



BCP
BRACK CAPITAL PROPERTIES N.V.

Balanced Business
Model, Stable Cash
Flow

Q2 | 2023

August 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 2022 (as published on March 31, 2022, reference number: 2023-01-036915) and Q2 2023 (as signed on August 28, 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 reports for 2022 and Q2 2023, 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 reports for 2022 and Q2 2023. 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's reports for 2022 and Q2 2023.

BCP at a Glance



Dutch N.V



Active in Germany since 2004



Total Assets of ca. EUR 1.45 B



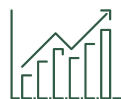
Multifamily portfolio (81% of GAV; 9,608 units)



113 employees



Retail Parks portfolio (1% of GAV; 16.228K sqm)



EPRA NTA: EUR 768.8 M

EPRA NTA per share: 99.45 EUR/share



Residential Development (18% of GAV; 1,920 units under planning)



Cash balance € 211.1 M

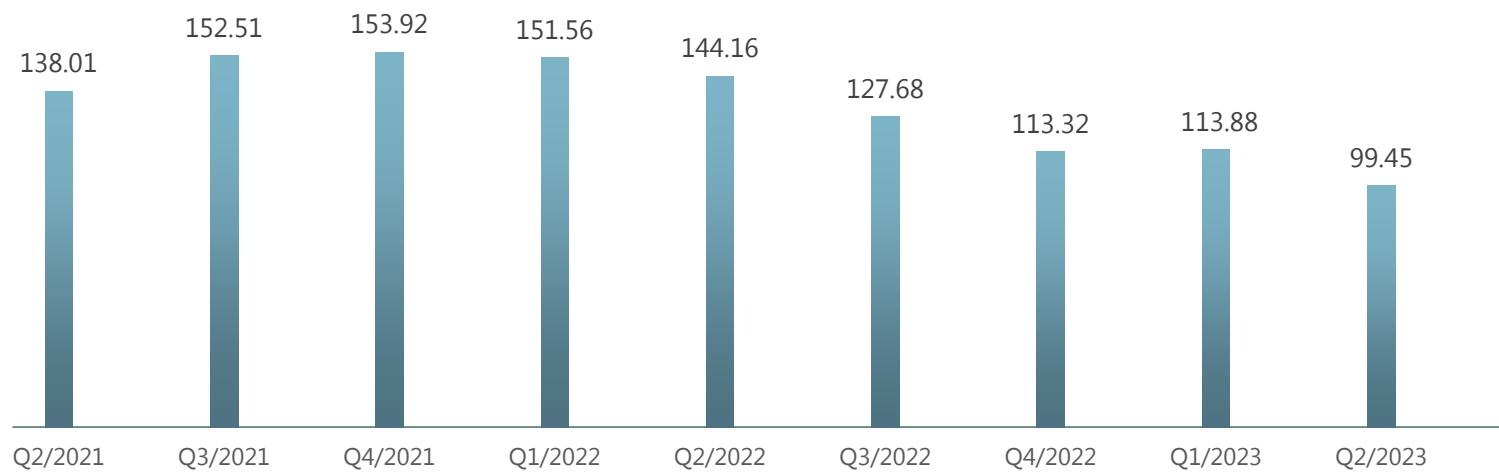


Capital Markets

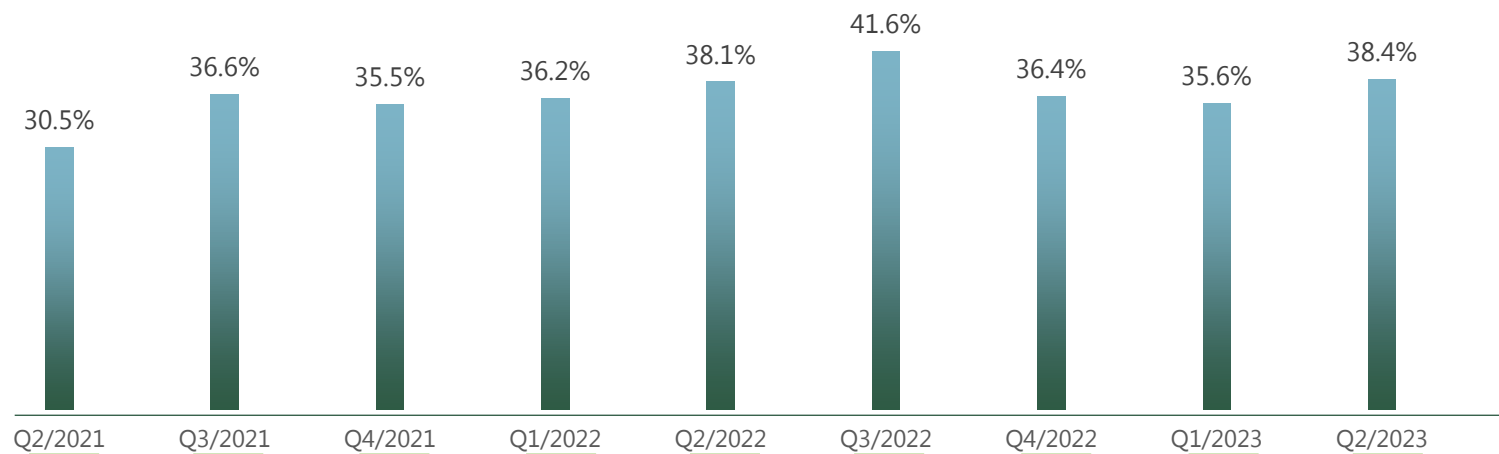
Credit rating (by S&P Maalot) of the company: iilBBB-
Credit rating (by S&P Maalot) of the bonds: iilBBB+

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 10.2 of the BOD Report.





