



BCP
BRACK CAPITAL PROPERTIES N.V.

**Balanced Business
Model, Stable Cash
Flow**

Annual Report | 2023

March 2024

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, 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 was published on March 31, 2023, reference number: 2023-01-036915) and 2023 (as was signed on March 28, 2024).

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 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 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 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 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 annual report for 2023.

BCP at a Glance



Dutch N.V



Active in Germany
since 2004



Total Assets of ~
EUR 1.23 B



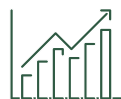
Multifamily portfolio
(82% of GAV; 9,307 units)



90 employees



Retail Parks portfolio
(1% of GAV; 16,228K sqm)



EPRA NTA:
EUR 714.3 M

EPRA NTA per share:
92.40 EUR/share



Residential Development
(17% of GAV; 1,886 units under planning)



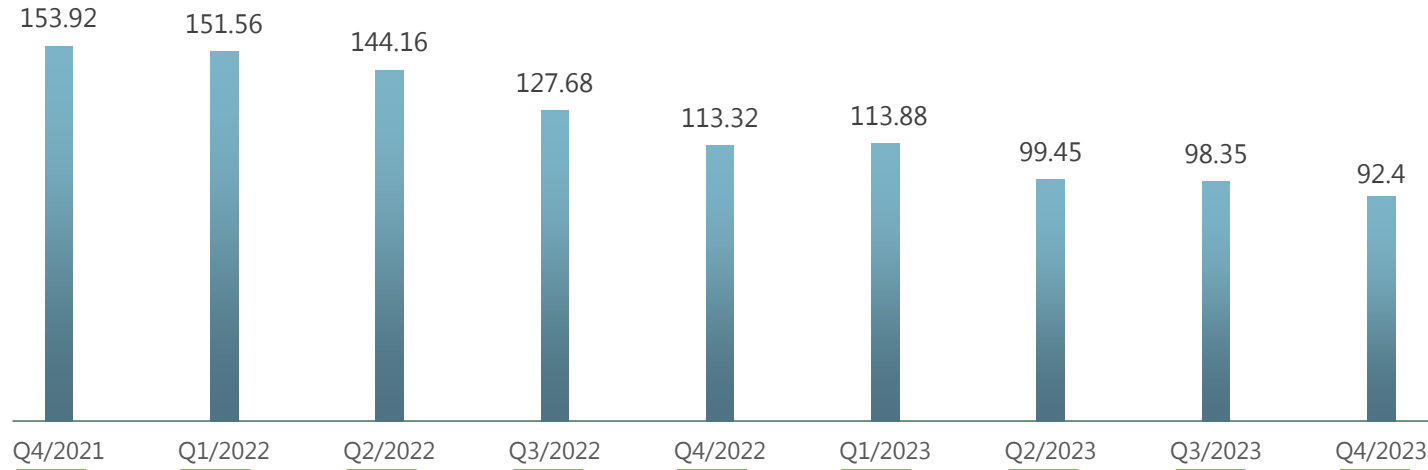
Cash balance
~ € 42.5 M



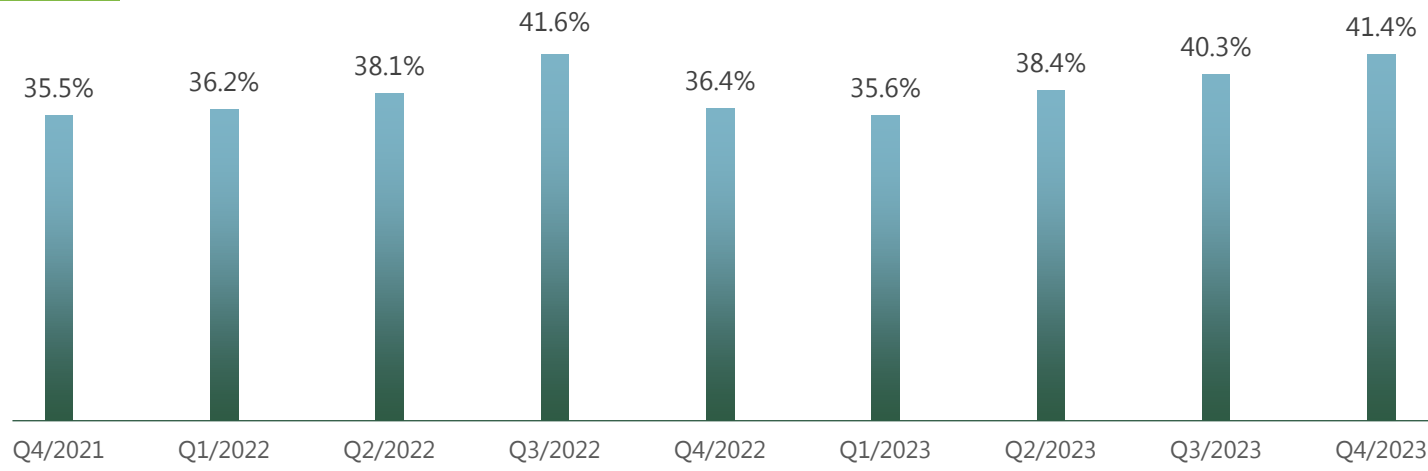
Capital Markets
Credit rating (by S&P Maalot) of the company: iilBBB-
Credit rating (by S&P Maalot) of the bonds: iilBBB+

