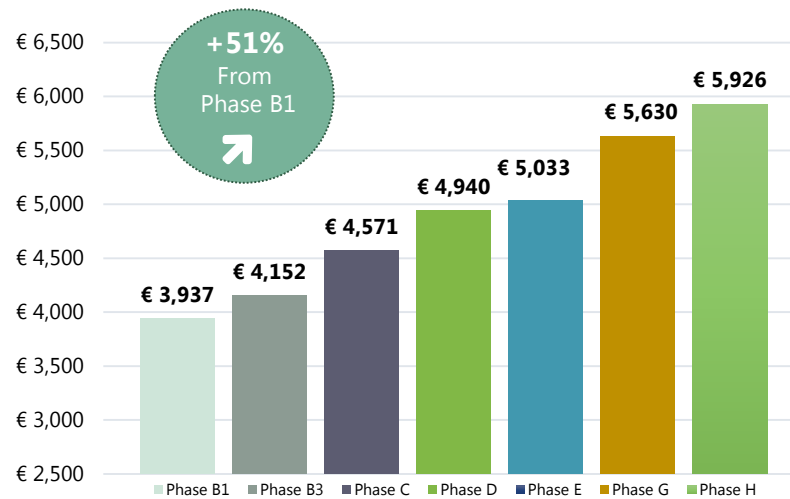
Large and well positioned projects



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 sale 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 properties for a total amount of Ca. EUR 30.1 million. The sale of the properties is expected to be completed 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 extended two loans of ca. EUR 123.1M that financed assets of ca. EUR 308.8M.

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



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 construction will commence during 2023.

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

LEG transaction

LEG Immobilien SE is one of the largest residential real estate companies in Germany with Ca. 166,200 residential units (as of December 2021). As of 31.12.2021, the balance of investment properties was EUR 19.1 euros, FFO I for 2021 was EUR 423.1 million.

Purchase of shares from the controlling shareholder

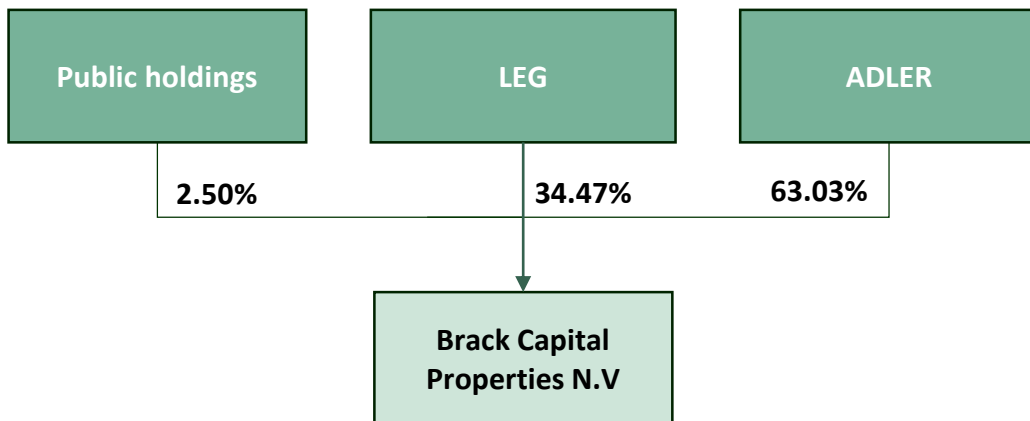
LEG acquired from ADLER Real Estate A.G. ("ADLER"), the controlling shareholder of the company, 6.8% of the share capital and voting rights of the company. In addition, ADLER undertook to participate in any Tender offer that may be initiated by LEG in respect of the balance of the Company's ordinary shares held by ADLER, provided that such Tender offer is made by September 30, 2022 at a minimum share price determined by the parties.

