



BCP
BRACK CAPITAL PROPERTIES N.V.

**Balanced Business
Model, Stable Cash
Flow**

Annual Report |
2022

March 2023

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 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 (as published on March 31, 2022, reference number: 2022-01-029652) and 2022 (as was signed on March 31, 2023).

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's annual report for 2022, 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), the war in Ukraine and the changes in the capital markets, the interest rate and inflation. 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. It should be noted that there might be un-material gaps between the presentation and the Company's reports, which are all due to rounding of amounts only.

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 2022. 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 2022 annual report.

BCP at a Glance



Dutch N.V



Active in Germany
since 2004



Total Assets of ca.
EUR 1.57 B



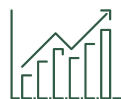
Multifamily portfolio
(79% of GAV; 9,606 units)



113 employees



Retail Parks portfolio
(2% of GAV; 30K sqm)



EPRA NTA:
EUR 876 M

EPRA NTA per share:
113 EUR/share



Residential Development
(19% of GAV; 1,920 units)



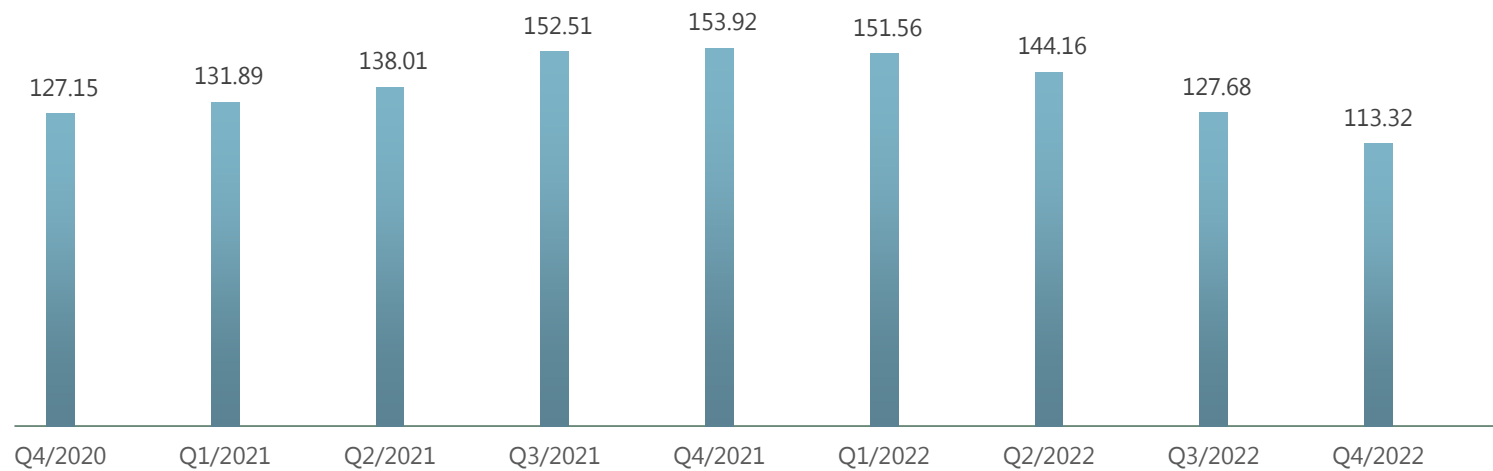
Cash balance
€ 210 M



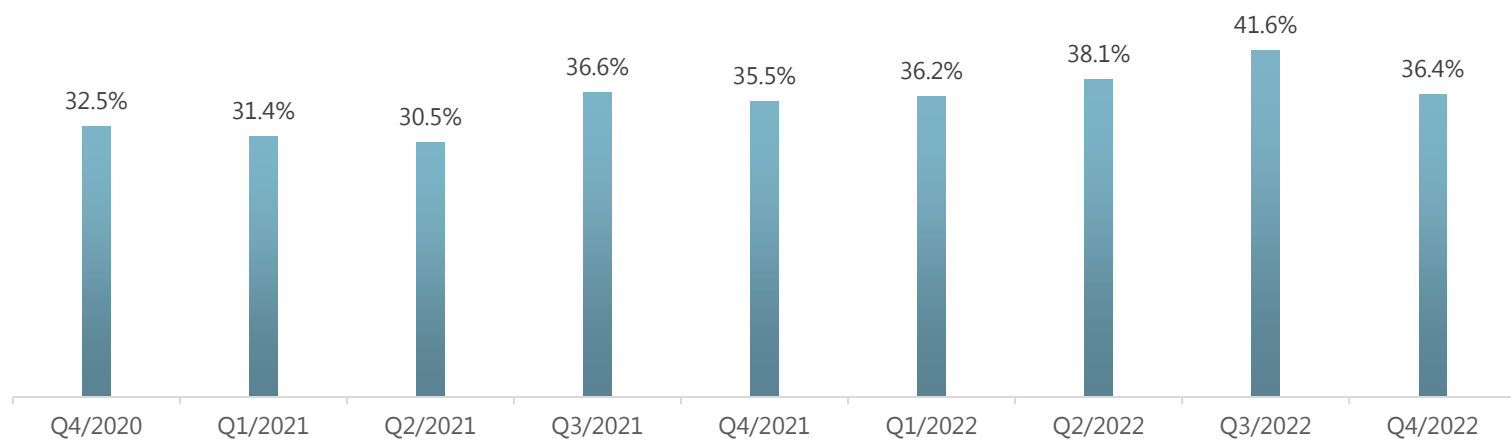
Capital Markets
Credit rating (by s&p Maalot) of the company: iilBBB-
Credit rating (by s&p Maalot) of the bonds (series b+c): iilBBB+