LTV / EPRA NTA per share

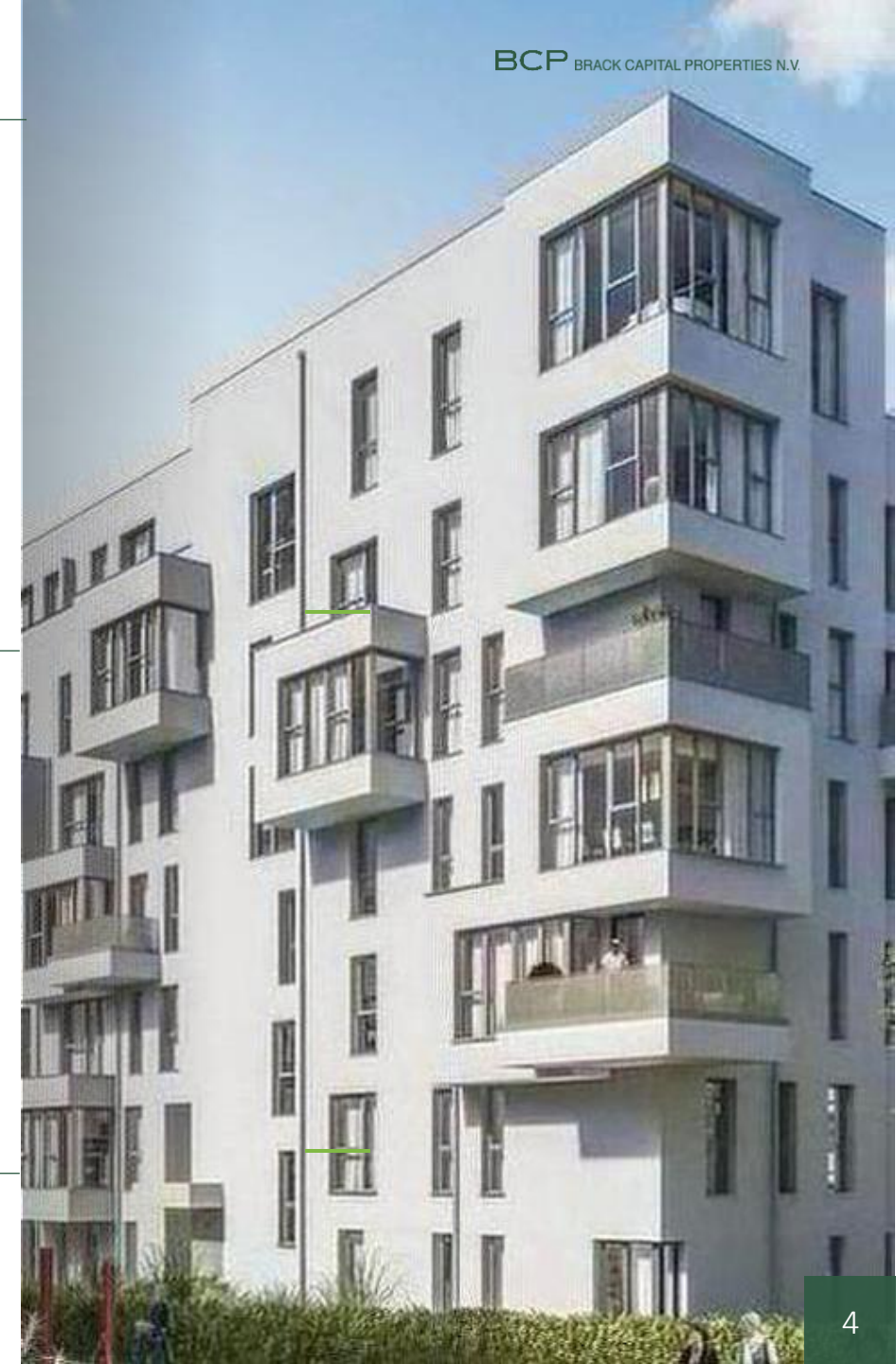
EPRA NTA per share (EUR)*



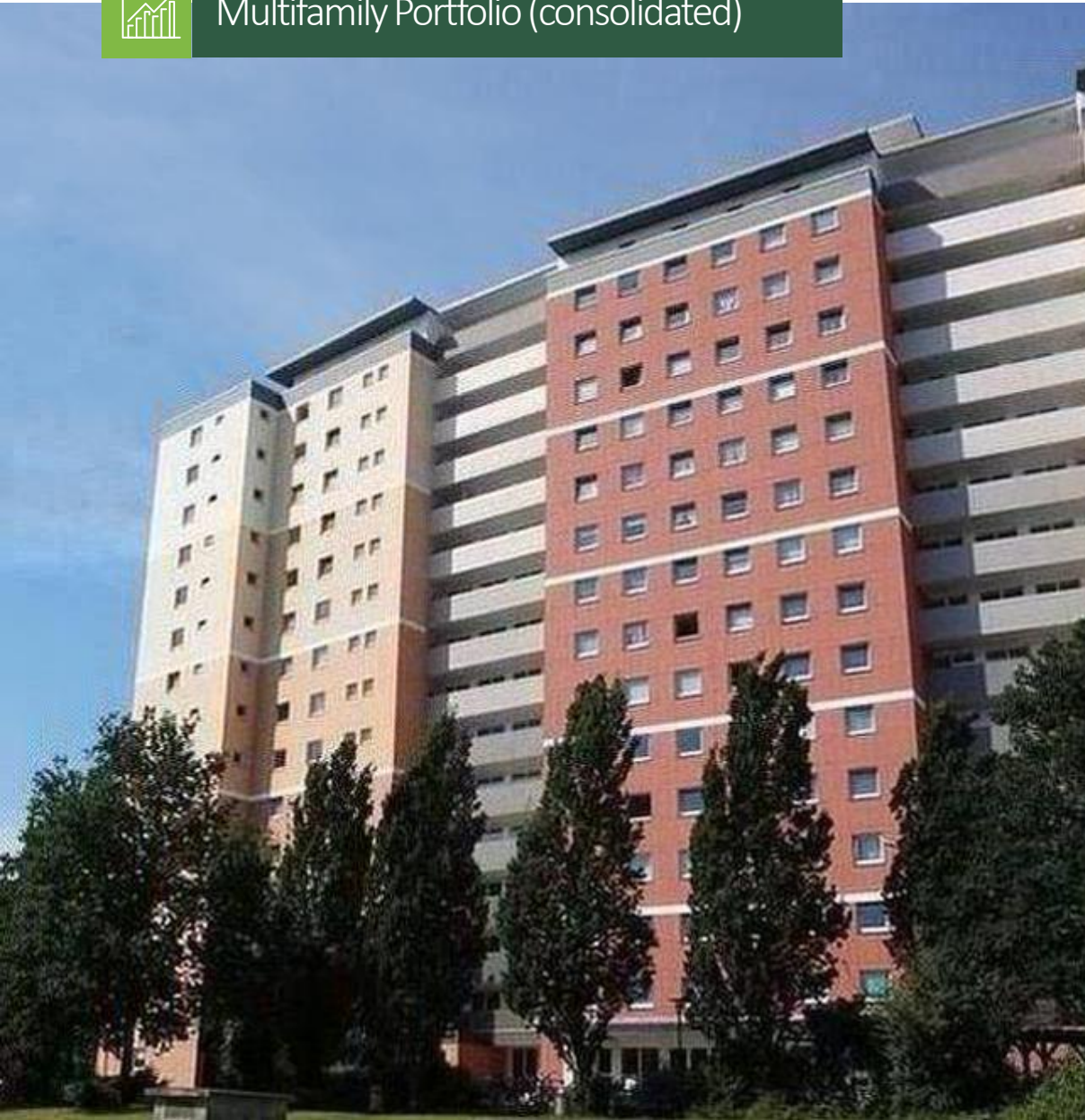
LTV (%)



* In accordance with the updated guidelines published by EPRA. For further details regarding the EPRA NTA Index, see section 10.2 of the Board of Directors Report.



Multifamily Portfolio (consolidated)



9,307
rental units

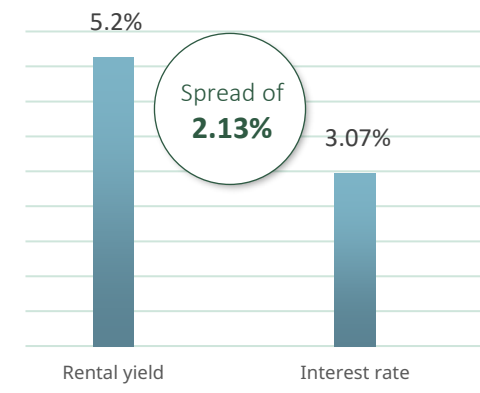


Located in
large & growing
cities

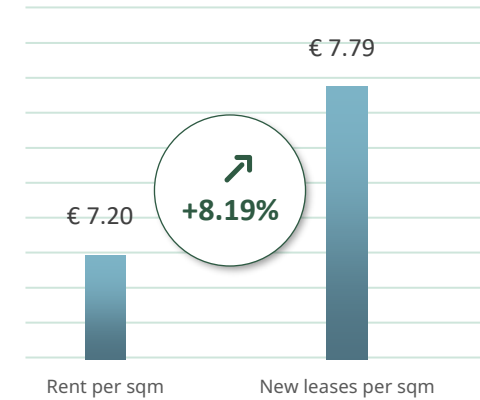


High CF
5.2%
rental yield

High Cash Flow



Significant Upside Potential





Sale Agreements

Sale of properties

Completion of the sale of a commercial property in the city of Ludwigsburg

On January 31, 2023, the Company completed the sale of another of its income-generating commercial properties in the city of Ludwigsburg, in consideration for approximately EUR 12.8 million.

