

SUMMUS CAPITAL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 2ND QUARTER 2023

Tallinn, 16th of August 2023

BALANCE SHEET

- In the end of 2Q2023, Summus Capital OÜ balance sheet was 423.3m EUR (1Q2023 423.7m EUR).
- Cash balance was 11.2m EUR, representing an increase of 4.7% from 1Q2023 10.7m EUR.
- In June, Park Town West Hill loan agreement was refinanced and Nordika shopping centre loan agreement was amended. In the course of the transaction IRS (interest rate swap) agreement was terminated resulting in 1.7m EUR profit for Summus, and loan balance was decreased by the same amount. The financial asset from the IRS agreement that was booked at 2.1m EUR was written off from balance sheet, resulting in decrease in financial assets.
- In the end of 2nd quarter 2023, loans and borrowings from financial institutions were 220.1m EUR (1Q2023 223.8m EUR).
- Total liabilities decreased to 246.8m EUR (1Q2023 were 247.3m EUR).
- Total owner's equity increased to 176.5m EUR (1Q2023 176.4m EUR), out of which 167.1m EUR was attributable to Summus Capital equity holders.

INCOME STATEMENT

- In 2Q2023, sales revenue was 9.5m EUR (1Q2023 9.8m EUR). While quarterly rental income increased by 1%, the decrease in utility expenses forwarded to clients caused a 2.8% decrease in total sales revenue. The 1h2023 revenue increased by 6.3% and reached to 19.3m EUR (1h2022 18.2m EUR).
- In the course of refinancing Park Town West Hill bank loan, IRS agreement was terminated and Summus Capital realised a 1.7m EUR profit recorded under other financial income. In the course of amendment of Nordika bank loan, IRS agreement was terminated and Summus Capital realised a 1.7m EUR profit recorded under other financial income. The financial asset from this derivative, booked at 2.1m EUR, was written off from balance sheet and the write-off was recorded under financial expenses.
- Operating profit continued to be at 6.6m EUR level in 2Q2023, net profit decreased to 3.4m EUR (1q2023 4.0m EUR), mainly as a result of IRS termination, out of which 3.3m EUR was attributable to Summus Capital equity holders.

FINANCIAL COVENANTS

- 2Q2023 consolidated equity to total assets ratio stood at 40% (bond terms require at least 30%).
- At the end of 2Q2023, the consolidated DSCR on the trailing 12 month basis was 1.51x (bond terms require at least 1.2x).
- The financial covenants set forth in Bond Terms were met as of 2nd quarter 2023.

ACTIVITY REPORT

- Veerenni Tervisekeskus and Auriga shopping centre received sustainability certificates Leed Gold and BREEAM Good respectively. Thus, at the end of Q2, 77,5% of portfolio is certified and 8,9% is in certification process.
- During 1h2023 portfolio rentals were indexed by 4.75%. It is still possible to index ca 12% of the rental income.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

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(In Euros)	31.12.2022	31.03.2023	30.06.2023
ASSETS			
Current assets			
Cash and cash equivalents	16 407 648	10 735 679	11 245 446
Other financial assets	0	0	0
Receivables and prepayments	5 748 670	5 622 468	6 382 875
Inventories	3 337	3 337	3 337
Total current assets	22 159 655	16 361 484	17 631 658
Non-current assets			
Prepayments	63 360	63 360	63 360
Tangible assets	2 183 114	2 161 082	2 139 051
Intangible assets and goodwill		5 076	4 641
Financial assets from derivative instruments	6 980 358	6 980 358	4 845 543
Financial investments	0	0	125 000
Investment property	397 697 082	398 137 937	398 453 719
Total non-current assets	406 923 914	407 347 813	405 631 314
TOTAL ASSETS	429 083 570	423 709 297	423 262 972
LIABILITIES AND EQUITY			
Current liabilities			
Lease obligations	35 989	27 053	18 077
Payables to suppliers and other payables	5 282 405	4 895 196	4 806 963
Loans and borrowings	8 444 141	7 673 558	7 047 429
Tax payable	550 537	703 946	890 195
Liabilities from derivative instruments	76 835	76 836	76 836
Total current liabilities	14 389 907	13 376 589	12 839 499
Non-current liabilities			
Deferred income tax liabilities	9 699 343	9 700 441	9 700 441
Provisions	5 935 177	5 935 177	8 932 630
Lease obligations	2 216 966	2 216 966	2 216 966
Loans and borrowings	217 488 175	216 110 481	213 062 687
Total non-current liabilities	235 339 661	233 963 065	233 912 724
TOTAL LIABILITIES	249 729 568	247 339 654	246 752 223
Equity			
Issued capital	1 200 000	1 200 000	1 200 000
Voluntary reserve	78 913 462	78 913 462	78 913 462
Subordinated loan	23 998 259	17 250 253	17 246 431
Retained earnings (-loss)	66 335 644	70 008 012	69 779 407
Total equity by shareholders in parent company	170 447 365	167 371 728	167 139 300
Non- controlling interest	8 906 637	8 997 915	9 371 448
TOTAL OWNERS' EQUITY	179 354 002	176 369 643	176 510 749
TOTAL LIABILITIES AND OWNERS' EQUITY	429 083 570	423 709 297	423 262 972