LTV / EPRA NTA per share

EPRA NTA per share (EUR)*



LTV (%)**



* In accordance with the updated guidelines published by EPRA. For further details regarding the EPRA NTA Index, see section 9.3 of the BOD Report.

** The decrease in LTV is due to the completion of the sale of the residential properties in Leipzig at the end of December 2022.





Multifamily Portfolio (consolidated)



9,606
residential units

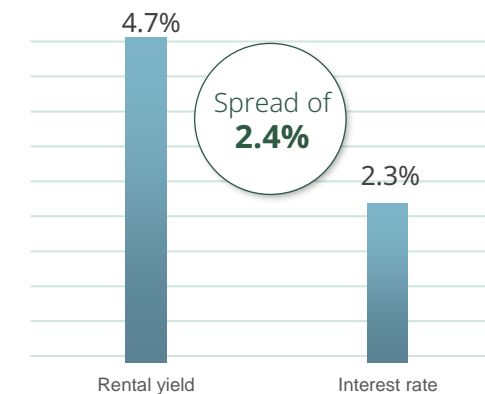


Located in
large & growing cities

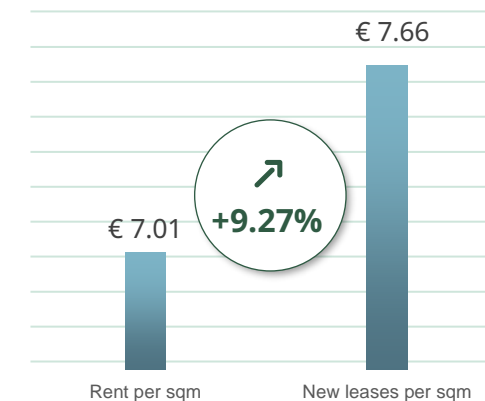


High CF
4.7%
rental yield

High Cash Flow



Significant Upside Potential





Sale Agreements

Commercial properties

During the year 2022, the company completed the sale of three commercial properties with a total value of approximately EUR 22.1m.

In addition, the company completed another sale of a commercial property in January 2023 for approximately 12.9 million euros.

Residential Properties

On December 30, 2022, the sale of residential properties located in Leipzig was completed in value of approximately EUR 240.0m, through a "share deal" transaction, so that a total amount of EUR 126.1m. was fully received by the company.

Sale of additional assets from the Residential portfolio and the development plots

The Company is examining the sale of additional assets from both the income generating and the development portfolio, as much as this is necessary in order to meet the Company's liquidity needs.