Completion of the sale of residential properties in the city of Hamm

On December 15, 2023, the Company completed the sale of residential properties in the city of Hamm according to a property valuation of EUR 24.0 million. On that day, the Company received a payment from the purchaser totaling EUR 0.8 million. The sale was made through a “share transaction”, and the Company received the balance of the consideration for the transaction, totaling EUR 13.6 million, in January 2024. It should be noted that the Company recognized a profit of EUR 0.7 million in its financial statements following the completion of this transaction.*

Sale of additional properties from the income producing and residential development portfolio

The Company is examining selling additional properties both from its income generating and development portfolios if necessary to meet its liquidity needs.

For this purpose, the Company entered into agreements with various brokers to examine the sale of all assets in its 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 at the relevant time.

As of the publication date of the report, the Company is continuing to conduct negotiations to sell properties from its income-generating and development property portfolios.

*For more information, see the immediate reports published by the Company on December 17, 2023 and January 16, 2024 (Ref. No: 2023-01-113755 and 2024-01-005842, respectively).



Financing

Average interest rate on debt - 3.81%*

Average maturity – 4.40 years

Bank financing

On March 27, 2023, the Company completed the refinancing of a loan totaling EUR 34.5m. The maturity date was extended by 2 years – to March 2025. The loan bears annual interest of 5.51%.

On May 24, 2023, the Company completed the refinancing of a loan totaling ~ EUR 94m. The maturity date was extended by 3 years – to June 30, 2026. EUR 85m of the loan amount is subject to annual fixed interest of 4.70%, and the remaining approx. EUR 9m is subject to variable interest based on the 3 month EURIBOR rate plus 1.71%.

ADLER credit facility, ADLER'S commitment and amendment of the credit facility agreement

As of the date of the report and as of its publication date, the balance of the Company's debt to ADLER for ADLER's credit facility to the Company totals EUR 75 million (after the Company repaid EUR 75 million during the reported period as specified below). During the reported period, considering, among other things, the Company's cash needs, the Company requested for the controlling shareholder to extend the maturity date of the credit facility or part thereof.

In response to the Company's request, on August 28, 2023, the parties came to an agreement whereby the credit facility agreement would be amended with the following primary changes: The maturity date for EUR 75 million of the amount drawn by the Company (EUR 150 million) shall be extended until December 29, 2024; of the drawn amount, an amount totaling EUR 75 million was repaid on August 31, 2023; the interest rate for the remaining amount (EUR 75 million) was amended; and the unutilized credit facility totaling EUR 50 million was expired. The other terms and conditions of the credit facility remain unchanged. The amendment to the agreement replaced the one-sided comfort letter given by ADLER to the Company***.

Bonds (Series D)

Subsequent to the date of the report, on February 28, 2024, the Company completed an issuance of a new series of Bonds (Series D) in a total scope of approximately EUR 360 million subject to Shekel-denominated interest (linked to CPI) of 5.05%

Company's ratings

On September 12, 2023, S&P Maalot announced that the Company's ratings were being taken off a negative CreditWatch and the Company's rating of 'ilBBB-' was affirmed. This was primarily due to the Company succeeding to refinance a number of material bank loans as well as completing an exchange tender offer for the bonds.

