

2024

FINANCIAL STATEMENTS

ER CAPITAL NV



ER CAPITAL NV
THE REAL ESTATE COMPANY

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FINANCIAL STATEMENTS 2024



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THE REAL ESTATE COMPANY

CONSOLIDATED FINANCIAL STATEMENTS 2024

1 Consolidated balance sheet as at 31 December 2024 (before profit appropriation)

	Note	31 December 2024		31 December 2023	
		€	€	€	€
ASSETS					
Fixed assets					
Intangible fixed assets					
Cost related to the incorporation and issue of shares		94,461		109,048	
Concessions, permit and intellectual property rights		<u>400,000</u>		<u>400,000</u>	
			494,461		509,048
Tangible fixed assets					
Other fixed assets			106,052		106,789
Investment properties	1		58,510,000		37,047,500
Financial fixed assets	2		<u>1,359,295</u>		<u>997,166</u>
			60,469,809		38,660,503
Current assets					
Securities	3		2,661,882		0
Accounts receivable	4				
Trade debtors		198,305		79,646	
Accounts receivable from affiliated companies		69,458		65,649	
Participant and related parties		281,753		224,231	
Other accounts receivable		139,554		201,457	
Prepayments and accrued income		<u>260,604</u>		<u>65,129</u>	
			949,673		636,112
Cash at banks and in hand	5		<u>1,827,963</u>		<u>1,105,475</u>
			5,439,518		1,741,587
			<u>65,909,327</u>		<u>40,402,090</u>

	Note	31 December 2024		31 December 2023	
		€	€	€	€
LIABILITIES					
Equity	6		9,669,353		8,526,039
Provisions					
Deferred tax liabilities	7	3,985,003		3,110,381	
Other	8	2,636,480		2,089,920	
			6,621,483		5,200,301
Long-terms debts					
Bond loans	9	7,108,816		2,753,615	
Convertible loans		2,690,000		0	
Private Loans		2,250,000		0	
Subordinate loans	10	6,641,038		6,645,969	
Debts to lending institutions	11	26,355,546		2,622,109	
Financial lease obligations		74,699		73,076	
Debt to participating interest and companies	12	187,507		404,329	
Tax and social insurance	13	236,437		430,764	
Other debts	14	634,600		508,273	
			46,178,641		13,438,135
Current liabilities					
Debts to lending institutions		0		3,444,000	
Convertible loan		0		400,000	
Private loan		993,750		0	
Repayment obligation long-term debt	15	774,632		8,331,377	
Debts to suppliers and trade credits		242,802		112,492	
Taxes	16	174,458		247,114	
Other liabilities		4,689		1,867	
Accruals and deferred income	17	1,249,519		700,765	
			3,439,850		13,237,615
			65,909,327		40,402,090



2 Consolidated Profit and loss account for 2024

	Notes	2024		2023	
		€	€	€	€
Net turnover	18	3,164,133		2,187,233	
Cost of sales	20	-1,105,334		-704,802	
Changes in value of investment properties	19	1,561,175		136,000	
Gross margin			3,619,973		1,618,431
Other Income		48,383		0	
Costs					
Wages and salaries	21	-940,691		-533,512	
Social security charges		-83,734		-52,466	
Amortisation of intangible assets		-22,447		-21,746	
Depreciation of tangible fixed assets		-25,965		-9,984	
Other operating expenses	22	-1,676,525		-775,283	
			-2,749,361		-1,392,991
Operating result			918,995		225,440
Financial income and expenses	23		-2,198,998		-1,755,649
Result before tax			-1,280,003		-1,530,209
Taxes	24		-615,826		-160,435
Result after tax			-1,895,829		-1,690,644



3 Disclosure notes to the balance sheet and profit and loss account

3.1 General notes

3.1.1 Activities

The activities of ER Capital N.V. and its subsidiaries primarily consist of obtaining, developing, encumbering, managing, exploiting, encumbering, and in rare cases alienation of small-scale commercial real estate, exclusively located in the Netherlands, property, and assets in general.

3.1.2 Continuity

The financial result of ER Capital N.V. amounts to € 1.895.829 negative for the year 2024. The result before tax is EURO 1,280,003 negative. The company is financed with current liabilities/long-term debts, including current account funds provided by banks and third parties.

The result before tax is negative for 2023 and 2024. This is the result of company's willingness and strategy to prepare itself for a listing at the Euronext in June 2025. Consequence of this planned strategy resulted in the fact, that since 2023 the company heavily invested in knowledge, systems, and consultants to achieve this goal in 2025. These investments were directly expensed to the income statement in the years they occurred, being 2023 and 2024. More specific:

- One-offs with respect to the proposed listing in 2025
- Acquisition costs related to acquired real estate.
- Large investments through the income statement for upgrading the organisation, both in quality as in quantity.
- High interest rates on loans and termination fees now, which we are refinancing now.

Based on the strategy and scenarios outlined by the management of the company, the expectation is that by the end of 2026, result before tax will be positive.

Management of the company has made a 5 years business plan (2024-2028), clearly indicating the goals to be achieved with the current workforce, systems, and other capabilities, without large additional investments.

Goals included in the 5 years business plan are amongst others:

- Total investments in property amounting to EURO 150 Million.
- Generating a constant yearly rental income of EURO 13 Million.
- Generating income from CV's and Club deals annually around EURO 2.5 Million.
- All resulting in an ongoing profit of EURO 3 Million, being 18% of revenues.

The above mentioned 5 years business plan, has been further elaborated in cashflow scenarios. Scenarios based upon the best situation, middle situation, and worse situation for the coming 19 months.

Based upon a cash position as per beginning of May 2025, amounting to EURO 5.400.000, we can distinguish the following scenarios.

Business plan (Best)

The company can fulfil the business plan as prepared by management, which means new properties will be purchased, the first CV and Club deal will be launched in the coming 19 months and third parties will remain investing through shares, bonds and convertible loans, the cash position will further increase by the end of 2026.

Middle

The company is able to fulfil the business plan as prepared by management, however no income from CV's or Club deals will be generated the cash position will remain stable.

Worse

The company will not purchase any new properties, nor any activity in CV's or Club Deals and investments from third parties (bonds/convertibles) will dramatically decrease. Then the cash will decrease by the end of 2026 to approx. EURO 4 million.

In all the scenarios listed above, the company is fully committed to the obligations it has towards investors, banks, and other loans.

In the business plan that has been set up by the management of the company, further and clear actions have and will be taken on:

- Further refinancing at lower interest rates.
- Improving the current vacancy rates for some of the investment properties. Negotiations are already going on and promising.
- Improve and establish clear compliance rules.

Listing

The company started in 2023 with the preparation of a listing at the Euronext in Amsterdam. Agreements have been signed with TITAN NV (an empty company with no activities anymore, currently listed at the Euronext in Amsterdam) and most of its shareholders, that through a reversed listing, ER Capital NV, will have most of the shares of TITAN NV at the beginning of June 2025. All activities of ER Capital NV will be transferred to Titan NV through a so called "zuivere splitsing". As a result, TITAN NV will be renamed in ER Capital NV and the current shareholders of ER Capital NV will have shares that are listed at the stock exchange. This legal entity will disappear as a result of this transaction.

Management is confident, with having this public listing at the Amsterdam Stock exchange, the targets as listed in the 5 years business plan, can be achieved.

Based upon the above, the future listing, the 5 years business plan, the measures taken, the good relationships with banks and investors, ER Capital NV is confident that the cashflows as indicated in the scenarios are reasonable.

3.1.3 Registered office, legal form, and registration number at the chamber of commerce

ER Capital N.V is located in Rotterdam, Westplein 9a, and is registered at the Chamber of Commerce under number 29046021.

3.1.4 Group relationships

The consolidated financial statements include the financial data of ER Capital N.V. and its group companies on 31 December 2024 of the year. Group companies are legal entities and companies over which the company exercises control.

Group companies are fully consolidated as from the date on which control is obtained and until the date that control ceases. The items in the consolidated financial statements are determined in accordance with consistent accounting policies. Profits and losses resulting from intragroup transactions are eliminated in full.