For this purpose, the Company entered into agreements with various brokers for examining the sale of all the assets in the Company's development portfolio, where the extent of the assets to be sold by the Company from the aforementioned portfolio depends on the Company's liquidity needs, as they will be at that time.



Financing

Average interest rate on debt - 2.31%*

Maturity – 3.82y.

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

On May 19, 2022, the company entered into an agreement with the main shareholder, ADLER, so that a line of credit will be provided to the company in the total amount of EUR 200m and the repayment date would be on December 29, 2023. During may ADLER transferred EUR 100m to the company and during september ADLER transferred an additional EUR 50m to the company so that the balance of the company's SH loan as of the date of publication of the report is EUR 150m.

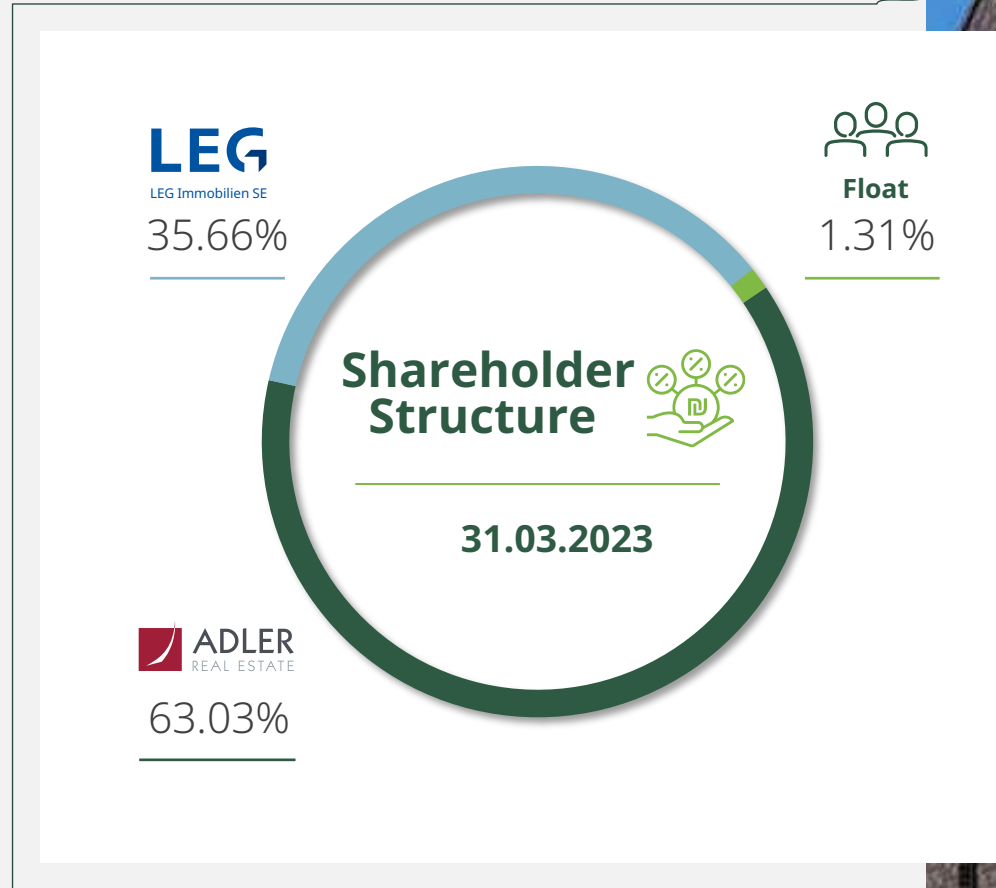
During Q1 2023, the Company addressed ADLER with a request to prolong the repayment date of part of the amount of the credit line that was granted to the Company. In response, ADLER agreed to give the Company a one-sided commitment to extend the repayment date of EUR 70m for a period of additional 6 months (i.e., until June 30, 2024), Subject to the existence of several conditions, among others, such as raising the interest rate and placing a collateral, which will become effective only from January 1, 2024.