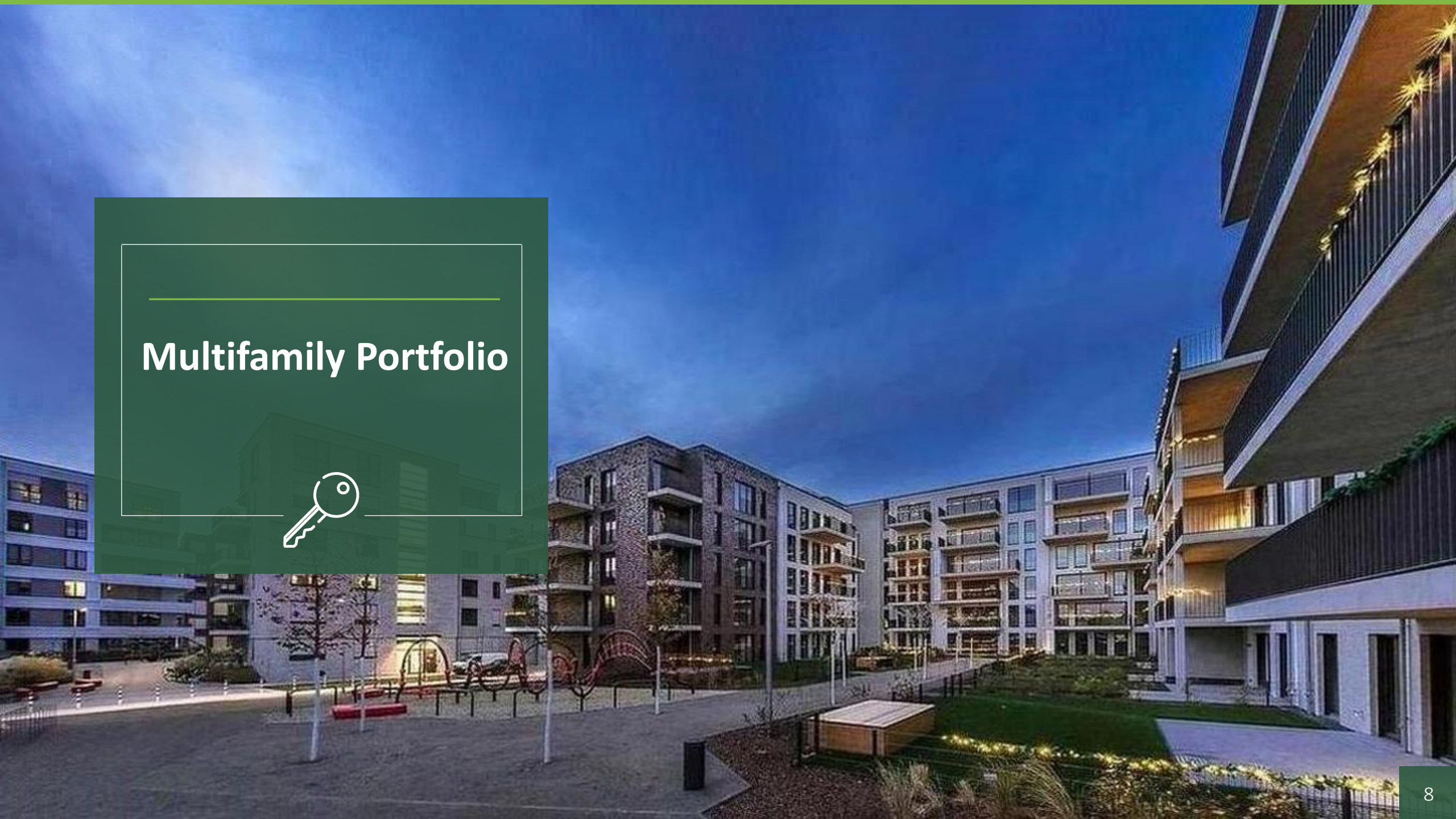
* Consists of bank loans, bonds, and a loan from the controlling shareholder. For further details, see slide 20

** The amendment to the agreement replaced a unilateral commitment given by ADLER to the Company in connection with the credit facility. For details regarding ADLER's unilateral 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).



Multifamily Portfolio



Key parameters (consolidated)

General data

Total lettable area	566,974 sqm
Occupancy	97.36%
Rental income p.a.	47.7m EUR
Average rent per sqm	7.20 EUR
ERV* per sqm in new- lettings	7.79 EUR

Current yield

Rental yield	5.2%
NOI yield	4.6%

Potential yield

ERV yield*	5.7%
Adjusted NOI yield**	5.0%

* 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 is based on the total number of 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