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

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(In Euros)	31.12.2022	31.03.2023	30.06.2023	1HY 2023
Sales revenue	39 037 566	9 789 444	9 516 067	19 305 511
Other income	3 267 006	8 549	9 129	17 678
Raw materials and consumables used	-14 068 700	-2 843 037	-2 553 651	-5 396 688
Other operating expenses	-7 633 525	-327 291	-290 224	-617 515
Employee expenses	-143 637	-24 668	-27 184	-51 852
Depreciation and impairment loss (reversal)	-3 273 445	-22 177	-22 467	-44 644
Other expenses	-7 788 146	-14 931	-927	-15 857
Operating profit (-loss)	9 397 119	6 565 890	6 630 742	13 196 632
Profit (-loss) from subsidiaries	3 799 977	0	0	0
Interest income	0	7	1 682 007	1 682 014
Interest expenses	-7 881 488	-2 569 912	-4 885 389	-7 455 300
Other financial income and expenses	10 441 655	0	0	0
Profit (-loss) before tax	15 757 263	3 995 985	3 427 360	7 423 346
Income tax expenses	-1 255 339	0	0	0
Annual period profit (-loss)	14 501 924	3 995 985	3 427 360	7 423 346
Profit (loss) to shareholders in parent company	13 953 927	3 904 707	3 258 192	7 162 899
Profit (loss) to minority interest	547 998	91 278	169 168	260 446

CONSOLIDATED STATEMENT OF CASH FLOWS

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(In Euros)	2022	1Q 2023	2Q 2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Operating profit (loss)	9 397 119	6 565 890	6 630 742
Adjustments:			
Depreciation of non-current assets and decrease in value	3 263 367	16 956	22 466
Gain in fair value of investment property	5 362 763	-440 855	-315 782
Other adjustments	10 250 854	-348 532	79 777
Change in inventories	-424	0	0
Changes in receivables and prepayments related to operating activities	2 009 771	126 202	-760 407
Changes in payables and prepayments related to operating activities	3 606 752	2 319 401	8 058 161
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES	33 890 202	8 239 062	13 714 957
CASH FLOWS FROM INVESTING ACTIVITIES			
Paid at acquisition of investment properties	-1 001 762	0	-125 000
Received from the sale of investment properties	1 690 000	0	0
Net cash flow from the acquisition of subsidiaries and business activities	-15 656 985	0	0
Granted loans	-3 000 000	0	0
Repayments of loans granted	96 000	0	0
TOTAL CASH FLOWS FROM INVESTING ACTIVITIES	-17 872 747	0	-125 000
CASH FLOWS FROM FINANCING ACTIVITIES			
Loans received	68 223 344	0	0
Repayments of loans received	-68 669 492	-11 306 799	-10 218 386
Interest paid	-11 555 277	-2 595 296	-2 843 891
Dividends paid	-2 378 190	0	0
Capital lease repayments	-316 281	-8 936	-17 913
TOTAL CASH FLOWS FROM FINANCING ACTIVITIES	-14 695 896	-13 911 031	-13 080 190
TOTAL CASH FLOWS	1 321 559	-5 671 969	509 767
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	15 086 089	16 407 648	10 735 679
CASH AND CASH EQUIVALENTS AT END OF PERIOD	16 407 648	10 735 679	11 245 446

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

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Equity attributable to owners of the parent company

(In Euros)	Share capital	Voluntary reserve capital	Subordinated loan	Retained earnings (loss)	Total	Non-controlling interest	Total equity
Balance at 31.12.2021	1 200 000	78 913 462	27 594 495	57 051 685	164 759 642	8 358 639	173 118 281
Profit (loss) for the period				13 953 980	13 953 980	8 358 639	22 312 619
Other changes in equity				-20 638	-20 638	547 998	527 360
Dividends declared				-2 788 650	-2 788 650		-2 788 650
Subordination of loan obligations			2 165 734		2 165 734		2 165 734
Payment of subordinated loan obligations			-5 761 970		-5 761 970		-5 761 970
Interest calculated on subordinated loans				-1 860 734	-1 860 734		-1 860 734
Balance at 31.12.2022	1 200 000	78 913 462	23 998 259	66 335 644	170 447 365	8 906 637	179 354 001
Profit (loss) for the period				3 258 192	3 258 192		3 258 192
Other changes in equity				21 629	21 629	91 278	112 907
Subordination of loan obligations			393 313		393 313		393 313
Payment of subordinated loan obligations			-7 141 319		-7 141 319		-7 141 319
Interest calculated on subordinated loans				-343 968	-343 968		-343 968
Balance at 31.03.2023	1 200 000	78 913 462	17 250 253	69 271 497	166 635 213	8 997 915	175 633 128
Profit (loss) for the period				3 325 041	3 325 041		3 325 041
Other changes in equity				-2 516 921	-2 516 921	373 533	-2 143 388
Subordination of loan obligations			300 210		300 210		300 210
Payment of subordinated loan obligations			-304 032		-304 032		-304 032
Interest calculated on subordinated loans				-300 210	-300 210		-300 210
Balance at 31.03.2023	1 200 000	78 913 462	17 246 431	69 779 408	167 139 301	9 371 448	176 510 749

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