Purchase of shares from minority shareholders

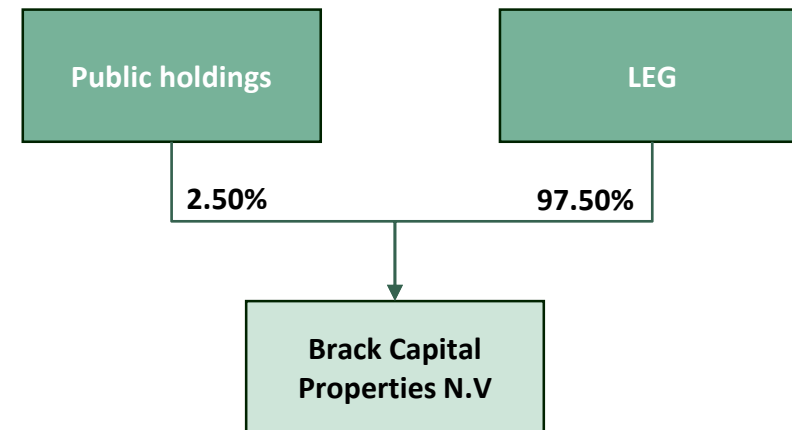
On November 30, 2021, LEG Grundstücksverwaltung GmbH ("LEG") entered into an agreement with certain shareholders in the Company to purchase 24% of the Company's share capital and voting rights, at a price of EUR 135.82 per share. Completion of the transaction was subject to conditions precedent including the receipt of the Authority's approval for the German competition which was received on December 27, 2021.

On December 16, 2021, and on February 23, 2022, LEG acquired 1.2% and 2.5%, respectively, of the Company's share capital and voting rights from certain shareholders of the Company.

Structure - 24.3.2022



Shareholder Structure in the event that LEG makes a Tender offer*





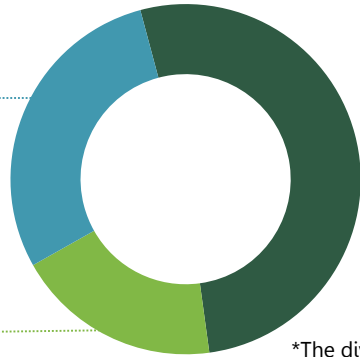
Multifamily Portfolio

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

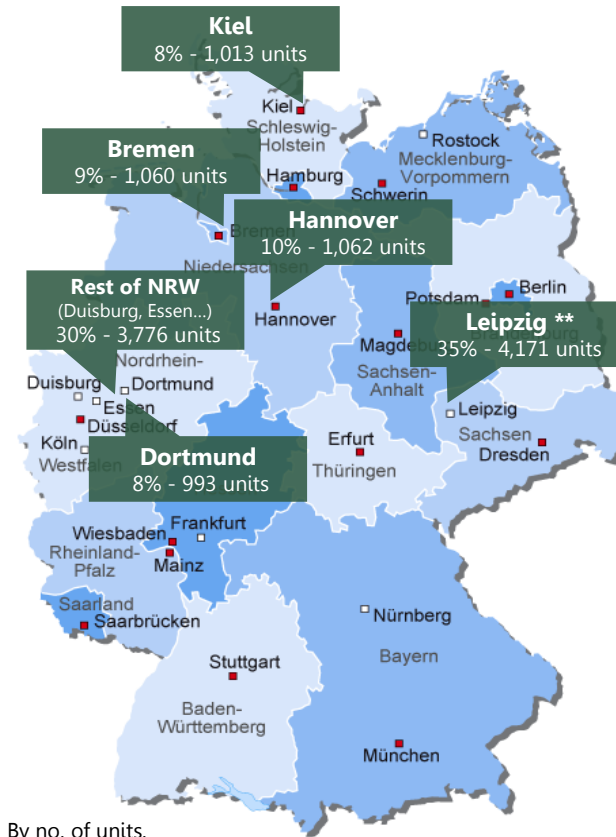


High – rise

Multifamily Portfolio



Attractive Geographic Diversification*



* By no. of units.

** Including 576 units in Magdeburg & Halle

*** Including 228 units in Gottingen

Key parameters (consolidated)

General data

Total lettable area	714k sqm
Occupancy	97.6%
Rental income p.a.	56.1m EUR
Average rent per sqm	6.72 EUR
ERV* per sqm in new-lettings	7.63 EUR