Multifamily Portfolio (consolidated)



9,608
residential units

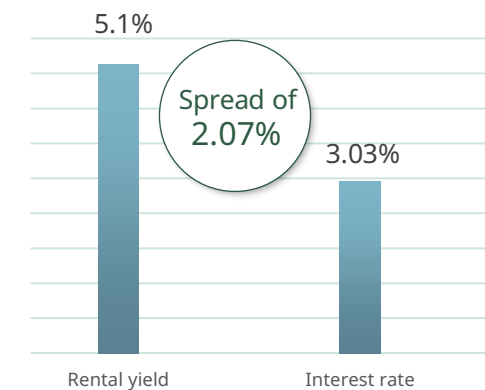


Located in
large &
growing cities

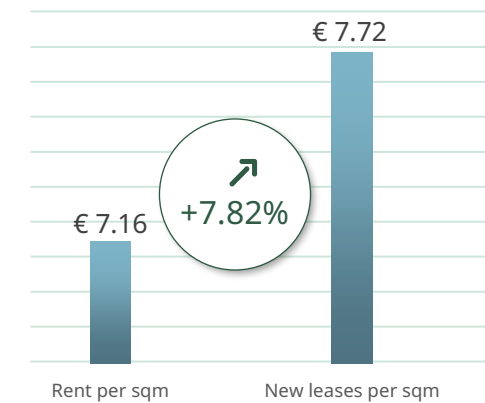


High CF
5.1%
rental yield

High Cash Flow



Significant Upside Potential





Sale Agreements

Sale of properties

For the purposes of financing its operating activities and meeting its obligations, the Company entered into and completed during 2022 a number of transactions for the sale of the Company's assets, totalling approximately EUR 148.2 million, which were received in cash during the period.

Sale of additional properties from the Income producing and Residential development portfolio

The Company entered into agreements with various brokers for the purpose of examining the sale of all assets in the Company's development portfolio, where the scope 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

Further to the Company's report from January 1, 2023 (reference number: 2023-01-000007), which is included herein by way of reference, as of the publication date of the report, the Company continues to negotiate the sale of additional properties from its residential real estate portfolio, located in East Germany.



