

SUMMUS CAPITAL

CONSOLIDATED STATEMENT OF FINANCIAL POSITION 4TH QUARTER 2021

FINANCIAL HIGHLIGHTS

BALANCE SHEET

- In 4q2021 Summus Capital balance sheet increased to 404m EUR (3q2021 378.3m EUR). Investment property increased by 36,3m EUR due to property revaluations in the amount of +14.0 m EUR, acquisition of Depo DIY's store in Imanta, Riga and investments into existing properties
- In the end of 4q2021 Summus Capital had a rather high cash balance (25.1m EUR as of 31.12.2021) due to preparation of forthcoming acquisitions, additionally cash equivalents included escrow deposit related to acquisition of Depo DIY's store in Riga in the amount of close to 10m EUR that were released to the Seller in January, 2022
- Financial investments have decreased due to netting transaction between co-owner of SIA Loft Office in the amount of 11.2 m EUR and prepayment for Depo DIY's store acquisition
- Payables and prepayments include amount payable for Depo DIY's acquisition, that was deposited on escrow account
- Other loan liabilities that include loans provided by minority owners have decreased due to netting transaction between co-owner of SIA Loft Office and subordination of certain loan liabilities
- Total equity increased to 170.1m EUR (+13% Q/Q), of which 162.3m EUR was attributable to Summus Capital equity holders. Within equity, retained earnings were adjusted with interests on subordinated loan and impact from Procedo Capital OÜ and Pharma Plaza OÜ merger goodwill recalculation. Subordinated loans have increased as certain minority owners' loans were moved to holding level and subordinated

INCOME STATEMENT

- In 4q2021 sales revenue decreased to 7.6m EUR (-11.9% Q/Q). Quarterly operating profit was 16.7m EUR (+160% Q/Q) and net profit increased to 16.5m EUR (+231% Q/Q), out of which 15.5m EUR was attributable to Summus Capital equity holders, minority interests were 1.0m EUR
- One of the main reasons behind sales revenue decrease were discounts provided to Riga Plaza shopping centre tenants
- Latvijas Investīciju un attīstības aģentūra paid out 0.9m EUR grant to Riga Plaza according COVID support scheme to Retail sector approved in 3q2021 and approved new grant in the amount of 0.7m EUR. This grant is recorded under Other income
- Besides the state grant mentioned above, Other income includes also property revaluations in the amount of +14.0m EUR and effect from recalculation of Procedo Capital OÜ and Pharma Plaza OÜ merger
- The main reasons behind Other operating expense growth were related to acquisition of Depo DIY's store, 'bank loan refinancing fee, and write off of close to 0.3m EUR of receivables
- The vacancy rate of the portfolio decreased to 3.2% mainly due to new rental agreements concluded in Riga Plaza (3q2021 portfolio vacancy was 3.5%)

FINANCIAL COVENANTS

- 4q2021 consolidated equity to total assets ratio stood at 40% (bond terms - at least 30%)
- 4q2021 consolidated DSCR was 1.26x (bond terms - at least 1.2x)
- The financial covenants set forth in Bond Terms were met as of 4th quarter 2021

