

URBANIC



NETHERLANDS III CV

SEMI-ANNUAL REPORT
[unaudited by external auditor]

2023

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1. Company details

The Fund

Urbanic Netherlands III C.V.
Amsteldijk 131-H
1078 RT Amsterdam
The Netherlands

Managing Partner

Urbanic Netherlands III B.V.
Amsteldijk 131-H
1078 RT Amsterdam
The Netherlands

Fund Manager

Urbanic B.V.
Amsteldijk 131-H
1078 RT Amsterdam
The Netherlands

Fund Custodian

Stichting Urbanic Netherlands III
Amsteldijk 131-H
1078 RT Amsterdam
The Netherlands

Fund Administrator

Voorn & Zijp Administratie en Fiscaaladvies B.V.
Noordeinde 128-F
1121 AL Landsmeer
The Netherlands

Depository

Vistra Depository Services B.V.
Herikerbergweg 82
1101 CM Amsterdam
The Netherlands

Property Manager

FLINQ Vastgoed B.V.
Amsteldijk 131-H
1078 RT Amsterdam
The Netherlands

Auditors

Vanhier Audit Services B.V.
Pieter Ghijsenlaan 24B
1506 PV Zaandam
The Netherlands

2. Semi-annual financial statements
3.1 Balance sheet on 30 June 2023 prior to result appropriation

Assets	Note	30-06-2023	31-12-2022	Equity and liabilities	Note	30-06-2023	31-12-2022
Fixed assets				Fund equity			
<i>Immaterial fixed assets</i>				3.4.3			
Set up costs	3.4.1	5,869	7,324	Capital called	3.4.4	9,900,000	9,900,000
				Legal reserve		5,869	7,324
				Distributions		-	-
				Total net profits	3.4.5	<u>177,043</u>	<u>-326,743</u>
<i>Material fixed assets</i>						9,728,826	9,580,581
Property investments	3.4.2	27,660,175	26,122,062				
				Provisions		15,968	9,823
				Long-term liabilities	3.4.6		
				Bank loans (fixed interest)		17,256,863	15,260,203
				Bank loans (variable interest)		-	-
Current assets							
Debtors		53,048	32,858	Short-term liabilities			
Receivables		38,476	20,192	Creditors		-116,744	388,969
				Bank loan repayments	3.4.6		
				- loans fixed interest rate		386,300	326,300
				- loans variable interest rate		-	-
				Accrued interest bank loans			
				- fixed interest		126,269	115,249
				- variable interest		-	-
				Bridge financing		-	700,000
				Deposits tenants		218,731	185,400
				Rental prepayments		46,265	59,116
				Other payables		-	65,396
Total assets		<u>27,895,966</u>	<u>26,691,037</u>	Total equity and liabilities		<u>27,895,966</u>	<u>26,691,037</u>

3.2 Profit and loss account

	2023 1 January – 30 June 2023	2022 1 January – 30 June 2022
Income		
Gross rental income	616,105	302,280
Other income	-	3,025
Total income	<u>616,105</u>	<u>305,305</u>
Expenses		
Interest and other finance expenses	-284,604	-205,905
Direct real estate costs	-70,303	-110,530
Fund expenses	-31,200	-26,341
Fund manager fee	-80,299	-80,274
Amortization set-up expenses	-1,454	-1,454
Total expenses	<u>-467,860</u>	<u>-424,504</u>
Result before tax	<u>148,245</u>	<u>-119,199</u>
Taxation	-	-
Net income	<u><u>148,245</u></u>	<u><u>-119,199</u></u>

3.3 Balance sheet disclosures

The semi-annual report has been drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code. The same principles for the valuation of assets and liabilities and determination of results are used as in the financial statements.

All financial information is presented in Euro's unless otherwise indicated.

3.4 Notes to the semi-annual financial statements (balance sheet)

3.4.1 Set-up expenses

The movements in the set-up costs during the reporting period can be specified as follows:

	2023		2022	
	€	€	€	€
Book value on 1 January	7,324		10,257	
Amortizations book year	<u>-1,454</u>		<u>-2,933</u>	
Book value 30 June / 31 December		<u>5,870</u>		<u>7,324</u>
Accumulated set up expenses	14,,690		14,690	
Accumulated amortizations	<u>-8,820</u>		<u>-7,366</u>	
Book value on 30 June / 31 December		<u>5,870</u>		<u>7,324</u>

3.4.2 Property investments

The movements in property investments during the reporting period can be specified as follows:

	2023		2023	
	€	€	€	€
Value on 1 January	26,122,062		19,940,656	
Investments	-		2,208,690	
Renovations & capitalized costs	1,492,084		3,432,720	
Asset Management Services fees	33,139		383,177	
Construction guidance fees (i)	12,890		156,819	
Disposals	<u>-</u>		<u>-</u>	
Value on 30 June / 31 December		<u>27,660,175</u>		<u>26,122,062</u>

(i) Construction Guidance Fees are fees charged under an outsourcing agreement with the real estate service provider.