Financing

Average interest rate on debt - 2.39%*

Maturity - 4.17y.

On March 27, 2023, the company completed a loan refinancing in the amount of 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%.

On May 24, 2023, the company completed a loan refinancing in the amount of approx. EUR 94.0m. The repayment date was extended by 3 years, so that the repayment date would be on June 30, 2026. The loan of approx. EUR 85.0m bears an annual fixed interest rate of 4.70%, and additional of approx. EUR 9.0m bears a floating interest based on the 3 months EURIBOR plus a margin of 1.71%.

Credit line from ADLER, ADLER'S commitment and the amendment to the credit line agreement

As of the report publication date, a credit line is available to the Company from which the Company has drawn down EUR 150 million. During the reported period until its publication date, while taking into account, among other things, the Company's cash needs, the Company approached the controlling shareholder to extend the maturity date of the credit line or any part thereof. In response to the Company's request:

- On March 31, 2023, ADLER provided the Company with one-sided commitment under which ADLER committed to extend the maturity date of EUR 70 million out of the amount the Company has drawn down as aforesaid by an additional six (6) months until June 30, 2024 subject to updating the interest terms, providing a collateral and the fulfilment of certain conditions precedent ("ADLER's commitment").**
- ADLER's updated commitment: on August 28, 2023, The parties reached agreements, according to which the credit line agreement will be amended, the main points of which are as follows: the maturity date of EUR 75 million from the total amount the Company has drawn down as mentioned above, will be extended until December 29, 2024 ("the remaining amount"); The balance of EUR 75 million will be repaid by the end of August, 2023 ("the repaid amount"); updating the interest rate in relation to the remaining amount without providing a collateral; and the expiration of the unutilized credit line in the amount of EUR 50 million ("the amendment to the agreement"). The other terms of the credit line remain unchanged. The amendment to the agreement replaced one-sided commitment ADLER has provided to the Company in connection with the credit line.***

* Consists of bank loans, bonds, and a loan from the controlling shareholder. For further details, see slide 20

** For further details regarding the main terms of ADLER's commitment, see the Company's immediate report dated March 31, 2023 (reference number: 2023-01-036906).

*** For further details regarding the main terms of ADLER's commitment, see the Company's immediate report dated August 28, 2023 (reference number: 0806802023-01), which is included herein by reference.

LEG

LEG Immobilien SE

35.66%



Float

1.31%

Shareholder
Structure



28.08.2023

ADLER
REAL ESTATE

63.03%



Multifamily Portfolio



Key parameters (consolidated)

General data

Total lettable area	588 sqm
Occupancy	96.6%
Rental income p.a.	48.8m EUR
Average rent per sqm	7.16 EUR
ERV* per sqm in new- lettings	7.72 EUR

Current yield

Rental yield	5.1%
NOI yield	4.4%
Potential yield	
ERV yield*	5.5%
Adjusted NOI yield**	4.8%