The company profit and loss account has been prepared using the exemption pursuant to Section 402 Part 9 of Book 2 of the Dutch Civil Code. Consequently, these financial statements include a condensed company profit and loss account.

The consolidation included the financial information of ER Capital N.V. and the following group companies:

Name, statutory registered office	Share in issued capital %	Included in consolidation
ERC Vastgoed I B.V. Rotterdam	100.00	Yes
ERC Vastgoed II B.V. Rotterdam	100.00	Yes
ERC Vastgoed III B.V. Rotterdam	100.00	Yes
ERC Vastgoed IV B.V. Rotterdam	100.00	Yes
ERC Vastgoed V B.V. Rotterdam	100.00	Yes
ERC Vastgoed VI B.V. Rotterdam	100.00	Yes
ERC Vastgoed VII B.V. Rotterdam	100.00	Yes
ERC Vastgoed VIII B.V. Rotterdam	100.00	Yes
ERC Vastgoed IX B.V. Rotterdam	100.00	Yes
ERC Vastgoed X B.V. Rotterdam	100.00	Yes
ERC Vastgoed XI B.V. Rotterdam	100.00	Yes
ERC Vastgoed XII B.V. Rotterdam	100.00	Yes
ERC Vastgoed XIII B.V. Rotterdam	100.00	Yes
ERC Vastgoed XIV B.V. Rotterdam	100.00	Yes
ERC Vastgoed XV B.V. Rotterdam	100.00	Yes
ERC Investments B.V.	100.00	Yes

Rotterdam		
ER Services en Administraties B.V.	100.00	Yes
Rotterdam		
ERC Support B.V.	100.00	Yes
Rotterdam		
ER Capital Finance N.V.	100.00	Yes
Rotterdam		
ERC Capital Corporate Finance B.V.	100.00	Yes
Rotterdam		
ERC Capital Vastgoed Management Beheer B.V.	100.00	Yes
Rotterdam		

4 General principles

4.1 General

The consolidated financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code, and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet and profit and loss account, references are made to the Notes.

Income and expenses are allocated to the year to which they relate. Profits are only included to the extent that they have been realised on the balance sheet date. Obligations and potential losses that originated before the end of the reporting year are taken into account if they became known before the preparation of the financial statements.

4.2 Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year.



5 Accounting principles applied to the measurement of assets and liabilities

5.1 Intangible fixed assets

Intangible fixed assets are stated at historical cost less amortisation with the exemption of concessions and property rights that are valued externally at fair value. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset (or of the cash-generating unit to which the asset belongs) is higher than its recoverable amount.

Amortisation is charged as a fixed percentage of cost. The useful life and the amortisation method are reassessed at the end of each financial year.

5.2 Tangible fixed assets

Other tangible fixed assets are valued at historical cost or production cost including directly attributable costs, less straight-line depreciation based on the expected future life and impairments.

Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date an asset comes into use.

5.3 Investments in equity instruments

Listed securities are carried at current value (fair value). The fair value of listed securities is the same as the market price. Securities other than listed securities are valued at historical cost or lower fair value. In the latter situation, the fair value is estimated in accordance with generally accepted valuation models and techniques.

Fair value gains of securities measured at fair value are directly recognised in the profit and loss account. Fair value losses of securities measured at fair value are also directly recognised in the profit and loss account.

Transaction costs directly attributable to the acquisition of securities are directly recognised in the profit and loss account.

5.4 Deferred tax assets

Deferred tax assets are stated under the financial fixed assets if and to the extent it is probable that the tax claim can be realised in due course. These deferred tax assets are valued at nominal value and have a predominantly long-term character.

5.5 Impairment of non-current fixed assets

On each balance sheet date, the company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash-generating unit to which the asset belongs is determined.

An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use. An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

The realisable value is initially based on a binding sale agreement; if there is no such agreement, the realisable value is determined based on the active market, whereby usually the prevailing bid price is taken as market price. For the determination of the value in use, an estimate is made of the future net cash flows in the event of continued use of the asset / cash-generating unit; these cash flows are discounted. If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported. An impairment of goodwill is not reversed

5.6 Investment properties

The investment property in operation is externally valued. The external valuations are carried out by independent experts. Where the external valuation carried out by the independent expert did not align with the financial statement reporting period, management reassessed the fair value determined at the valuation date and corrected for any material fair value changes at the financial statement year end.

The fair value is the market value (purchasing costs payable by the purchaser), i.e. the estimated amount for which the property could be sold on the balance sheet date between well-informed and willing parties who are independent, where the parties are acting carefully and without duress.

The appraisers use the discounted cash flow (DCF) method and the capitalisation method for determining the fair value. In the event that both methods are applied, the respective outcomes are compared. The net value is calculated by deducting normal purchaser's costs for the property. The reported values are the rounded average from the two valuation methods.

Expenditure dating from after the purchase will be added to the carrying amount if it is plausible that it will give rise to future economic gains. All other expenditure, such as repair and maintenance, is chargeable to the result for the period in which those costs were incurred.

Profits or losses resulting from a change in the fair value of an investment property are recognised in the profit and loss account as 'unrealised changes in fair value of investment property' in the period in which they occur.

Profits or losses resulting from the disposal of investment property are determined as the difference between the net income from disposal and the most recently published book value of the investment property. The profits or losses are recognised in the period in which the disposal takes place and entered under 'realised results on disposal of investment property'.

In addition, a revaluation reserve is formed and charged against the equity account balance other reserves. The revaluation reserve is formed for the positive difference between the fair value and initial historical or production cost (excluding any depreciation or impairment costs) and after deduction of relevant (deferred) tax liabilities.

Investment properties are not depreciated.

5.7 Accounts receivable

Receivables are initially valued at the fair value of the consideration to be received, including transaction costs if material. Receivables are subsequently valued at the amortised cost price. Provisions for bad debts are deducted from the carrying amount of the receivable.

Provisions deemed necessary for possible bad debt losses are deducted. These provisions are determined by individual assessment of the receivables.

5.8 Cash at banks and in hand

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

5.9 Equity

If ER Capital N.V. purchases some of its own shares, the historical cost of the purchased shares is deducted from the "other reserves", or from any other reserves, provided that this is permitted under the articles of association, until these shares are cancelled or sold. If purchased shares are sold, any proceeds are added to the reserve from which the purchase of these shares was initially deducted

Costs directly related to the purchase, sale and/or issue of new shares are recognised directly in share capital, net of any relevant tax effects.

Movements in equity include movements resulting from the profit appropriation of the result as well as movements in respect of issues and dividends declared. After the profit distribution, the part of the result not eligible for dividend is added to the other reserves.

Increases in the value of assets and liabilities stated at current cost are included in the revaluation reserve. The revaluation reserve is formed per individual asset or liability and does not exceed the difference between the carrying amount based on historical cost and the carrying amount based on current cost. If an asset or liability is disposed of, any revaluation reserve in existence for that asset is released to the other reserves. In determining the revaluation reserve, an amount for deferred tax liabilities is deducted, calculated at the nominal tax rate.

5.10 Provisions

5.10.1 General

Provisions are recognised for legally enforceable or constructive obligations that exist at the balance sheet date, and for which it is probable that an outflow of resources will be required, and a reliable estimate can be made. If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

5.10.2 Deferred tax liabilities

The provision for deferred taxes arises from the temporary differences between the commercial and fiscal valuation and is calculated as the nominal value of the future tax liabilities based on the applicable tax rate, less any losses available for set-off. The nominal deferral is calculated on the basis of the legal rules of the country in which the property or company is located. Deferred tax balances are valued at nominal value.

5.10.3 Other provisions

The other provisions have been formed for actual liabilities existing at the balance sheet date, where it is probable that an outflow of resources is necessary and the size of which is at can be estimated reliably. The other provisions are valued at nominal value.

5.11 Long term debts

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the profit and loss account on the basis of the effective interest rate during the estimated term of the long-term debts.

