

This announcement contains inside information within the meaning of the Market Abuse Regulation (EU) (No 596/2014).

10 January 2020

BCRE – Brack Capital Real Estate Investments N.V.

(“BCRE” or the “Company”)

Business update

As per the strategic plan announced on 6 February 2018, in which the Company expressed the intention to reduce exposure to stabilized properties and focus on the execution and optimization of its development portfolio, primarily in the US, we would like to inform you as follows:

On 11 October 2018, the Company completed the transaction for the sale of its holding in Hotel Indigo in the Lower East Side, New York, USA, followed on 28 February 2019 by the completion of the sale of its multifamily portfolio in Ohio, USA and the sale of its holding in the CitizenM hotel on Bowery street, New York, USA on the same date.

In Russia, in line with the strategic plan, BCRE Russia focuses on the continuing stabilization and gradual improvement in property metrics. The ability to achieve the set target, has been reinforced by the completion in March 2018, of the refinancing of the existing bank loan facilities of the 4 Russian assets.

Furthermore, in line with the plan for reducing costs, on 18 April 2019, the Company proceeded with the termination of the listing of the Company's shares on the Main Market of the London Stock Exchange and with the listing of the shares on the Emerging Companies Market of the Cyprus Stock Exchange.

In line with the strategic plan, the Company did not undertake any new investments in emerging and/or non-core markets. Combined with the completed sale transactions, this led to de-risking, deleveraging, improved balance sheet quality and reduced asset exposure.

In addition, the Company continued to be in the market for disposal of its remaining non-core assets and is continuing with the development and sales of its Manhattan development portfolio.

About BCRE

BCRE is an international real estate development and investment group, headquartered in the Netherlands. Through its subsidiary and associated undertakings, the Company is interested in, develops and operates an international portfolio of real estate assets in the markets it operates.

The Company has established local management team platforms with significant local market expertise. At present, the Company's main offices and teams are in New York, Moscow, Amsterdam and Limassol.