ACTIVITY REPORT

- Summus Capital has now become the owner of DEPO DIY's store in Imanta, Riga (located at Kurzemes prospekts 3b, Riga). Property is built in 2021 with a total floor area of 19 000 m², and it has been built as sustainable property considering environmental impact
- From 31.12.2021 Summus Capital OÜ accounting is based on IFRS standards
- In January 2022, Summus Capital OÜ announced its plans for a new unsecured bond issue in the amount of up to 15 million euros in line with the company's Baltic real estate portfolio diversification and sustainability strategy. The private placement of the bonds is planned to take place in the first half of 2022
- Summus Capital OÜ portfolio investment NØRDIKA Shopping Valley is one of the first shopping centres in the Baltic States to receive the international BREEAM certificate according to the latest V6 BREEAM In Use version. This proves that the shopping valley meets high energy efficiency and environmental standards
- Summus Capital OÜ engaged a new investment management partner for its whole portfolio. The new partner of Summus Capital is Green Formula Capital OÜ, a manager with a strong focus on green real estate concept
- Summus Capital bonds were admitted to trading on the Nasdaq Baltic First North market by Nasdaq Riga as of October 19
- Estonian Tennis Association and Summus Capital signed an agreement according to which Summus Capital will support Estonian youth tennis in the coming years. The players supported by Summus Capital are Grete Gull and Georg Strasch.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In Euros)	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021
ASSETS					
Current assets					
Cash and cash equivalents 1	11 477 121	7 907 422	18 052 149	18 652 442	25 121 838
Receivables and prepayments 2	5 798 017	5 363 574	5 303 972	5 671 292	4 337 987
Accrued income 3	0	0	0	1 075 608	711 271
Inventories	2 844	3 043	2 863	3 201	2 913
Total current assets	17 277 982	13 274 039	23 358 984	25 402 543	30 174 009
Non-current assets					
Financial investments 4	14 093 395	14 250 778	13 519 223	13 519 223	440 957
Investment property 5	311 412 080	333 866 524	333 623 148	334 690 552	370 968 082
Property, plant and equipment	88 362	100 871	94 547	38 943	63 094
Intangible assets 6	2 360 925	5 375 792	4 717 256	4 668 886	2 407 414
Total non-current assets	327 954 762	353 593 965	351 954 174	352 917 604	373 879 546
Total assets	345 232 745	366 868 004	375 313 158	378 320 147	404 053 555
LIABILITIES AND EQUITY					
Liabilities					
Current liabilities					
Loan liabilities (banks)	8 855 586	6 300 479	5 011 994	4 523 051	3 438 228
Payables and prepayments 7	7 892 812	7 369 068	6 584 071	8 465 519	17 027 808
Total current liabilities	16 748 398	13 669 547	11 596 065	12 988 570	20 466 036
Non-current liabilities					
Loan liabilities (banks)	157 796 049	178 014 432	176 729 923	175 160 943	188 769 514
Unsecured Notes	0	0	10 000 000	10 000 000	10 000 000
Loan liabilities (other) 8	118 903 121	41 649 544	19 899 062	19 899 062	2 310 989
Provisions 9	9 483 039	9 645 421	9 754 902	9 736 373	12 389 119
Total non-current liabilities	286 182 209	229 309 396	216 383 887	214 796 379	213 469 622
Total liabilities	302 930 607	242 978 943	227 979 952	227 784 949	233 935 657
Equity					
Equity held by shareholders and partners in parent company					
Issued capital	67 500	1 200 000	1 200 000	1 200 000	1 200 000
Retained earnings (- loss)	13 072 997	36 913 971	36 820 847	38 185 328	39 063 166
Reserves	0	78 913 462	78 913 462	78 913 462	78 913 462
Subordinated loan 10	0	0	20 814 353	20 814 353	27 594 495
Period profit (- loss)	22 605 489	205 047	2 991 604	4 619 419	15 490 797
Total equity held by shareholders and partners in parent company	35 745 986	117 232 481	140 740 265	143 732 562	162 261 920
Minority interests	6 556 151	6 656 580	6 592 941	6 802 636	7 855 977
Total equity	42 302 138	123 889 061	147 333 206	150 535 198	170 117 897
Total liabilities and equity	345 232 745	366 868 004	375 313 158	378 320 147	404 053 555

1 Cash and cash equivalents include escrow deposit related to Depo DIY's store in Imanta, Riga purchase due to the seller in the amount of 10 mln eur

2 Receivables and prepayments include among others trade receivables, other receivables, tax prepayments, future expenses

3 Accrued income includes government grant in SIA Vikingi 2

4 Financial investments have decreased due to netting transaction between co-owner of SIA Loft Office in the amount of 11.175 mln eur and Depo DIY's store in Imanta, Riga prepayment

5 Investment property has increased due to property revaluations in the amount of +13.986 mln eur and Depo DIY's store in Imanta, Riga transaction

6 Intangible assets include goodwill and have decreased due to Procedo Capital OÜ goodwill recalculation

7 Payables and prepayments have increased due to escrow deposit related to Depo DIY's store in Imanta, Riga in the amount of 9.7 mln eur

8 Loan liabilities (other) include loans provided by minority owners and have decreased mostly due to netting transaction between co-owner of SIA Loft Office