5.12 Current liabilities

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

6 Principles for the determination of the result

6.1 General

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised

In the determination of the result the unrealised movements in value are also taken into account for the following items recognised at fair value:

- Investment properties.
- Securities.

6.2 Rental income

Rent revenues receivable under operating leases are recognised on a straight-line basis over the term of the lease, except for contingent rental income which is recognised when it arises.

Incentives for lessees to enter into lease agreements are spread evenly over the lease term, even if the payments are not made on such a basis. The lease term is non-cancellable period of the lease together with a further term for which the tenant has the option to continue the lease, where, at the inception of the lease, the directors are reasonably certain that the tenant will exercise that option.

Premiums received to terminate leases are recognised in the profit and loss account when they arise as other income.

6.3 Revaluation

Results arising from the revaluation of properties are recognised in the profit and loss account based on the difference between the fair value at the end of the current year compared with the fair value at the previous year.

6.4 Property expenses and operating expenses

Property expenses and operating expenses are accounted for in the period in which these were incurred.

6.5 Service charges

In case of service contracts with third parties, services charges are recovered from tenants. Service charges in respect of vacant property are expensed. These mainly relate to gas, water, electricity, cleaning, and security.

6.6 Employee benefits

6.6.1 Benefits to be paid periodically

The benefits payable to personnel are recorded in the profit and loss account on the basis of the employment conditions.

6.7 Amortisation of intangible fixed assets and depreciation of tangible fixed assets

Intangible fixed assets and tangible fixed assets are amortised and depreciated from the date of when they are available for use, based on the estimated economic life / expected future useful life of the asset. Land, property rights and investment properties are not depreciated.

6.8 Financial Income and expenses

6.8.1 Interest income and interest expenses

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which, they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

6.8.2 Dividends

Dividends to be received from participations and securities not carried at net asset value are recognised as soon as ER Capital N.V. has acquired the right to them.

6.9 Taxes

The corporate income taxes include both current and deferred taxes, taking into account tax facilities and non-deductible costs. No taxes are deducted from profits if and to the extent that it is possible to offset these profits against losses incurred in previous years.

Taxes are deducted from losses if it is possible to offset them against profits made in previous years and this results in a tax refund. Taxes are also deducted if it can be reasonably assumed that losses can be offset against future profits. The taxes are calculated on the results, taking into account tax facilities.

ER Capital N.V. and some of its group companies form part of a corporate income tax unity. ER Capital N.V. heads this corporate income tax unity. The companies within the tax unit are jointly and severally liable for the tax unity as a whole.

In respect of the tax matters within the tax unity, the parent company settles with the subsidiary as if it were independently liable for tax.

Subsidiaries are not granted (or denied) any benefits which they would not have (or would have) enjoyed as independent taxpayers. This means that the acute expense and any deferred tax positions (off settable loss) are recognised in the current account with the parent company.

Within the tax unity, deferred tax positions relating to temporary differences in the valuation of assets and liabilities for tax purposes are included in the deferred tax position of the particular entity itself and therefore, included in the consolidation.

6.10 Result from participations

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to ER Capital N.V.



7 Notes to the consolidated balance sheet as at December 31, 2024

7.1 Assets

7.1.1 Fixed assets

1) *Investment properties*

Investment property	2024
	€
<i>Fair value as of 1 January</i>	37,047,500
Investments	19,901,325
Changes in value	1,561,175
<i>Fair value as of 31 December</i>	<u>58,510,000</u>

The investment properties relate to commercial office real estate. The investment properties are valued at fair market value based on a valuation performed by an external independent valuers. Where the external valuation carried out by the independent expert did not align with the financial statement reporting period, management reassessed the fair value determined at the valuation date and corrected for any material fair value changes at the financial statement year end.

The valuation has been prepared in accordance with the International Valuation Standards (IVS) and the Dutch Register for Commercial Real Estate Valuers (NRVT) adopting two valuation methods, the Capitalisation Approach, and the Discounted Cash Flow Method.

The properties, are valued by the external independent valuers at EUR 58,510,000 (2023: EUR 37,047,500).

The average yields (being gross initial yield and discount rate) of the portfolio valuations ranges within the range of 4.4% - 13.2% (2023: 5.6% - 9.6%). The average estimated market rental values (ERV) per square meter per month of the portfolio valuations ranges within the range of EUR 85 - EUR 153 (2023: EUR 85 – 153).

The Property in Hoofddorp is valued as a redevelopment project as residential property taken into account the projected development costs, other related costs, projected revenues, finance component and project risks.

2) *Financial fixed assets*

	31 December 2024	31 December 2023
	€	€
Financial fixed assets		
Deferred tax assets related to the revaluation of investment properties	615,064	332,967
Deferred tax related to profit share provision	669,231	539,199
Loan Business Building B.V.	75,000	125,000
	<u>1,359,295</u>	<u>997,166</u>

The deferred tax assets related to the revaluation of investment properties all related to outside the fiscal unity of ER Capital N.V.

Concerning the loan Business Building B.V. 6% interest has been calculated. The maturity date of the loan is 31 December 2027.

7.1.2 Current assets

3) Securities

Securities

	31 December 2024	31 December 2023
Investment in PB Holding N.V.	2,175,000	0
Participation in ER Capital Multifeeder B.V.	62,000	0
Investment in Titan Holding N.V.	424,882	0
	<u>2,661,882</u>	<u>0</u>

4) Accounts receivable

	31 December 2024 €	31 December 2023 €
Trade debtors	<u>198,305</u>	<u>79,646</u>
Accounts receivable from affiliated companies		
Current account ExVbCo B.V.	<u>69,458</u>	<u>65,649</u>
Participant and related parties		
Current account S.J. Eelkman Rooda	65,963	64,040
Current account Overhill Holding B.V.	<u>215,789</u>	<u>160,191</u>
	<u>281,753</u>	<u>224,231</u>
Concerning this receivables 4% interest has been calculated, when the amounts transcend 17,500 EUR		
Other accounts receivable		
Current account Business Building B.V.	0	80,739
Current account Serjo Beleggingen B.V.	101,789	89,633
Current account BH Tupolevlaan Building B.V.	4,750	3,750
Current account BVC Holding B.V.	1,667	1,667
Current account ERC Partners B.V.	8,000	7,800
Prepaid amount	0	5,077
Turnover tax	0	-3,287
Rent deposits	<u>23,348</u>	<u>16,078</u>
	<u>139,554</u>	<u>201,457</u>

Prepayments and accrued income

Revenue to be invoice	132,976	0
Rent and service costs	4,987	16,744
Interest	0	1,443
Contributions and subscriptions	0	600
Credit voices to be received	0	54
Service charges to be received	43,048	43,633
Depot tankcard	450	450
Prepaid advice cost for listing	74,267	0
Prepaid operating costs	4,877	1,003
Other amounts receivable/prepayments	0	1,202
	<u>260,604</u>	<u>65,129</u>
	<u>949,673</u>	<u>636,112</u>

5) *Cash at banks and in hand*

At 31 December 2024 € 1,477,963 is free at disposal. € 350,000 is not free at disposal as it relates to cash reserves with regards to the HypoNOE loan.

7.2 Equity

6) *Group Equity*

The shareholders' equity is explained in the notes to the company-only balance sheet.

7.3 Liabilities

7.3.1 Provisions

7) *Deferred tax liabilities*

Deferred tax liabilities are recognised for the taxable temporary differences between the tax base and the accounting base of the appropriate balance sheet items. The current tax rate is 25.8% for 2024 and 2023.

The deferred tax liability relates to the following temporary differences:

	Book value	Fiscal value	Difference		Result provision
	€	€	€	%	€
Investment property	43,030,000	28,121,267	14,908,733	25,8	3,846,453
Fiscal provision on maintenance	0	-537,014	537,014	25,8	138,550
	<u>43,030,000</u>	<u>27,584,253</u>	<u>15,445,747</u>		<u>3,985,003</u>
	<u>2024</u>	<u>2023</u>			
	€	€			
Balance as of 1 January	3,110,381	2,903,470			
Addition	<u>874,622</u>	<u>206,911</u>			
Balance as of 31 December	<u>3,985,003</u>	<u>3,110,381</u>			

The deferred tax liability disclosed for the investment property relates to a total current value of the investment property of 58,510,000 (fiscal unity € 7,180,000). The total fiscal value of the investment property amounts to € 50,870,580 (fiscal unity € 1,478,672).