The Fund Manager as Managing Partner of the Investment funds is of the opinion that the expected useful life of the property portfolio is infinite, no depreciations are taken into account until a change of viewpoint. Stichting Urbanic Netherlands III holds the legal title to the property investments economically owned by Urbanic Netherlands III C.V.

Urbanic Netherlands IV CV invests in 21 properties, consisting of 70 rentable units, which are rented to your professionals located in Rotterdam and commercial spaces (2 units).

The book value on 30 June 2023 concerns the acquisition value of the property and the capitalised construction costs up to 30 June 2023.

Nine properties are still being renovated before rental can be initiated.

3.4.3 Fund equity

The total Capital Commitment of the Limited Partners is € 9,900,000.

	Capital contributions €	Legal reserve €	Distributions €	Total net profits €	Total €
Balance on 1 January 2023	9,900,000	7,324	-	-326,743	9,580,581
Capital contributions	-	-	-	-	-
Distributions	-	-	-	-	-
Movement in the year	-	-1,455	-	1,455	-
Result for the period				148,245	148,245
Balance on 30 June 2023	<u>9,900,000</u>	<u>5,869</u>	=	<u>-177,043</u>	<u>9,728,826</u>

3.4.4 Participations in fund equity

	2023 1-1 / 30-6 €	2022 1-1 / 31-12 €
Participation capital	9,900,000	9,900,000
Capital as per 1 January	-	-
Capital calls	<u>9,900,000</u>	<u>9,900,000</u>
Participation capital	9,900,000	9,900,000
Capital commitment	9,900,000	9,900,000
Capital calls	9,900,000	9,900,000
Uncalled capital	<u>-</u>	<u>-</u>

3.4.5 Intrinsic value

Urbanic Netherlands IV C.V. is a so-called Dutch closed-end investment fund. Participations are non-tradable on the free market; a transfer is solely allowed with the approval of all other participants. In view of this the investment fund is transparent for Dutch corporate tax purposes.

The intrinsic value and net profit per participant are shown below.

	2023 30-6 €	2022 31-12 €
Intrinsic value 30 June/31 December	9,728,826	9,580,581
Participations fund	99	99
Nominal value participation	100,000	100,000
Intrinsic value per participation as per 30 June / 31 December	16,942	96,773
	1-1 / 30-6	1-1 / 31-12
	€	€
Commercial profit	<u>148,245</u>	<u>-119,199</u>
Commercial profit per participation	1,497	-1,204

3.4.6 Long term liabilities

The fund received mortgage loans from ING Real Estate, which have fixed interest rates. As per the reporting date the long-term liabilities can be specified as follows:

	2023	Long-term	Short-term
	Principal (€)		
Fixed interest rate	17,701,639	17,315,339	386,300
Commissions mortgage loans	-93,450	-98,450	-
Amortizations commissions	<u>39,974</u>	<u>39,974</u>	-
Total on 30 June	<u>17,643,163</u>	<u>17,256,863</u>	<u>386,300</u>

The movements in the long-term liabilities can be specified as follows:

	2023		2022	
	€	€	€	€
Value on 1 January	15,260,203		11,032,009	
Loans received	2,197,550		4,94,036	
Repayments made	-146,900		-286,100	
Loans short-term	-60,000		-	
Commissions mortgage loans	-5,000		-	
Amortizations commissions	<u>11,010</u>		<u>20,258</u>	
Value on 30 June / 31 December		<u>17,256,863</u>		<u>15,260,203</u>

Urbanic Netherlands III C.V. obtained loans from ING Bank N.V. The loans are secured by mortgage on its portfolio of properties and a lien on the rental income from the said properties. All loans mature on October 1, 2027 and carry a fixed interest rate varying from 2.83% to 5.83%.

The mortgage loan will become payable on demand when the underlying investment property has been sold.

Amsterdam, August 22, 2023

General Partner of Urbanic Netherlands III C.V.

Urbanic Netherlands III B.V.,
On its behalf Urbanic B.V.
On its behalf A.P. Bakker, Managing Director