It should be noted, that the Company may take the unilateral commitment mentioned above at its full discretion. For additional details see the Company's immediate report from March 31st, 2023 (Ref: 2023-01-036906).

On December 9, 2022, the company completed a loan refinancing in the amount of approximately EUR 29.2m. The repayment date was extended by 3 years, so that the repayment date would be on December, 2025. The loan bears an annual interest rate of 5.50%.

On March 27, 2023, the company completed a loan refinancing in the amount of approximately EUR 34.5m. The repayment date was extended by 2 years, so that the repayment date would be on March, 2025. The loan bears an annual interest rate of 5.51%.

*Consists of bank loans, bonds, and shareholder loans. For more details, see slide 20.



Multifamily Portfolio



Key parameters (consolidated)

General data

Total lettable area	588 sqm
Occupancy	97.6%
Rental income p.a.	48.3m EUR
Average rent per sqm	7.01 EUR
ERV* per sqm in new- lettings	7.66 EUR

Current yield

Rental yield	4.7%
NOI yield	3.7%

Potential yield

ERV yield*	5.1%
Adjusted NOI yield**	4.2%

* ERV - rental income based on avg. new lettings

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



Up to 250 K residents
11%

* The division was made per units

More than 500 K residents
89%

Well maintained portfolio, Diverse building types

Low - rise



Buildings for conservation



High - rise



Town Houses



Attractive Geographic Diversification*

Kiel

11% - 1,013 units

Hannover***

11% - 1,061 units

Bremen

11% - 1,060 units

Dortmund

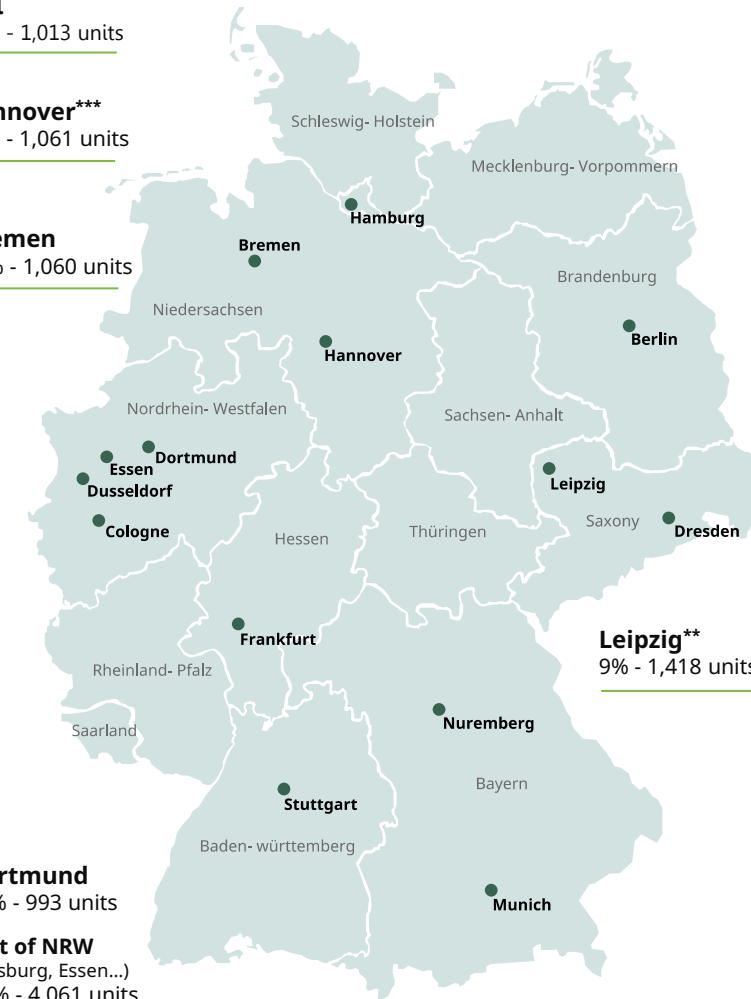
10% - 993 units

Rest of NRW

(Duisburg, Essen...)
42% - 4,061 units

Leipzig**

9% - 1,418 units



* By no. of units. ** Including 576 units in Magdeburg & Halle

*** Including 228 units in Gottingen

Consistent rental growth

BCP 12.2022

Rental growth in the past year **2.2%**



100% of the portfolio in large cities.