The deferred tax liability is valued at nominal value and has a predominantly long-term character.

8) *Other provisions*

The other provisions are accrued profits on shared interest with respect to the property development of Hoofddorp. Based on the estimated realisable value.

A provision has been created for doubtful debts of € 42,581 for the period ending 31 Dec 2024.

7.3.2 Long-term debts

Summary of long-term debts due in 1 year, 1 to 5 years and after 5 years:

Long term debt due within 1 year:	EUR 774,632
Long term debt due with 1 to 5 years:	EUR 28,424,235
Long term debt due after 5 years:	EUR 17,297,000

9) Bond loans

Bond loans and convertible loans	31/12/2024	31/12/2023
	€	€
Bond loans series 2007-2028/2031	1,495,000	1,495,000
Bond loans series A (convertible)	1,250,000	738,000
Bond loans series B (convertible)	1,250,000	0
Bond loans series C (convertible)	2,250,000	0
Bond loans series D (convertible)	250,000	0
Credited interest bonds	613,816	520,615
	7,108,816	2,753,615

The convertible loans on the balance sheet of 2,690,000 has the option to be converted to profit sharing cumulative shares. The conversion price is € 3,00 , this means that at conversion date each € 1,000 par value of the outstanding principal amount can be converted at the request of the lender into 333 1/3rd shares of each 0.05 par value that are fully entitled to dividends as of that time.

All cost incurred in obtaining the finance has been capitalised and is written off over a period of 5 years or the length of the finance contract. These costs are not presented separately but against the open standing amount of the loan, this is in line with reporting standards.

The Dutch five-year government interest rate is paid on the bond loans series 2007-2008 with a surcharge of 1% interest and is credited. The bond loan will be repaid in four instalments from 2028 to 2031.

An interest rate of 7.8% is paid on the bond loans series A. The bond loan will be repaid latest from 31 January 2029. An interest rate of 7.2% is paid on the bond loans Series B and repayment is latest from 30 April 2027. Bond loans serie C and D both have an interest rate of 7.4% and will also be repaid latest from 30 June 2028. The bond loans are all unsecured loans.

10) *Subordinated loans*

Subordinate loans	31/12/2024	31/12/2023
	€	€
Loan DH ¹	900,000	900,000
Loan J.G. Vastgoed B.V. ²	81,563	99,987
Mortgage loan I VV ³	1,550,000	1,550,000
Mortgage loan II GD ⁴	1,550,000	1,550,000
Mortgage loan RAS ⁵	2,159,475	2,145,982
Property right loan TK ⁶	400,000	400,000
	6,641,038	6,645,969

¹ The maturity date is 31 October 2028. ER Capital N.V. and Overhill B.V. guaranteed the new loan.

² Loan J.G. Vastgoed B.V. concerns a loan received in 2019. The interest on this loan is 4% per annum. This interest rate is increased annually by 1%. The loan runs until 1 October 2029. Early redemption is possible without penalty. Mr. S.J. Eelkman Rooda and Mr. M. Quist are jointly and severally liable for this debt.

³ Mortgage Loan I VV of € 1,550,000 was granted on October 6, 2021, to finance the registered property at the Diamantlaan 3 in Hoofddorp. A profit-sharing scheme applies to the loan. Redemption will take place in a period of 5 years ending 30 September 2026. The lenders have agreed to this loan on the expressed condition that, if the property is sold to a third party, both Diamantlaan 3 and Diamantlaan 1 in Hoofddorp will be jointly and simultaneously sold.

⁴ Mortgage loan II GD of € 1,550,000 was granted on October 6, 2021, to finance the registered property at the Diamantlaan 3 at Hoofddorp. A profit-sharing scheme applies to the loan. Redemption will take place in a period of 5 years ending 30 September 2026. The lenders have agreed to this loan on the expressed condition that, if the property is sold to a third party, both Diamantlaan 3 and Diamantlaan 1 in Hoofddorp will be jointly and simultaneously sold.

Collateral provided on both loans mentioned above is right of (first) mortgage on the registered property at a value of € 10 Mio.

⁵ Mortgage loan RAS of € 2,200,000 was granted on August 1, 2022, to finance the registered property at the Wekkerstraat 20 in Eindhoven. The maturity date is 27 December 2027. The interest rate is 7.98%, fixed and to be paid on a monthly base. Collateral is provided, right of mortgage on the plot with a "self storage building". Collateral is provided registration in the amount of € 2,2 Mio plus 40% for interest and costs at the value of € 3,5 Mio. Included in the amount above is capitalised finance costs of € 40.525,00. The financing costs are written of over a period of 5 years

⁶ Loan TK of € 400,000 was received on December 23, 2022, to finance a concession paid for the operating of a petrol station. The maturity date is 31 December 2027. The interest rate is 8.00%, to be paid in advance per calendar year on January of each year. Furthermore, variable interest rate is 50% of the (gross) profit in the debtor's capital before tax achieved in any year, whereby the actual costs are capped at the aforementioned interest rate (8%), increased by an amount of EUR 5K, to be indexed annually on the basis of the CPI. Collateral provided is a right of first lien on all existing and future rights and claims that the debtor now has on the operator of the petrol station and on all existing and future rental claims.

11) *Debts to lending institutions*

Debts to lending institutions	31/12/2024	31/12/2023
	€	€
Mortgage loan Mogelijk Zakelijke Hypotheken Fonds III ¹	1,370,907	1,361,543
Mortgage loan Mogelijk Zakelijke Hypotheken Fonds V ²	1,268,994	1,260,567
Mortgage Loan HypoNoe ³	17,712,415	0
Mortgage loan RNHB B.V. ERC Vastgoed IX ⁴	1,558,040	0
Mortgage loan RNHB B.V. ERC Vastgoed X ⁵	1,073,874	0
Mortgage loan RNHB B.V. ERC Vastgoed XIV ⁶	2,103,813	0
Loan Fiduciam ⁷	1,267,504	0
	26,355,546	2,622,110

¹ The mortgage loan of € 1,400,000 (Mogelijk Zakelijke Hypotheken Fonds III) is granted to finance the registered property located at the Aalborg 8 at Barendrecht. Redemptions will take place after five years on March 31, 2028. The interest rate is 6.75% fixed till the year 2028. An administration fee of € 437.50 is payable per month, i.e. 0.375% on an annual basis on the principal amount of the loan. Included in the amount above is activated finance costs of € 29.094,00. The financing costs are written of over a period of 5 years.

For the benefit of the lender, as collateral provided, are rights of mortgage and pledge:

- establishment of first mortgage on the Property
- pledge, first in priority, of current and future rental receivables and insurance tokens
- pledge, first in priority, of certain present and future movable property.
- The ultimate beneficial owner shall be personally liable for € 1.890.000

². The mortgage loan of € 1,300,000 (Mogelijk Zakelijke Hypotheken Fonds V) is granted to finance the registered property located on Industrierweg 35 in Den Helder. Redemptions are paid during a period of 5 years, on August 31, 2028. The interest rate is 6.95% fixed until 2028. An administration fee of € 541.67 is payable per month, i.e. 0.5% on an annual basis on the principal amount of the loan. Included in the amount above is capitalised finance costs of € 31.006,00. The financing costs are written off over a period of 5 years.

