



BRACK CAPITAL PROPERTIES N.V (the Company)

May 16, 2018

Israel Securities Authority
www.isa.gov.il

Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Re: immediate report

The Company hereby announces that on May 15, 2018 in the evening ("**the Notice Date**"), the Company was notified by ADLER Real Estate Aktiengesellschaft, the controlling shareholder of the Company ("**ADLER**"), which holds shares of the Company constituting approximately 69.81% of the voting rights in the Company, in accordance with Article 22 of the Company's Articles of Association and the provisions of Section 63 (b) of the Companies Law-1999, regarding a request to convene a special general meeting of the Company's shareholders on June 25 or June 26, 2018¹ (below and respectively: "**the Notice**" and "**The Meeting**").

In the Notice, the Company's Board of Directors was requested by ADLER to convene the Meeting, the agenda of which would be the appointment of six additional directors (who are not external directors) to the Company's Board of Directors (four of whom will be appointed as independent directors) and the approval of their terms of tenure² and the resolution regarding the termination of office as directors on the Board of Directors of Mr. Alexander Dexne (chairman of the board of directors), Noa Shacham (independent director) and Ulrich Tappe (director³).

The Company's Board of Directors intends to examine soon and under the timetables prescribed by law and the Company's Articles of Association (namely until 21 days from the Notice Date) the request of ADLER to convene such Meeting while taking into account the requirements of the Dutch law and the Dutch Corporate Governance Code.

Sincerely,

Brack Capital Properties N.V
By Gal Tenenbaum, Joint CEO and
Fred Ganea, Head of the Financial Department

¹ Or alternatively include the subjects ADLER had requested to be included on the agenda of the special meeting, on the agenda of the annual general meeting of the Company's shareholders if and when called for June 25 or 26, 2018.

² Directors' compensation, insurance coverage and the provision of indemnification letters as granted to the other members of the Board of Directors and in accordance with the Company's remuneration policy.

³It should be indicated that Mr. Ulrich Tappe serves also as the manager of the development division in the Company.