High proportion of Studio and 2 room apartments

the fastest growing market segment in major cities.



Focusing on cities with high population growth rates

benefiting from robust rental growth.



	Magdeburg & Halle	Leipzig	Hannover & Gottingen	Bremen	Kiel	Dortmund	NRW	Total
No. of units	571	847	1,061	1,060	1,013	993	4,061	9,606
Occupancy	95.05%	96.92%	97.98%	97.86%	99.66%	98.64%	96.92%	97.49%
Value per sqm	€ 1,348	€ 1,986	€ 2,360	€ 1,449	€ 2,014	€ 1,790	€ 1,639	€ 1,750
Rent per sqm	€ 6.34	€ 7.69	€ 8.50	€ 6.70	€ 7.65	€ 7.17	€ 6.54	€ 7.01
ERV per sqm in new-lettings	€ 6.95	€ 9.06	€ 8.56	€ 7.67	€ 9.08	€ 8.15	€ 6.56	€ 7.66
Upside in rent based on ERV*	9.67%	17.79%	0.70%	14.47%	18.65%	13.55%	0.31%	9.29%
Cap rate**	3.62%	3.30%	3.29%	3.88%	3.60%	3.44%	3.60%	3.57%
Discount rate**	4.59%	4.78%	4.74%	5.27%	5.32%	4.94%	5.01%	5.01%
Tenant turnover	11.92%	10.49%	11.51%	10.47%	10.20%	9.25%	9.97%	10.29%



Upside in rent based on ERV*
9.29%



Value per sqm
1,750 EUR

* Upside without occupancy changes, based on new-lettings

** In accordance with the valuation methodology, the estimated cash flows for the period of the first 10 years are capitalized on the basis of the discount rate, and from the 11th year onwards, the estimated cash flows are capitalized on the basis of the cap rate.