For the benefit of the lender, as collateral provided, are rights of mortgage and pledge:

- establishment of first mortgage on the Property
- pledge, first in priority, of current and future rental receivables and insurance tokens
- pledge, first in priority, of certain present and future movable property.
- The ultimate beneficial owner shall be personally liable for € 1.7550.000

³. On 28th of October 2024 the loan with HypoNoe regarding properties in Vastgoed II was successfully completed. The loan of € 18.6 Mio is granted until 30 March 2032 with an interest rate of 5%. The loan will be repaid semi-annually based on a progressive profile with a balloon payment at the end. The first repayment will take place on the 30th of June 2025. Included in the amount above is capitalised finance costs of € 561.836,00. The financing costs are written off over a period of 5 years.

The following has been provided as collateral against the loan:

- Cross default and cross collateral between the Vastgoed II assets
- Pledge of shares
- Subordination of existing and future shareholders loans
- ER Capital N.V. shall be a guarantor
- Arm's length asset management agreement
- Debt service reserve of in total EUR 500.000,00 must be accumulated
- The Ultimate beneficial owner (Overhill B.V) shall be personally liable for an amount of € 2,000,000 through a Suretyship Agreement according to Dutch Law.
- The first right of mortgage is provided on the properties listed below:
 - Purmerend, Stationsweg 11-16
 - Purmerend, Stationsweg 21-26
 - Heerhugowaard, J. Duikerweg 12
 - Bilthoven, Jan van Eijcklaan 6 en Rembrandtlaan 1
 - Venlo, Noorderpoort 11
 - Den Bosch, Rietveldenweg 72 – 86
 - Dordrecht, Amstelwijckweg 11
 - Dordrecht, Amstelwijckweg 15
 - Zoetermeer, Buitenom
 - Alblasserdam, Kelvinring 48

⁴Mortgage loan RNHB B.V of € 1.687 Mio was granted on 16 January 2024 to finance the registered property at Delft in ERC Vastgoed IX B.V.. The interest on this loan is 6.9% per annum and the loan runs until January 2029. Collateral is provided, right of mortgage on the property registration in the amount

of € 2,3 Mio plus 40% for interest and costs at the value of € 3,3 Mio. Included in the amount above is capitalised finance costs of € 13.699,00. The financing costs are written of over a period of 5 years.

⁵ Mortgage loan RNHB B.V of € 1.134 Mio was granted on 09 February 2024 to finance the registered property at Emmeloord in ERC Vastgoed X B.V.. The interest on this loan is 6.6% per annum and the loan runs until February 2027. Collateral is provided, right of mortgage on the property registration in the amount of € 1,5 Mio plus 40% for interest and costs at the value of € 2,2 Mio. Included in the amount above is capitalised finance costs of € 9.351,00. The financing costs are written of over a period of 5 years. The ultimate beneficial owner shall be personally liable.

⁶ Mortgage loan RNHB B.V. of € 2.13 Mio was granted on 24 July 2024 to finance the registered property at Oosterhout in ERC Vastgoed XIV B.V.. The interest on this loan is 6.9% per annum and the loan runs until July 2029. Collateral is provided, right of mortgage on the property registration in the amount of € 2,9 Mio plus 40% for interest and costs at the value of € 4,17 Mio. Included in the amount above is capitalised finance costs of € 19.531,00. The financing costs are written of over a period of 5 years. The ultimate beneficial owner shall be personally liable.

⁷ A loan was granted by Fiduciam for € 1.3 Mio regarding the property Diamantlaan 1 in Hoofddorp. The loan was granted on the 10th of January 2024 and runs until the January 2026, the interest is 10,8%. Collateral to the right of mortgage of the property was provided to an amount of € 2,4 Mio.. Included in the amount above is capitalised finance costs of € 28.546,00. The financing costs are written of over a period of 5 years. The ultimate beneficial owner shall be personally liable.

12) Debt to participating interest and companies

Concerning these payables 4% interest has been calculated, when the amounts transcend 17,500 EUR.

Debt to participating interest and companies	31/12/2024	31/12/2023
	€	€
Account ER Capital Multifeeder I B.V.	151,662	404,329
Account Business Building BV	35,845	0
	<u>187,507</u>	<u>404,329</u>

13) *Taxes*

Taxes	31/12/2024	31/12/2023
	€	€
Payroll Tax	52,843	28,274
Turnover Tax	142,232	372,572
Interest and fines tax authorities	26,159	29,918
Company tax	15,203	
	<u>236,437</u>	<u>430,764</u>

Concerning the turnover tax and pay-roll tax the Tax Authorities granted a special regime for repayment as result of the COVID regulations. Repayment will continue for 5 years, starting from 1 October 2022.

14) *Other debts*

Other debts concern the tenant's deposits from investment properties.

7.3.3 Current liabilities

15) Repayment obligation long-term debt

Repayment obligation long-term debt	31/12/2024	31/12/2023
	€	€
(Mortgage) loan RNHB B.V.	0	8,290,785
(Mortgage) loan RNHB - ERC Vastgoed IX	62,870	0
(Mortgage) loan RNHB - ERC Vastgoed X	13,800	0
(Mortgage) loan RNHB - ERC Vastgoed XIV	26,625	0
Mortgage Loan HypoNoe	325,750	0
Loan J.G. Vastgoed B.V.	21,750	23,263
Loan Caza Manestijn ⁸	300,000	0
Financial lease	23,837	17,329
	774,632	8,331,377

⁸Loan Caza Manestijn

A loan was granted by Caza Manestijn for € 300,000, with a monthly interest of 1% and will be repaid in April 2025.

Terms and conditions of the loans are mentioned in the notes referring to 9, 10 and 11.

16) *Taxes*

Taxes	31/12/2024	31/12/2023
	€	€
Turnover Tax (incl. Corona postponement)	64,863	158,088
Payroll Tax (incl. Corona postponement)	81,539	54,213
Dividend Tax	28,056	34,813
	<u>174,458</u>	<u>247,114</u>

Concerning the turnover tax and pay-roll tax the Tax Authorities granted a special regime for repayment as result of the COVID regulations. Repayment will continue for 5 years, starting from 1 October 2022.

17) *Accruals and deferred income*

Accruals and deferred income	31/12/2024	31/12/2023
	€	€
Holiday payment	27,085	14,076
Accrued vacation days	3,927	3,927
Audit fee	90,000	60,000
Rental income received in advance	432,118	333,689
Vehicle expenses	0	918
Net dividend	154,156	114,095
Amounts to be paid	236,197	68,501
ExVbCo B.V.	0	20
Service costs payable	13,458	9,503
Operating costs	782	63,005
Advanced payment on shares to be issues	0	12,000
Interest payables	291,796	21,031
	<u>1,249,519</u>	<u>700,765</u>

7.4 Assets and liabilities not recognised in balance sheet

7.4.1 Contingent liabilities

Fiscal Unity

The parent company is part of the fiscal unity ER Capital N.V., for corporate income tax and VAT purposes and for that reason is jointly and severally liable for the tax liabilities of the whole fiscal unity.

The fiscal unity for corporate income tax:

- ER Capital N.V.
- ERC Vastgoed I B.V.
- ERC Vastgoed II B.V. (only up until 15/09/2024)
- ERC Vastgoed V B.V.
- ERC Vastgoed IX B.V.
- ERC Support B.V.
- ER Capital Finance N.V.
- ER Capital Vastgoed Management & Beheer B.V.
- ER Capital Corporate Finance B.V.
- ER Services en Administraties B.V.

Excluded from the fiscal entity are:

- ERC Vastgoed II B.V. (only from 16/09/2024)
- ERC Vastgoed III B.V.
- ERC Vastgoed IV B.V.
- ERC Vastgoed VI B.V.
- ERC Vastgoed VII B.V.
- ERC Vastgoed VIII B.V.
- ERC Vastgoed X B.V.
- ERC Vastgoed XIV B.V.
- ERC Investments B.V.

The corporate income tax for the group companies is calculated as if they are independently taxable. A difference as a result of tax burden will be accounted for by the parent company.