* ERV - rental income based on avg. new lettings

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



More than 500 K residents
89%

Up to 250 K residents
11%

* The division was made per units

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% - 4,062 units

Leipzig**

15% - 1,419 units



* By no. of units. ** Including 572 units in Magdeburg & Halle

*** Including 228 units in Gottingen

Consistent
rental growth

BCP 06.2023

Rental growth
in the past
year **2.3%**



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	572	847	1,061	1,060	1,013	993	4,062	9,608
Occupancy	90.60%	95.29%	96.96%	96.08%	99.24%	97.87%	96.50%	96.51%
Value per sqm	€ 1,348	€ 1,986	€ 2,184	€ 1,341	€ 1,841	€ 1,674	€ 1,514	€ 1,633
Rent per sqm	€ 6.42	€ 7.75	€ 8.85	€ 6.86	€ 7.84	€ 7.24	€ 6.67	€ 7.16
ERV per sqm in new- lettings	€ 7.13	€ 8.92	€ 8.89	€ 7.33	€ 9.24	€ 8.14	€ 6.70	€ 7.72
Upside in rent based on ERV*	10.98%	15.09%	0.04%	6.89%	17.96%	12.47%	0.03%	7.91%
Cap rate**	3.81%	3.46%	3.52%	4.09%	3.94%	3.58%	3.80%	3.78%
Discount rate**	4.78%	4.93%	4.97%	5.48%	5.66%	5.07%	5.22%	5.22%
Tenant turnover	11.92%	10.49%	11.51%	10.47%	10.20%	9.25%	9.97%	10.29%



Upside in rent based on ERV*
7.91%



Value per sqm
1,633 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

1,419
units



Hannover & Gottingen

1,061
units



Bremen

1,060
units



Kiel

1,013
units



Dortmund

993
units



NRW

4,062
units

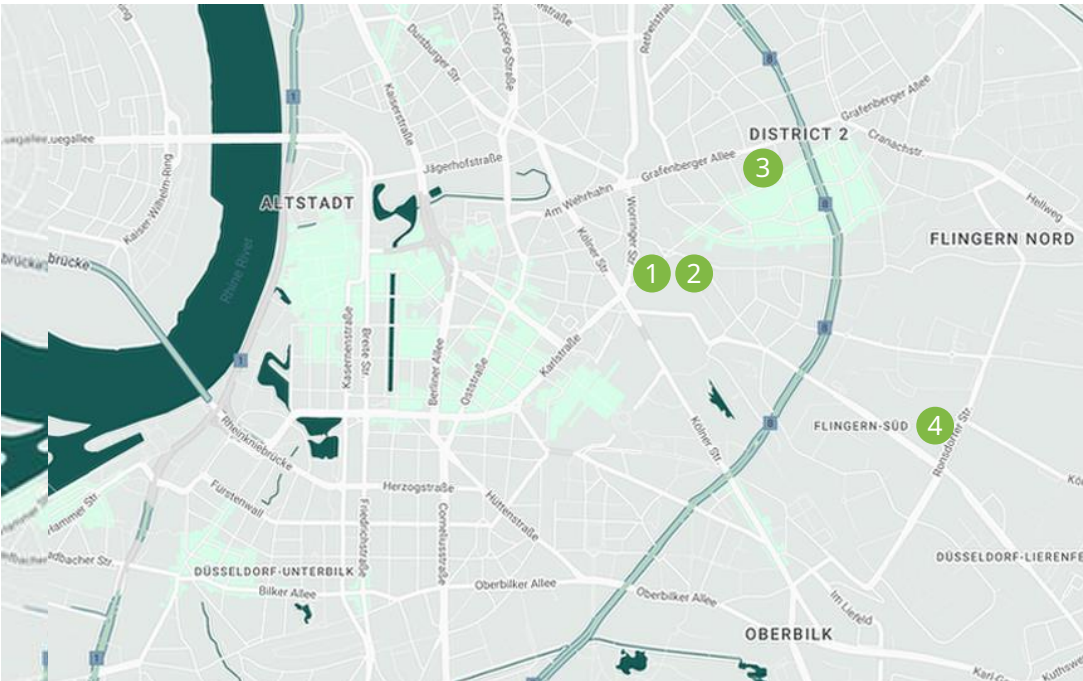


Residential Development



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

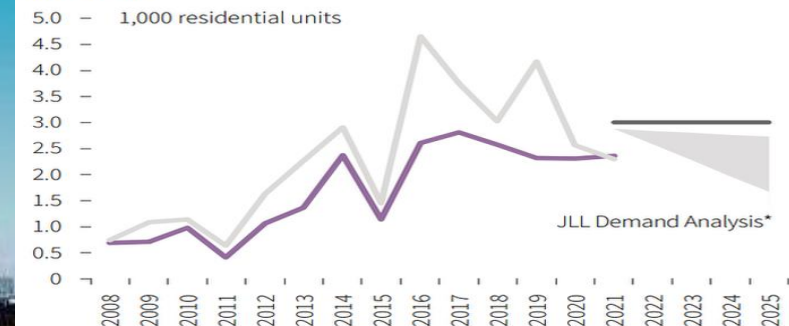
Attractive Locations Central locations within the city,
in upper class neighborhoods