Leipzig, Magdeburg & Halle

1,418
units



Hannover & Gottingen

1,061
units



Bremen

1,060
units



Kiel

1,013
units



Dortmund

993
units



NRW

4,061
units

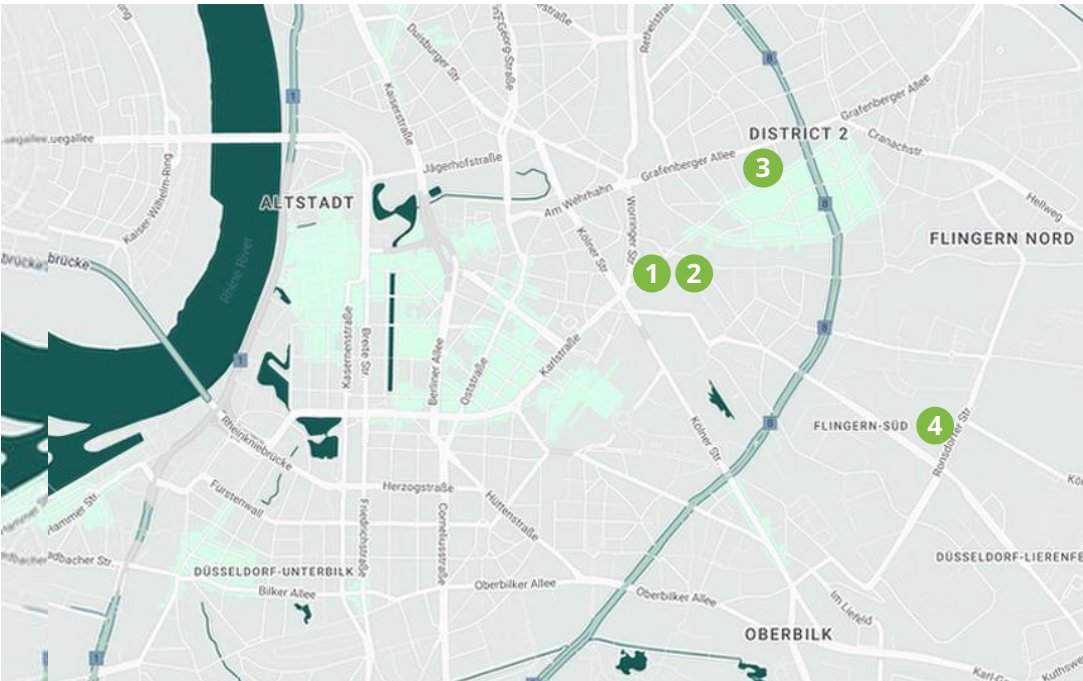


Residential Development



Residential Development in Düsseldorf

An International economic center,
One of the leading cities in quality of life in the world



- 1 Grafental I
- 2 Grafental II
- 3 Grafenberg
- 4 Gerresheim

Attractive Locations Central locations within the city, in upper class neighborhoods

1. Residential market in Germany, JLL., August 2022.
2. Residential market in Germany, JLL., January 2023.

City of Düsseldorf's target for residential completion during 2017-2025 is **3,000 units per year**¹.

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

This is compared to a **significant decrease**² in 2020, 2021, 2022 when only of ca. 2,310, 2,360, 2,301 units were built, respectively¹.

Sale Prices (EUR) per sqm in Project Grafental



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.

Grafenberg



Future **85 units** Luxury project Adjacent to Grafenberg forest.

Gerresheim



Land parcel in stage 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". In November, the company became aware of additional delays in receiving permits due to difficulties in negotiations with the municipality of Dusseldorf. For more details, see the company's report dated November 28, 2022 (reference number: 2022-01-113352).

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** have been rented and being handed over. **Phase J + L** - Ca. **335 units** included under the Grafental Ost master plan.

Grafental I successful development track-record



823 units were sold in full to date.
Sales of **400 m EUR** to date.

Grafental II



Grafental I



Aachen



Gerresheim



Growth Drivers



Total Equity
(31.12.22)

€ 734.2 M

Market Cap
(31.12.22)