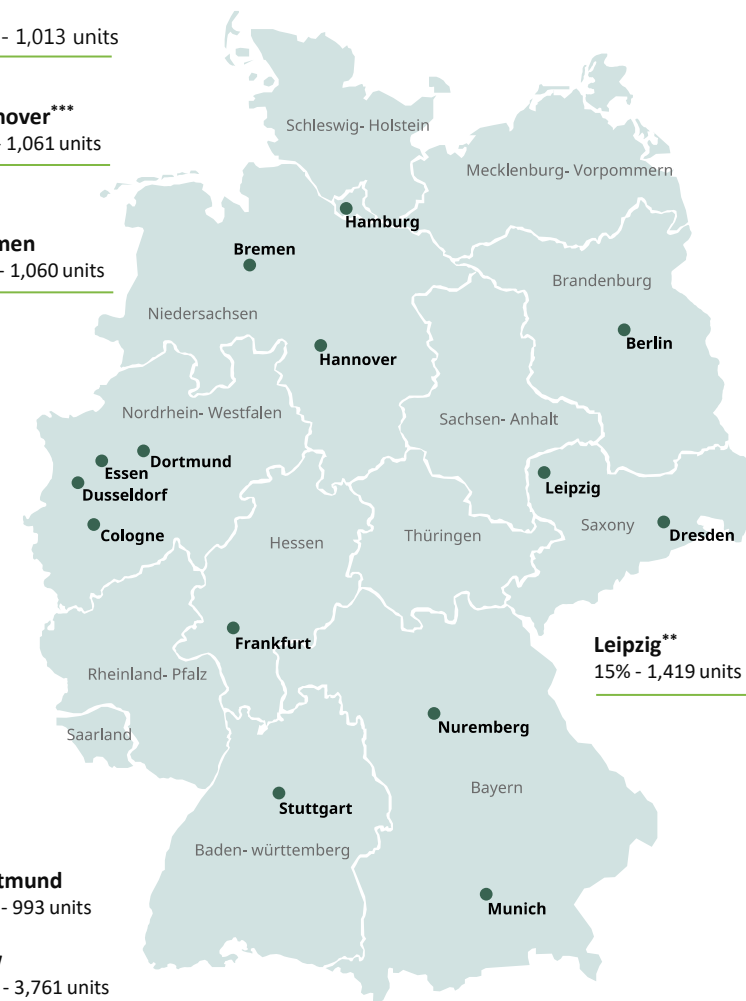
10% - 993 units

NRW

40% - 3,761 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

12.2023

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	572	847	1,061	1,060	1,013	993	3,761	9,307
Occupancy	92.30%	94.46%	99.09%	96.13%	99.16%	97.19%	97.99%	97.36%
Value per sqm	€ 1,374	€ 1,960	€ 2,114	€ 1,296	€ 1,780	€ 1,628	€ 1,493	€ 1,604
Rent per sqm	€ 6.47	€ 7.75	€ 8.74	€ 6.93	€ 7.87	€ 7.30	€ 6.72	€ 7.20
ERV per sqm in new-lettings	€ 7.15	€ 8.73	€ 8.85	€ 7.18	€ 9.28	€ 8.11	€ 6.82	€ 7.79
Upside in rent based on ERV*	10.51%	12.65%	1.34%	3.56%	17.80%	11.16%	1.57%	8.23%
Cap rate**	3.97%	3.57%	3.69%	4.38%	4.14%	3.74%	4.03%	3.99%
Discount rate**	4.94%	5.05%	5.14%	5.77%	5.86%	5.24%	5.49%	5.45%
Tenant turnover	11.92%	10.49%	11.51%	10.47%	10.20%	9.25%	9.82%	10.24%