The fiscal entity for VAT:

- ER Capital N.V.
- ERC Support B.V.
- ER Capital Vastgoed Management en Beheer B.V.
- ER Services en Administraties B.V.
- ER Capital Corporate Finance B.V.
- ER Capital Finance N.V.
- ERC Vastgoed I B.V.
- ERC Vastgoed II B.V.
- ERC Vastgoed III B.V.
- ERC Vastgoed VI B.V.
- ERC Vastgoed VII B.V.
- ERC Vastgoed XIV B.V.

Not part yet from the fiscal entity are:

- ERC Vastgoed VIII B.V.
- ERC Vastgoed IX B.V.
- ERC Vastgoed X B.V.

Excluded from the fiscal entity are:

- ERC Vastgoed IV B.V.
- ERC Vastgoed V B.V.

7.4.2 Non-recognised assets and liabilities and contingent assets and liabilities

Rental Commitments buildings

The company and its group companies have long term rental commitments, which relate to the rent of the office. The commitments for rent amounts to € 90,000 per year (5 years term) and service costs that amounts to € 25,400 per year.

Deferred tax assets

The group has carried forward tax losses available to use against future taxable profits from the financial years 2018 to 2024. The available tax losses carried forward for the ER Capital N.V. fiscal unity amounts to € 6,514,999 and for the entire consolidated group it amounts to € 7,618,053. No deferred tax assets have been recognised for these carried forward tax losses.

8 Notes to the consolidated Profit & Loss account for 2024

8.1 Revenue

18) *Net turnover*

The gross margin excluding change in value of investments is 51%.

The recovery of service charges cost was included on a net base for a gross amount of € 804k.

19) *Changes in value of investment properties and property rights.*

Changes in value of investment properties	31/12/2024	31/12/2023
Movement in investment properties	1,561,175	136,910
	1,561,175	136,910

20) *Changes in cost of sales.*

Cost of sales	31/12/2024	31/12/2023
	€	€
Property rental costs	-714,647	-440,045
Building insurance	-46,455	-40,291
Municipal taxes	-104,865	-68,392
Leasehold cost	-31,987	-31,605
Operating expenses	-207,379	-124,469
	-1,105,334	-704,802

21) *Wages*

During 2024, on average 8.0 employees were employed on a full-time basis (2023: 5.0).

Wages and salaries	31/12/2024	31/12/2023
	€	€
Wages	-653,344	-317,043
Other personnel cost	-287,347	-216,469
	<u>-940,691</u>	<u>-533,511</u>

22) *Other operating expenses*

Other operating expenses	31/12/2024	31/12/2023
	€	€
Vehicle costs	-64,920	-61,518
Rent	-84,211	-90,566
Marketing costs	-333,390	-295,694
Representation cost	-43,210	-29,751
Advice and accounting costs	-519,566	-209,438
Bad debts	-49,444	0
IT/Office costs	-129,953	-78,806
Other	52,170	-9,510
Provision third party profit share (Diamantlaan 3)	-504,000	0
	<u>-1,676,525</u>	<u>-775,283</u>

The recovery of service charges cost was included on a net base for a gross amount of € 780k.

23) *Financial income and expenses*

Financial income and expenses	31/12/2024	31/12/2023
	€	€
Interest income and similar income	36,944	18,330
Interest charge and similar expenses	-2,235,942	-1,773,979
	<u>-2,198,998</u>	<u>-1,755,649</u>

Interest income and similar income

	31/12/2024	31/12/2023
	€	€
Interest receivable Business Building B.V.	4,500	6,888
Interest Tax Authorities	0	0
Interest receivable ExVbCo B.V.	3,809	2,649
Interest receivable Overhill Holding B.V.	7,977	2,375
Interest receivable dhr. S.J. Eelkman Rooda	1,188	2,463
Interest receivable ER Capital Multifeeder I B.V.	0	2,119
Interest receivable Serjo Beleggingen B.V.	4,657	3,342
Interest receivable on deposit	12,762	0
Other interest receivable	252	0
	<u>35,144</u>	<u>19,836</u>
Recharged Interest on tenants	1,800	-1,506
	<u><u>36,944</u></u>	<u><u>18,330</u></u>

Interest charge and similar charges

	31/12/2024	31/12/2023
	€	€
Interest bond loans	-341,452	-70,416
Interest ER Capital Multifeeder I B.V.	-5,833	-18,324
Interest loan JG Vastgoed B.V.	-9,475	-10,775
Interest Overhill Holding B.V. convertible loan	-3,500	-4,000
Interest loan DH	-72,000	-90,000
Bankcharges	-3,482	-4,385
Interest mortgage loan RNHB B.V.	-680,258	-412,391
Interest financial lease	-7,226	-2,658
Interest subordinate loan AK	-57,000	-53,031
Interest mortgage loan STAK BC	-171,020	-96,899
Interest Rax Finance	-25,507	-376,024
Interest Private Loan RAS	-177,003	-175,560
Interest HYypoNOe Mortgage Bank	-230,846	0
Interest BOGAERS	-3,250	0
Interest mortgage loan (Mogelijk Zakelijke Hypotheken Fonds III)	0	-80,981
Interest Hypothecarie lening (Mogelijk Zakelijke Hypothekenfonds V)	0	-25,042
Interest Hypothecarie lening (Mogelijk Zakelijke Hypothekenfonds VI)	-207,742	0
Interest subordinate loan Casa	-9,000	-17,000
Administrative cost mortgage loan Mogelijk cs	-7,187	-6,957
Interest Tax Authorities	-20,538	360
Depreciation of financing costs	-156,872	-78,063
Redemption fee (penalties)/succes fee	-46,750	-251,833
	<u><u>-2,235,942</u></u>	<u><u>-1,773,979</u></u>

Mortgage loan Hypothekenfonds V and III was paid off in the 2024 financial year.

24) Taxes

Included in the taxes is a movement of the provision of the deferred tax liabilities concerning the revaluation of the investment properties and the profit share. The total amount concerns € 462,493 (fiscal unity € 226,990) of which € 874,622 relates to the deferred tax liability and € 282,097 relates to the deferred tax asset of investment property. € 130,032 relates to the deferred tax asset movement of the profit share provision. Also included are prior period taxes related to the corona postponement of €108,238.

9 Subsequent events

Then loan received from Merel Investments for the acquisition of shares in PB Holding has been paid back and the shares have also been sold.

In 2025 Serie D and Serie E bonds will be issued, to date € 1,250,000 funding has been raised under Serie D and € 20,000 has been raised under Serie E.

ER Capital N.V. has successfully acquired Van Boom & Slettenhaar in a share acquisition transaction. 100% of Shares B have been purchased resulting in a 49% of voting rights and 100% of profit resulting from future acquisitions.

Since 1 April 2025, the property located in Heerhugowaard has been sold, well above book value and is no longer part of the portfolio of ERC Vastgoed II.

ERC Investments B.V. (fully owned subsidiary of ER Capital N.V.) announced on 23 December 2024 its intention to acquire shares in Titan N.V. ERC Investments have already acquired a small percentage of the shares.