Current yield

Rental yield	4.3%
NOI yield	3.7%

Potential yield

ERV yield*	4.9%
Adjusted NOI yield**	4.3%

* 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

12.2021

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Rental growth

3.5%



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	Leipzig	Hannover & Gottingen	Bremen	Kiel	Dortmund	NRW	Total
No. of units	572	3,599	1,062	1,060	1,013	993	3,776	12,075
Occupancy	93%	98%	98%	98%	100%	99%	97%	97.6%
Value per sqm	€ 1,664	€ 2,105	€ 2,354	€ 1,493	€ 2,130	€ 1,794	€ 1,488	€ 1,811
Rent per sqm	€ 6.24	€ 6.61	€ 8.24	€ 6.62	€ 7.60	€ 7.00	€ 6.22	€ 6.72
ERV per sqm in new- lettings	€ 6.83	€ 7.67	€ 10.19	€ 7.53	€ 9.02	€ 8.30	€ 6.47	€ 7.63
Upside in rent based on ERV*	9%	16%	24%	14%	19%	19%	4%	14%
Cap rate	3.3%	2.9%	3.3%	3.8%	3.3%	3.5%	3.7%	3.4%
Discount rate	4.2%	4.4%	4.8%	5.2%	4.8%	5.0%	5.1%	4.8%
Tenant turnover	12%	10%	12%	10%	10%	9%	10%	10%