€ 759.3 M



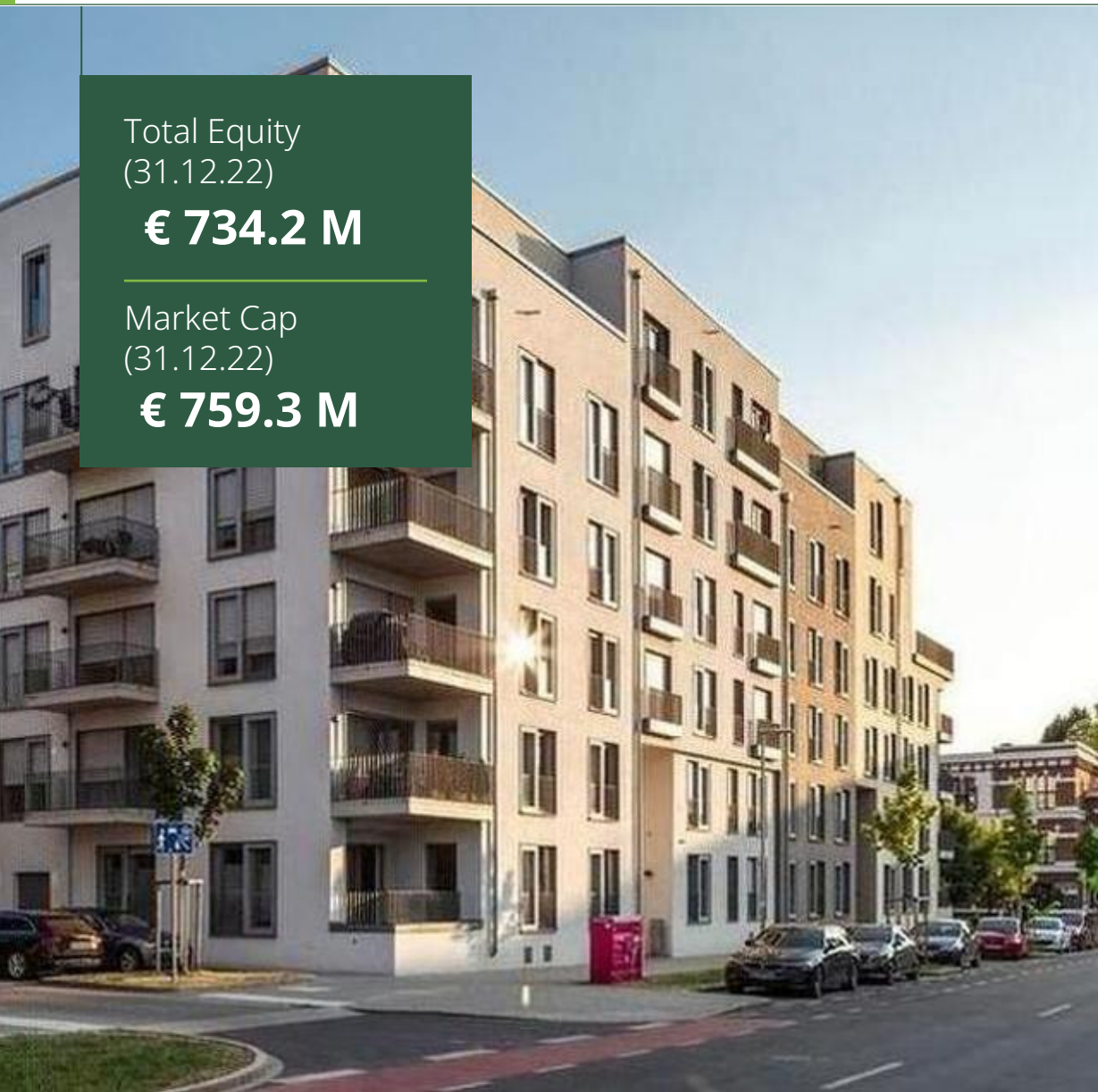
Multifamily

Portfolio book value **€ 1,030 M***

	Current status	ERV
Rental income (MEUR)	€ 48.3	**€ 52.7
Rental yield	4.7%	5.1%

*Out of this amount, EUR 144m are classified as held for sale in the company's reports for 2022.

**Based on new lettings performed during 2022 without assuming ERV growth.



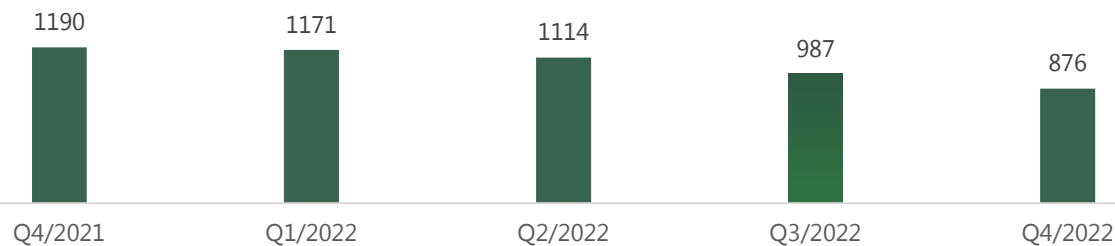
Appendixes



Balance Sheet Summary (MEUR) | as of 31.12.2022

Income producing properties	€ 925
Held for sale	€ 144
Investment Property- real estate rights	€ 35
Land Inventory for development	€ 206
Cash and liquid balances	€ 210
Total assets	€ 1,567
Total liabilities	€ 832
Equity attributable to company's shareholders	€ 706
Total Equity incl. non controlling interests	€ 734
EPRA NTA	€ 876
EPRA NTA per share (EUR/share)	113

EPRA NTA



Financial Position

Financial Debt Structure – 31.12.2022

	Bank Loans	Bonds	Shareholder Loan	Total
Outstanding balance in MEUR	€ 372.60	€ 162.67	€ 150.00	€ 685.27
Average maturity	5.87 years	1.74 years	1.00 years	3.82 years
Average interest	2.00%	4.04%	1.20%	2.31 %

Rating and Leverage Ratios – 31.12.2022

Credit rating	S&P Maalot iilBBB-
Bonds rating	S&P Maalot iilBBB+
LTV	36.43%
Debt to Capt, net	39.47%
EBITDA to interest	3.25X