City of Düsseldorf's target for residential completion during 2017-2025 is 3,000 units per year¹.

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 decrease² in 2020, 2021, 2022 when only of ca. 2,310, 2,360, 2,301 units were built, respectively¹.

Housing supply and demand for new buildings Düsseldorf



- Residential permissions total
- Residential completions total
- City of Düsseldorf's target for residential completions
- JLL Demand Analysis*

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

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

Residential Development Profitability & Proven Track Record

Aachen
Construction completed
successfully



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.

Grafenberg



Future Luxury project
85 units 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 successfully.
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
(30.6.23)

€ 636.8 M

Market Cap
(30.6.23)

€ 736.2 M



Multifamily

Portfolio book value € 960.7 M*

	Current status	ERV
Rental income (MEUR)	€ 48.8	€ 52.7**
Rental yield	5.1%	5.5%

* Out of this amount, EUR 125.9m are classified as held for sale in the company's reports for Q2 2023.
 ** Based on new lettings performed during Q2 2023 without assuming ERV growth.



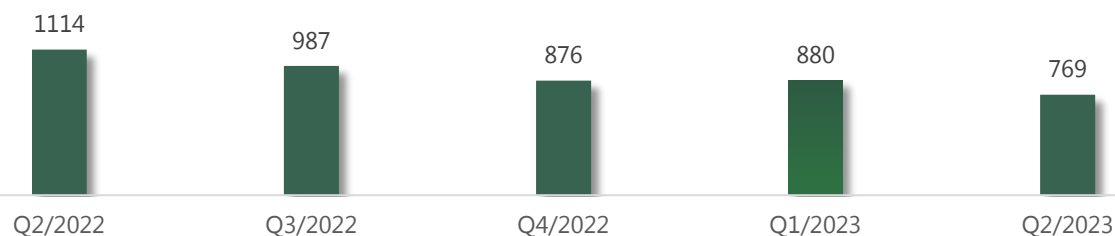
Appendixes



Balance Sheet Summary (MEUR) | as of 30.06.2023

Income producing properties	€ 855
Held for sale	€ 158
Land Inventory for development	€ 182
Cash and liquid balances	€ 211
Total assets	€ 1,454
Total liabilities	€ 817
Equity attributable to company's shareholders	€ 610
Total Equity incl. non controlling interests	€ 637
EPRA NTA	€ 769
EPRA NTA per share (EUR/share)	99

EPRA NTA



Financial Position

Financial Debt Structure – 30.06.2023

	Bank Loans	Bonds	Shareholder Loan	Total
Outstanding balance in MEUR	€ 362.54	€ 155.66	€ 150.00	€ 668.21
Duration	6.42 years	1.27 years	0.50 years	3.90 years
Average interest	3.03%	4.04%	1.20%	2.86 %

Rating and Leverage Ratios – 30.06.2023

Credit rating	S&P Maalot iilBBB-
Bonds rating	S&P Maalot iilBBB+
LTV	38.40%
Debt to Cap, net	41.86%
EBITDA to interest	3.29X

EPRA NTA (MEUR) – 30.06.2023

Equity attributable to company's shareholders	609.8
Adding deferred taxes (less minority interest)	82.0
Excluding the fair value of financial derivatives, net (less minority interest)	32.7
Inventory revaluation	0
Plus real estate transfer tax (RETT) and other purchase costs	44.3
EPRA NTA	768.8