ER CAPITAL NV

THE REAL ESTATE COMPANY

COMPANY ONLY FINANCIAL STATEMENTS 2024



ER CAPITAL NV

THE REAL ESTATE COMPANY

10 Balance sheet as at 31 December 2024

(Before profit appropriation)

	Note	31 December 2024		31 December 2023	
		€	€	€	€
ASSETS					
Fixed assets					
Intangible fixed assets	25	94,462		109,048	
Financial fixed assets	26	<u>7,227,771</u>		<u>6,869,227</u>	
			7,322,233		6,978,275
Current assets					
Accounts receivable	27	16,346,663		7,851,563	
Cash at banks and in hand	28	<u>68,853</u>		<u>634,718</u>	0
			16,415,516		8,486,281
			<u>23,737,749</u>		<u>15,464,556</u>
	Note	31 December 2024		31 December 2023	
		€	€	€	€
LIABILITIES					
Equity					
	29		9,767,320		10,000,246
Long-terms debt					
Bond loans and convertible loans	30	11,898,816		2,753,615	
Taxes	31	<u>129,306</u>		<u>373,357</u>	
			12,028,122		3,126,972
Current liabilities					
Convertible loan		0		400,000	
Debts to group companies	32	1,641,588		1,479,047	
Debts to suppliers and trade credits		20,669	0	3,928	
Taxes	33	3,441		192,116	
Other liabilities and accruals	34	<u>276,608</u>		<u>262,247</u>	
			1,942,307		2,337,338
			<u>23,737,749</u>		<u>15,464,556</u>



11 Profit and loss account for 2024

	2024		2023	
	€	€	€	€
Cost of sales		-24,680		-113,068
Costs				
Management fee	0		-400,000	
Amortisation of intangible assets	-22,447		-21,746	
Other operating expenses	<u>-3,319,761</u>		<u>13,434</u>	
		<u>-3,342,208</u>		<u>-408,312</u>
Operating result		-3,366,888		-521,380
Financial income and expenses		<u>-93,389</u>		<u>102,452</u>
Result before participations in group company		-3,460,277		-418,928
Result participations		<u>296,544</u>		<u>-266,141</u>
Result after participations in group companies		-3,163,733		-685,069
Taxes		<u>108,238</u>		<u>0</u>
Result After taxes		<u><u>- 3,271,971</u></u>		<u><u>-685,069</u></u>



ER CAPITAL NV

THE REAL ESTATE COMPANY

12 General principles

12.1 General

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2, of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost. In the balance sheet and profit and loss account, references are made to the Notes

12.2 Registered office, legal form and registration number at the chamber of commerce

ER Capital N.V is located in Rotterdam, Westplein 9a, and is registered at the Chamber of Commerce under number 29046021.

12.3 Comparison with previous year

The valuation principles and method of determining the result are the same as those used in the previous year, with the exception of the changes in accounting policies as set out in the relevant notes.

12.4 Accounting principles applied to the measurement of assets and liabilities

For the accounting policies, please refer to the accounting policies of the consolidated financial statements, unless stated otherwise below.

12.5 Participating interests in group companies

Participating interests in group companies are valued using the net asset value method. Under this method, participating interests are carried at the company's share in their net asset value. The net asset value increases with its share in the results of the participating interest and its share in the changes recognized directly in the equity of the participating interest as from the acquisition date, determined in accordance with the accounting policies disclosed in these financial statements.

The net asset value decreases with the entity's share in the dividend distributions from the participating interest. The company's share in the results of the participating interest is recognized in the income statement. If and to the extent the distribution of profits is subject to restrictions, these are included in a legal reserve. The company's share in direct equity increases and decreases of participating interests is also included in the legal reserve, except for asset revaluations recognized in the revaluation reserves. If the value of the participating interest under the net asset value method has become nil, this method is no longer applied, with the participating interest being valued at nil as long as the net asset value remains negative.

In connection with this, any long-term interests that, in substance, form part of the investor's net investment in the participating interest are included. A provision is formed if and to the extent the

company is liable for all or part of the debts of the participating interest or if it has a constructive obligation to enable the participating interest to repay its debts. A subsequent obtained share of the profit of the participating interest is recognized only if and to the extent that the accumulated share of the previously unrecognized loss has been compensated.

12.6 Accounting principles for determining the result

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

12.7 Share in results of participating interests

The result is the amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the earnings achieved by the participation to the extent that this can be attributed to ER Capital N.V.

13 Notes to the balance sheet as at December 31,2024

13.1 Assets

13.1.1 Fixed assets

25) *Intangible fixed assets*

	<u>31 December 2024</u>	<u>31 December 2023</u>
	€	€
Costs related to the incorporation and issue of shares	94,461	109,048

Depreciation percentages

Incorporation and share issue expenses

20%

26) *Financial fixed assets*

	31 December 2024	31 December 2023
	€	€
Participations from group companies		
ERC Vastgoed I B.V. at Rotterdam (100%)	449,754	2,685,468
ERC Vastgoed II B.V. at Rotterdam (100%)	498,337	483,805
ERC Vastgoed III B.V. at Rotterdam (100%)	2,008,472	1
ERC Vastgoed IV B.V. at Rotterdam (100%)	778,974	638,869
ERC Vastgoed V B.V. at Rotterdam (100%)	12,514	1
ERC Vastgoed VI B.V. at Rotterdam (100%)	144,628	138,055
ERC Vastgoed VII B.V. at Rotterdam (100%)	1	1
ERC Vastgoed VIII B.V. at Rotterdam (100%)	1	1
ERC Vastgoed IX B.V. at Rotterdam (100%)	57,513	1
ERC Vastgoed X B.V. at Rotterdam (100%)	1	1
ERC Vastgoed XI B.V. at Rotterdam (100%)	68,948	0
ERC Vastgoed XII B.V. at Rotterdam (100%)	1	0
ERC Vastgoed XIII B.V. at Rotterdam (100%)	1	0
ERC Vastgoed XIV B.V. at Rotterdam (100%)	120,884	0
ERC Vastgoed XV B.V. at Rotterdam (100%)	1	0
ER Services en Administraties B.V. at Rotterdam (100%)	1	1
ERC Support B.V. at Rotterdam (100%)	1	1
ER Capital Corporate Finance B.V. at Rotterdam (100%)	1	1
ER Capital Finance N.V. at Rotterdam (100%)	1	294,399
ER Capital Vastgoed Management Beheer at Rotterdam (100%)	775,736	378,622
ER Capital Investments B.V. at Rotterdam (100%)	1	0
	<u>4,915,771</u>	<u>4,619,227</u>
Receivables from group companies		
ERC Vastgoed II B.V. at Rotterdam	<u>2,250,000</u>	<u>2,250,000</u>
Participations in interest companies		
ERC Multifeeder B.V.	<u>62,000</u>	<u>0</u>
Total	<u>7,227,771</u>	<u>6,869,227</u>
Movement financial fixed assets		
Opening balance per 1 January 2024		6,869,227
Negative equity subsidiary investments		0
Movement ERC Multifeeder B.V.		62,000
Profit subsidiary investments		296,544
Closing balance per 31 December 2024		<u>7,227,771</u>

13.1.2 Current assets

27) *Accounts Receivables*

Accounts receivable from group companies	31 December 2024	31 December 2023
	€	€
ERC Vastgoed I B.V.	45,255	75,998
ERC Vastgoed II B.V.	482,469	384,863
ERC Vastgoed IV B.V.	0	-550
ERC Vastgoed VB.V.	18,150	17,452
ERC Vastgoed VI B.V.	7,202	8,359
ER Services en Administraties B.V.	0	670
ER Capital Finance N.V.	15,488,189	7,364,771
ERC Vastgoed XI B.V.	331	0
ERC Vastgoed Management en Beheer B.V.	6,874	0
Intercompany VAT Account	62,634	0
	16,111,103	7,851,563

An amount of EUR 3,564,356 is provided for on accounts receivable with ER Capital Finance N.V. and charged to the operating income of the profit and loss.

Accounts receivables from interest	31 December 2024	31 December 2023
ER Multifeeder B.V.	235,560	0
Total	16,346,663	7,851,563

28) *Cash at banks and in hand*

At 31 December 2024 € 68,853 is free at disposal.

13.2 Equity

29) Equity

	Issued share capital	Share premium	Revaluation reserve	Legal and statutory reserves	Other reserves	Total
	€	€	€	€	€	€
As of 1 January 2024	311,859	14,208,893	2,954,955	109,048	-7,584,509	10,000,246
Issue of shares						0
- Issuance of new shares	54,469					54,469
- debt converted shares	20,000					20,000
Share premium contributions						0
- Issuance of new shares		3,213,627				3,213,627
- debt converted shares		380,000				380,000
Movement for revaluation for the year			1,080,401		-1,080,401	0
Results					-3,271,972	-3,271,972
Dividend					-629,050	-629,050
Mutation				0		0
Book value as of 31 December 2024	386,328	17,802,520	4,035,356	109,048	-12,565,932	9,767,320

In the general meeting of shareholder (9 September 2024) the shareholders ratified the management's decision to distribute an interim dividend charged to the general or share premium reserve on the (certificates of) profit-sharing cumulative preference shares 2023.