9 Provisions include among others deferred tax

10 Subordinated loans have increased due to minority owners' loans being moved to holding level and subordinated

CONSOLIDATED INCOME STATEMENT

(In Euros)	FULL 2020	1Q 2021	2Q 2021	3Q 2021	4Q 2021	YTD 2021
Sales Revenue	17 784 106	6 303 438	6 991 422	8 610 094	7 584 110	29 485 763
Other income ¹¹	0	0	0	985 878	15 277 634	16 266 813
Raw materials and consumables used ¹²	-3 426 025	-1 791 383	-1 241 551	-2 050 450	-3 357 342	-8 440 727
Other operating expense ¹³	-2 581 788	-738 542	-918 062	-809 681	-2 050 499	-4 516 784
Employee expense	-263 840	-63 702	-68 126	-108 125	-8 651	-248 604
Depreciation and impairment loss (reversal)	-1 002 215	-185 513	-220 671	-217 654	-376 625	-1 000 462
Other expense ¹⁴	-5 100 525	-3 697	-387	-387	-385 264	-389 735
Operating profit (- loss)	5 409 713	3 520 600	4 542 626	6 409 675	16 683 362	31 156 264
Profit (- loss) from subsidiaries ¹⁵	26 393 456	0	0	0	757 222	757 222
Interest income	277 670	245 040	164 541	272 177	0	681 758
Interest expenses (banks)	-2 972 184	-1 155 964	-1 123 055	-1 121 555	-1 502 658	-4 903 233
Interest expenses (unsecured Notes)	0	0	0	-168 750	-169 672	-338 422
Interest expenses (other)	-6 378 777	-2 348 933	-346 799	-401 427	-41 144	-3 138 303
Other financial income and (- expense) ¹⁶	235 302	884	-63 257	-15	798 940	736 552
Profit (- loss) before tax	22 965 180	261 627	3 174 056	4 990 104	16 526 050	24 951 836
Income tax expense	-208 662	-50	0	-43	-8 575	-8 668
Annual period profit (- loss)	22 756 518	261 577	3 174 056	4 990 061	16 517 475	24 943 168
Profit (- loss) from shareholders and partners in parent company	22 605 489	205 047	2 991 604	4 619 419	15 490 797	23 306 866
Profit (- loss) from minority interests	-151 028	56 530	182 452	370 642	1 026 678	1 636 302

¹¹ Other income includes properties' revaluation increase, Procedo Capital OÜ goodwill recalculation and government grant in SIA Vikingi 2

¹² Raw materials and consumables used include among others purchased services for sale, utilities, property management, property maintenance

⁹ Other operating expense include among others phone, accounting services, auditing services, contract fee, management services, advertising cost, legal expenses, software costs, IT inventory and services, bank services, transaction costs. It has increased due to Depo DIY's store in Imanta, Riga transaction costs and it's residual building expense and bank loan refinancing fee

¹⁴ Other expense include property revaluation decrease and uncollectable debts

¹⁵ Profit (- loss) from subsidiaries has occurred due to Procedo Capital OÜ and Pharma Plaza OÜ merger goodwill recalculation

¹⁶ Other financial income and (- expense) includes SWAP interests revaluation

CONSOLIDATED CASH FLOW STATEMENT

CASH FLOWS FROM OPERATING ACTIVITIES	3Q2021	4Q2021
Operating profit (loss)	6 409 675	16 683 362
Adjustments:		
Depreciation and impairment loss (reversal)	217 654	376 625
Deferred income		-673 150
Total adjustments	217 654	-296 525
Changes in receivables and prepayments related to operating activities	-1 391 265	3 331 613
Changes in payables and prepayments related to operating activities	723 977	84 492
Total cash flows from operating activities	5 960 041	19 802 943
Cash flows from investing activities	3Q2021	4Q2021
Acquisition of subsidiary, net of cash acquired	0	-5 558 954
Purchase of property, plant and equipment	-60 345	0
Purchase of investment property	-1 156 882	0
Loans given	-52 000	-3 500 000
Total cash flows from investing activities	-1 269 226	-9 058 954
Cash flows from financing activities	3Q2021	4Q2021
Loans received	0	14 800 000
Repayments of loans received	-2 057 923	-17 138 575
Interest paid	-2 032 598	-1 936 018
Total cash flows from financing activities	-4 090 521	-4 274 592
Total cash flows	600 294	6 469 396
Cash and cash equivalents at beginning of period	18 052 149	18 652 442
Change in cash and cash equivalents	600 294	6 469 396
Cash and cash equivalents at end of period	18 652 442	25 121 838

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Equity held by shareholders and partners in parent company

	Share capital	Retained earnings (- loss)	NCI	Total Equity
Balance 31.12.2019	67 500	12 977 440	2 181 243	15 158 683
Annual period profit (loss)		22 605 489	4 374 908	26 980 397
Declared dividends		-50 000		-50 000
Other changes in equity		213 057		213 057
Balance 31.12.2020	67 500	35 745 986	6 556 151	42 302 137
Period profit (- loss)		7 816 069	609 624	8 425 693
Declared dividends		0		0
Contribution of share capital	1 132 500			1 132 500
Other changes in equity		99 038 007	-363 139	98 674 868
Balance 30.09.2021	1 200 000	143 732 562	6 802 636	150 535 198
Period profit (- loss)		15 490 796	1 026 678	16 517 475
Other changes in equity		3 038 561	26 663	3 065 224
Balance 31.12.2021	1 200 000	162 261 920	7 855 977	170 117 897