Upside in rent based on ERV*

8.23%



Value per sqm
1,604 EUR

* Upside without occupancy changes, based on new-lettings

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

3,761
units

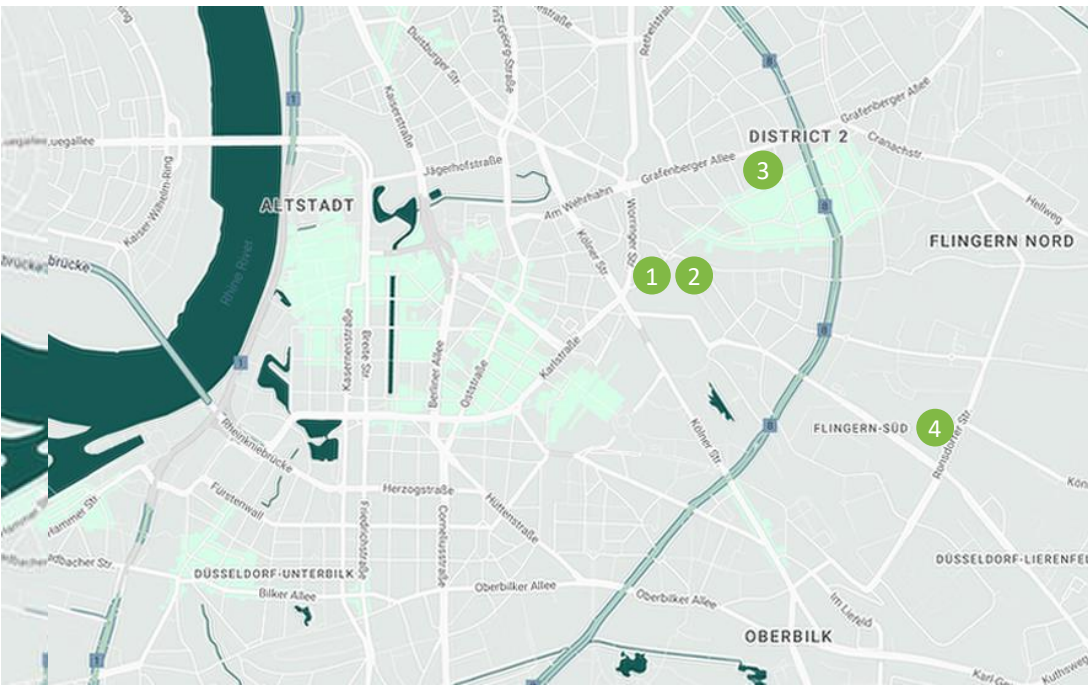


Residential Development



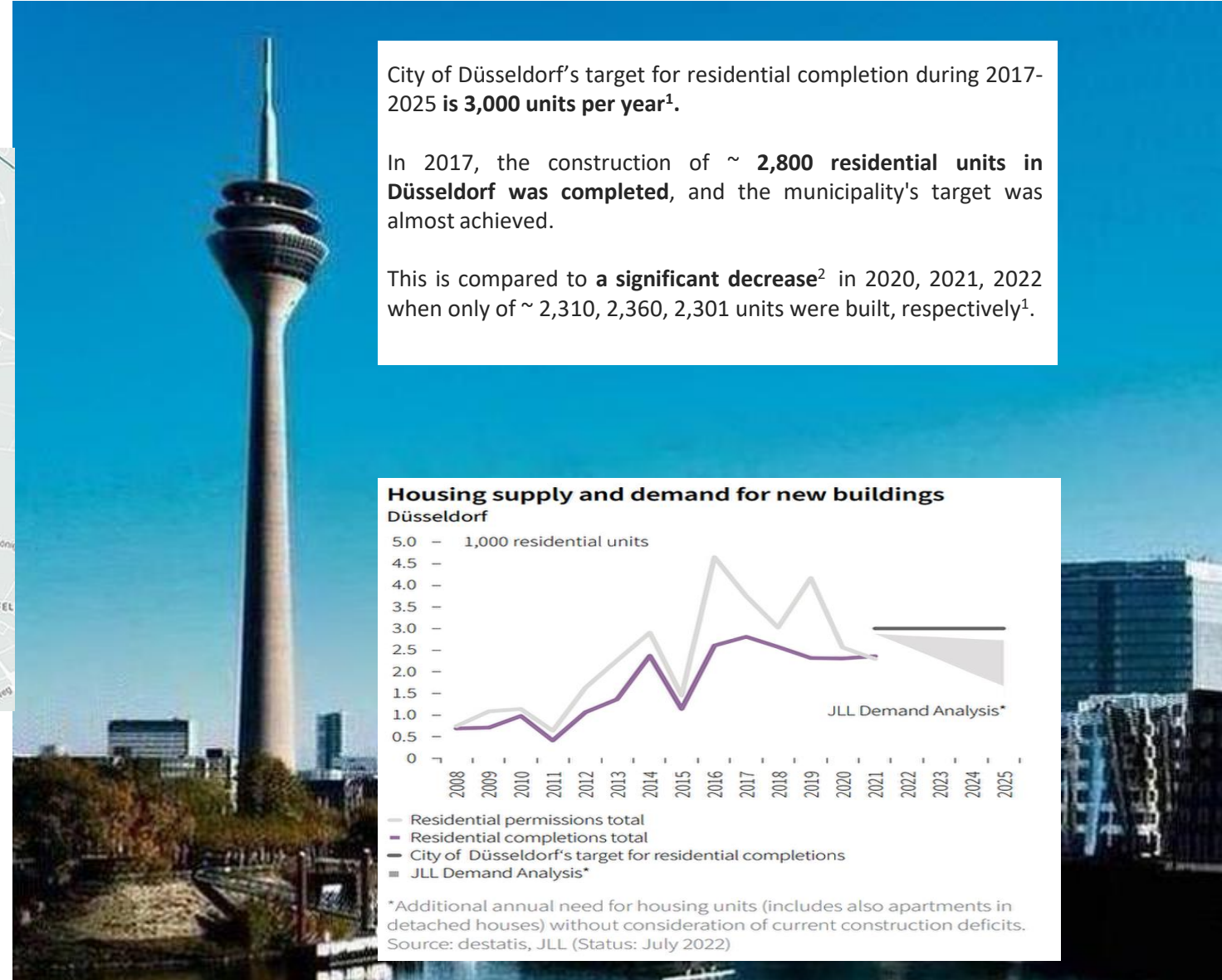
Residential Development in Düsseldorf

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

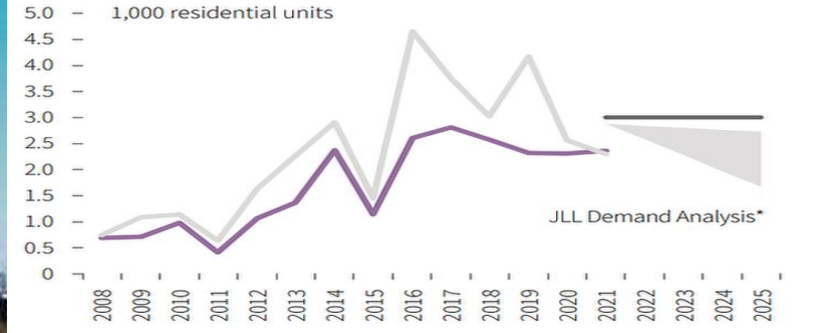


City of Düsseldorf's target for residential completion during 2017-2025 is **3,000 units per year**¹.

In 2017, the construction of ~ **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 ~ 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.

Aachen
Construction completed successfully



A residential rental project of **82 housing units** for controlled housing (subsidized housing and affordable housing).

Construction was completed in **March 2022**.

Grafenberg



Future luxury project entailing **~85 units** Adjacent to Grafenberg forest.

Gerresheim



Virgin land being rezoned for residential use.

~1,500 residential units in addition to retail areas and kindergartens. By the south, the land borders the upmarket "Grafenberg" neighborhood.

In the beginning of 2024, the Company was informed that Düsseldorf municipality has decided to continue advancing negotiations with the company in connection with the approval of Urban Development Contract and the building permit. For more details see the immediate report dated March 28, 2024 (reference number: 2024-01-028906).