Profit and Loss (MEUR)

	Q2 2022	Q2 2023
Rental Income*	€ 14,880	€ 12,389
Loss from impairment of inventories	(10,686)	(32,150)
NOI*	€ 12,400	€ 10,446
NOI yield	3.6%	4.4%
Adjusted NOI yield	4.1%	4.8%
EBITDA*	€ 9,500	€ 7,081
Real estate revaluation	€10,882	€ (80,370)
Cash Flow interest	€ 2,814	€ 2,151
FFO*	€ 6,373	€ 4,397
FFO per share	0.82	0.57
EBITDA to interest (excluding contribution from Grafental)	3.38x	3.29x

*The decrease in Rental Income, NOI, EBITDA and FFO is due to the sale of residential units in Leipzig in December 2022.

Grafental I sales and profitability data

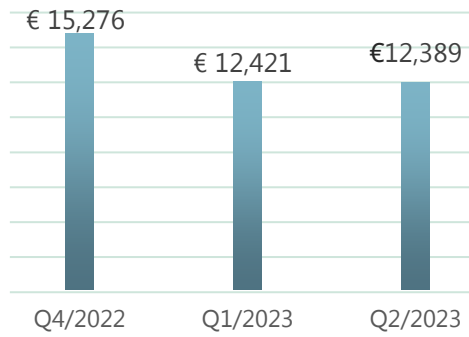
	Phase E	Phase G	Phase H
No. of residential units	89	89	96
No. of underground parking spaces	86	106	101
Built area	18k m	9.5k m	9.8k m
Sold units (#)	89	89	96
Sold units (%)	100%	100%	100%
Total sales to the signing date of the report	€ 49.6m	€ 53.7m	€ 58m
Average sales price per sqm	€ 5,033	€ 5,631	€ 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

	31.12.2022	31.03.2023	30.06.2023
Loans	691	675	672
Cash held for sale	(2)	(2)	(2)
Cash	(210)	(210)	(211)
Loans, net	479	463	459
IP	960	960	854
IP held for sale	139	126	153
Inventory*	211	210	182
Stock investments in other real estate companies	5	5	5
Total real estate	1,315	1,302	1,194
LTV	36.43%	35.57%	38.40%
LTV after sale**	29.23%	28.99%	29.71%

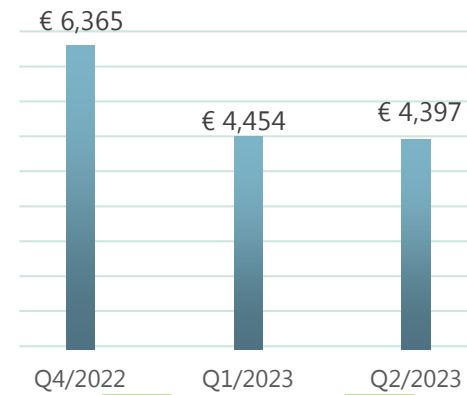
*The inventory calculation is according to its fair value.

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

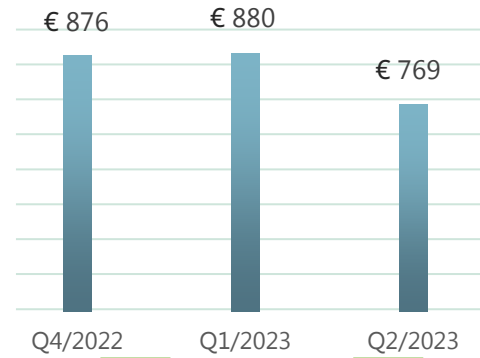
Rental income* (TEUR)



FFO* (TEUR)



EPRA NTA (MEUR)



* The decrease in Rental Income, NOI, FFO and EPRA NTA is due to the sale of residential units in Leipzig in December 2022.



BCP

BRACK CAPITAL PROPERTIES N.V.

Thank You.