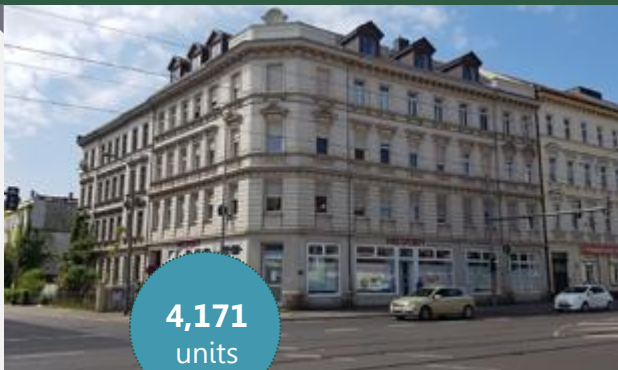
Value per sqm - **EUR 1,811**



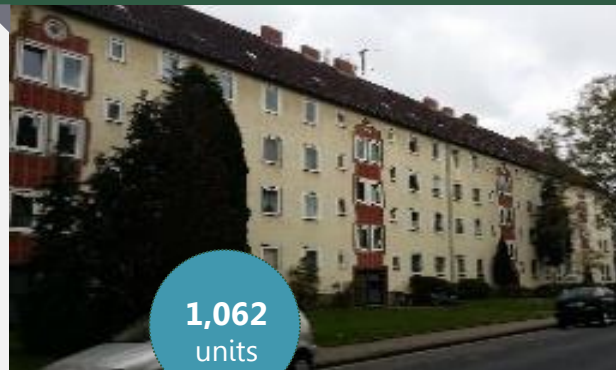
Upside in rent based on ERV* - **14%**

Multifamily Portfolio

Leipzig, Magdeburg & Halle



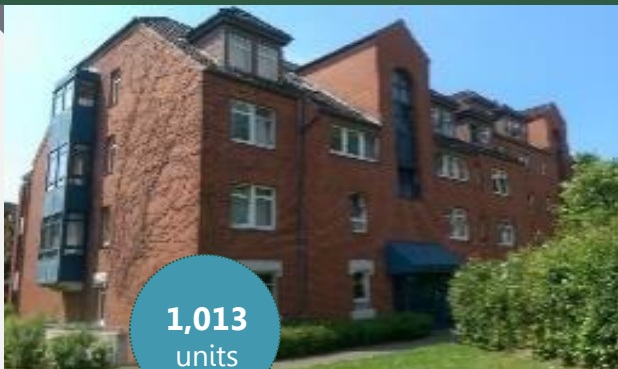
Hannover



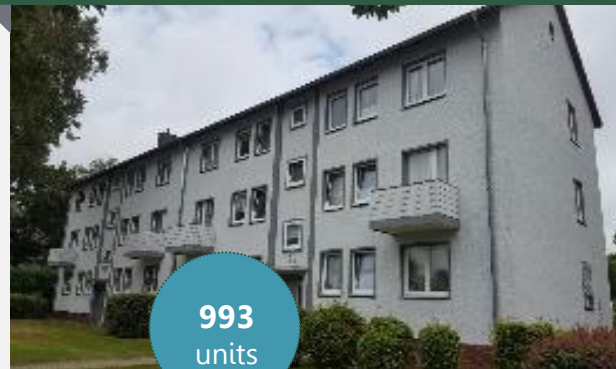
Bremen



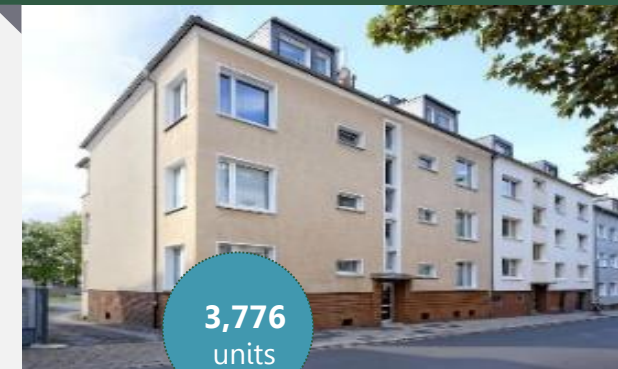
Kiel



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

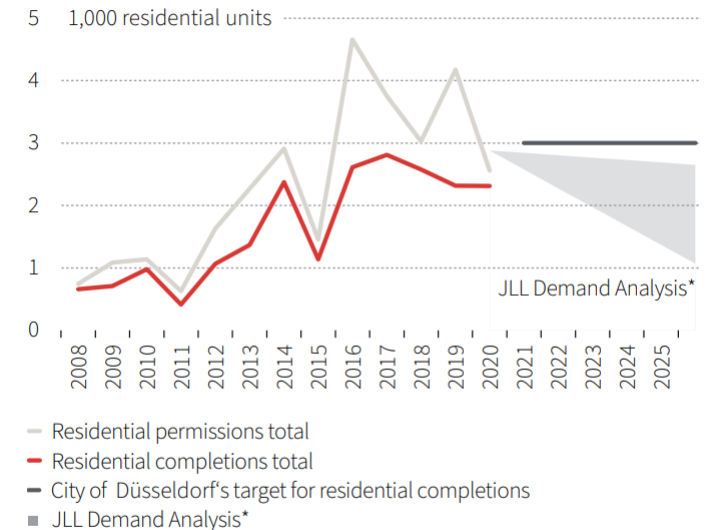


City of Dusseldorf's target for residential completion during 2017-2025 is 3,000 units per year².

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, 2020 when only of ca. 1,800, 2,310 units were built, respectively².

Housing supply and demand for new buildings



*Additional annual need for housing units (includes also apartments in detached houses) without consideration of current construction deficits.
Source: destatis, JLL (Status: January 2022)

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. **335 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 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**.

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.

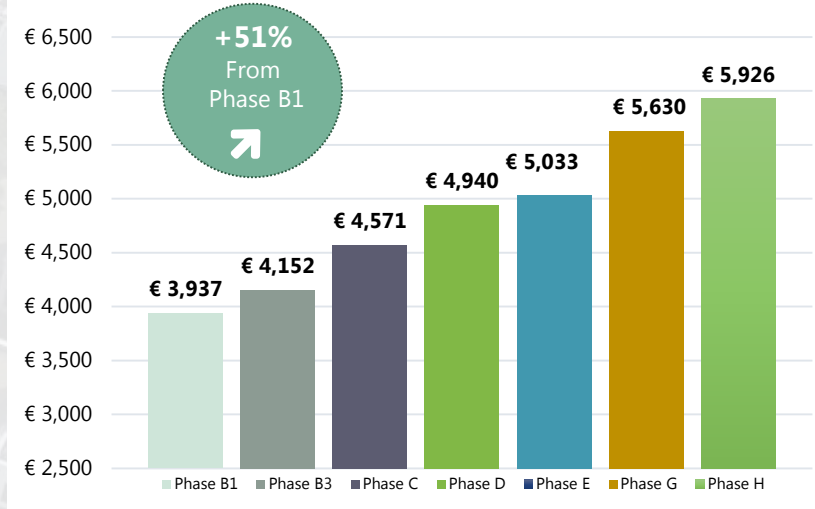
Residential Development— Grafental, Gerresheim & Aachen



Residential Development in Düsseldorf - Highly Experienced Platform For Continued Growth



Grafental I- Sale* Prices (EUR) per sqm



* Average sale price for each phase for condo flats.