	31/12/2024	31/12/2023
	€	€
Issued share capital		
Subscribed and paid-up are:		
3,674,586 common shares A nominal value € 0.05 each	183,729	163,729
4,051,868 cumulative preference shares nominal value € 0.05 each	202,593	148,125
100 common shares M nominal value € 0.05 each	5	5
	<u>386,328</u>	<u>311,859</u>

Part of the 3,674,586 common shares, 400,000 shares were issued as part of a debt conversion scheme. The loan from Overhill B.V. outstanding balance € 400,000.00, was converted in 2024 at a value of € 1. of which € 0.05 is Share Capital and € 0.95 contributed to share premium.



ER CAPITAL NV

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	2024	2023
	€	€
Share premium		
Balance as of 1 January	14,208,893	9,213,581
Deposit paid		4,995,312
- new issued shares	3,213,627	
- debt conversion shares	380,000	
Balance as of 31 December	17,802,520	14,208,893
Revaluation reserve		
Balance as of 1 January	2,954,954	3,055,585
Allocation concerning revaluation investment property	1,080,401	-100,631
Balance as of 31 December	4,035,356	2,954,954
Legal reserve		
<i>Reserve for capitalised incorporation and share issue costs</i>		
Balance as of 1 January	109,048	89,710
Allocation		19,338
Balance as of 31 December	109,048	109,048
Other reserves		
Balance as of 1 January	-7,584,509	-6,541,614
Result for financial year	-3,271,972	-685,069
Allocation	-1,080,401	81,039
Dividends paid	-629,050	-438,865
Balance as of 31 December	-12,565,932	-7,584,509

13.2.1 *Differences in equity and profit or loss between the company and consolidated financial statements*

The difference between equity in the company balance sheet and shareholders' equity in the consolidated balance sheet is explained, among other things, by the fact that participating interests included in the consolidation have negative net asset values but are valued at € 1 in the company balance sheet.

No liability or other guarantee has been issued by ER Capital N.V. for these companies. The difference between company and consolidated shareholders' equity is EUR 97,967. The difference in result of EUR 1,3 Mio relates to a correction in relation to 2023 for which the accounts receivables in group companies was not provided for. This has been accounted for in 2024.

13.3 Liabilities

13.3.1 Long-term debts

30) *Bond loans and convertible loans*

Bond loans and convertible loans	31/12/2024	31/12/2023
	€	€
Bond loans series 2007-2028	1,495,000	1,495,000
Bond loans series A	1,250,000	738,000
Bond loans series B	1,250,000	0
Bond loans series C	2,250,000	0
Bond loans series D	250,000	0
Credited interest bonds	613,816	520,615
Convertible loans	2,690,000	0
Private loans	2,100,000	0
	11,898,816	2,753,615

The Dutch five-year government interest rate is paid on the bond loans series 2007-2008 with a surcharge of 1% interest and is credited. The bond loan will be repaid in four instalments from 2028 to 2031.

An interest rate of 7.8% is paid on the bond loans series A. The bond loan will be repaid latest from 31 January 2029. An interest rate of 7.2% is paid on the bond loans Series B and repayment is latest from 30 April 2027. Bond loans serie C and D both have an interest rate of 7.4% and will also be repaid latest from 30 June 2028. The bond loans are all unsecured loans.

The convertible loans on the balance sheet of 2,690,000 has the option to be converted to profit sharing cumulative shares. The conversion price is € 3,00, this means that at conversion date each € 1,000 par value of the outstanding principal amount can be converted at the request of the lender into 333 1/3rd shares of each 0.05 par value that are fully entitled to dividends as of that time.

31) Taxes

Taxes	31/12/2024	31/12/2023
	€	€
Turnover tax	116,969	373,357
Interest and fines tax authorities	12,337	0
	<u>129,306</u>	<u>373,357</u>

Concerning the turnover tax and pay-roll tax the Tax Authorities granted a special regime for repayment as result of the COVID regulations. Repayment will continue for 5 years, starting from 1 October 2022.

13.3.2 Current liabilities

32) Debts to group companies

Debt to group companies	31/12/2024	31/12/2023
	€	€
ERC Vastgoed III B.V.	61,336	35,110
ERC Vastgoed VII B.V.	10	10
ERC Vastgoed VIII B.V.	10	10
ERC Vastgoed IX B.V.	10	10
ERC Vastgoed X B.V.	10	10
ERC Vastgoed XI B.V.	0	0
ERC Vastgoed XII B.V.	10	0
ERC Vastgoed XIII B.V.	10	0
ERC Vastgoed XIV B.V.	10	0
ERC Vastgoed XV B.V.	10	0
ERC Support B.V.	1,469,763	1,440,194
ERC Services and Administraties B.V.	108,886	0
ER Capital Corporate Finance B.V.	1,523	1,523
ER Capital Vastgoed Management Beheer	0	2,180
	<u>1,641,588</u>	<u>1,479,047</u>

An interest rate of 2% is charged on the current account if the balance is higher than € 17,500.

33) *Taxes*

Taxes	31/12/2024	31/12/2023
	€	€
Turnover tax	-24,615	157,303
Dividend tax	28,056	34,813
	<u>3,441</u>	<u>192,116</u>

34) *Other liabilities and accruals*

Other liabilities	31/12/2024	31/12/2023
	€	€
Audit fee	50,000	60,000
Net dividend	154,156	114,095
Amounts to be paid	72,450	46,152
Other	3	30,000
Advanced payment on shares to be issued	0	12,000
	<u>276,608</u>	<u>262,247</u>

Signing of the financial statements

Rotterdam, 12 May 2025
ER Capital N.V.

Director
Sebo Jan Eelkman Rooda

14 Independent auditors report

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of ER Capital N.V.

A. Report on the audit of the financial statements 2024 included in the annual report

Our opinion

We have audited the financial statements 2024 of ER Capital N.V. with its statutory seat in Rotterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of ER Capital N.V. (the 'Company') as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the consolidated and company balance sheet as at 31 December 2024;
- the consolidated and company profit and loss account for 2024 ; and
- the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of planned listing of the Company

We draw attention to note 3.1.2 Continuity to the financial statements which describes the plans for a listing in June 2025. The legal Company will cease to exist when the listing will be performed as described in the note and current shareholders will receive shares of the listed entity. Our conclusion is not modified in respect of this matter.

B. Report on the Other Information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The director is responsible for the preparation of other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of the director for the financial statements

The director is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the director is responsible for such internal control as the director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the director should prepare the financial statements using the going concern basis of accounting, unless the director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 12 May 2025

Confinant Audit & Assurance B.V.

Signed on the original: drs. M.Heerschop RA

INDEPENDENT AUDITOR'S REPORT

To: The shareholders of ER Capital N.V.

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Our opinion

We have audited the financial statements 2024 of ER Capital N.V. with its statutory seat in Rotterdam.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of ER Capital N.V. (the 'Company') as at 31 December 2024 and of its result for 2024 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

- the consolidated and company balance sheet as at 31 December 2024;
- the consolidated and company profit and loss account for 2024 ; and
- the notes comprising of a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of planned listing of the Company

We draw attention to note 3.1.2 Continuity to the financial statements which describes the plans for a listing in June 2025. The legal Company will cease to exist when the listing will be performed as described in the note and current shareholders will receive shares of the listed entity. Our conclusion is not modified in respect of this matter.

B. Report on the Other Information included in the annual report

The annual report contains other information, in addition to the financial statements and our auditor's report thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains all the information regarding the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The director is responsible for the preparation of other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of the director for the financial statements

The director is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the director is responsible for such internal control as the director determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the director should prepare the financial statements using the going concern basis of accounting, unless the director either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The director should disclose events and circumstances that may cast significant doubt on the Company's ability to continue as a going concern in the financial statements.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director;
- concluding on the appropriateness of the director's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and

- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, 12 May 2025

Confinant Audit & Assurance B.V.

Signed on the original: drs. M.Heerschop RA



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