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 - **~301 units** included under the Grafental Ost master city 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
(31.12.23)
€ 587.8 M

Market Cap
(31.12.23)
€ 467.9 M



Multifamily rentals

Portfolio book value ~ **€ 909.7 M**

	ERV	Current status
Rental income (MEUR)	€ 51.6*	€ 47.7
Rental yield	5.7%	5.2%

* Based on new lettings performed during Q4 2023 without assuming ERV growth.



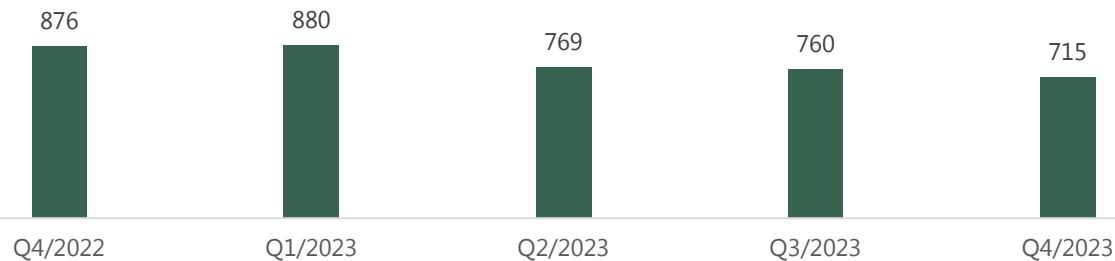
Appendixes



Balance Sheet Summary (MEUR) | as of 31.12.2023

Income producing properties	€ 929
Land Inventory for development	€ 156
Cash and liquid balances	€ 43
Total assets	€ 1,228
Total liabilities	€ 650
Equity attributable to company's shareholders	€ 562
Total Equity incl. non-controlling interests	€ 578
EPRA NTA	€ 715
EPRA NTA per share (EUR/share)	92

EPRA NTA



Financial Position

Financial Debt Structure – 31.12.2023

	Bank Loans	Bonds	Shareholder Loan	Total
Outstanding balance in MEUR	€ 350.21	€ 102.51	€ 75.00	€ 527.72
Average maturity	5.94 years	1.65 years	1.00 years	4.40 years
Average interest	3.07%	4.05%	6.91%	3.81 %

Rating and Leverage Ratios – 31.12.2023

Credit rating	S&P Maalot iilBBB-
Bonds rating	S&P Maalot iilBBB+
LTV	41.44%
Debt to Cap, net	45.60%
EBITDA to interest	2.91X

EPRA NTA (MEUR) – 31.12.2023

Equity attributable to company's shareholders	562.4
Adding deferred taxes (less minority interest)	74.5
Excluding the fair value of financial derivatives, net (less minority interest)	20.5
Inventory revaluation	-
Plus real estate transfer tax (RETT) and other purchase costs	56.9
EPRA NTA	714.3

Profit and Loss (MEUR)

	2022	2023
Rental Income*	€ 59,887	€ 49,776
Loss from impairment of inventories	€ (13,556)	€ (61,377)
NOI*	€ 49,792	€ 41,957
NOI yield	3.7%	4.6%
Adjusted NOI yield	4.2%	5.0%
EBITDA*	€ 37,997	€ 29,062
Real estate revaluation	€(158,872)	€ (111,687)
Cash Flow interest	€ 11,695	€ 9,986
FFO*	€ 25,439	€ 17,826
FFO per share	3.29	2.31
EBITDA to interest (excluding contribution from Grafental)	3.25x	2.91x

*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	€ 58.0m
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 financial statements (cumulative)	€ 11.5m	€ 9.9m	€ 9.2m

	31.12.2022	31.03.2023	30.06.2023	30.09.2023	31.12.2023
Bonds and Loans	691	675	672	541	527
Cash and cash equivalents	(212)	(212)	(213)	(61)	(63)
Financial debt, net	479	463	459	480	464
Investment Properties	960	960	854	956	959
Investment Properties held for sale	139	126	153	50	-
Inventories*	211	210	182	182	156
Investment in other real estate companies	5	5	5	5	5
Total real estate	1,315	1,301	1,194	1,193	1,120
LTV**	36.43%	35.57%	38.40%	40.25%	41.44%
LTV after sale***	29.23%	28.99%	29.71%	37.84%	41.44%

* The inventory calculation is according to its fair value.

** The increase in the LTV ratio is mainly due to negative revaluations of Investment Property and Inventory of the company during 2023.

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

An architectural rendering of modern apartment buildings at dusk. The scene features two main buildings: one with a reddish-brown brick facade and another with a light grey facade. Both buildings have large windows and balconies, some of which are illuminated from within. The sky is a soft, pale blue, suggesting twilight. In the foreground, there are silhouettes of people walking and bicycles, and a few cars parked on the street. A large green rectangular overlay is positioned on the left side of the image, containing the BCP logo and the text 'Thank You.'

BCP

BRACK CAPITAL PROPERTIES N.V.

Thank You.