Growth Drivers

NAV – Growth Drivers

Total Equity (31.12.2021)
Market Cap (31.12.2021)

€ 911.4M
€ 1,078.4M

Multifamily

	Current status	ERV ¹
Rental income (MEUR)	€ 56.1	€ 63.7
Rental yield	4.34%	² 4.17%

→ Portfolio book value – **EUR 1,292.6m**

1. Based on new lettings performed in Q4/2021 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 Aachen.
- Promotion of the Gerresheim project with the support of the Düsseldorf municipality



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Appendixes

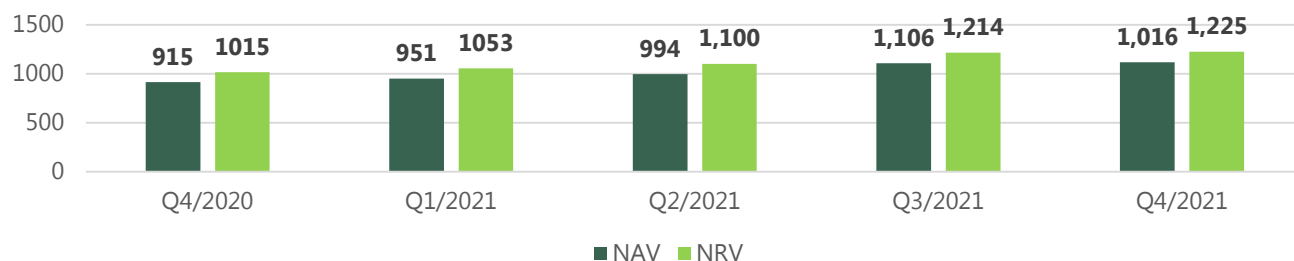


Key Financial Data – Balance Sheet

Balance Sheet Summary (MEUR) – as of 31.12.2021

Income producing properties	€ 1,317.2
Investment Property- real estate rights	€ 99.1
Land Inventory for development (long-term and short-term)	€ 215.5
Cash and liquid balances	€ 24.9
Total assets	€ 1,754
Total debt	€ 674.7
Equity attributable to company's shareholders	€ 876.3
Total Equity incl. non controlling interests	€ 911.4
EPRA NRV*	€ 1,225.3
EPRA NRV* per share (EUR/share)	158.49
EPRA NAV	€ 1,115.5
EPRA NAV per share (EUR/share)	144.30

Development of EPRA NRV*/ NAV (MEUR)



Financial Position

Financial Debt Structure – 31.12.2021

	Bank Loans	Bonds	Total
Outstanding balance in MEUR	€ 602.1	€ 72.6	€ 674.7
Average maturity*	5.59 years	2.80 years	4.17 years
Average interest*	1.50%	3.30%	2.49%

Rating and Leverage Ratios – 31.12.2021

Credit rating	S&P Maalot iIAA-
LTV**	35.51%
Debt to Capt, net	41.33%
EBITDA to interest	3.84X

*The average interest rate and the Average maturity were calculated by neutralizing the loan financing the Gerresheim project which is expected to be repaid during June 2022.

** Net debt to real estate portfolio.

EPRA NRV (MEUR) – 31.12.2021

Equity attributable to company's shareholders	876.3
Adding deferred taxes (less minority interest)	140.4
Excluding the fair value of financial derivatives, net (less minority interest)	0.3
Inventory revaluation	98.6
Plus real estate transfer tax (RETT) and other purchase costs	109.7
EPRA NRV	1,225.3

Key Financial Data – Profit and Loss

Profit and Loss (MEUR)		
	2020	2021
Rental Income**	€ 61,888	€ 59,243
Profit (loss) from condo sale	€ 14,376	997
NOI**	€ 50,105	€ 49,076
NOI yield	3.9%	3.7%
Adjusted NOI yield*	4.7%	4.3%
EBITDA	€ 36,854	€ 37,812
Real estate revaluation	€ 83,221	€ 111,603
% of real estate revaluation in relation to the total investment property	6.8%	8.5%
Cash Flow interest	€ 10,450	€ 9,858
FFO**	€ 25,285	€ 24,670
FFO per share	3.27	3.19
EBITDA to interest (excluding contribution from Grafental)	4.32x	3.84x

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



	2021	2020	Change	
Rental income (TEUR)	59,243	61,888	-4%*	↓
FFO (TEUR)	24,670	25,285	-2%*	↓
EBITDA (TEUR)	37,812	36,854	3%	↓
EPRA NRV** (TEUR)	1,225,240	1,015,115	21%	↑

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Thank You