EPRA NTA (MEUR) – 31.12.2022

Equity attributable to company's shareholders	705.7
Adding deferred taxes (less minority interest)	95.2
Excluding the fair value of financial derivatives, net (less minority interest)	20.8
Inventory revaluation	4.7
Plus real estate transfer tax (RETT) and other purchase costs	49.7
EPRA NTA	876.1

Profit and Loss (MEUR)

	2021	2022
Rental Income	€ 59,243	€ 59,887
Profit (loss) from condo sale	€ 997	€ (13,556)*
NOI	€ 49,077	€ 49,792
NOI yield	3.7%	3.7%
Adjusted NOI yield	4.3%	4.2%
EBITDA	€ 37,812	€ 37,997
Real estate revaluation	€ 111,603	€ (158,872)
Cash Flow interest	€ 9,858	€ 11,695
FFO	€ 24,670	€ 25,439
FFO per share	3.19	3.29
EBITDA to interest (excluding contribution from Grafental)	3.84x	3.25x

* During the year 2022, the company recognized an impairment of its inventory

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	Apts handed over	Apts handed over	Apts 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

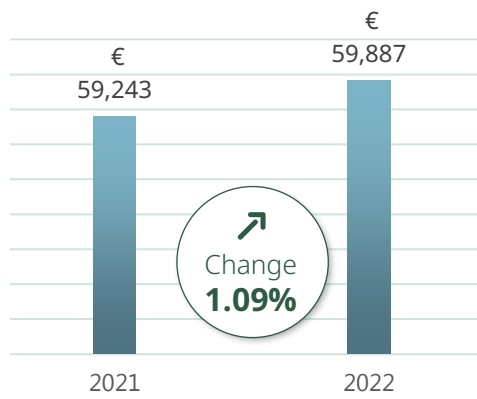
LTV

	31.12.2021	31.12.2022
Loans	673	631
Loans and cash held for sale	-	58
Cash	(55)	(210)
Loans, net	618	479
IP	1,416	960
IP held for sale	-	139
Inventory*	315	211
Stock investments in other real estate companies	8	5
Total real estate	1,739	1,315
LTV	35.51%	36.43%
LTV after sale**		29.23%

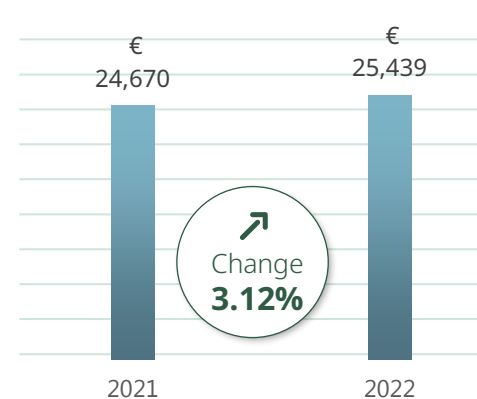
* The inventory calculation is according to its fair value.

** Assuming the completion of the sale of the yielding real estate assets, which are classified as held for sale.

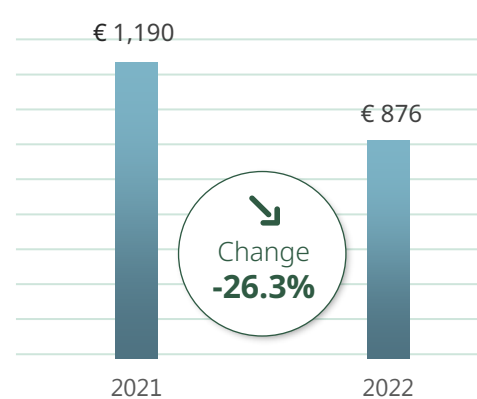
Rental income (TEUR)



FFO (TEUR)



EPRA NTA (MEUR) *



* The decrease in EPRA NTA during 2022 is mainly due to a decrease in the value of Gerresheim project, as well as a decrease in the value of the residential properties of the Company.



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BRACK CAPITAL PROPERTIES N.V.

Thank You.